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Foreword

At present, as the climate and environmental issues are getting more and more acute, it has become the common goal and responsibility of global financial institutions to promote the financing for the development of green economy, so as to achieve the sustainable development of human beings and nature. In December 2015, the G20 Financial Stability Board established the Task Force on Climate-related Financial Disclosure (TCFD). In June 2017, it released a disclosure framework covering governance, strategy, risk management and indicators and goals, in a bid to help investors, lenders, insurers and other financial institutions assess climate-related risks and opportunities, and reveal the actual and potential financial impact of climate factors on financial institutions’ income, expenditure, assets and liabilities, capital, investment and financing.

In recent years, China constantly pushed forward the building of a green financial system through “top-down” promotion and “bottom-up” grassroots exploration. It has continuously made new breakthroughs in green financial reform and innovation, and further achieved social and environmental benefits from green finance. Following the joint issuance of the Guidelines on Building a Green Financial System, the seven ministries and commissions, including the National Development and Reform Commission (NDRC) and the People’s Bank of China (PBC), released the Green Industry Guidance Catalog (Version 2019) in 2019, clarifying the standards for defining green industries, and laying a solid foundation for financial institutions to practice green finance.

Since 2007, ICBC has insisted on integrating social responsibilities into its development strategy and business management activities, actively practiced green finance, and supported the green development of the real economy through green finance products and services such as green credit and green bond. It has deeply conducted forward-looking research on green financial products, actively participated in international exchanges and cooperation, and contributed its wisdom and strength. In 2017, ICBC became the first Chinese-funded financial institution to sign a statement supporting the TCFD framework proposal. Under the guidance of the Green Finance Committee of China Society for Finance and Banking, ICBC, as the lead institution in China, participated in the pilot project of Sino-UK financial institution environmental information disclosure in 2018. Based on the exploration and practice in the second year after launch of the pilot project, this report fully demonstrates ICBC’s efforts and achievements made in the building of green finance within 2019 from perspectives of governance, strategy, risk management, product and business innovation, green operations, forward-looking research, and international exchanges and cooperation, in light of the TCFD framework. It also provides practice samples for Chinese financial institutions to further carry out voluntary environmental information disclosure.

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01

Strategic Guidance
Green Governance

Strategic Goal

Developing into a world-leading green bank with good international reputation.

Business Philosophy

As the pioneer and leader in green finance, the Bank has always adhered to the business philosophy of promoting the development of the real economy with green finance.

In the reporting period, as the only Chinese bank among the sponsors of the Principles for Responsible Banking (PRB) project of the United Nations Environment Programme Financial Initiative (UNEP FI), ICBC signed the principles in the first batch. In October 2019, the Bank joined the Global Investors for Sustainable Development (GISD) Alliance of the United Nations and pledged to take six actions to promote investment and financing business for global sustainable development. Meanwhile, as one of the drafters and the first contracted bank, ICBC joined the Belt and Road Green Investment Principles (GIP), the first international principle of sustainable finance that China has participated in and sponsored.

The Bank is deeply aware of the far-reaching impact of climate, resources and environment on economic and social development. During the reporting period, ICBC actively practiced the vision of innovative, coordinated, green, and open development that is for everyone, and actively contributed to a model of modernization with humans developing in harmony with nature through its own financial practice.

The Bank earnestly fulfilled the PRB, the commitments made as a GISD Alliance member, and the GIP, continuously improved sustainable development strategies, effectively supported the sustainable development of the real economy, especially the green industry, and promoted global sustainable development.

The Bank actively implemented the country’s concept of green development and sustainable development strategy, deeply fulfilled the CPC Central Committee’s arrangements and requirements for pollution prevention and control, and comprehensively promoted green finance construction. It actively supported the development of green industries, strengthened the prevention and control of environmental risk, and continued to advance low-carbon operation. It has realized the simultaneous improvement of economic, social and ecological benefits, and built the image of a large responsible state-owned bank that guides the green financial development of domestic peers.
**Governance Structure**

In line with the best social responsibility and sustainable financial practices, the Bank continuously explores the sustainable development path for enterprises, and keeps improving the green financial management system that integrates strategic planning, division of responsibilities, system improvement, risk management, information disclosure, capacity building and international cooperation. While highlighting the coordinated leadership of green finance by the Board of Directors and the Senior Management, the Bank constantly strengthens the role of various departments and institutions in the development of green finance.

In 2019, new steps were taken in improving the corporate governance system. With corporate governance as an important cornerstone of business stability and sustainability, we continued to improve the governance structure whereby the Board of Directors makes strategic decisions, the Board of Supervisors supervises in accordance with the law and the Management is responsible for running business under the overall leadership of the Party Committee, and constantly optimized the operation mechanism featuring “scientific decision-making, effective supervision, and sound operation”.

In 2019, the Board of Directors of the Bank established the Corporate Social Responsibility and Consumer Protection Committee, clarifying that the main responsibilities of the committee include studying and reviewing the Bank’s green finance strategy and making recommendations to the Board of Directors. The Compensation Committee of the Board of Directors is responsible for assessing the implementation of green financial service capabilities.

The Senior Management is responsible for formulating the Bank’s green finance development strategy and long and medium-term goals. The Green Finance Committee (GFC) is an auxiliary decision-making body for the Management of the Head Office to implement coordinated leadership and promotion of green finance. It is responsible for coordinating and promoting the green finance construction of various business lines and institutions of the Group, supervising the implementation of green finance strategies and goals, and deliberating on or reviewing the Bank’s strategic plan for green finance development, important policies and systems on implementation of green finance strategies, and reports on the Bank’s progress in green finance. The Secretariat of the GFC is set up in the Credit and Investment Management Department of the Head Office.

Relevant business departments, under the leadership of the Credit and Investment Management Department of the Head Office, are responsible for green finance work within their respective terms of reference. The Green Bond Working Group is responsible for the Bank’s green bond issuance and other related work.
In 2019, the Bank actively implemented the concept of sustainable development, with green finance as the strategic orientation of green development. Following the “top-down” promotion path, the Bank constantly strengthened policy guidance, system standardization and establishment of guarantee mechanism, and formed an effective positive incentive mechanism to guide its green finance development.

ICBC actively advocated the green finance principles, continued to energetically optimize the basic institutional arrangements and processes for green finance, and actively explored more green finance policy tools. It kept improving the responsibility mechanism and incentive mechanism, effectively identified, prevented and defused risks, and made effective exploration to ensure there are rules to follow and promote the standardized and healthy development of green finance.

**Policy and System**

In 2019, the Bank actively implemented the concept of sustainable development, with green finance as the strategic orientation of green development. Following the “top-down” promotion path, the Bank constantly strengthened policy guidance, system standardization and establishment of guarantee mechanism, and formed an effective positive incentive mechanism to guide its green finance development.

- Revising and issuing the industry (green) credit policy on an annual basis according to the new changes in the statistical standards of relevant national departments
- According to the Green Industry Guidance Catalog (Version 2019) jointly issued by the State Development and Reform Commission and other departments, such green economic fields as transportation and clean energy were defined as the industries that investment and financing actively or moderately enter, and the Bank is encouraged to give priority to credit business in the field of green economy. The key indicators, such as corporate process and technology, environmental protection and energy consumption, are incorporated into the standards for industry and customer classification and project access, and differentiated credit policies are implemented to effectively guide the “green adjustment” to the Bank’s investment and financing structure, and effectively ensure the launch and implementation of green finance planning.

- Building green finance requirements into the Bank’s business assessment system
- Specially setting green credit evaluation indicators in the measures for assessing business performance and development of domestic branches, and pushing forward the implementation of green financial policies.

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**System Guarantee**

**Process Optimization**

- Policy and System / 11
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Building green finance requirements into the Bank’s procurement system

In the Administrative Measures for Centralized Procurement Suppliers (Trial), the “Social Responsibility” category is separately listed in the industry qualification list, including product environmental label certification, energy saving certification, social responsibility standard certification and pollution discharge permit. In the open recruitment of centralized procurement suppliers, the Head Office put forward the requirements for suppliers’ social responsibilities:

- Environmental protection list in the government procurement information: “please explain if the reported product has been included in the “environmental-friendly or energy-saving” list of government procurement.”
- Environmental protection list provided by the supplier, it is stated in the qualification requirements for “commodity information”: “please explain if the reported product has been included in the government procurement list of environmental-friendly or energy-saving products.”
- The suggestive requirements in the qualification materials put forward the content of “environmental management system certification, occupational health certification, product environmental label certification, energy saving certification, social responsibility standard certification, etc.”

Requirements for providing social responsibility self-assessment

The briefing materials required for application put forward the self-assessment requirements for “the company’s measures and effects in fulfilling social responsibilities for environmental protection, energy saving, occupational health and safety, etc.”

Providing expense incentives based on assessment results

The Bank implemented the mechanism for linking the marketing expenses allocation with performance assessment results of domestic branches, and specially set up the account of “marketing expense on green credit assessment incentives”. It provided marketing expense incentives based on the green credit assessment and scoring results of branches, so that branches with excellent assessment results can obtain more marketing expense resources and attain the policy objectives.

Risk Management and Process

The Bank strictly observes the bottom line of environmental and social risk compliance, resolutely implements the “one-vote veto system” for environmental protection, and incorporates environmental and social risks into the important evaluation content of customer and project risks as an important basis for credit decision-making. It continuously strengthens the management of investment and financing risks in environmentally sensitive areas, providing a strong guarantee for the development of green finance.

Revising due diligence management measures

The Bank issued the Administrative Measures for Due Diligence of Credit Business for General Corporate Customers (Version 2019) in 2019 and revised the Measures in 2020, requiring that corporate credit customer managers should regard environmental and social risks as an important part of due diligence, comprehensively evaluate the willingness, ability and historical records of customers in management of environmental and social risks.

Comprehensively implementing the one-vote system for green credit

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 and social risks. The one-vote system for green finance is implemented throughout the whole process. In 2019, the Bank issued the Highlights of Green Credit Review and the Administrative Measures for Due Diligence of Credit Business for General Corporate Customers to tighten requirements for key areas.

Continuously strengthening risk prevention and control in environmentally sensitive areas

In 2019, the Notice on Strengthening Investment and Financing Risk Management in Environmentally Sensitive Areas was issued, which puts forward targeted requirements on strengthening investment and financing risk prevention and control for the key issues, including ecological environmental protection in the Yangtze River Economic Belt, rectification of the chemical industry, overcapacity industries’ expansion of production capacity in violation of regulations, increasingly stringent approval of the right to use the sea areas for sea reclamation projects, pollution prevention and control of heavy metal industries, and management of pollution discharge permit.

Actively conducting green credit audits and strengthening compliance management

In accordance with the relevant requirements of the Green Credit Guidelines issued by the China Banking and Insurance Regulatory Commission (CBIRC), the Bank’s Internal Audit Bureau conducted special audits on green credit on an annual basis. In 2019, it conducted special audits on the green credit management of four tier-one branches in Liaoning, Shanxi, Anhui and Xinjiang by offline analysis and onsite audits. It selected 80 customers with green credits of RMB23.7 billion as audit samples, and carefully conducted audits on the green credit business management, policy implementation and major risks of relevant branches. The green credit audits achieved desired results, and played a positive role in further enhancing the Bank’s green credit compliance management.
The Bank has always adhered to the business philosophy of promoting the development of the real economy with green finance, focused on core business, innovated and developed green services and products, and gave full play to the guiding role of finance. In supporting the development of the real economy, the Bank stays true to the original aspiration and supports the green development and transformation of the real economy with new concepts, new finance and new services.

Green Credit

In 2019, the Bank insisted on prioritizing green credit in resource allocation, and organically integrated low carbon, green, and environmental protection into its credit policy and business philosophy, to achieve simultaneous improvements in economic, social and ecological benefits.

Green credit scale

In 2019, the Bank earnestly implemented the deployment and requirements of the CPC Central Committee and the State Council on pollution prevention and control, and continued to increase green credit. The scale of green credit has increased year by year.

As at the end of December 2019, the Bank’s outstanding green credit granted to energy conservation and environmental protection projects and services, such as ecological protection, clean energy, energy conservation and environmental protection and resource recycling, reached RMB1,350.84 billion, an increase of RMB113.08 billion or 9.14% over the beginning of the year, 3.34 percentage points higher than the average growth of corporate loans.
Green adjustment of credit structure

The Bank actively promoted the resolution of overcapacity contradictions. The Bank carried out classified customer management for industries with excess capacity, such as steel, mainly supported the financing needs of high-quality customers in technological transformation, transformation and upgrading, and accelerated the withdrawal of financing from customers such as customers with backward production facilities and zombie companies.

As at the end of December 2019, on- and off-balance sheet financing of five industries with excess capacities decreased by RMB 11.94 billion from the beginning of the year.

Comprehensively implementing regulatory requirements.

Organizing the green credit self-assessment. In 2019, the Head Office organized 23 departments of the Bank to earnestly conduct green credit self-assessment. In 2018, the Bank won the title of excellent bank in the overall evaluation of green banks, ranking first among major state-owned banks in terms of score. In 2019, the green credit self-evaluation score further increased over the previous year.

Implementing the green credit statistics system. The Head Office of ICBC has specially set up statistical fields in the Global Credit and Agency Investment Management System (GCMS), and regularly counts and reports to the CBIRC and the PBC the Bank’s financing in the green sector. In order to accurately reflect the Bank’s green industry loans, the Bank completed the upgrading of the green loan statistical identification in the GCMS, in accordance with the requirements of the PBC’s revised special statistical system for green loans.

Greenhouse Gas Emissions and Natural Resources Consumption Caused by the Bank’s Investment and Financing Activities (Scope 3)

- Green credit balance

<table>
<thead>
<tr>
<th>Year</th>
<th>Green credit balance (RMB 100 million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>13508.38</td>
</tr>
<tr>
<td>2018</td>
<td>12377.58</td>
</tr>
<tr>
<td>2017</td>
<td>10991.99</td>
</tr>
</tbody>
</table>

- Emissions reduced by changes in green credits

<table>
<thead>
<tr>
<th>Year</th>
<th>Equivalent to reduced emission of carbon dioxide equivalent (10,000 tons)</th>
<th>Equivalent to reduced emission of standard coal (10,000 tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>8985.96</td>
<td>4627.23</td>
</tr>
<tr>
<td>2018</td>
<td>8598.79</td>
<td>4643.97</td>
</tr>
<tr>
<td>2017</td>
<td>7561.87</td>
<td>4247.26</td>
</tr>
</tbody>
</table>
In 2019, the Bank thoroughly implemented the country’s decision and deployment on the development of green finance to support the building of beautiful China and the construction of the green Belt and Road. By developing green bond issuance, investment, underwriting and over-the-counter (OTC) bond business, the Bank channeled the funds to green industries. While practicing the concept of green development, the Bank explored path to the innovation and development of green finance, ranked first in many areas in the country, and promoted the sustainable development of Chinese economy and global greening process.

Green Bond

In 2019, the Bank thoroughly implemented the country’s decision and deployment on the development of green finance to support the building of beautiful China and the construction of the green Belt and Road. By developing green bond issuance, investment, underwriting and over-the-counter (OTC) bond business, the Bank channeled the funds to green industries. While practicing the concept of green development, the Bank explored path to the innovation and development of green finance, ranked first in many areas in the country, and promoted the sustainable development of Chinese economy and global greening process.

Green Bond Issuance

In 2019, the Bank continued to make innovations and breakthroughs in the field of green bonds. Through domestic and overseas branches, the Bank issued three green bonds in the regions, including Singapore and Hong Kong, which are denominated in RMB, USD, euro and HKD. The proceeds will be used to support the construction of green projects in the countries and regions along the Belt and Road. These bonds include a Chinese-funded leasing green bond which was issued for the first time.
In 2016 to 2019, the Bank, as the lead underwriter, accumulatively underwrote 32 green bonds, with a total lead underwriting amount of RMB61.36 billion, staying ahead in the industry. Among them, six green bonds were underwritten in 2019, with total proceeds of RMB34.4 billion. The total lead underwriting amount was RMB7.8 billion, of which the Bank, as the lead underwriter, underwrote four green bond financing instruments for corporate customers in the interbank market, with total proceeds of RMB4.4 billion.

ICBC International, as the joint global coordinator or the joint book runner, has successively completed the issuance of ICBC Leasing USD green bond, filling the gaps in overseas green bonds in China’s leasing industry; it assisted Wuhan Metro to successfully price the first overseas green bond in China’s rail transport industry in 2019; it helped China General Nuclear Power Corporation issue the first USD green bond in China’s power industry, and completed a number of green bond projects for financial institutions, such as China Construction Bank Luxembourg Branch, and Hong Kong Branch and Singapore Branch of ICBC. In 2019, the Bank accumulatively underwrote green bonds of more than USD7 billion, an increase of 45% over the previous year, and continued to maintain its industry-leading position in the field of green bond underwriting.

China General Nuclear Power Corporation’s USD600 million green bond project was awarded the “Best Green Bond in China” by The Asset in 2019.

From 2016 to 2019, the Bank, as the lead underwriter, actively engaged in green bond underwriting, guided various institutions to invest in green bonds, and actively served the financing needs of international multilateral development institutions, financial institutions and non-financial enterprises.

In 2019, the Bank, as the lead underwriter, underwrote six green bonds, with total proceeds of RMB34.4 billion.

6,166,900 tons of standard coal is saved annually
16,055,700 tons of carbon dioxide emission is reduced annually

All were used in clean transportation, clean energy, resource conservation and recycling, pollution prevention and other green fields, saving 6,166,900 tons of standard coal and reducing 16,055,700 tons of carbon dioxide emission annually. Among them, “19 nuclear and wind power GN001” is the “first green corporate perpetual note” in the interbank market. While meeting the financing needs of green enterprises, it helps green enterprises reduce their debt ratios and optimize their financial structure.

The Bank steadily supported the development of green finance through bond investment. It actively participated in green bond investment under the premise that credit risk was controllable, and supported green projects, such as energy saving, pollution prevention and control, resource conservation and recycling, clean transportation, clean energy, ecological protection and adaptation to climate changes. As at the end of 2019, the balance of green bonds in the Bank’s RMB banking book reached RMB27.07 billion. The Bank effectively channeled funds to resource-saving technology development and ecological environment protection industries, and drew manufacturers’ attention to green and environmental protection.

The Bank steadily made foreign currency investment to meet enterprises’ fund demand. While ensuring its liquidity was safe and risks were controllable, the Bank prudently made investment in foreign currency green bonds to promote the development of energy-saving and environment-friendly enterprises. As at the end of 2019, the balance of investment in foreign currency green bonds in the Bank’s banking book was approximately USD244 million, mainly including the bonds issued by policy banks, commercial banks and central enterprises, in an effort to meet the fund demand for developing domestic and global green industry.
The Bank actively developed OTC green financial bond business. Under the premise that risks were controllable, the Bank actively participated in the implementation of the concept of green finance, motivated institutional and individual customers to invest in and trade green bonds, guided them to enhance the awareness of green investment, and broadened the sources of green finance funds. From 2017 to 2019, the Bank sold RMB green finance bonds, with a total amount of RMB1.2 billion to domestic customers through the OTC channel, maintaining a leading position in the industry. Among them, RMB800 million worth of “Bond Connect”, the first green finance bond with the theme of sustainable development, was issued through the OTC channel in 2019, which effectively cultivated the public’s awareness of responsible investment and helped expand the social effect of green finance.

*Special Report on Green Finance of Industrial and Commercial Bank of China for 2019*

RMB800 million worth of “Bond Connect”, the first green finance bond with the theme of sustainable development, was issued through the OTC channel in 2019

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In January 2019, RMB400 million green medium-term note (MTN) of Shuifa Group Co., Ltd. independently underwritten by Shandong Branch of the Bank was successfully issued. All the raised funds were invested in the water conservancy projects of such categories as resource conservation and recycling and pollution prevention specified in the Green Bond Support Project Catalog. This bond was the first green bond of a provincial state-owned enterprise in Shandong, which not only effectively reduced the financing cost of the bond issuer, but also demonstrated ICBC’s support for green environmental protection and assumption of social responsibility.

In recent years, the Bank’s Beijing Branch focused on promoting the development of green bond underwriting, actively undertook green bond projects, supported the construction of corporate green environmental protection projects, and innovated bond underwriting cooperation methods. In 2019, Beijing Branch participated in the underwriting of the first perpetual MTN issued by CGN Wind Power Co., Ltd. in the interbank market. The proceeds of RMB1 billion were used in the field of green and clean energy. The branch actively underwrote multiple products, such as green corporate bonds, green MTN, green perpetual bonds and green asset-backed notes, and established a comprehensive direct financing service system for green finance. On the one hand, Beijing Branch closely followed the innovation of the competent authorities, carefully sorted out potential customers for green bond issuance, delivered product advantages in a timely manner, looked for target customers, and strengthened the promotion of green bonds at the earliest opportunity after the launch of policies. On the other hand, it deepened the actual needs of customers, effectively integrated the demands of green bond and green energy enterprises for “reduction of inventory and receivables, and deleveraging”, and timely raised suggestions on issuance of personalized innovative products in a “one-to-one” manner.

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**Innovation Cases**

In practice, the Bank strictly implements the industry’s green credit policy, explores financial service support for comprehensive green credit products through multiple channels, and actively provides financing support for ecological protection, clean energy, energy conservation, environmental protection, resource recycling and other green economic fields through various innovative green credit projects, in an effort to meet the diversified financing needs of customers in technological transformation and upgrading, and green and low-carbon development, and give a new impetus to China’s ecological advancement.

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**Clean Energy**

Wind energy is known as one of the most valuable green and environment-friendly new energy sources in the 21st century. As a clean and renewable energy source supported by China, it meets the country’s energy industry policies, local development plans and environmental protection requirements. The construction of wind farms can reduce the consumption of conventional energy, especially coal resources, and the emission of harmful gas, and protect the ecological environment. It has obvious economic, social and environmental benefits.

**Guangdong Branch**

The Zhanjiang Wailuo Offshore Wind Farm project is the first large megawatt-level offshore wind power project in Guangdong Province. It was also the first time for China to apply a large-capacity anti-typhoon wind generating set of more than 5MW on a large scale. After the project is completed, it can save about 148,100 tons of standard coal consumption annually. Guangdong Branch actively promoted cooperation in wind power projects, which will help fully tap the advantages of Guangdong’s marine resources, optimize the energy structure, and quicken the development of the new energy industry.

**Henan Branch**

The branch granted a loan for Huadian Fuxin Henan Branch’s Yiyang Zhangwu 50MW wind power project. The project has a total investment of RMB410 million, including a loan of RMB309 million with a term of 15 years. The interest rate was set at the benchmark loan rate of the same period. The loan is an unsecured credit, and the electricity fee charging right is pledged during the operation period. The project started construction in October 2019 and was scheduled to be completed and put into operation in October 2020.
ICBC (Argentina) actively serves the launch of new energy projects of Chinese-funded enterprises. It leveraged core advantages of wide coverage and deep penetration in the power industry to provide intellectual and resource support for Goldwind Technology to open up the market. Meanwhile, when it learned that the customer needed a letter of guarantee (L/G) during the project construction, the branch actively cooperated with Xinjiang Branch to follow up the customer’s project progress and construction needs, and accumulatively issued USD117 million L/G for the customer, ensuring the smooth implementation of the wind power project and gaining customer recognition with efficient and high-quality services. It also provided customers with integrated financial services, such as cash management, tax payment, and foreign exchange settlement and sales, assisted Chinese-invested new energy enterprises to take root in Argentina, and promoted the development of Argentina’s new energy industry.

Financial support for hydropower clean energy projects

As a high-quality power source in new energy, pumped storage power stations can be used as important power sources to balance power grids, regulate the peak and fill the valley of electricity. It plays a very important role in ensuring the safe and stable operation of power grids. At present, China has ranked first in the world in terms of the scale of installed capacity of pumped storage power stations under construction and in operation. In 2019, Beijing Branch of the Bank energetically supported the construction of many pumped storage projects of State Grid Xinyuan Co., Ltd. in Weifang of Shandong, Hami of Xinjiang, Qujiang of Zhejiang, Jurong of Jiangsu, and reached a comprehensive strategic partnership with them. It has effectively practiced the concept of green finance by providing priority support for quality customers and key projects in the field of clean energy.

Karachi Branch conscientiously offers financial services for clean energy enterprises. First, in 2019, the branch granted a total of USD40.5 million financing for Gezhou Dam’s SK Hydropower Project, assisted the customer to make more than 300 payments, and smoothly helped the project achieve dam interception. After the project is completed, it can provide 3.2 billion kWh clean energy every year. Furthermore, it also has the comprehensive functions such as irrigation and flood control. Second, in 2019, the branch applied to the central bank for paying guarantee fee and credit insurance fee 12 times and three times respectively and issue three L/G for three subsidiaries of ZTE Energy (Photovoltaics) ABC. In the whole year, the project generated 490 million kWh electricity, solved the daily electricity demand of 200,000 households in Pakistan, and created more than 3,000 jobs in the country. Besides, it also trained a large number of local technicians.

ICBC (Argentina) of the scale of installed capacity of pumped storage power stations under construction and in operation. In 2019, Beijing Branch of the Bank energetically supported the construction of many pumped storage projects of State Grid Xinyuan Co., Ltd. in Weifang of Shandong, Hami of Xinjiang, Qujiang of Zhejiang, Jurong of Jiangsu, and reached a comprehensive strategic partnership with them. It has effectively practiced the concept of green finance by providing priority support for quality customers and key projects in the field of clean energy.

Sydney Branch

The branch completed four new energy projects: Muniushan Wind Farm, with an installed capacity of 144MW, which is expected to be completed and put into operation in 2020. It is an important breakthrough made by Sydney Branch in the development of renewable energy projects. The branch provided a project loan without recourse and another project with recourse; merger and acquisition (M&A) of MacArthur Wind Farm, with an installed capacity of 420MW; M&A of Xuezhen Phase II Wind Farm, with an installed capacity of 270MW; AUD50 million financing for the AUD1.6 billion refinancing project of State Power Investment Corporation’s Pacific Hydro. Following many years of local operation, Sydney Branch has successfully developed green finance into its competitive business. Since its opening, the branch has successfully implemented a number of green finance projects, benefiting customers, the society and enterprises.

ICBC (Argentina) actively serves the launch of new energy projects of Chinese-funded enterprises. It leveraged core advantages of wide coverage and deep penetration in the power industry to provide intellectual and resource support for Goldwind Technology to open up the market. Meanwhile, when it learned that the customer needed a letter of guarantee (L/G) during the project construction, the branch actively cooperated with Xinjiang Branch to follow up the customer’s project progress and construction needs, and accumulatively issued USD117 million L/G for the customer, ensuring the smooth implementation of the wind power project and gaining customer recognition with efficient and high-quality services. It also provided customers with integrated financial services, such as cash management, tax payment, and foreign exchange settlement and sales, assisted Chinese-invested new energy enterprises to take root in Argentina, and promoted the development of Argentina’s new energy industry.

Heilongjiang Branch

After the Ning’an Jingbo 49.5MW wind power project is put into operation, it is expected to save about 56,902 tons of natural coal, greatly reduce the emission of soot and discharge of waste water and waste residue, which has obvious economic and social significance and can effectively promote the sustainable development of the energy industry.

Geothermal energy is a pollution-free and renewable clean energy. The project’s shareholder is a leading renewable energy power supplier, with a total installed capacity of 828MW in operation. After the expansion, the installed capacity of the EFELER geothermal project will increase to 259.9MW. Geothermal power generation has the following advantages: Generally it does not need fuel, the cost of power generation, in most cases, is lower than that of hydropower, thermal power and nuclear power, equipment has a long service life, the investment in plant construction is generally lower than that of hydropower stations, and power generation is stable. It does not produce greenhouse gases, and can greatly reduce environmental pollution. ICBC (Turkey) participated in the EUR350 million syndicated loan for the project to facilitate the construction of renewable energy.

In 2019, the project generated 490 million kWh electricity, solved the daily electricity demand of 200,000 households in Pakistan, and created more than 3,000 jobs in the country.

Innovation-driven Development Serving the Real Economy
Green upgrading of infrastructure

Providing a project loan for the “Phase-I Project of the National Building Energy-saving Technology International Innovation Park”

Hebei Green Building Technology Co., Ltd.’s national building energy-saving technology international innovation park project (Phase 1) has a total investment of RMB1,280,299,600. The project covers an area of 700 mu and has a total construction area of 300,000 square meters. After completion of the project, it will further establish Hebei Province as a major province in the passive ultra-low energy construction industry, and will play a positive role in promoting the transformation and upgrading of the traditional construction industry in the province and even the whole country. In December 2019, Hebei Branch of the Bank went through the approval formalities for a RMB1 billion project loan, and granted RMB390 million for the project on December 23, 2019.

RMB390 million out of the RMB 1 billion project loan was granted upon approval

Rail transportation projects have good social benefits and promote local people’s livelihood, economic and social development. Qingdao Branch of the Bank participated in the syndicated loans for Qingdao’s metro lines 1, 4, 8 and 13, and Blue Silicon Valley intercity rail transportation project and other projects. It has approved a preliminary loan for the metro line 6 project, and provided a credit line of RMB13 billion for the construction of urban rail transportation in Qingdao. So far the branch has accumulatively granted RMB3,168 million of project financing, providing a strong financial guarantee for the city’s construction of urban rail transportation. The RMB2 billion perpetual debt business of Ningbo Branch gave an impetus to green travel in cities. It not only broadened financing channels for promoting urban green and low-carbon development, but also helped companies effectively reduce debt ratios, met the demands for business interests and stabilization of leverage, and demonstrated ICBC’s capability and determination to promote urban green development and serve the real economy. Guangdong Branch granted approximately RMB7 billion loans for the Guangzhou rail transportation project of Guangzhou Metro Group Co., Ltd. Xiamen Branch recorded outstanding loans of RMB1,486 million for the city’s rail transportation group as at the end of 2019.

Energy saving and environmental protection industry

Serving major emerging industry projects and advanced manufacturing

As the largest foreign-invested manufacturing project ever in Shanghai, Tesla’s Shanghai Gigafactory project was the first wholly foreign-owned new energy vehicle project in China, and also a typical project of China’s advanced manufacturing industry that promotes high-level opening up and high-quality development. After the factory is fully completed and put into operation, its annual production capacity will gradually increase to 500,000 pure electric vehicles. In the future, Tesla will set up service centers in most parts of China. Since the start of the project, the Bank has attached great importance to it and listed it as a major project of the Shanghai Branch in 2019. Through the in-depth coordination of multiple lines of the Head Office and branches, the Bank has become a major financial service provider of the project, relying on its advantages such as comprehensive structure design, reasonable financing conditions, tailored bank-enterprise direct link, integrated and convenient settlement at home and abroad, and one-point-to-country supply chain financial services, to serve the country’s new energy strategy and facilitate the green economy to serve the advanced manufacturing industry.

The first wholly foreign-owned new energy vehicle project in China

Annual production capacity will gradually increase to 500,000 pure electric vehicles
Protecting the Erhai Lake for the benefit of the people-environmental governance of the Erhai Lake basin

The Erhai Lake is the second largest freshwater lake in Yunnan Province, and the management of its ecological environment has a significant influence on the region's ecological environment. In recent years, the environmental carrying capacity and water quality of the Erhai Lake kept declining for various reasons. At present, the lake is at an early stage of eutrophication and the "turning point" of protection and governance. It has been imperative to embark on the protection and governance of Erhai Lake. The implementation of the second phase of the Erhai Lake Pollution Interception Project in Dali City undertaken by Dali Ecological Environment Investment Co., Ltd. can effectively control and reduce the pollution load of the river basin, improve the environmental sanitation of the villages along the Erhai Lake, quicken the pace of ecological protection in the river basin, and promote the virtuous cycle of the ecological environment of the river basin. It is of great significance to the sustainable economic, social and environmental development in the basin. The borrower withdrew RMB420 million in September 2018, and RMB128 million in March and September 2019 to replace the previous project loan. The approval and granting of loans for this project has made a positive contribution to the environmental governance of the Erhai Lake Basin in Dali City.

Supporting waste treatment in Ningbo through investment banking innovation projects

In the development of investment banking business, ICBC thoroughly implemented the concept of green finance, and strove to help enterprises improve the environment, reduce pollution, promote the saving and efficient use of resources. The Bank actively expanded project investment and financing business in the fields of environmental protection, energy conservation, clean energy, green transportation, green building, etc., promoted debt replacement and optimization of large and medium environmental protection and energy saving enterprises through non-standard debt financing and asset securitization consulting services, and reduced debt ratios; it supported the acquisition and reorganization of superior environmental protection and energy saving enterprises through M&A and restructuring consulting business, to eliminate the backward enterprises; it supported a number of environmental protection and energy saving start-up enterprises and encouraged innovation through equity financing and direct investment. With the vigorous advocacy and active promotion of the investment banking line, the Bank completed a number of debt financing, M&As, direct equity investment and other boutique green investment banking projects, greatly supporting green finance customers and winning a good social reputation. Nuoke Environmental Technology Co., Ltd., established in April 2017, is a one-stop service provider for hazardous waste treatment in Ningbo, integrating investment, construction, operation and management consulting business, to eliminate the backward enterprises; it supported a number of environmental protection and energy saving start-up enterprises and encouraged innovation through equity financing and direct investment. The company has led more than 10 cement kilns to co-process hazardous waste projects. Compared with the traditional professional incinerator and landfill process, the co-processing of hazardous waste in cement kilns has less initial investment and lower operating costs, and is environmentally friendly. It plays an important role in quickly filling in the gap of harmless disposal capacity of hazardous waste and accelerating such harmless disposal in China. It is a sub-project of the Bank’s investment fund. In January 2019, a fund participated by the Bank made an equity investment of RMB50 million in it.
Optimizing the green finance service guarantee mechanism and strengthening the management of green operations throughout the whole process

First, optimizing the organization and management system. The Bank established green finance working groups or green credit service providers in pilot zone branches, and green finance business departments in relevant tier-two branches. Second, optimizing the credit process. Differentiated credit processes were adopted for green finance projects.

Guizhou Branch set up the Green Finance Department of Gui’an Branch, and continuously followed up green finance projects in light of relevant green finance policies of Gui’an New District Management Committee. It has accumulatively approved on and off-balance sheet loans of RMB7,959 million for various green finance services in Gui’an New District. The branch strengthened the differentiated resource guarantee for green loans in Gui’an pilot zone by optimizing organizational management, reinforcing the allocation of green finance resources and improving the management of green finance processes. So far it has basically attained the goals of green credit balance growth and business innovation. Besides, Guizhou Branch also assigned personnel to participate in the formulation of the Green Finance Project Standards and Assessment Measures of Guizhou Province (Trial) led by Gui’an Management Committee, and prepared the project demand reserve in a timely manner by connecting with the Gui’an Green Project Library irregularly. The department has visited Gui’an Branch many times to conduct surveys on green projects, better guided Gui’an Branch to carry out green finance-related investment and financing business, and specifically supported the construction of Gui’an New District’s green finance reform and innovation pilot zone.

Zhejiang Branch applied to the Head Office for identifying Huzhou Branch as the first Head Office-level green finance pilot bank of ICBC in China and obtained its approval. The branch established a green finance pilot bank contact mechanism, focused on assistance and guidance, and carried out pilot and promotion work. It provided policy support and resource guarantee in terms of credit scale, approval channel, green finance product innovation, risk management indicators, and system construction. The branch supported the construction of green finance pilot zones, and continued to urge Huzhou and Quzhou pilot branches to strengthen construction in respects of establishing and improving the green credit system and mechanism, bettering the green finance management structure, promoting the establishment of green finance system standards, and innovating and optimizing green products and business models.

Guangzhou Branch continued to improve its system and mechanism. Haadu Sub-branch was officially upgraded to “Guangzhou Huadu Branch in Guangdong Green Finance Pilot Zone”. It set up a green finance development leading group headed by the general manager of the branch and the Green Finance Department, formulated the measures for assessment of green credits, and pushed forward the development of green finance in an all-round way based on the priority allocation of green loans and preferential interest rates. Additionally, the branch still paid more attention to credit risk and implemented point-by-point management requirements for outstanding credits. It strictly imposed and intensified the risk control measures throughout the entire process of green credit, including customer access, investigation, examination, approval, loan review, and post-lending management, so as to ensure the quality of green credit assets.

Guangzhou Huadu Branch established an equity investment fund, mainly investing in high-quality enterprises in the fields of industrial transformation and upgrading, environmental protection and energy conservation, resource recycling, new energy, etc.; Jiangxi Branch established green industry orientation funds in cooperation with state-owned enterprises in Ganjiang New District and its jurisdictions; Guangzhou Branch has launched, in an innovative way, Credit Guarantee Loan, Quick Lending for Operation (online settlement microfinance and Shui Yi Tong), purchase and construction loans, business property loans, small business turnover loans, online revolving loans, quick loans for personal operations and other business varieties tailored to the needs of enterprises, in accordance with the green credit policy. It supported the development of green enterprises, and increased green customers, with a total loans of over RMB2.7 billion. In the future, the Bank will strengthen the promotion and publicity of online products, flexibly use various standardized products, and provide financing for more inclusive small and micro enterprises. It launched supply chain financing in an innovative way, and innovated product processes to provide supply chain financing for Dongfeng Nissan’s downstream distributors across the country. It saved a large amount of financial costs for enterprises, thereby greatly stimulating terminal sales, and promoting the healthy and stable development of Dongfeng Nissan’s green industry.

Innovating green finance services and products and supporting the reform and innovation of green finance in the pilot zones.

Relevant institutions in the green finance reform pilot zone gave full play to the Bank’s comprehensive advantages and enhanced financial product innovation on the basis of traditional on- and off-balance sheet business. Zhejiang Quzhou Branch has launched, in an innovative way, Credit Guarantee Loan, Quick Lending for Operation (online settlement microfinance and Shui Yi Tong), purchase and construction loans, business property loans, small business turnover loans, online revolving loans, quick loans for personal operations and other business varieties tailored to the needs of enterprises, in accordance with the green credit policy. It supported the development of green enterprises, and increased green customers, with a total loans of over RMB2.7 billion. In the future, the Bank will strengthen the promotion and publicity of online products, flexibly use various standardized products, and provide financing for more inclusive small and micro enterprises. It launched supply chain financing in an innovative way, and innovated product processes to provide supply chain financing for Dongfeng Nissan’s downstream distributors across the country. It saved a large amount of financial costs for enterprises, thereby greatly stimulating terminal sales, and promoting the healthy and stable development of Dongfeng Nissan’s green industry.

Green finance boosts poverty alleviation

Lucid waters and lush mountains are invaluable assets. Green finance has a close internal connection and diverse link paths with poverty alleviation. The Bank effectively combined green finance with poverty alleviation, gave full play to the advantages of green finance, and continuously innovated products and services. Based on the environmental resources advantages of poverty-stricken areas, the Bank provided support for industries in accordance with local conditions, and transformed the ecological advantages of impoverished mountainous areas into industrial advantages. It exerted financial power to promote poverty alleviation and assist with the beautiful countryside construction. It has explored a new sustainable model of green finance for poverty alleviation.

In light of China’s poverty alleviation strategy, the Bank continued to increase the input of financial resources into key fields and weak links in rural areas, and did a good job in industrial support and rural revitalization. It strengthened policies to meet the diversified and multi-level financial needs of rural revitalization and promote the integrated development of urban and rural areas. The Bank actively helped modern agriculture grow bigger and stronger, provided financial support for rural infrastructure connectivity, promoted the financing for the primary, secondary and tertiary industries in the rural areas, vigorously expanded agricultural supply chain financing, and rendered agro-related customer services through corporate-private banking linkages.

In 2019, Guizhou Branch selected the thorn pear industry that could best lift the region and farmers out of poverty and introduced government-led industrial poverty alleviation funds in conjunction with Guizhou Hongcai Investment Group Co., Ltd., a strong local platform. It granted RMB100 million inclusive poverty alleviation industry loans through the cooperative model of “platform company + cooperatives + base + farmers”, participated in the development of the entire industrial chain of the project, and facilitated the province’s poverty alleviation and ecological advancement. Guizhou Green Industry Poverty Alleviation Investment Fund funded by the government invested RMB15.88 million, the branch granted loans of RMB317 million, and the inclusive poverty alleviation industry loan reached RMB355 million.

Group Co., Ltd., which are another measure to promote the important work deployment of “de-capacity, de-stocking, de-leveraging, cost reduction and improvement of underdeveloped areas”, and also the vivid practice of Guizhou Branch in the field of green finance. Second, for the Renhuai City’s domestic waste incineration power generation project, the branch formed a syndicate with Shanghai Branch to jointly grant loans by pre-project loans and project loans, in order to provide strong capital guarantee for the implementation of circular economy and ecological economy.
The Bank promoted green office, established the work style of diligence and thrift, strengthened the awareness of saving, and achieved green and sustainable development. During the operation, 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 actively implemented relevant policies on energy saving and environmental protection, did a good job in implementing carbon emission right trading of institutions in Beijing, honored commitment to energy saving and emission reduction, and continued to promote the construction of “green bank”.

At the same time, the Bank actively promoted the implementation of ECOS results of the smart banking ecosystem, applied innovative technologies, integrated cutting-edge technologies with business scenarios, conducted intensive operations, intelligent management and digital services, and promoted the green transformation of bank operating models.

Relying on financial technology, the Bank continued to explore, innovate and fuel green development with cutting-edge technology. Through the deep integration of finance and technology, green operation, green office and green services have been realized. The Bank is actively pushing forward green transformation. Meanwhile, the Bank practiced the green concept, continuously enhanced awareness of environmental protection, insisted on organizing and carrying out greening and environmental protection activities and related public welfare activities, and earnestly fulfilled social responsibilities.

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 paperless conference systems, 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 is obvious. Electronic, scenario-based and intelligent office iteration has accelerated. New applications such as office building management, employee health management, and attendance management have been developed, mobile office functions have been optimized, technology applications have been strengthened, and office efficiency has been continuously improved.

A green operation system was structured by online office relying on cutting-edge technology.

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 paperless conference systems, 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 is obvious. Electronic, scenario-based and intelligent office iteration has accelerated. New applications such as office building management, employee health management, and attendance management have been developed, mobile office functions have been optimized, technology applications have been strengthened, and office efficiency has been continuously improved.
Transmitting the concept of green finance through technology-based smart banking.

In the reporting period, the Bank held the smart bank ecosystem ECOS launch conference, opening a new chapter in the building of smart bank. Following the trend of financial technology development, the Bank focused on the Group’s cross-border, cross-industry and cross-sector transformation and development, and pushed forward the building of a smart bank in light of the concept of “development driven by technology and innovation”. It made a blueprint of “ABCDII” (artificial intelligence, blockchain, cloud computing, big data and Internet of things) and other cutting-edge technologies; developed a series of independent financial technology platforms with core intellectual property rights, and built a “dual core” IT architecture with equal emphasis on host and open platform. The Bank provides customers with intelligent and digital online financial services, which can save paper, save energy and reduce emissions, and transmit green finance concepts to customers through smart banking.

Strengthening energy consumption control and adding green development momentum with energy saving and emission reduction

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 emission 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. The Bank improved the energy management system, strengthened 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 cascading the cooling tower ventilation windows and replacing air filters; it used fresh air technology to balance the heat distribution in the building, and adjusted the units’ blast pressure and outlet 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. The Bank gradually built a corporate transportation security model that mainly uses its own vehicles and is supplemented by social vehicles, such as online hailed cars; it effectively reduced vehicle energy consumption and steadily improved overall vehicle utilization efficiency. Meanwhile, 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 propaganda 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.

Cases

The Bank’s data center adopted a series of energy saving measures, such as energy saving transformation of chilled water pumps by frequency conversion operation, energy-saving technology for free cooling intelligent operation, loop network transformation of cooling tower balance pipe, cold/hot aisle enclosed technology, and online energy-saving operation model of computer room air-conditioning, which comprehensively saved energy consumption of 1,667,900 kWh, equivalent to reduction of 1,662,900 kilograms of carbon dioxide emissions.

The Data Center actively studied the innovative technologies of computer room infrastructure, and put forward 18 new technologies suitable for construction of data center computer room infrastructure in terms of refrigeration system, power system, lighting system, operation management, etc. The new technologies are expected to greatly increased the natural cooling time of the refrigeration system to more than six months from three months, and save the overall cooling energy consumption by over 15%; the energy efficiency of the power supply and distribution system has been further improved, and the energy saving of the lighting system is expected to reach 70%. When the IT equipment is put into production at full capacity, the Data Center is expected to save up to 30 million kWh electricity based on PUE, which is equivalent to saving of about 10,000 tons of standard coal per year and reduction of 30,000 tons of carbon dioxide emissions. It can greatly improve the energy saving and intelligent level of the Data Center, and achieve green, intelligent and efficient operation of the Data Center.
Environmental and Social Key Performance Indicators

<table>
<thead>
<tr>
<th>Environmental indicators</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 consumption¹</td>
<td>1 million pieces</td>
<td>10.26</td>
<td>8.72</td>
<td>8.73</td>
</tr>
<tr>
<td>Office power consumption¹</td>
<td>kWh</td>
<td>19,667,324</td>
<td>18,394,080</td>
<td>19,408,280</td>
</tr>
<tr>
<td>Office water consumption¹</td>
<td>Ton</td>
<td>177,550</td>
<td>172,377</td>
<td>170,196</td>
</tr>
<tr>
<td>Oil consumption of official cars¹</td>
<td>Litre</td>
<td>67,796</td>
<td>76,699</td>
<td>86,109</td>
</tr>
</tbody>
</table>

Notes:
1. Coverage of the disclosure of office water and electricity consumption: ICBC Head Office and kindergartens;
2. Coverage of the disclosure of office paper consumption and fuel consumption of official vehicles: ICBC Head Office.

Greenhouse gas emission map of the institutions headquartered in Beijing (Scope 1, Scope 2)

According to Beijing’s carbon emission management requirements, information on the institutions headquartered in Beijing includes the information related to the Head Office, the Data Center (Beijing) and Beijing Branch of the Software Development Center. The relevant energy consumption information is measured according to the Guide to the Measurement and Reporting of Carbon Dioxide Emission of Enterprises (Entities) in Beijing.

Office waste statistics of the Bank

Electronic information products (2019)

<table>
<thead>
<tr>
<th>Waste statistics-Item</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Microcomputer (host)</td>
<td>519</td>
</tr>
<tr>
<td>Display</td>
<td>280</td>
</tr>
<tr>
<td>Laptop</td>
<td>404</td>
</tr>
<tr>
<td>Printer</td>
<td>132</td>
</tr>
<tr>
<td>Server</td>
<td>7</td>
</tr>
<tr>
<td>Others</td>
<td>202</td>
</tr>
</tbody>
</table>

As of the end of the reporting period, the Bank’s personal App users reached 492 million.

Covering 57.4% of mobile Internet users nationwide.

Upgrading of ICBC

Mail Version 2.0

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

Launch of ICBC

Link Version 4.0

The Bank built a scenario number 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 service numbers has been initially established. It established 14,000 public accounts and pushed more than 60 million pieces of scenario-based service information.

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 name. 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.
Environmental Protection

During the reporting period, the Bank strengthened publicity and education on green environmental protection to employees, and cultivated employees’ awareness of saving and environmental protection, in order to build a green corporate culture, and deeply rooted the concepts of green environmental protection and sustainable development in the hearts of employees. During the reporting period, while actively practicing the concept of green environmental protection in operation and management, the Bank also insisted on carrying out various environmental protection volunteer activities, such as tree planting and afforestation, and protection of biodiversity, to effectively improve the ecological environment, publicize the knowledge of ecological environmental protection, energy saving and emission reduction to the public, and fulfill social responsibilities.

On the occasion of the 48th “6•5” World Environment Day, the Bank launched the Plogging youth volunteer charity activity. 5,500 young volunteers of the Bank and more than 17,000 college student ran across time and space. This activity covered more than 300 colleges and universities in 32 provinces, municipalities and autonomous regions across the country. It organically integrated environmental protection with the activity, and achieved good results.

ICBC Argentina practiced the green concept through various public benefit activities to promote the improvement of the ecological environment. Including: training on the sorting of waste products, drawing a map of Argentina’s existing recycling cooperation institutions, participating in the “Earth Hour” activity, cleaning beaches, recycling glasses, and reducing plastic products. The Bank provided online courses on annual resource recovery for employees so that they understand the process and progress of resource recovery.

ICBC (Asia) worked with the Hong Kong Agriculture, Fisheries and Conservation Department and the Green Earth, an environmental protection organization in Hong Kong, to launch a five-year “Plantation Enrichment Project” to help improve the ecological value and biodiversity of Hong Kong’s planting areas; in conjunction with the Hong Kong Women’s Federation, a Hong Kong social service organization, and the Green Earth, an environmental protection organization, ICBC (Asia) held a green-themed charity activity; it actively participated in the “Earth Hour” activity, deeply carried out green finance training, and organized the “Green Donation Program” activity. In 2019, the Bank won the Platinum Award of the “Charter on External Lighting” conferred by the Environmental Bureau of the Hong Kong Special Administrative Region Government, in recognition of its contribution to the reduction of light nuisance and energy waste caused by outdoor lighting in Hong Kong.

Hebei branch held a voluntary tree planting activity (Season 2) in Shijiazhuang, and devoted itself to planting and environmental protection with actions.

Dalian Branch organized nearly 40 young volunteers to carry out the spring voluntary tree planting activity—“Greening Bincheng”. During the activity time of nearly an hour, nearly a hundred trees were planted, adding planting areas in the south part of Liaoning.

Qingdao Branch actively carried out the Plogging charity activities. Volunteers went to well-known local universities to display green finance booths, publicize green finance knowledge in the class, and organize green finance knowledge quiz and games and other educational activities to arouses the strong interest of college students. It is aimed to popularize green finance knowledge in the friendly and active atmosphere of bank-school friendship, publicize the Bank and facilitate the concept of green development to take root in college students’ hearts.
In April 2019, the Bank and Oxford Economics set up a joint research group, which develop and preliminarily released the Belt and Road green finance (investment) index based on comprehensive collection and sorting of the data of sample countries along the Belt and Road. The index aims to scientifically measure the green economic and financial development level of the countries along the Belt and Road, and provide a set of evaluation methods and quantitative tools to promote the green and sustainable development of these countries, and advance international cooperation in related fields. The green economic performance and green development capabilities of 79 countries along the Belt and Road were measured. The index properly distinguishes the green development status of the countries along the Belt and Road, and provides a significant quantitative tool for identifying the green investment potential of each country along the Belt and Road.

While actively practicing the concept of green development, ICBC has vigorously promoted research on green finance, and has achieved fruitful research results. It has led the world in terms of green finance research, such as the research on environmental analysis stress testing. Meanwhile, the Bank actively participated in global sustainable governance and contributed to the development of global green finance.

New breakthroughs were continuously made in the green index research...

The index aims to scientifically measure the green economic and financial development level of the countries along the Belt and Road.

It has a good degree of distinguishing the green development of countries along the Belt and Road, and provides a breakthrough quantitative tool for identifying the green investment potential of countries along the Belt and Road.
In April 2019, the stress test jointly conducted by ICBC and Beijing Environmental Exchange on the credit risk incurred by carbon trading to commercial banks was officially released at the GFC’s annual meeting, indicating that ICBC’s environmental risk stress test research system has become increasingly complete. It has now covered the three major areas, i.e. policy, disaster and price. The research on environmental risk stress testing fills the gaps in the research on the environmental risk quantification and transmission mechanism of Chinese commercial banks, and stays ahead in the world.

The subject of the “research on the green finance policy of advancing the green development of Belt and Road won the first award in CFA Association Essay Contest

Since 2018, the Modern Finance Research Institute of ICBC and Tsinghua University have jointly carried out the “research on the green finance policy of advancing the green development of Belt and Road (supported by the Natural Resources Defense Council). Based on the comprehensive summarization and analysis of the experience accumulated by international organizations, governments and financial institutions in the long-term development of green finance, this report has refined and generalized the experience, and specially analyzed and described the part applicable to the development of green finance in countries along the Belt and Road, and put forward targeted policy recommendations from three perspectives. The mid-term results of the research were released at the 2018 Global Climate Conference COP24, and the final version of the research report was officially published in August 2019. This research also won the first award in the first green finance essay contest hosted by the Chartered Financial Analyst (CFA) Association.

Study and advancement of the preparation of the standards for environmental information disclosure of financial institutions

In January 2018, the Research Bureau of the PBC took the lead in establishing a green finance standard working group to organize relevant domestic organizations to conduct researches on the green finance standard system. In December 2018, the PBC determined the first batch of green finance standards and implementation plans to be developed based on the principle of “urgent need first” and the completeness of basic conditions. In view of the status and role of ICBC in the field of green finance and the positive progress made in the pilot environmental information disclosure of financial institutions in China and the UK, the PBC has authorized ICBC to formulate the Guidelines for financial institution environmental information disclosure in conjunction with the Industrial Bank and China Emissions Exchange. As a recommended standard for the financial industry, it was formally approved in September 2019. The Guidelines for financial institution Environmental information disclosure (Exposure Draft) has been drafted and is under consultation. The preparation of the Guidelines will provide Chinese financial institutions with prevailing environmental information disclosure indicators and standards, effectively guide the rational allocation of funds, and offer important practical guidance for promoting the green transformation of China’s economy and society. Based on the practice, the Bank continued to carry out an in-depth comparative research on domestic and foreign environmental information disclosure standards and research on global green finance classification standards, and formed research results with strong practical guidance.

Institutions continued with green finance researches according to their own characteristics

In 2019, Gansu Branch of ICBC completed the project report - Research on the Green Finance Innovation and Development Strategy with Gansu Characteristics Based on Domestic and Foreign Practical Experience, which deeply analyzes the development status, “three challenges” and “five bottlenecks” of green finance in Gansu. Given the branch’s work conditions, the research puts forward measures and suggestions to Gansu Branch for promoting the development of green finance, from the perspectives of establishing a green concept, improving the development mechanism and credit funding, and promoting self-improvement of enterprises.

As a member of the GFC of Guizhou Province, Guizhou Branch actively participated in the research of the GFC, continuously explored green finance development, and completed the Case Study on Innovation of Green Finance Business from the perspective of actual research on Guizhou Province. This article collects and sorts out the best practice cases of green finance in many regions and different fields across the country. Given the actual conditions of Guizhou, it puts forward measures and suggestions on green finance innovation that can be conducted subsequently, and provides a certain reference for financial institutions to innovate and develop green finance business, focusing on “financing model innovation, guarantee system innovation, product service innovation, and collaborative mechanism innovation”, in consideration of the actual operations of financial institutions.
In 2019, ICBC worked with Beijing Environment Exchange to conduct a stress test of carbon trading on the thermal power industry of commercial banks. The research content and main conclusions are as follows:

**Continuously promoting the innovation of environmental risk management tools: Take the Bank’s stress test of carbon trading on the thermal power industry as an example**

After systematic analysis and expert surveys, the research team selected the following four main stress factors in view of the stress brought by carbon trading to the emission control enterprises in the thermal power industry:

1. **Carbon price**, which directly determines the carbon purchase cost of enterprises;
2. **Industry benchmark**, which defines the average emission reduction cost of the industry, and is an important basis for the allocation of quotas;
3. **Proportion of paid allocation**, in the early period of initiation of domestic and foreign carbon trading mechanisms, quota was generally allocated for free. Subsequently, paid allocation methods, such as auction, were gradually introduced, and the level of paid allocation directly determines the cost of enterprises;
4. **Application of emission reduction technology**, the cost pressure brought by different emission reduction technology routes and application levels will be quite different. Among them, the factors of application of emission reduction technology can be described by two indicators: emission reduction technology cost and emission reduction effect. The former refers to the operating costs brought by enterprises’ R&D and application of emission reduction technology, and the latter refers to the effect of emission reduction brought by emission reduction technology to enterprises. Moreover, carbon trading will also bring about corresponding management costs, including human resource costs, transaction costs and carbon verification costs. However, because these cost factors are either difficult to quantify, or relatively small, this stress test study should be put aside for the time being.

“**Added value of electricity cost per kWh**” is finally derived by measuring the impact of the above four stress factors (quantified carbon price, industry benchmark, paid quota ratio, and application of emission reduction technologies) on enterprises. It is a key stress indicator of the stress test.

**Calculation logic of added value of electricity cost per kWh of thermal power enterprises**

```
<table>
<thead>
<tr>
<th>Added value of electricity cost per kWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbon price</td>
</tr>
<tr>
<td>Industry benchmark</td>
</tr>
<tr>
<td>Paid quota ratio</td>
</tr>
<tr>
<td>Emission reduction technology cost</td>
</tr>
<tr>
<td>Effect of emission reduction</td>
</tr>
<tr>
<td>Application of emission reduction</td>
</tr>
</tbody>
</table>
```

**Column**

1. **Selection of stress factors and derivation of stress indicators**
2. **Setting of stress scenario and main parameters**
3. **Impact of stress indicators on the credit risk of banks**
4. **Results of stress testing**
2 Setting of stress scenarios and main parameters

According to the “carbon trading stress test model” and the situation of the industry and the Bank’s customers in the thermal power industry, the research team has set three stress scenarios, mild, moderate and severe, corresponding to the expected price (RMB50 per ton) where the thermal power industry fully participates in the carbon trading, the international level (RMB160 per ton) of the medium-term carbon pricing of the thermal power industry, and the thermal power industry’s more ambitious forward carbon price (RMB200 per ton) under the scenario of enhanced emission reduction, as well as the corresponding industry benchmark, paid quota ratio, technology cost and emission reduction effect of different generating sets.

Major parameters of stress testing scenario

<table>
<thead>
<tr>
<th>Stress Testing Scenario</th>
<th>Recent (mild)</th>
<th>Medium-term (moderate)</th>
<th>Forward (severe)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbon price, RMB/ton of CO2</td>
<td>50</td>
<td>160</td>
<td>200</td>
</tr>
<tr>
<td>Industry benchmark, ton of CO2/MWh</td>
<td>0.825</td>
<td>0.8066</td>
<td>0.744</td>
</tr>
<tr>
<td>Supercritical</td>
<td>0.865</td>
<td>0.861</td>
<td>0.795</td>
</tr>
<tr>
<td>Subcritical</td>
<td>0.9236</td>
<td>0.9258</td>
<td>0.8155</td>
</tr>
<tr>
<td>Paid quota ratio</td>
<td>3%</td>
<td>10%</td>
<td>30%</td>
</tr>
<tr>
<td>Technology cost, RMB/kWh</td>
<td>0</td>
<td>0.000198</td>
<td>0.000396431</td>
</tr>
<tr>
<td>Greenhouse gas reduction (emission reduction effect)</td>
<td>0</td>
<td>0.07%</td>
<td>0.04%</td>
</tr>
</tbody>
</table>

3 Impact of stress indicators on the credit risk of banks

Calculating the increase in enterprises’ operating costs
The amount of electricity generated within a year is reckoned based on the enterprise’s main operating income and grid-connected electricity prices, and then the enterprise’s cost of per kWh electricity increased under the stress scenario and the increase in the main operating cost of the enterprise are calculated based on different generating units.

Updating enterprises’ financial statements
Main indicators of the income statement and the balance sheet are calculated based on the changes in the amount of main operating costs, in accordance with the articulation relationship of the financial statements and basic processing specifications.

Using the customer rating model
The assessment model consists of two parts: quantitative assessment and qualitative assessment. Quantitative assessment indicators include seven perspectives, i.e., scale, solvency, leverage ratio, liquidity, profitability, operating capability and development capability. From a prudent perspective, the hypothetical prescriptive assessment score and the quantitative assessment score decrease in the same proportion. Meanwhile, for customers whose operating costs fall under stress scenarios, their credit ratings remain unchanged.

4 Results of stress testing

First, carbon trading has a significant impact on corporate financial performance. Under the three scenarios, the increase in unit cost of customers in the thermal power industry was 0.23 cent/kWh, RMB1.89 cents/kWh and 6.7 cents/kWh respectively. As the cost of electricity increases, enterprises’ operating costs also show an upward trend. The ratio of operating cost to operating income under mild, moderate and severe stress scenarios were 86.1%, 91.5% and 108.2% respectively. Under the severe scenario, the average cost of the thermal power industry has been higher than income. In addition, the number of enterprises with a negative newly added net profit also grows under the three scenarios.

Second, carbon trading will increase the credit risk of commercial banks. Due to the increase in carbon emission reduction costs, the credit ratings of some thermal power enterprises have been downgraded. In the mild and moderate scenarios, only a small number of enterprises have their credit ratings downgraded by one notch. In the severe scenario, a few enterprises have their credit ratings downgraded by two notches. Finally, the carbon trading risk of ICBC’s asset portfolio is controllable as a whole. Although carbon trading will increase the credit risk of ICBC’s asset portfolio, the overall risk is controllable. The reason is that since 2003, the Bank has adjusted the customer structure and reduced the credit scale for high-pollution, high-energy consumption, and high-emission industries. In the current asset portfolio, almost all the enterprises in the thermal power industry are large-scale high-quality enterprises, and their overall environmental performance is good in the industry. Therefore, the impact of carbon trading on ICBC’s credit risk is controllable. In mild and moderate scenarios, there are about 150 and 50 enterprises that can profit from carbon quota trading in the secondary market.

Zhejiang Huzhou Branch conducted stress tests on the environmental risk of the household products industry and won wide acclaim

Following the stress test on the textile industry, ICBC Huzhou Branch actively explored the impact of environmental factors on the credit risk of the household product industry, and enhanced its ability to assess and analyze the environmental risk. The branch selected the household product industry with a large amount of samples within its jurisdiction, adopted the stress test method, and followed the path of transmitting the change in the cost of enterprises affected by the environment to the banks’ credit risk, and measured the degree of credit risk impact brought by environmental factors to commercial banks. The Analysis of Huzhou Branch on Stress Test of Household Product Industry was selected as a key research project of the Huzhou Urban Finance Society in 2019, and was evaluated as qualified and praised by the society.
International Exchanges

Actively joining the Global Investors for Sustainable Development (GISD) of the UN

On October 16, 2019, President Gu Shu, at the invitation of the Secretary-General of the UN, attended the inaugural meeting of the GISD at the UN Headquarters in New York and delivered a keynote speech. He joined as the only representative of Chinese-invested institutions and issued the Joint Statement by GISD. All the members pledged to take six actions to promote global investment and financing for sustainable development, including promoting a long-term, inclusive and sustainable economic growth model; expanding investment opportunities in developing countries through multilateral cooperation; adopting long-term performance indicators and recognizing long-term value creation; unifying relevant international standards for sustainable development and strengthening information disclosure; enhancing sustainable investment and information sharing in emerging markets; innovating financing methods and tools to enhance the risk and return expectations of sustainable development investment.

Deeply participating in global governance as the originating bank and one of the first batch of contracted banks of the “Principles for Responsible Banking” of UNEP FI

On September 22, 2019, the United Nations Environment Programme and representatives of the global banking industry issued the Principles for Responsible Banking at the United Nations Headquarters in New York. Under the guidance of the PBC and the CBIRC, the Bank, as a member of the core working group of the Principles for Responsible Banking and the only Chinese-invested financial institution out of the originating banks, participated in the drafting of the principles and first signed the principles.

On the eve of the Second Belt and Road Forum for International Cooperation in 2019, the Bank successfully held the second “Belt and Road” Bankers Roundtable in Beijing. At the meeting, the Bank and the members of the BRBR mechanism jointly released the Belt and Road Green Finance (Investment) Index Framework and the BRBR Mechanism to Support the Belt and Road Green Investment Principles (GIP) Initiative to further urge financial institutions to strengthen the reciprocal cooperation in the field of green finance.

The Bank successfully issued the world’s first green Belt and Road interbank regular cooperation bonds (BRBR green bonds) worth USD2.2 billion in the international market, with the proceeds used to support the construction of “Belt and Road” green projects. The Bank urged the BRBR mechanism to issue the first BRBR green bond and release the Belt and Road Green Finance (Investment) Index. The BRBR policy training course organized by the Bank was included in the official results list of the Second Belt and Road Summit in 2019, making it a commercial financial institution with the most results included in the summit. The Dubai solar thermal power station financed by the Dubai International Financial Center (DIFC) Branch of ICBC won the 2017-2018 Best Cooperation Project Award of the interbank regular cooperation mechanism.
Since China and the UK launched the pilot program on environmental information disclosure of financial institutions in December 2017, under the joint promotion of the GFC and the City of London, the Bank and UNPRI have acted as the pilot lead agencies of China and the UK to organize and promote the pilot financial institutions to conduct fruitful exploration and practice, and achieve a series of research results such as work plans, target frameworks and action plans. The pilot work of China and the UK continues to develop in depth, and the demonstration and leading role of the pilot institutions is gradually emerging. As at the end of 2019, the number of pilot institutions for the disclosure of climate and environmental information of Chinese and British financial institutions has increased to 13 from originally 10. Ping An Group, AVIC Trust and PICC Property and Casualty have joined the pilot working group. The pilot work has covered such industries as banking, asset management and insurance. As at the end of October 2019, the total assets of the Chinese pilot institutions were approximately RMB50,296,053 million, and the scope and influence of the pilot institutions were further expanded.

In 2019, as a pilot lead agency of China, ICBC organized several exchanges and studies among China’s pilot institutions to strengthen their quantitative capacity building; ICBC and UNPRI jointly organized the pilot institutions to prepare and publish the Report on the Progress of the Pilot Disclosure of Climate and Environmental Information of Chinese and British Financial Institutions in 2019; ICBC prepared and issued the Special report on Green Finance in the form of an independent report for the first time, to provide practical guidance and demonstration for pilot institutions; ICBC conducted researches on the topic of Environmental Information Disclosure of Local Commercial Banks in Huzhou City and form research results, providing guidance for local commercial banks in Huzhou City to disclose environmental information.

As the Chinese member of the BRICS Business Council and the Chinese leader of the financial services working group, the Bank actively participated in green finance exchanges and cooperation within the BRICS cooperation framework, and deliberated and collaborated with the BRICKS partners in the fields of financial support for the development of clean energy industry, environment, society and governance (ESG), and carbon emissions trading, in an effort to jointly promote the sustainable economic and social development and the information sharing and mutually beneficial cooperation in the field of green finance among the BRICS countries.

In September 2019, at the invitation of the Central Bank of Malaysia, ICBC sent staff to Malaysia to attend the first “Climate Change Regional Conference” and delivered a special speech on international green classification methodology and China’s practice. At the meeting, the representative of ICBC introduced China’s exploration of green classification methodology to the experts at the meeting. So far, a green standard system composed of national standards, local standards and corporate standards has been formed. It is suggested that China should promote national standards to be integrated with international standards as soon as possible, and encourage all regions, provinces and cities to issue green standards in line with local development characteristics.
**Media:** Global Compact Network China  
**Award:** Best practice of the year in “realizing sustainable development goals”

**Media:** Asiamoney  
**Award:** Best Green Commercial Bank in China

**Media:** FinanceAsia  
**Award:** Award for Best Green Bond in China

**Institution:** China Central Depository & Clearing Co., Ltd.  
**Award:** Award for ChinaBond Green Bond Index Component Bond Outstanding Underwriting Institution

**Media:** Caixin Media  
**Award:** SGCX ESG50 Index Enterprise

**Media:** Finance.sina.com.cn  
**Award:** Annual sustainable development award

**Media:** Caijing  
**Award:** Evergreen award for sustainable development outcomes in 2019

**Institution:** Social Responsibility and Sustainable Development Committee of Chinese Institute of Business Administration  
**Award:** Outstanding enterprise for sustainable compliance management

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<td>b) Describe management’s role in assessing and managing climate-related risks and opportunities.</td>
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<td>c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</td>
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Feedback Form

Thank you for reading the Special Report on Green Finance. In order to better meet your reading needs, provide you and all stakeholders with more valuable information, effectively implement the Bank’s philosophy of green operation, and fulfill our responsibility and mission of promoting green transformation of the real economy with green finance, we earnestly hope that you can make valuable comment on the report and provide it to us by:

Tel: 010-66105355
Fax: 010-81013544
Email: CEIR@icbc.com.cn
Address: 121 C Xuanwumen West Street, Xicheng District, Beijing
Post code: 100031

1. Your overall comment on this report
Excellent ☐ Good ☐ Average ☐ Poor ☐

2. Which of the following stakeholders you belong to?
Government ☐ Regulator ☐ Shareholder or investor ☐ Customer ☐ Partner ☐ Staff ☐ Others ☐

3. To what extent do you think this report can meet your reading needs?
Very good ☐ Good ☐ Average ☐ Poor ☐

4. How clear, accurate and complete do you think the information, data and indicators disclosed in this report are?
High ☐ Relatively high ☐ Average ☐ Low ☐

5. To what extent do you think this report can effectively demonstrate the environmental and social influence and contributions of ICBC’s green finance work?
Very good ☐ Good ☐ Average ☐ Poor ☐

6. To what extent do you think the layout and design of this report are suitable for reading?
Very good ☐ Good ☐ Average ☐ Poor ☐

7. Your suggestions on the Bank’s green finance work and this report

TCFD Framework Content Index

- Governance:
  - Describe the board’s oversight of climate-related risks and opportunities.
  - Describe management’s role in assessing and managing climate-related risks and opportunities.

- Strategy:
  - Describe the climate-related risks and opportunities identified.
  - Describe the impact of climate-related risks on the organization.
  - Describe the resilience of the organization’s strategy.

- Risk Management:
  - Describe the processes for identifying and assessing risks.
  - Describe the processes for managing risks.
  - Describe how processes are integrated into overall risk management.

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  - Disclose greenhouse gas emissions and related risks.
  - Describe targets for managing climate-related risks.

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7. Your suggestions on the Bank’s green finance work and this report
Notes to the Report

Scope of the report:
Organization scope: This report covers the whole Group, focusing on the Industrial and Commercial Bank of China Limited.
Time frame: January 1-December 31, 2019, and some contents are beyond this time frame.

Principles for report preparation:
This report refers to the Recommendations of the Task Force on Climate-related Financial Disclosure issued by the TCFD of the United Nations Financial Stability Board, the environment-related principles of the UN Global Compact, and the SDG of the UN, and meets the Green Credit Guidelines issued by the CBRC, the Guidelines for Environmental Information Disclosure of Listed Companies on Shanghai Stock Exchange issued by Shanghai Stock Exchange, the Environmental, Social and Governance Reporting Guide issued by the Stock Exchange of Hong Kong Limited and other relevant opinions and guidelines.

Data:
Data used in this report is mainly from 2019, most of which is excerpted from the statistical data of the Bank’s internal systems and branches. Unless otherwise provided, figures involved in this report shall be in RMB.

Format:
This report is released in hard and soft copies. The soft copy is available on the website of the Bank. This report is published in Chinese and English. In the case of discrepancy between the two versions, the Chinese version shall prevail.

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