

2022

Industrial and Commercial Bank of China Limited

GREEN BOND REPORT

ICBC 

2022 GREEN BOND REPORT



1

OVERVIEW



Vision and Objective for Issuing Green Bonds

Industrial and Commercial Bank of China (hereafter "ICBC"/"the Bank" or "we") was established on 1st January 1984. On 28th October 2005, the Bank was wholly restructured to a joint-stock limited company. On 27th October 2006, then Bank was successfully listed on both Shanghai Stock Exchange and the Stock Exchange of Hong Kong Limited.

Aiming to develop into a world-class modern financial corporation with Chinese characteristics, the Bank has an excellent customer base, a diversified business structure, strong innovation capabilities and market competitiveness. The Bank regards service as the very foundation of business, insists on creating value through service while providing a comprehensive range of financial products and services to over 10 million corporate customers and 720 million personal customers around the world, and serves the high-quality economic and social development with the Bank's own high-quality development. The Bank consciously integrates social responsibilities with its development strategy and business management activities, and actively devotes itself to serving the manufacturing industry, promoting inclusive finance, backing rural revitalization, developing green finance, and participating in public welfare undertakings.

The Bank always keeps in mind its underlying mission of serving the real economy with its principal business, and along with the real economy it prosper, suffers and grows.

Taking a risk-based approach, and never overstepping the bottom line, it constantly enhances its capability of controlling and mitigating risks.

Besides, the Bank remains steadfast in understanding and following the business rules of commercial banks, and commits to be a "century-old store" with reputation and history.

It also insists on seeking progress with innovation while maintaining stability, continuously enhances the key development strategies, actively develops FinTech and accelerates digital transformation.

The Bank unswervingly delivers specialized services, pioneers a specialized business model, and forges "a craftsman in large banking".

The Bank

was ranked the **1st place** among the Top 1000 World Banks by *The Banker* for the tenth consecutive year

was ranked the **1st place** in the list of commercial banks of the Global 500 in *Fortune* for the tenth consecutive year

took the **1st place** among the Top 500 Banking Brands of *Brand Finance* for the seventh consecutive year

The Bank continues to rank the **1st place** in the GYROSCOPE assessment system among national commercial banks

receives the ESG rating of the **A grade** from MSCI

The Bank follows the guiding principles and directions of the Paris Agreement, strengthens international exchanges and cooperation in multiple fields, and promotes the low-carbon transformation of the global economy jointly.

During the reporting period, the Bank actively participated in the international governance of sustainable development.

- The Bank carried out international exchanges and cooperation on green finance to promote the joint construction of green consensus, relying on the "Belt and Road" Interbank Regular Cooperation Mechanism (BRBR)
- Conducted BRICS cooperation, and discussed the formation of ESG assessment methodological framework suitable for emerging markets and developing countries
- Cooperated with China and Europe Excellent companies in various fields jointly to initiate the establishment of the China-Europe Business Alliance (CEBC) to facilitate China-EU dual-carbon cooperation
- Participated in the global financial governance of the Task Force on Climate-related Financial Disclosure (TCFD), providing reference for Chinese institutions to benchmark the TCFD framework
- Besides, the Bank continued to fulfill the duty as the leader in the expert working group of Chinese banking industry on supporting the achievement of Carbon Peaking and Carbon Neutrality Goals, sharing the Bank's management practices

The issuance of green bonds helps the Bank achieve the common goal of "carbon peaking and carbon neutrality", maximizes the combined value of shareholders, stakeholders and social responsibility, and represents a concrete practice of the Bank to deepen the implementation of sustainable development strategy.

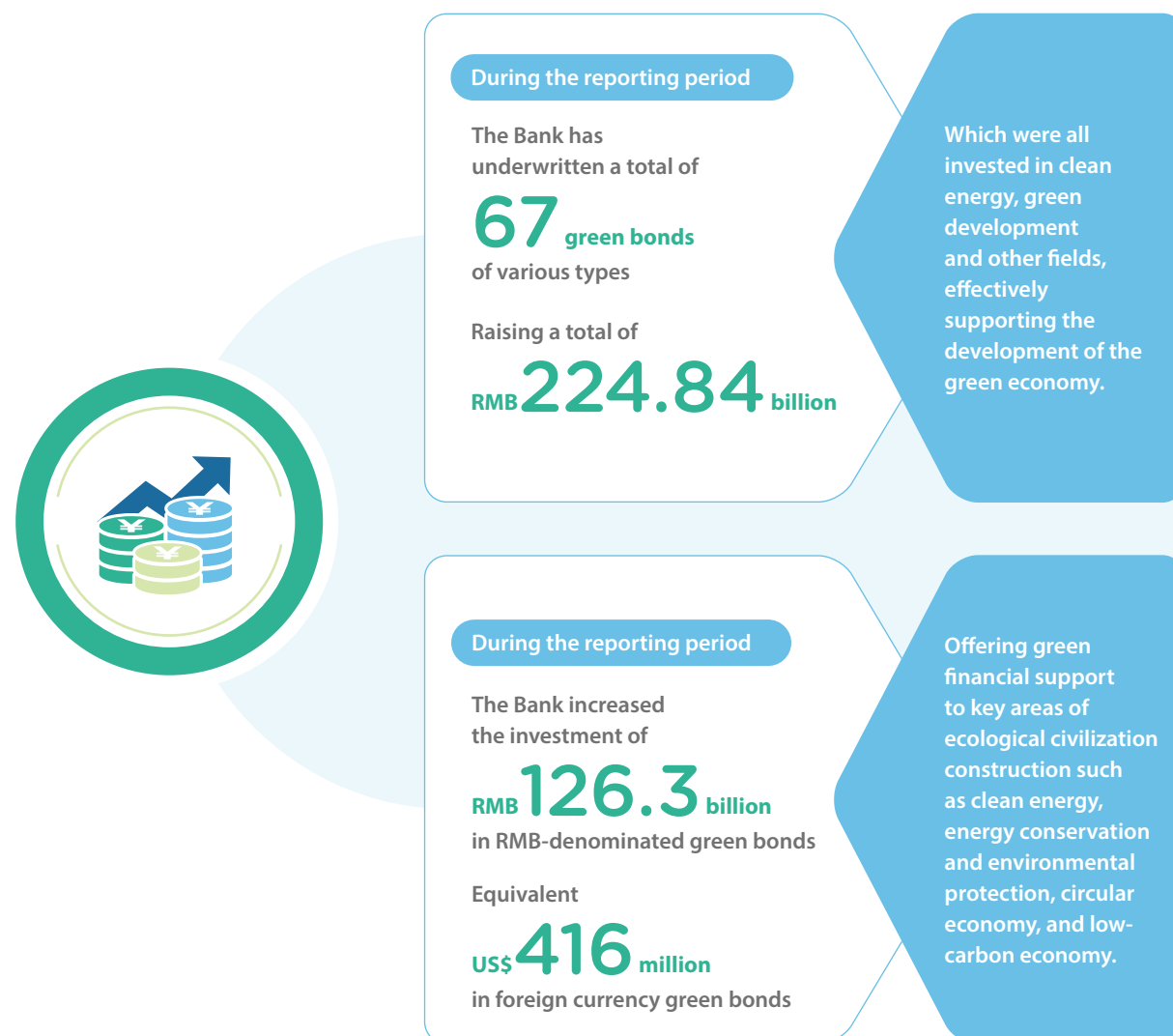
Business Development of Green Finance

At present, protecting the ecological environment and addressing climate change have become a common challenge for the world. A broad consensus has been formed in the international community. The Chinese government has announced the strategic goals of carbon peaking by 2030 and carbon neutrality by 2060, and has made special deployments for green development in the "14th Five-Year Plan". The development of green finance is an important part in the construction of ecological civilization. Given that, as a global systemically important bank, the Bank has always adhered to the business philosophy of promoting the development of the real economy with green finance. The Bank actively practiced the concept of sustainable development, deeply rooted green finance development in corporate management, insisted on integrating the concept of green development into its financial services and its own operations. Being committed to fulfill its economic and social responsibilities, ICBC is dedicated to protecting the environment, developing the economy, creating jobs and removing poverty all at the same time through financial means.

Green bonds

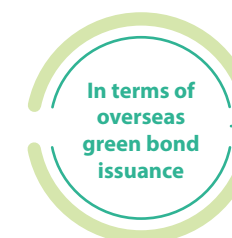
Underwriting and investment of green bonds

The Bank vigorously carried out the underwriting and investment of green bonds, and guided social funds to flow into the green industry.



Issuance of green bonds

The Bank actively implemented the green development philosophy and the sustainable development strategy to help the development of the green bond market.



As of the end of the reporting period

The Bank issued a total of **US\$ 15.74 billion** overseas green bonds and won **13 international awards** in total

During the reporting period

the Bank issued a total of equivalent US\$2.68 billion global multi-currency overseas green bonds with the theme of "carbon neutrality" through four overseas branches in Hong Kong, Singapore, London, and Dubai, and listed them simultaneously on the stock exchanges in Hong Kong, Singapore, London, and Dubai.



As of the end of the reporting period

the Bank has cumulatively issued **RMB 20 billion domestic green bonds.**

During the reporting period

The Bank successfully issued **RMB 10 billion carbon-neutral green financial bonds** in the national interbank bond market. This bond is the first commercial bank carbon-neutral green financial bond approved by the regulators in China and the first green bond citing the new version of the EU-China "Sustainable Finance Common Ground Taxonomy". It fulfills the global mainstream green bond standards and is a benchmark product in the domestic green bond market.

Green credit

The Bank continued to strengthen the management of domestic industry investment and financing policies, thereby promoting the adjustment of green credit in the investment and financing structures effectively. The Bank has embedded green finance requirements into all aspects of its whole process, adhered to the bottom-line and red-line constraints.

As of the end of the reporting period

Under the CBIRC's criteria, the bank recorded **RMB 3,978.458 billion** in green loans issued to energy saving, environmental protection, clean production, clean energy, ecological environment, green upgrading of infrastructure, green services and other green industries

with both the scale and increment remained first among comparable peers



Low-Carbon operations

Guided by “promoting green development, advocating low-carbon, and creating a green bank”, the Bank continues to promote the construction of a “green bank”, by advocating “paperless” office throughout the whole bank, encouraging the active promotion of green office, enriching the connotation of office informatization, and practicing energy-saving and emission reduction.

During the reporting period



The Bank has saved approximately
19 million
sheets of paper

Which is approximate
98 tons
by holding paperless meetings online



The office and mobile platforms handled a total of
5.2 billion
paperless transactions

Saving approximately
27,000 tons
of paper

During the reporting period

The Bank established and put into operation a self-developed carbon footprint management data statistics system, which realized digital information reporting, standardized approval, and automated summary during the reporting period, laying a solid foundation for the continuous implementation of “carbon peaking and carbon neutrality” work.

In addition, the Bank actively practiced the concept of green finance in terms of green wealth management, green funds, green leasing, green investment, and green insurance, and gave full play to its role as the main force in the industry to promote the comprehensive green transformation of economic and social development.



Basic Information of Green Bonds

As of the end of the reporting period

The total balance of the Bank's outstanding overseas green bonds amounts is equivalent to **USD\$8.21 billion.**

The Bank has issued green bonds through Luxembourg branch, London branch, ICBC Asia, Singapore branch, Hong Kong branch, Macau branch, and Dubai branch previously, all of these green bonds were highly recognized and oversubscribed by global investors.

Table 1 Details of ICBC's overseas green bond outstanding as of the end of the reporting period

2018	Issued by London Branch
Issue Date	5 th June 2018
Issuer's rating	A1 (Moody's)
Issuering	A1 (Moody's)
Issue type	Senior unsecured bond
Issue format	Reg S
ISIN	XS1830985278
Type of Insurance	Five-year US Dollar floating-rate
Issuance amount	US\$ 500,000,000
Use of proceeds	For the purpose of financing or refinancing Eligible Green Assets as described in ICBC's Green Bond Framework, 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 as “Climate Bond” by CBI on 28 th May 2018; Awarded the Post-Issuance Certification by CBI on 4 th June 2019
Listing	London Stock Exchange

2018

Issued by ICBC (Asia)

Issue Date	13 th June 2018
Issuer's rating	A1 (Moody's)
Issue rating	A1 (Moody's)
Issue type	Senior unsecured bond
Issue format	Reg S
ISIN	XS1839372601
Type of Insurance	Five-year US dollar floating-rate
Issuance amount	US\$ 200,000,000
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 HKQAA on 28 th May 2018; Awarded the Post-issuance Stage Certificate by HKQAA on 5 th July 2019
Listing	Hong Kong Stock Exchange

2019

Issued by Singapore Branch

Issue Date	16 th April 2019
Issuer's rating	A1 (Moody's)
Issuering	A1 (Moody's)
Issue type	Senior unsecured bond
Issue forma	Reg S
ISIN	XS1982691153
Type of insurance	Five-year US Dollar floating-rate
Issuance amount	US\$ 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
Listing	Singapore Stock Exchange

2019

Issued by Hong Kong Branch

Issue Date	9 th September 2019
Issuer's rating	A1 (Moody's)
Issue rating	A1 (Moody's)
Issue type	Senior unsecured bond
Issue Format	Reg S
ISIN	XS2052134496
Type of insurance	Five-year USD floating-rate
Issuance amount	USD 1,000,000,000
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-September 2019; awarded the Post-issuance Stage Certificate by the HKQAA on 14 th September, 2020
Listing	Hong Kong Stock Exchange.

2021

Joint issuance of multiple branches

Issue Date	21 st October 2021				
Issuer's rating	A1 (Moody's)				
Issue rating	A1 (Moody's)				
Issue type	Senior unsecured bond				
Issue Format	Reg S				
Issuing Branch	Hong Kong Branch	Singapore Branch	Luxembourg Branch	London Branch	Macau Branch
ISIN	XS2381043350	XS2384565508	XS2384014705	XS2384533563	MO000A3KV710
Type of insurance	Five-year US Dollar fixed-rate	Three-year US Dollar fixed-rate	Five-year Euro fixed-rate	Long Four-year British Pound fixed-rate	Two-year Macau pataca fixed-rate
Issuance amount	US\$ 1,000,000,000	US\$ 1,050,000,000	EUR 500,000,000	GBP 250,000,000	MOP 2,000,000,000
Use of proceeds	For the purpose of financing or refinancing Eligible Green Assets with significant carbon emission reduction benefits 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.				
Second opinion	Sustainalytics issued a second opinion 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 and China's carbon neutrality bond standards.				
Certification	Awarded the Pre-issuance Stage Certificate by the HKQAA on 13 th August 2021; labelled by CBI as "Climate Bonds" on 30 th August 2021; Awarded the Post-issuance Stage Certificate by HKQAA on 15 th May 2023				
Listing	Singapore Stock Exchange, Hong Kong Stock Exchange, Luxembourg Stock Exchange (EuroMTF Market), London Stock Exchange (International Securities Market), Chongwa (Macao) Financial Asset Exchange (MOX)				

2022

Joint issuance of multiple branches

Issue Date	24 th May 2022				
Issuer's rating	A1 (Moody's)				
Issuering	A1 (Moody's)				
Issue type	Senior unsecured bond				
Issue format	Reg S				
Issuing Branch	Hong Kong Branch	Hong Kong Branch	Singapore Branch	London Branch	Dubai Branch
ISIN	XS2446005907	HK0000824497	XS2484328021	XS2446008083	HK0000853959
Type of insurance	Three-year US Dollar fixed-rate	Two-year HKD fixed-rate	Three-year US Dollar floating-rate	Three-year Euro fixed-rate	Two-year CNH fixed-rate
Issuance amount	US\$ 1,200,000,000	HKD 2,000,000,000	US\$ 600,000,000	EUR 300,000,000	CNH 2,000,000,000
Use of proceeds	For the purpose of financing or refinancing Eligible Green Assets with significant carbon emission reduction benefits 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.				
Second opinion	Sustainalytics issued a second opinion 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 and China's carbon neutrality bond standards.				
Certification	Awarded the Pre-issuance Stage Certificate by the HKQAA on 15 th February 2022				
Listing	Singapore Stock Exchange, Hong Kong Stock Exchange, London Stock Exchange (International Securities Market), and NASDAQ Dubai Exchange				

As of the end of the reporting period, there are two domestic green bonds outstanding in ICBC, with total balance of RMB 20 billion. These two bonds were issued through national interbank bond market in 2021 and 2022 respectively, both of which were highly recognized and subscribed by a diverse range of institutional investors.

Table 2 Details of ICBC's domestic green bond outstanding as of the end of the reporting period

The full name of the bond	Industrial and Commercial Bank of China Limited 2022 Green Finance Bond (Tranche 1)
The abbreviated name of the bond	22 ICBC Green Finance Bond 01
Issue Date	2022/6/8
Bond Maturity	3 years
Issuance amount	RMB 10 billion
Use of proceeds	Allocation to wind power and photovoltaic power projects
External auditor's opinion	A green assessment certification report issued by Lianhe Equator Environmental Impact Assessment Company Limited

The full name of the bond	Industrial and Commercial Bank of China Limited 2021 Green Finance Bond (Tranche 1)
The abbreviated name of the bond	21 ICBC Green Finance Bond 01
Issue Date	2021/9/24
Bond Maturity	3 years
Issuance amount	RMB 10 billion
Use of proceeds	Allocation to wind power and urban transit railway transportation projects
External auditor's opinion	A green assessment certification report issued by Lianhe Equator Environmental Impact Assessment Company Limited

Bond Awards

Since the inaugural issuance of green bonds in 2017, ICBC has received

13 major awards with details as follows:



Received from *Finance Asia*

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

2017 Green bonds issued by Luxembourg Branch

Received from *IFR Asia*

The “Best Socially Responsible Investing Bond” (Best SRI Bond) award² for 2017

The comments of the award include “ICBC has created a precedent for other Chinese issuers in 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 definition 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

2018 Green bonds issued by London Branch

Received from CBI

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



1. <https://www.financeasia.com/News/441270,winners-emfinanceasia-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/b19tcwdcbq2ks/sri-award-winners-2018-revealed>

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

2019

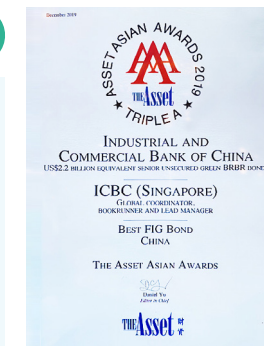
Green bonds issued by Singapore Branch

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)”



2021

Carbon Neutrality Green Bond issued by Hong Kong Branch, Singapore Branch, Macau Branch, Luxembourg Branch, London Branch

Received from *HKQAA*

The “Outstanding Award for Green and Sustainable Bond Issuer (Global Commercial Banking Industry) and Largest Single Carbon Neutrality Themed Green Bond ”

Awarded by *The Asset*

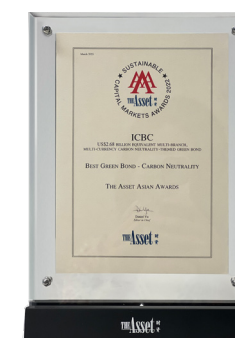
The “Financial Institutions Best Green Bond” for 2021

2022

Carbon Neutrality Green Bond issued by Hong Kong Branch, Singapore Branch, London Branch, Dubai Branch

Awarded by *The Asset*

The “Financial Institutions Best Green Bond - Carbon Neutrality” for 2022



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>

2

MANAGEMENT
OF PROCEEDSGovernance
Framework

ICBC has established the "Green Bond Framework" (hereinafter referred to as "the Framework"), under which funds raised through green bonds will be used to provide financing or refinancing for eligible green assets that contribute to low-carbon environmental protection, sustainable economic development, and climate change. Please refer to Table 3 for the categories and examples of Eligible Green Assets

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

Fossil fuel-related assets

Nuclear energy and nuclear-related assets





Biomass energy/feedstock that

will be derived from sources that compete with food production

will be grown in areas with rich biodiversity currently or in the past

will reduce the effectiveness of carbon pools in soil.

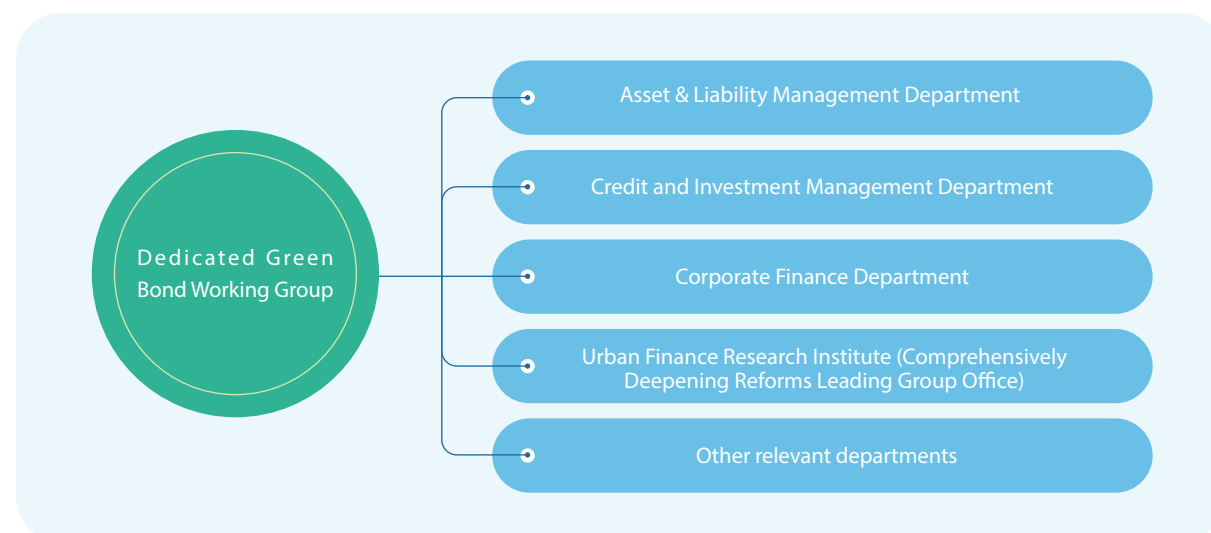
Table 3 Categories and examples of Eligible green asset

Eligible Green Asset Category	Description and Examples
 Renewable Energy	<ul style="list-style-type: none"> ● Generation and transmission of energy from renewable energy sources <ul style="list-style-type: none"> - Renewable energy sources include offshore and onshore wind, solar, tidal, large hydropower (life cycle emissions below 100g CO₂e/kWh or power density above 5 W/m²), and biomass (lifecyle emissions below 100g CO₂e/kWh)
 Low Carbon and Low Emission Transportation	<ul style="list-style-type: none"> ● Construction, maintenance, research and development of zero direct emission (e.g. electric and hydrogen driven) transportation facilities excluding any infrastructure or rolling stock assets used for the transportation of fossil fuel or mining products <ul style="list-style-type: none"> - Examples include metro, rail tram, bus rapid transit systems, and electric vehicles ● Manufacture of key assets, systems, and components dedicated for zero direct emission vehicles and vessels
 Energy Efficiency	<ul style="list-style-type: none"> ● Products or technologies that increase energy efficiency and reduce at least 30% energy consumption of the related asset(s), technology(ies), product(s) or system(s) <ul style="list-style-type: none"> - Examples include LED lights, improved chillers, and improved lighting technologies ● Improving the efficiency in the delivery of bulk energy services <ul style="list-style-type: none"> - Examples include smart grids and energy storage
 Sustainable Water Management	<ul style="list-style-type: none"> ● Water collection, treatment, recycling technologies and related infrastructure <ul style="list-style-type: none"> - Examples include water pipes and collection facilities to collect water or rainwater for recycling, and wastewater treatment plant facilities.

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

Project Evaluation and Selection

Eligible Green Assets will be identified and proposed by various business lines within the ICBC Group (including domestic and overseas branches and subsidiaries) and will be reviewed and screened by the "Dedicated Green Bond Working Group" at ICBC Head Office which comprises representatives of:



Prior to the issuance, the Dedicated Green Bond Working Group will review all proposed Eligible Green Assets to determine their compliance with the ICBC Green Bond Framework for approval as "Eligible Green Assets", and form a "Eligible Green Asset List" (each as "Eligible Green Assets", collectively the "Eligible Green Assets List"). For refinancing projects, the Dedicated Green Bond Working Group will prioritize screening newer projects.

The Dedicated Green Bond Working Group shall have experts with environmental experience and knowledge as its members. These experts shall have a right to veto and the assets vetoed by them shall be excluded from the "Eligible Green Asset List".



Every year, the Dedicated Green Bond Working Group will conduct annual review on the allocation of proceeds to the Eligible Green Asset List and determine if any changes are necessary (for example, if a project has been amortized, prepaid, sold or otherwise become ineligible), and facilitate ongoing reporting. The Dedicated Green Bond Working Group will decide any necessary update of the Eligible Green Asset List (such as replacement, deletion, or addition of projects) to ensure the eligibility of the use of proceeds.

Deposit, Use and Management of Proceeds

Proceeds raised from the seven green bond issued by ICBC have been transferred in full to the head office through Luxembourg branch, London branch, Hong Kong branch, Singapore branch, Macau branch, and Dubai branch respectively, and all are used to support the existing Eligible Green Assets.

External Assessment and Certification

Table 4 External Assessment and Certification of ICBC Green Bond Framework

Certification on	Industrial and Commercial Bank of China Limited Green Bond Framework	
Certification Standard	The Green Bond Principles of the International Capital Market Association (ICMA)	Green Bond Endorsed Projects Catalogue (2021 Edition) issued jointly by the People's Bank of China (PBoC), the National Development and Reform Commission (NDRC) and the China Securities Regulatory Commission (CSRC), PBoC Announcement No.39 [2015] for "Issuances of green finance bonds in the interbank bond market", PBoC Announcement No.29 [2018] for "Strengthening the supervision and management of green finance bonds during their duration"
Certification Agency	 Sustainalytics	 Beijing Zhongcai Green Finance Consulting Ltd.
Status of Certification (Excerpts)	Sustainalytics is confident that the Green Bond Framework of ICBC is robust, transparent, and in alignment with the four core components of the Green Bond Principles 2021.	<p>"Assessment Conclusion:</p> <ol style="list-style-type: none"> 1. The green asset categories under the Green Bond Framework are all in line with the criteria of the Green Bonds Endorsed Projects Catalogue (2021 Edition). The selection of projects is subject to the description/condition under the green project categories listed in the Green Bonds Endorsed Projects Catalogue (2021 Edition). 2. The Green Bond Framework establishes a scientific process for project evaluation and selection, which will effectively select eligible green assets. 3. The Green Bond Framework has a sound plan for the subsequent management and use of proceeds, which effectively ensure that the proceeds are used for eligible green assets. The Green Bond Framework establishes a clear scheme for green bond disclosure, which will effectively ensure effective disclosure of green bond information." 4. The Green Bond Framework establishes a clear scheme for green bond disclosure, which will effectively ensure effective disclosure of green bond information "

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USE OF PROCEEDS



Use of Proceeds

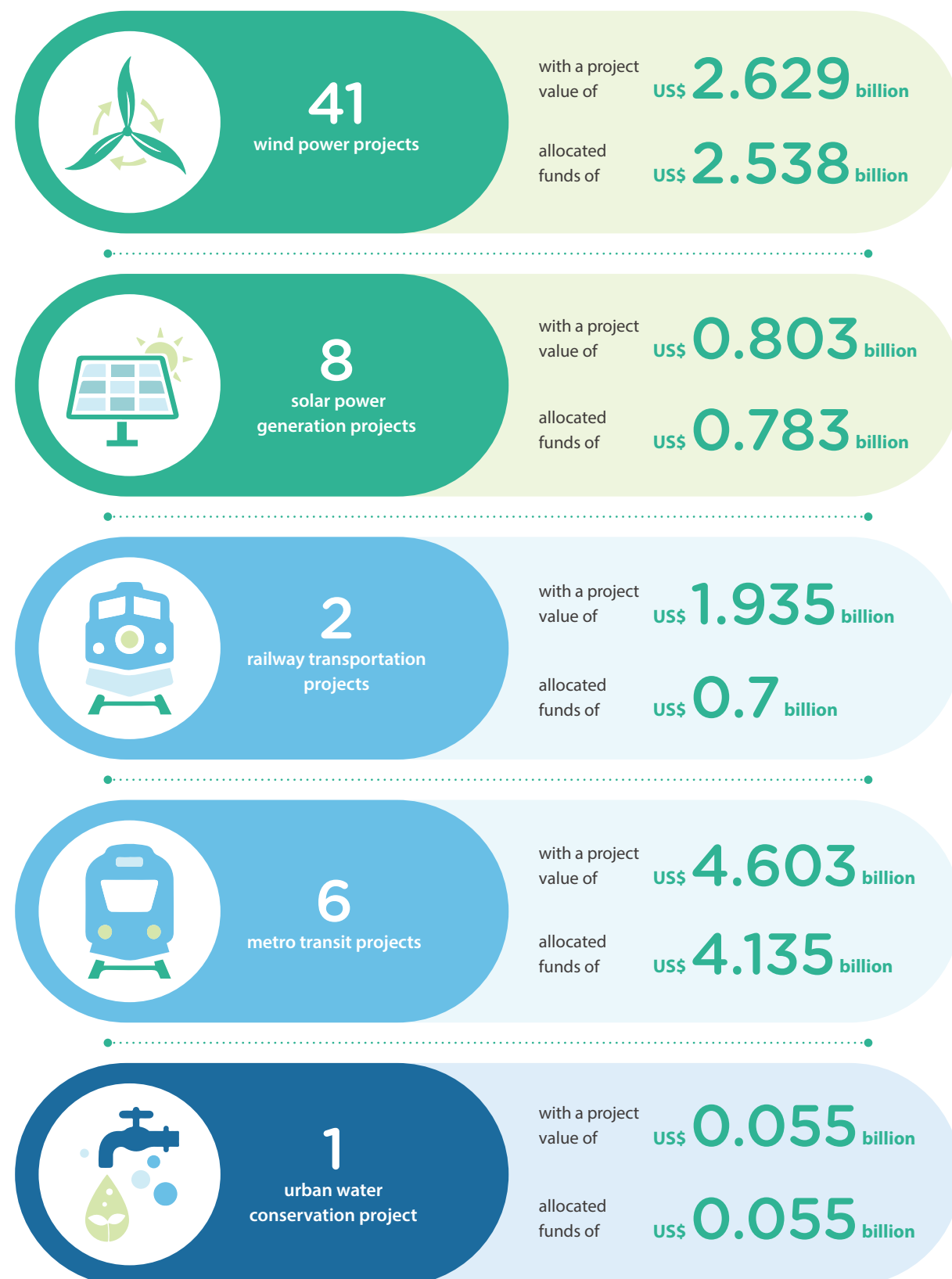
As of the end of the reporting period, the total balance of the Bank's outstanding overseas green bonds amounts is equivalent to USD\$8.21 billion. The proceeds were mainly used to support refinancing in the renewable energy industry, low-carbon and low-emission transportation industry, and sustainable water resource management industry. Please refer to Table 5 for the details.

	Use of proceeds of existing overseas green bonds as of the end of the reporting period
(a) Amount of proceeds used for eligible purposes	100%
(b) Amount of proceeds used for ineligible purposes	0%
(c) Amount of proceeds used for other purposes	0%
(d) Total amount of proceeds used for all purposes	100%

	Issued by	2018- London Branch	2018- ICBC Asia	2019- Singapore Branch	2019- Hong Kong Branch	2021- Jointly issued by multiple branches	2022- Jointly issued by multiple branches
	Proceeds	5.0 in USD 100 millions	2.0 in USD 100 millions	6.0 in USD 100 millions	10.0 in USD 100 millions	32.3 in USD 100 millions	26.8 in USD 100 millions
	Amount of proceeds allocated	5.0 in USD 100 millions	2.0 in USD 100 millions	6.0 in USD 100 millions	10.0 in USD 100 millions	32.3 in USD 100 millions	26.8 in USD 100 millions
	Idle Funds	0	0	0	0	0	0

Breakdown by Asset Category

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



Please refer to Table 6 for the allocation of proceeds raised by the existing overseas green bonds to each asset category at the end of the reporting period.

Table 6 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		Number of Projects	Project value (100 million USD)	Amount of proceeds allocated (100 million USD)	Proceeds from green bonds as a percentage of project value (%)
2018- London Branch	Low Carbon and Low Emission Transportation	Railway Transportation	1	8.10	5.00	61.76
	Total		1	8.10	5.00	61.76
2018- ICBC Asia	Low Carbon and Low Emission Transportation	Railway Transportation	1	11.26	2.00	17.77
	Total		1	11.26	2.00	17.77
2019- Singapore Branch	Renewable Energy	Wind Power Generation	6	5.36	4.45	82.95
		Solar Power Generation	3	1.20	1.00	83.14
	Sustainable Water Management	Urban Water Conservation	1	0.55	0.55	100.00
Total			10	7.12	6.00	84.30
2019- Hong Kong Branch	Renewable Energy	Wind Power Generation	4	2.18	2.18	100.00
		Solar Power Generation	3	0.69	0.69	100.00
	Low Carbon and Low Emission Transportation	Urban rail transit	1	10.55	7.14	67.67
Total			8	13.41	10.00	74.57
2021- Jointly issued by multiple branches	Renewable Energy	Wind Power Generation	2	2.56	2.56	100.00
		Solar Power Generation	2	6.14	6.14	100.00
	Low Carbon and Low Emission Transportation	Urban rail transit	3	23.85	23.60	98.94
Total			7	32.55	32.30	99.22
2022- Jointly issued by multiple branches	Renewable Energy	Wind Power Generation	29	16.19	16.19	100.00
	Low Carbon and Low Emission Transportation	Urban rail transit	2	11.63	10.61	91.27
Total			31	27.82	26.80	96.35

Note: 1. All amounts are translated to US dollar (converted from local currency).

2. Project value refers to the loan balance from the Bank for that project.

Assets funded by the existing overseas green bonds as of the end of the reporting period were located in a number of countries and regions both within and outside of China. Please refer to Table 7 for details on geographical distribution of assets.

Table 7 Breakdown of allocation of proceeds raised by existing overseas green bonds by region at the end of the reporting period

Issuer	Countries and Regions		Number of Projects	Project value (100 million USD)	Amount of proceeds allocated (100 million USD)
2018- London Branch	Within China	South Central	1	8.10	5.00
Total			1	8.10	5.00
2018- ICBC Asia	Within China	Northeast	1	11.26	2.00
Total			1	11.26	2.00
2019- Singapore Branch	Outside China	Pakistan	1	0.45	0.45
		Egypt	1	0.24	0.24
	Within China	East	1	0.30	0.30
		Central	2	1.44	1.24
		Southwest	1	0.55	0.55
		Northwest	4	4.14	3.22
Total			10	7.12	6.00
2019- Hong Kong Branch	Within China	South	8	13.41	10.00
Total			8	13.41	10.00
2021-Jointly issued by multiple branches	Outside China	United Kingdom	1	0.29	0.29
		United Arab Emirates	1	4.41	4.41
	Within China	Central	1	2.27	2.27
		South	1	7.86	7.86

Issuer	Countries and Regions		Number of Projects	Project value (100 million USD)	Amount of proceeds allocate (100 million USD)
2021-Jointly issued by multiple branches	Within China	Southwest	1	8.16	8.16
		North	1	7.83	7.58
		Northeast	1	1.73	1.73
Total			7	32.55	32.30
2022- Jointly issued by multiple branches	Within China	North	16	11.05	10.03
		East	8	11.21	11.21
		Central	1	0.58	0.58
		South	5	4.32	4.32
		Southwest	1	0.66	0.66
Total			31	27.82	26.80

Note: 1. All amounts are translated to US dollar (converted from local currency).

2. Project value refers to the loan balance from the Bank 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 the Bank's existing overseas green bonds as of the end of the reporting period.

4

ENVIRONMENTAL
IMPACTS OF
GREEN BONDS

As of the end of the reporting period

The green assets supported by the proceeds raised from the Bank's existing overseas green bonds have contributed to an annual carbon emission reduction of

21,324,159 tons

An annual increased water supply capacity of

450,000 cubic meters

And annual wastewater treatment capacity of

35,640,700 cubic meters

Among them

The total annual carbon emission reduction from renewable energy projects was

14,698,848 tons

And that from low-carbon and low-emission transportation projects was

6,625,311 tons

The annual increased water supply capacity and the annual wastewater treatment capacity from the sustainable water resource management projects were

450,000 cubic meters and
35,640,700 cubic meters,
respectively

Table 8 Environmental impacts

Issuer	Assets category		Key Impact Indicator (By Project)	Key Impact Indicator (By amount of proceeds allocated)
2018- London Branch	Low Carbon and Low Emission Transportation	Railway Transportation	Annual number of passenger transported (10,000 people): 730	Annual number of passenger transported (10,000 people): 451
			CO ₂ Emission reduction (tons): 1,044,659	CO ₂ Emission reduction (tons): 645,200
			Total: CO ₂ Emission reduction (tons):	1,044,659
2018- ICBC Asia	Low Carbon and Low Emission Transportation	Railway Transportation	Annual number of passenger transported (10,000 people): 956	Annual number of passenger transported (10,000 people): 170
			CO ₂ Emission reduction (tons): 457,121	CO ₂ Emission reduction (tons): 81,230
			Total: CO ₂ Emission reduction (tons):	457,121
2019-Singapore Branch	Renewable Energy	Wind Power Generation	Total installed capacity (MW): 1,851	Total installed capacity (MW): 1,536
			Annual generation capacity (MWh): 2,129,486	Annual generation capacity (MWh): 1,766,464
			CO ₂ Emission reduction (tons): 1,572,768	CO ₂ Emission reduction (tons): 1,304,652
		Solar Power Generation	Total installed capacity (MW): 260	Total installed capacity (MW): 216
			Annual generation capacity (MWh): 296,488	Annual generation capacity (MWh): 246,490
			CO ₂ Emission reduction (tons): 204,974	CO ₂ Emission reduction (tons): 170,409

Issuer	Assets category		Key Impact Indicator (By Project)	Key Impact Indicator (By amount of proceeds allocated)
2019-Singapore Branch	Sustainable Water Management	Urban Water Conservation	Annual increased in water supply capacity (CBM): 450,000	Annual increased in water supply capacity (CBM): 450,000
			Annual wastewater treatment capacity (CBM): 35,640,700	Annual wastewater treatment capacity (CBM): 35,640,700
Total	CO ₂ emission reduction (tons)		1,777,742	1,475,061
	Annual water supply capacity (m³)		450,000	450,000
	Annual wastewater treatment capacity (m³)		35,640,700	35,640,700
2019- Hong Kong Branch	Renewable Energy	Wind Power Generation	Total installed capacity (MW): 299	Total installed capacity (MW): 299
			Annual generation capacity (MWh): 1,698,659	Annual generation capacity (MWh): 1,698,659
			CO ₂ Emission reduction (tons): 1,316,460	CO ₂ Emission reduction (tons): 1,316,460
		Solar Power Generation	Total installed capacity (MW): 140	Total installed capacity (MW): 140
			Annual generation capacity (MWh): 169,406	Annual generation capacity (MWh): 169,406
			CO ₂ Emission reduction (tons): 131,290	CO ₂ Emission reduction (tons): 131,290
	Low Carbon and Low Emission Transportation	Urban rail transit	Annual number of passenger transported (10,000 people): 17,885	Annual number of passenger transported (10,000 people): 12,103
			CO ₂ Emission reduction (tons): 1,928,790	CO ₂ Emission reduction (tons): 1,305,227
Total: CO ₂ Emission reduction (tons):			3,376,540	2,752,977
2021- Jointly issued by multiple branches	Renewable Energy	Wind Power Generation	Total installed capacity (MW): 1,700	Total installed capacity (MW): 1,700
			Annual generation capacity (MWh): 1,377,156	Annual generation capacity (MWh): 1,377,156
			CO ₂ Emission reduction (tons): 939,804	CO ₂ Emission reduction (tons): 939,804

Issuer	Assets category		Key Impact Indicator (By Project)	Key Impact Indicator (By amount of proceeds allocated)
2021- Jointly issued by multiple branches	Renewable Energy	Solar Power Generation	Total installed capacity (MW): 1,350	Total installed capacity (MW): 1,350
			Annual generation capacity (MWh): 4,427,433	Annual generation capacity (MWh): 4,427,433
			CO ₂ Emission reduction (tons): 2,241,929	CO ₂ Emission reduction (tons): 2,241,929
	Low Carbon and Low Emission Transportation	Urban rail transit	Annual number of passenger transported (10,000 people): 52,882	Annual number of passenger transported (10,000 people): 52,318
			CO ₂ Emission reduction (tons): 4,117,022	CO ₂ Emission reduction (tons): 4,073,181
Total: Reduction in CO ₂ Emissions (in tons)			7,298,755	7,254,914
2022- Jointly issued by multiple branches	Renewable Energy	Wind Power Generation	Total installed capacity (MW): 4,483	Total installed capacity (MW): 4,483
			Annual generation capacity (MWh): 1,155,148	Annual generation capacity (MWh): 1,155,148
			CO ₂ Emission reduction (tons): 8,594,305	CO ₂ Emission reduction (tons): 8,594,305
	Low Carbon and Low Emission Transportation	Urban rail transit	Annual number of passenger transported (10,000 people): 24,238	Annual number of passenger transported (10,000 people): 22,113
			CO ₂ Emission reduction (tons): 570,245	CO ₂ Emission reduction (tons): 520,473
Total: CO ₂ Emission reduction (tons)			9,164,549	9,114,778

Note : 1.For renewable energy projects, impacts are calculated based on the EIB CO₂ Methodology: https://www.eib.org/attachments/lucalli/eib_project_carbon_footprint_methodologies_2023_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 the EIB CO₂ evaluation method.

5

DISCLOSURE AND REPORTING

ICBC commits to publish an annual green bond report ("The Annual Green Bond Report"), providing information on the allocation of proceeds from green bonds and their environmental benefits.

This report is an annual report covering the period from 1st January 2022 to 31st December 2022, with some content extending beyond this timeframe.

The Annual Green Bond Report will be updated annually and published on ICBC's official global website at www.icbc-ltd.com. In addition, ICBC will disclose relevant information through other feasible channels such as annual reports and corporate social responsibility reports, which will also be published on ICBC's official global website at www.icbc-ltd.com.

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