



55 Fuxingmennei Avenue, Xicheng District, Beijing, China Post Code: 100140
www.icbc.com.cn, www.icbc-ltd.com

All rights reserved, no duplication without permission

ICBC 

2020 GREEN BOND REPORT



Industrial and Commercial Bank of China Limited
2020 GREEN BOND REPORT

Vision and objective

Industrial and Commercial Bank of China Limited (hereinafter referred to as "ICBC") values service as our foundation and insists on creating value through providing comprehensive financial products and services to over 9.2 million corporate clients and 690 million retail customers worldwide. ICBC has been consciously integrating the social responsibilities into its development strategy, operation and management activities in the aspects including supporting the prevention and battle against epidemic, developing inclusive finance, contributing to poverty eradication and rural revitalisation, promoting green finance, and backing social and public welfare undertakings, which have been widely praised.

ICBC always focuses on its main business, sticks to the mission of serving the real economy, and co-existing, sharing the hardships and growing together with the real economy for mutual prosperity; always adheres to the risk-based approach, firmly holds the bottom line, and constantly improves its ability to control and resolve risks; always adheres to the compliance and obedience of the operating rules for commercial banks, and is committed to building a "century-old institution"; always devotes to making progress amidst stability and strives for innovation and advancements, continues to deepen the key strategy of development, actively develops financial technology, and accelerates digital transformation; always maintains professionalism and dedication, explores specialised business models, and forges "craftsmen in large banking".

ICBC has strengthened exchanges and cooperation with international organisations in various areas based on the guiding principles and objectives of the Paris Agreement to help jointly boost the transition to a low-carbon economy worldwide.

- During the reporting period, ICBC has energetically contributed in the sustainable development of international corporate governance, leveraging on the Belt and Road Inter-bank Regular Cooperation Mechanism (BRBR Mechanism) to carry out international exchanges and cooperation with regard to green finance;
- actively participated in activities organised by the United Nations Environment Programme Finance Initiative (UNEP FI);
- jointly promoted cooperation under the Green Investment Principles (GIP) for Belt and Road;
- steadily facilitated the implementation of the framework established by the Task Force on Climate-Related Financial Disclosures (TCFD);
- researched and published the "Belt and Road Green Finance (Investment) Index".

services to over

9.2 million

corporate clients and

690 million

retail customers worldwide



The issuance of green bonds represents a further interpretation of the ICBC's green development strategy, which would help ICBC to achieve the common goal of "carbon peaking and carbon neutrality" and maximise the combined value of shareholder, stakeholder and social responsibility. The green bonds will help ICBC Group deepen its development strategy in areas such as sustainable development and climate change mitigation.

Green Finance

At present, ecological and environmental protection and climate change have become a common challenge faced by the whole world, resulting in a broad consensus formed in the international community. The PRC government has announced the strategic goals of achieving carbon emissions peak by 2030 and carbon neutrality by 2060, and has made special emphasis on green development in the 14th Five-Year Plan. As the development of green finance represents an important process in the construction of an ecological civilisation, being designated as a global systemically important bank, ICBC has always adhered to the business objective of using green finance tools to promote the development of real economy, actively practised the concept of sustainable development, firmly embedded the concept of green development into corporate operation and management, strived to integrate green development into financial services and its own operations, insisted on fulfilling its economic and social responsibilities, and is committed to promoting synergies between environmental protection and economic development, employment creation and poverty eradication through financial means.

Green Bonds

Firstly, regarding underwriting and investment, in order to guide the flow of social capital into the green industries, ICBC has vigorously carried out underwriting and investment in green bonds. ICBC underwrites and invests in a wide range of green bonds, including green finance bond, ultra-short-term financing bond, medium-term note, asset-backed note and corporate bond. In addition, ICBC has successfully offered "climate change" and "Yangtze River protection" themed green finance bonds through its over-the-counter sales channel, effectively cultivated social and public awareness in responsible investment, and facilitated the expansion of the social impact of green finance.

During the reporting period, the Bank (as lead underwriter) has underwritten a total of

10 green bonds,
raising a total of
RMB **18.043** billion

During the reporting period, ICBC has invested

RMB **1.259** billion in its
green bond portfolio,
with a balance of
RMB **21.689** billion

Invested an amount equivalent to

US\$ **207** million in its
non-RMB green bond portfolio,
with a balance equivalent to
US\$ **364** million

Secondly, regarding issuance of green bonds, ICBC has been actively implementing our nation's green development concepts and sustainable development strategies to help contribute to the development of the green bond market.

During the reporting period, the “Guangdong-Hong Kong-Macao Greater Bay Area” themed green bond issued by ICBC Hong Kong Branch in 2019 was awarded “the Deals of the Year 2020 Asia Pacific” by The Banker and “Hong Kong Sustainability Finance Award 2020 – Outstanding Award for Green Bond Issuer – Largest Single Green Bond (Banking Industry)” by the Hong Kong Quality Assurance Agency (HKQAA).

As of the end of the reporting period, a total amount equivalent to **US\$ 9.83** billion of green bonds had been issued, and a total of **10** international awards were awarded for these green bonds

Green Loans

ICBC continues to strengthen the management of the domestic industry (green) loan policy and effectively promotes the green adjustment of investment and financing structure. Green finance requirements have been embedded in all aspects of the due diligence, project evaluation, credit rating, review and approval, contract signing, fund disbursement and post-lending (investment) management process, adhering to the various bottom line and red line constraints.

As of the end of the reporting period, the balance of green loans lent to green industries, such as energy conservation and environmental protection, clean production, clean energy, ecological environment, green infrastructure upgrading and green services, calculated based on the new principles of the China Banking and Insurance Regulatory Commission (CBIRC) amounted to **RMB 1,845.719** billion

Green Operation

ICBC actively advocates the concept of green and environmental protection, endeavours to promote green office, establishes the concept of diligence and thriftiness in business operation, and strengthens the awareness of conservation. Efforts in energy conservation and emission reduction have been increased and close attentions have been paid to energy management and control, in addition to optimisation of operation practices of major and energy-consuming equipment and further exploration of energy-saving opportunities through technological upgrading and equipment revamping. Greening and environmental protection activities are conducted in an effort to improve the ecological environment in a practical manner and to fulfil social responsibilities. Policies regarding energy conservation and environmental protection are actively implemented, works in relation to carbon emission trading exchange in Beijing are adequately performed, commitments to energy conservation and emission reduction are fulfilled, and the initiative of becoming a “green bank” is moving progressively.

During the reporting period, ICBC has put into operation **12** new mobile office applications relating to official documents, meetings and printing approval; continued to promote paperless meetings and training, and conducted **445** paperless meetings across the bank, saving **3** million sheets of paper

Basic information

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



with an aggregate issuance amount equivalent to **9.83** billion

Details of ICBC’s overseas green bond issuance as of the end of the reporting period

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

London Branch	ISIN	XS1830984628	XS1830985278	XS1831163396
	Type of issuance	Three-year US dollar floating-rate	Five-year US dollar floating-rate	Three-year Euro floating-rate
	Issuance amount	US\$ 500,000,000	US\$ 500,000,000	EUR 500,000,000
	Use of proceeds	For the purpose of financing or refinancing Eligible Green Assets as described in the Green Bond Framework of Industrial and Commercial Bank of China, covering areas including renewable energy, low carbon and low emission transportation, energy efficiency as well as sustainable water and wastewater management in the regions and countries surrounding “Belt and Road”		
	Second opinion	“Dark Green” shading by the Center for International Climate Research (CICERO) in Oslo in accordance with the green bond principles		
	External auditor's opinion	External assurance by Beijing Zhongcai Green Financing Consultant Ltd. in accordance with China's green bond standards		
	Certification	Labelled by CBI as “Climate Bonds” on 28 May 2018; awarded the Post-Issuance Certification by CBI on 4 June 2019		
	Listing	London Stock Exchange		
ICBC Asia	Issue date	13 June 2018		
	Issuer's rating	A1 (Moody's)		
	Issue rating	A1 (Moody's)		
	Issue type	Senior unsecured bond		
	Issue format	Reg S		
	ISIN	XS1839369300	XS1839372601	HK0000425899
	Type of issuance	Three-year US dollar floating-rate	Five-year US dollar floating-rate	Two-year HK dollar fixed-rate
	Issuance amount	US\$ 200,000,000	US\$ 200,000,000	HKD 2,600,000,000
	Use of proceeds	For the purpose of financing or refinancing Eligible Green Assets as described in the Green Bond Framework of Industrial and Commercial Bank of China, covering areas including renewable energy, low carbon and low emission transportation, energy efficiency as well as sustainable water and wastewater management		
	Second opinion	“Dark Green” shading by the Center for International Climate Research (CICERO) in Oslo in accordance with the green bond principles		
	External auditor's opinion	External assurance by Beijing Zhongcai Green Financing Consultant Ltd. in accordance with China's green bond standards		
	Certification	Awarded the Pre-issuance Stage Certificate by the HKQAA on 28 May 2018; awarded the Post-issuance Stage Certificate by the HKQAA on 5 July 2019		
	Listing	Hong Kong Stock Exchange		
Singapore Branch	Issue date	16 April 2019		
	Issuer's rating	A1 (Moody's)		

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

Awards

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



2017 Green bonds issued by
Luxembourg Branch

Received from *Finance Asia*

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

Received from *IFR Asia*

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

Awarded by *The Asset*

The “Best Green Bond”³

Received from *Environmental Finance*

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

Granted by *GlobalCapital*

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

1. <https://www.financeasia.com/News/441270.winners-emfinanceasiaems-achievement-awards-part-2.aspx>

2. <http://www.ifrasia.com/sri-bond/21320981.article>

3. <https://www.theasset.com/awards/regional-deals-2017-fixed-income>

4. <https://www.environmental-finance.com/content/awards/green-bond-awards-2018/winners/award-for-innovation-use-of-proceeds-icbc.html>

5. <http://www.globalcapital.com/article/b19tcwdcbqrq2ks/sri-award-winners-2018-revealed>



2018 Green bonds issued by London Branch

Received from CBI

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

2019 Green bonds issued by
Singapore Branch

Awarded by *The Asset*

The “Best Issuer for
Sustainable Finance”

Awarded by *The Asset*

“Best Financial Institutions
Group Bond” (Best FIG Bond)⁷



2019 Green bonds issued by Hong Kong Branch

Awarded by *The Banker*

The “Deals of the Year 2020 Asia Pacific”⁸

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

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



6. <https://cbi19.climatebonds.net/past-events/2019>

7. <https://www.theasset.com/awards/country-awards-2019-deals-north-asia>

8. <https://www.thebanker.com/Awards/Deals-of-the-Year/Deals-of-the-Year-2020-Asia-Pacific?ct=true>

TWO

Management of Proceeds

Governance Framework





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

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

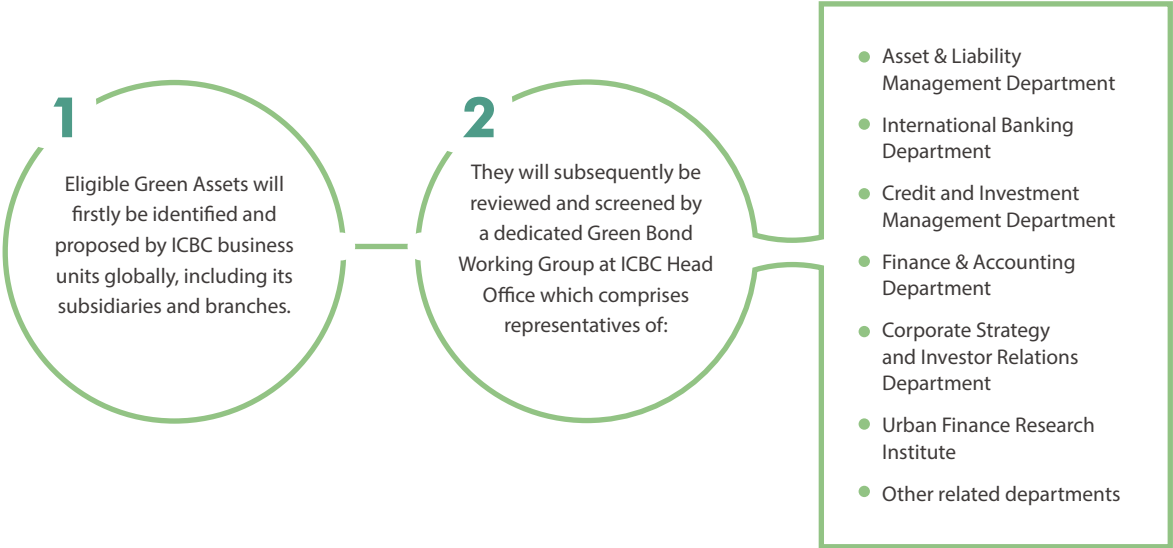
- Fossil fuel related assets
- Large-scale hydropower plants
- Nuclear and nuclear-related assets

Note: Eligible assets in each category shall at least meet the relevant standards as recognised in the respective country. In case of no official or recognised standards from the respective country, corresponding international standards shall apply.

Categories and examples of Eligible Green Assets

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

Green Assets Evaluation and Selection



Prior to the issuance, the Green Bond Working Group will review all proposed Eligible Green Assets to determine their compliance with the ICBC Green Bond Framework and form the “Eligible Green Asset Lists. The Green Bond Working Group consists of a group of experts with environmental protection experience and knowledge, who has a right to veto over the final decision of the asset selection. The assets that are vetoed shall be excluded from the Eligible Green Asset List.






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







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

Deposit, Use and Management of Proceeds

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

External assessment and certification

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

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

THREE

Use of Proceeds

Use of Proceeds

ICBC has issued five overseas green bonds with an aggregate issuance amount equivalent to US\$9.83 billion. As of the end of the reporting period, the 3-year EUR1.1 billion green bond and the 3-year US\$450 million green bond issued by Luxembourg Branch in 2017, the 2-year HKD2.6 billion green bond issued by ICBC Asia in 2018 and the 1-year RMB1 billion green bond issued by Hong Kong Branch in 2019 had already matured, resulting in a total balance of ICBC's existing overseas green bonds equivalent to US\$7.62 billion. The proceeds were mainly used to support refinancing in the renewable energy industry, low carbon and low emission transportation industry and sustainable water resources management industry, details of which are set out in the table below.

Total issue size by the 5 bonds

US\$ **9.83** billion

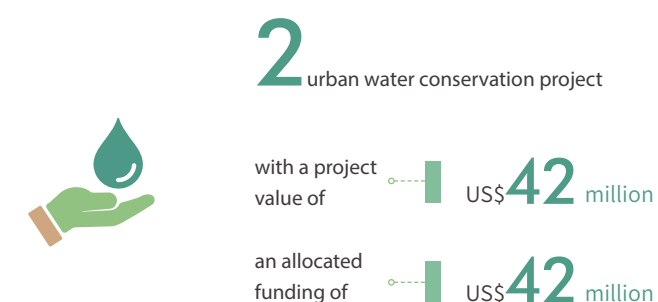
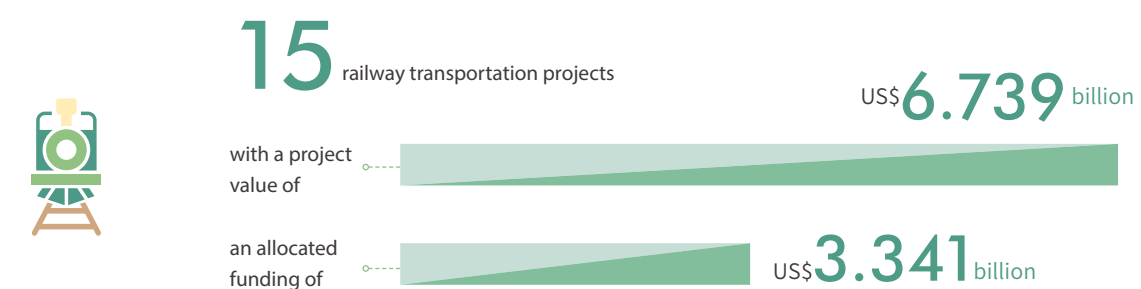
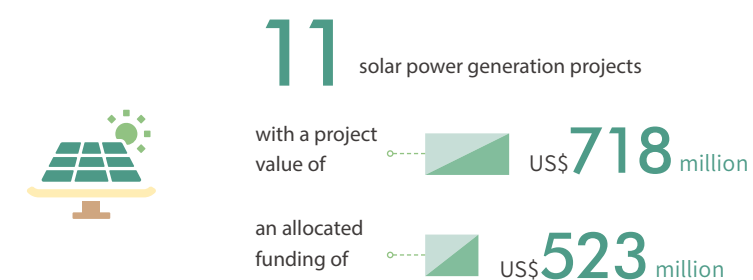
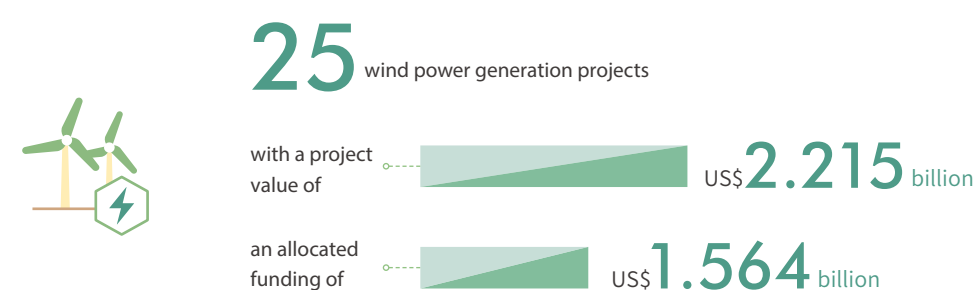
Use of proceeds of existing overseas green bonds as of the end of the reporting period





Breakdown by Asset Category

As of the end of the reporting period, asset categories funded by ICBC's existing overseas green bond included wind power generation, solar power generation, railway transportation, metro transit and urban water conservation.



Breakdown of allocation of proceeds raised by existing overseas green bonds by each green asset category at the end of the reporting period

Issuer	Asset Categories		No. of projects	Project value (US\$ million)	Amount of proceeds allocated (US\$ million)	Proceeds from green bonds as a percentage of project value (%)
Luxembourg Branch	Renewable energy	Wind power	1	152	152	100.00
		Solar power	2	153	132	86.27
	Low carbon and low emission transportation	Railway transportation	1	644	116	18.01
Total			4	949	400	42.15
London Branch	Renewable energy	Wind power generation	13	1354	751	55.47
		Solar power generation	3	283	109	38.52
	Low carbon and low emission transportation	Railway transportation	3	2051	740	36.08
Total			19	3688	1600	43.38
ICBC Asia	Low carbon and low emission transportation	Railway transportation	1	954	400	41.93
Total			1	954	400	41.93
Singapore Branch	Renewable energy	Wind power generation	6	463	463	100.00
		Solar power generation	3	206	206	100.00
	Low carbon and low emission transportation	Railway transportation	4	1737	1489	85.72
	Sustainable water resources management	Urban water conservation	2	42	42	100.00
Total			15	2448	2200	89.87
Hong Kong Branch	Renewable energy	Wind power generation	5	246	198	80.49
		Solar power generation	3	76	76	100.00

Issuer	Asset Categories		No. of projects	Project value (US\$ million)	Amount of proceeds allocated (US\$ million)	Proceeds from green bonds as a percentage of project value (%)
Hong Kong Branch	Low carbon and low emission transportation	Metro transit	9	6291	2150	34.18
		Railway transportation	6	1353	596	44.05
Total			23	7966	3020	37.91

Notes: 1. All amounts are translated to US dollar.
2. Project value refers to the loan balance from ICBC for that project.

Assets funded by existing overseas green bond as of the end of the reporting period were located in a number of countries and regions both within and outside of China. For the geographical distribution of the assets, please refer to the table below.

Breakdown of allocation of proceeds raised by existing overseas green bonds by region at the end of the reporting period

Issuer	Countries and regions		No. of projects	Project value (US\$ million)	Amount of proceeds allocated (US\$ million)
Luxembourg Branch	Within China	East	2	153	132
		Northwest	1	152	152
		Southwest	1	644	116
Total			4	949	400
London Branch	Outside China	United Kingdom	1	54	50
		Pakistan	1	75	55
	Within China	Northwest	9	1016	530
		Northeast	2	218	100
		North	1	114	64
		East	1	88	32
		Central South	3	1402	539
		Southwest	1	721	230
		Total			19

Issuer	Countries and regions		No. of projects	Project value (US\$ million)	Amount of proceeds allocated (US\$ million)
ICBC Asia	Within China	Northwest	1	954	400
Total			1	954	400
Singapore Branch	Outside China	Pakistan	1	70	70
		Egypt	1	27	27
	Within China	East	3	590	538
		South	1	672	566
		Central	2	166	166
		Southwest	2	230	230
		Northwest	5	693	603
Total			15	2448	2200
Hong Kong Branch	Within China	South	23	7966	3020
Total			23	7966	3020

Notes: 1. All amounts are translated to US dollar.
2. Project value refers to the loan balance from ICBC for that project.

Major Pollution Incident or Other Environmental Breach

There was no major pollution incident or any other environmental breach occurred in the green assets supported by the proceeds from ICBC’s existing overseas green bonds as of the end of the reporting period.

FOUR

Environmental Impacts

As of the end of the reporting period, the green assets supported by the proceeds from ICBC’s existing overseas green bonds have contributed to an annual carbon emission reduction of **26,122,395** tons, an annual increased water supply capacity of **450,000** cubic metres and an annual wastewater treatment capacity of **35,640,700** cubic metres. In particular, the total annual carbon emission reduction from renewable energy projects and low carbon and low emission transportation projects were **9,610,541** tons and **16,511,854** tons, respectively; and the annual increased water supply capacity and annual wastewater treatment capacity from sustainable water resources management projects were **450,000** cubic metres and **35,640,700** cubic metres, respectively.

Environmental impacts			
Issuer	Asset category	Key impact indicators	
Luxembourg Branch	Renewable energy	Wind power generation	Total installed capacity (MW): 400
			Annual generation capacity (MWh): 920,000
			CO2 emission reduction (tons): 752,100
		Solar power generation	Total installed capacity (MW): 180
			Annual generation capacity (MWh): 209,300
			CO2 emission reduction (tons): 171,103
	Low carbon and low emission transportation	Railway transportation	Annual number of passengers transported (10,000 people): 1,179
			Annual volume of goods transported (10,000 tons): 1,270
			CO2 emission reduction (tons): 818,798
Total: CO2 emission reduction (tons)		1,742,001	
London Branch	Renewable energy	Wind power generation	Total installed capacity (MW): 2,934
			Annual generation capacity (MWh): 7,197,754
			CO2 emission reduction (tons): 4,693,508
		Solar power generation	Total installed capacity (MW): 550
			Annual generation capacity (MWh): 818,595
			CO2 emission reduction (tons): 626,225
	Low carbon and low emission transportation	Railway transportation	Annual number of passengers transported (10,000 people): 4,312
			CO2 emission reduction (tons): 1,591,813
	Total: CO2 emission reduction (tons)		6,911,546

Issuer	Type of project	Key impact indicators	
ICBC Asia	Low carbon and low emission transportation	Railway transportation	Annual number of passengers transported (10,000 people): 956
			CO2 emission reduction (tons): 224,593
Total: CO2 emission reduction (tons)		224,593	
Singapore Branch	Renewable energy	Wind power generation	Total installed capacity (MW): 1,851
			Annual generation capacity (MWh): 2,129,486
			CO2 emission reduction (tons): 1,641,207
		Solar power generation	Total installed capacity (MW): 260
			Annual generation capacity (MWh): 296,488
			CO2 emission reduction (tons): 211,246
	Low carbon and low emission transportation	Railway transportation	Annual number of passengers transported (10,000 people): 5,151
			CO2 emission reduction (tons): 4,493,255
	Sustainable water resources management	Urban water conservation	Annual increased water supply capacity (CBM): 450,000
			Annual wastewater treatment capacity (CBM): 35,640,700
Total:	CO2 emission reduction (tons)		6,345,708
	Annual increased water supply capacity (CBM)		450,000
	Annual wastewater treatment capacity (CBM)		35,640,700
Hong Kong Branch	Renewable energy	Wind power generation	Total installed capacity (MW): 349
			Annual generation capacity (MWh): 1,785,629
			CO2 emission reduction (tons): 1,383,862
		Solar power generation	Total installed capacity (MW): 140
			Annual generation capacity (MWh): 169,406
			CO2 emission reduction (tons): 131,290
	Low carbon and low emission transportation	Metro transit	Annual number of passengers transported (10,000 people): 94,127
			CO2 emission reduction (tons): 7,043,261
		Railway transportation	Annual number of passengers transported (10,000 people): 6,853
			CO2 emission reduction (tons): 2,340,134
Total: CO2 emission reduction (tons)		10,898,547	

Notes:

1. For renewable energy projects, impacts are calculated based on the EIB Carbon Footprint Methodology.

http://www.eib.org/attachments/strategies/eib_project_carbon_footprint_methodologies_en.pdf

2. For low carbon and low emission transportation projects, impacts are calculated based on the index for railway sector in PRC in IEA-UIC Energy and CO2 Railway Handbook

(https://uic.org/IMG/pdf/handbook_iea-uic_2017_web3.pdf) and EIB CO2 evaluation method

FIVE

Disclosure and Reporting

ICBC commits to publish an annual green bond report (“the “Annual Green Bond Report”), which will provide information on the allocation of proceeds from green bonds and the environmental impacts.

This report is an annual report covering the period from 1 January 2020 to 31 December 2020. Some of the contents may go beyond this period.

The Annual Green Bond Report will be publicly available via annual updates on ICBC’s official global website www.icbc-ltd.com. In addition, ICBC will make disclosure through other channels where feasible, such as annual reports and corporate social responsibility reports, which will also be published on www.icbc-ltd.com.

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