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Governance and Sustainable Risk Management

01

Features and strengths of corporate governance

The Bank continued to refine the modern corporate governance structure, mechanism and culture, and kept improving the corporate governance structure led by the Bank's Party Committee, with the Board of Directors acting as the decision-making organ, the Board of Supervisors responsible for compliance supervision, and the Management in charge of operation. It regards the refinement of corporate governance as a fundamental work for strengthening its core competitiveness. In line with the regulatory requirements and best practices in the financial sector, the Bank made constant efforts to improve the corporate governance mechanism comprising the Shareholders' General Meeting, the Board of Directors, the Board of Supervisors and the Senior Management, with clearly-defined responsibilities and accountability, coordination and effective checks and balances, and to optimize the corporate governance operation mechanism with scientific decision-making process, effective supervision and steady operation among the authority organ, decision-making organ, supervisory organ and executive organ.

Promoting the integration of Party leadership and corporate governance

The Bank assisted the regulators in efficiently reviewing and approving the updated Articles of Association, improved corporate governance system, promoted the cooperation between the rules of procedures of the Party Committee and the decision-making mechanism of corporate governance, and continuously improved the governance efficiency and high-quality development capacity.

Giving full play to the key role of the Board of Directors in corporate governance and strategic decision-making

Adhering to the political and people-oriented nature of financial work, the Board of Directors of the Bank continuously improved the governance structure, enhanced its strategic role in leading and risk management, and drew up strategic plans in a coordinated way, to fully and faithfully apply and serve the new development philosophy on all fronts, promote high-quality development, and continuously enhance the adaptability, competitiveness and inclusiveness of financial services. The Board of Directors attached great importance to fulfilling social responsibilities and was committed to maximizing economic, social and environment comprehensive benefit.

Fully bringing into play the supervisory role of the Board of Supervisors

The Board of Supervisors of the Bank took solid steps to fulfill its supervisory duties in due diligence, financial activities, risk management and internal control, and effectively brought into play its role in corporate governance.

Continuously enhancing the enterprise risk management system

The Bank kept clearly identifying and properly controlling various risks. It strengthened management on capital, liquidity and interest rate, and kept capital adequacy ratio largely stable. The Bank continuously improved internal control environment, and enhanced audit service capacity and supervision and inspection.

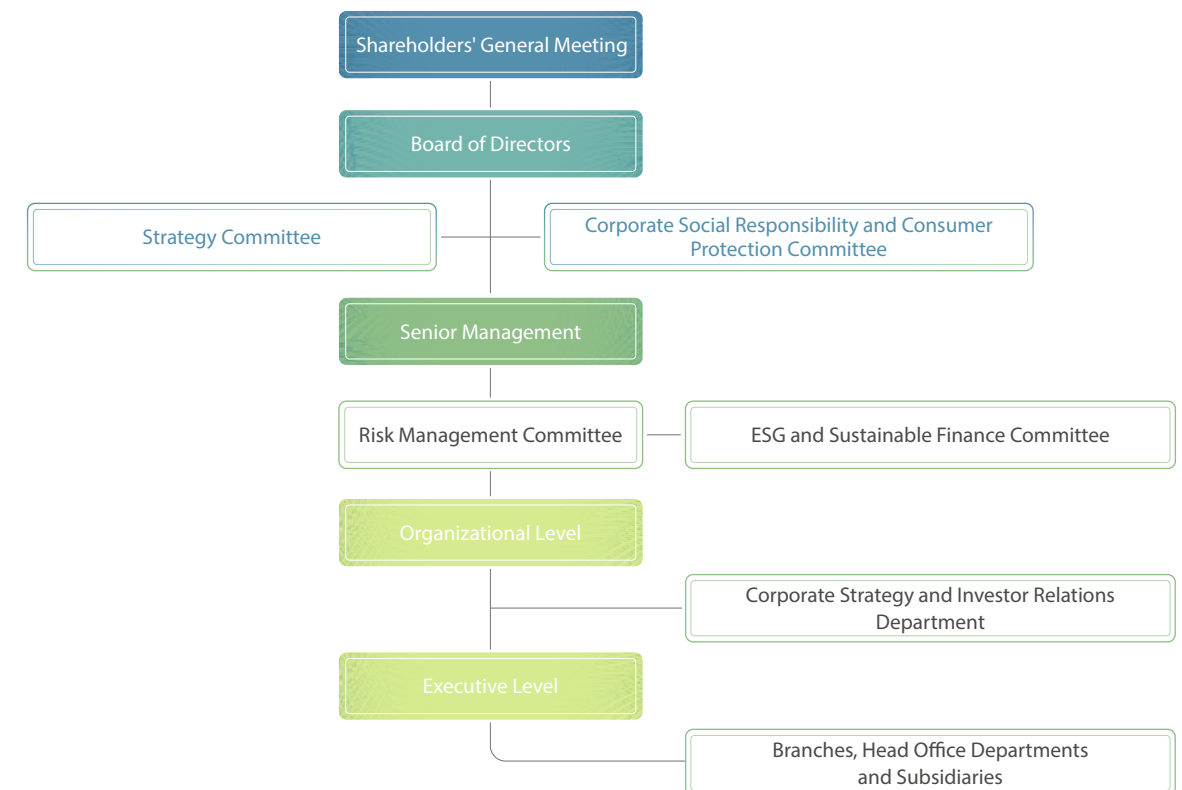
Pursuing greater transparency within the Group

The Bank encouraged voluntary high-quality information disclosure and fostered communication with investors via multiple channels, to guarantee in practice their right to information.



On June 29, 2023, the Bank held the Annual General Meeting for the Year 2022 in Beijing and Hong Kong concurrently

ESG governance framework



The Board of Directors and its special committees debriefed ESG reports

With great importance attached to ESG governance, the Board of Directors actively performed its functions of strategic decision making and supervision, continued to refine relevant governance framework, and propelled the Bank to continuously enhance ESG governance capacity.

During the reporting period, the Board of Directors reviewed and approved the *Proposal on the Corporate Social Responsibility (ESG) Report 2022 of ICBC*, the *Proposal on 2022 Consumer Protection Work and Work Plan for 2023*, the *Proposal on the 2023 Inclusive Finance Business Operation Plan*, etc., and caused the Bank to integrate social responsibility fulfillment into all links

of development strategy and operational management and to actively fulfill its social responsibility in the capacity of a large bank through developing green finance, inclusive finance, sustainable financial services, etc.

The Corporate Social Responsibility and Consumer Protection Committee under the Board of Directors is accountable for reviewing the Bank's fulfillment of social responsibility and consumer protection policies, and topics related to sustainable development including green finance and inclusive finance, and offering suggestions to the Board of Directors. During the reporting period, the Committee studied and approved the *Proposal on the 2023*

Inclusive Finance Business Operation Plan and the *Proposal on 2022 Consumer Protection Work and Work Plan for 2023*, and offered suggestions to the Board of Directors.

The Strategy Committee under the Board of Directors is responsible for reviewing the annual corporate social responsibility report and offering suggestions to the Board of Directors. During the reporting period, the Strategy Committee studied and reviewed the *Proposal on the Corporate Social Responsibility (ESG) Report 2022 of ICBC*, and put forward suggestions to the Board of Directors.



On March 30, 2023, the Strategy Committee under the Board of Directors held a meeting.

Work of the Green Finance (ESG and Sustainable Finance) Committee

The Bank established the Green Finance (ESG and Sustainable Finance) Committee, which set up relevant departments and double secretariats based on the functions of green finance, ESG and sustainable finance, and clarified its organizational structure, responsibilities, and rules of procedure.

The Committee is mainly responsible for implementing the Group's green finance (ESG and sustainable finance)

strategies and objectives, coordinating and promoting the green finance (ESG and sustainable finance strategy) related work of all business lines of institutions, and guiding the development, operation and management of green finance (ESG and sustainable finance) business throughout the Bank.

All domestic tier-one (directly managed) branches and integrated subsidiaries may set up their respective green finance (ESG

and sustainable finance) committees as the Head Office did, and establish and improve their working mechanisms.

During the reporting period, the Green Finance (ESG and Sustainable Finance) Committee held two meetings, which reviewed and approved the *Proposal on the 2023 Interim Special Report on Corporate Social Responsibility (ESG and Sustainable Finance) of ICBC*, etc.

EXAMPLE | The Corporate Banking Department of Zhejiang Branch established the Green Finance Business Department



In October 2021, ICBC Zhejiang Branch established the Green Finance Business Department, a tier-one department in the provincial branch, which is responsible for leading the development planning and mechanism building of green finance business in the province, product and process innovation, marketing management, risk management, and team building. As at the end of the reporting period, Zhejiang Branch recorded outstanding green loans of more than RMB380.0 billion, an increase of over RMB120.0 billion compared with the beginning of the year and over RMB250.0 billion compared with October 2021. The growth rate of green loans was 35.1 percentage points higher than that of corporate loans during the same period of the previous year. Since its establishment, Zhejiang Branch has been staying true to the principle of ecological conservation that "lucid waters and lush mountains are invaluable assets", and adopted multiple measures to promote the high-quality development of green finance in the province.

The Bank established its first pilot green finance branch (Huzhou) in Huzhou and Quzhou, the first batch of pilot zones for green finance reform in China, in order to accelerate the research and application of innovative green finance products. It has successively launched a number of innovative green finance products, including lucid waters and lush mountains loans, carbon sink forest loans, loans secured by carbon emission rights, and water-saving loans. As at the end of the reporting period, more than RMB25.2 billion worth of innovative products had been launched.

Establishment of zero carbon outlets was advanced actively. The Banking Department of Lishui Branch and Shuanglin Branch in Nanxun, Huzhou were selected as the pilot (newly established) institutions of "zero carbon outlets", achieving the "zero carbon" energy consumption mode of outlets by purchasing carbon sink credits and installing rooftop distributed photovoltaic power generation devices. In 2022, the Banking Department of Lishui Branch was named as one of the first batch of "zero carbon outlets" of the banking industry in Lishui City by the local regulator.

The Bank managed to use corporate ESG performance as an important basis for credit rating. By introducing environmental, energy consumption, carbon emissions and other data pushed by external ESG rating management systems and government agencies in Huzhou and Quzhou, the Bank established an ESG risk assessment indicator system, and used the ESG rating results as an important reference for its traditional rating and credit system. ESG risk customers were effectively prevented and addressed through mutual integration and cross validation.

EXAMPLE | Dubai (DIFC) Branch established an ESG development team



Dubai (DIFC) Branch of the Bank has set up an ESG development team headed by the persons chiefly in charge, with backbone staff of relevant departments as members, to take the lead in promoting green and sustainable finance in the branch. Supporting mechanisms, including flexible task forces, green approval channels, regular meeting reports, fund and price allocation, were established, vigorously promoting the ESG development of the branch.

Dubai (DIFC) Branch was the first Chinese-funded institution to join the Dubai Sustainable Finance Working Group. Representatives of the branch participated in various forums, seminars, and other activities of the working group, to disseminate China's philosophy of win-win cooperation and sustainable development. They also took part in the study of specific topics such as carbon neutrality, allowing local leading enterprises and other financial institutions to understand the contributions made

by Chinese financial institutions for sustainable development, which won wide recognition and acclaim.

The Bank accelerated the implementation of relevant specific businesses. It participated in the first sustainable development linked loan for a local downstream oil and gas enterprise, obtained lead underwriter qualifications for multiple green bonds, and efficiently went through approval formalities for the first green loan.

Climate risk management

During the reporting period, the Bank continued to reinforce its climate risk management system of domestic institutions.

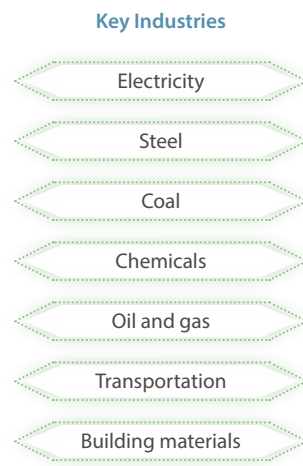
Climate risk identification and assessment methods improved

The Bank studied the technical methods of international organizations such as the United Nations Environment Programme (UNEP) and the Intergovernmental Panel on Climate Change (IPCC), and upgraded the theoretical basis for climate risk identification and assessment. Based on the principles of applicability and importance, the Bank screened a list of factors that had a significant impact on transition risk and physical risk, and analyzed and evaluated the mechanisms and impacts of risk factors transmitting to various substantive risks.

Climate risk stress testing scenarios improved

The Bank determined localized pressure scenarios, established the transmission models of transition risk and physical risk, and applied relevant data to stress testing, with reference to the technical framework of the UNEP, the stress scenarios developed by the Central Banks and Supervisors Network for Greening the Financial System (NGFS) and the realities in China.

The technical framework of climate risk stress test is mainly based on the stress test scenarios provided by the NGFS comprehensive assessment model, including three categories of scenarios, i.e., orderly transition, disorderly transition and hot house world.



The Bank designed special stress test methods for key industries such as electricity, steel, coal, chemicals, oil and gas, transportation, and building materials (as shown in figure), described the development of these industries, established the transmission path between climate risk scenarios and customer operating factors, and then predicted customers' financial statements and analyzed changes in their ratings. Based on the global warming scenario, the Bank selected the forecast data of authoritative institutions, and analyzed the losses caused by physical risks according to its asset and collateral distribution in various regions.

Including due diligence on ESG risk into the Group's management of credit risk

The *Measures for the Management of Due Diligence on General Legal Person Customers for Credit Business* includes the ESG risks of customers and projects into due diligence, and analyzes and judges the influence of environmental risk of projects, negative opinions of customers and other information on financing security by field visit, on-site interview, information verification and other methods.

The *Green Credit Development Strategy of Industrial and Commercial Bank of China* sets forth the principles that should be observed in customer due diligence (CDD) such as requirements for "promoting ecological protection", "properly handling safety, health and other social issues", "respecting historical and cultural protection" and "respecting local customs".

The *Opinions on Further Enhancing the Development of Green Finance* laid down key points of due diligence on environmental and social risks and required for "incorporating green finance requirements

into the whole process from CDD, project assessment, credit rating, credit review and approval to contract signing, funds payment and post-lending (investment) management, forestalling risks and enhancing the capability of controlling environmental and social risks". At the same time, it was stressed that environmental and social risks should be included as an important part of CDD. "In CDD, it is required to prudently evaluate environmental and social risks of a customer (project) and explicitly indicate the result in the CDD report."

The credit policies for specific industry under the *Notice on the Industrial Investment and Financing Policy in 2023* set forth the access criteria (qualitative and quantitative) for customers (projects) in each industry, including key indicators about craftsmanship, energy consumption, technology and environmental protection that can reflect core competitiveness and risk profile of enterprises in an industry.

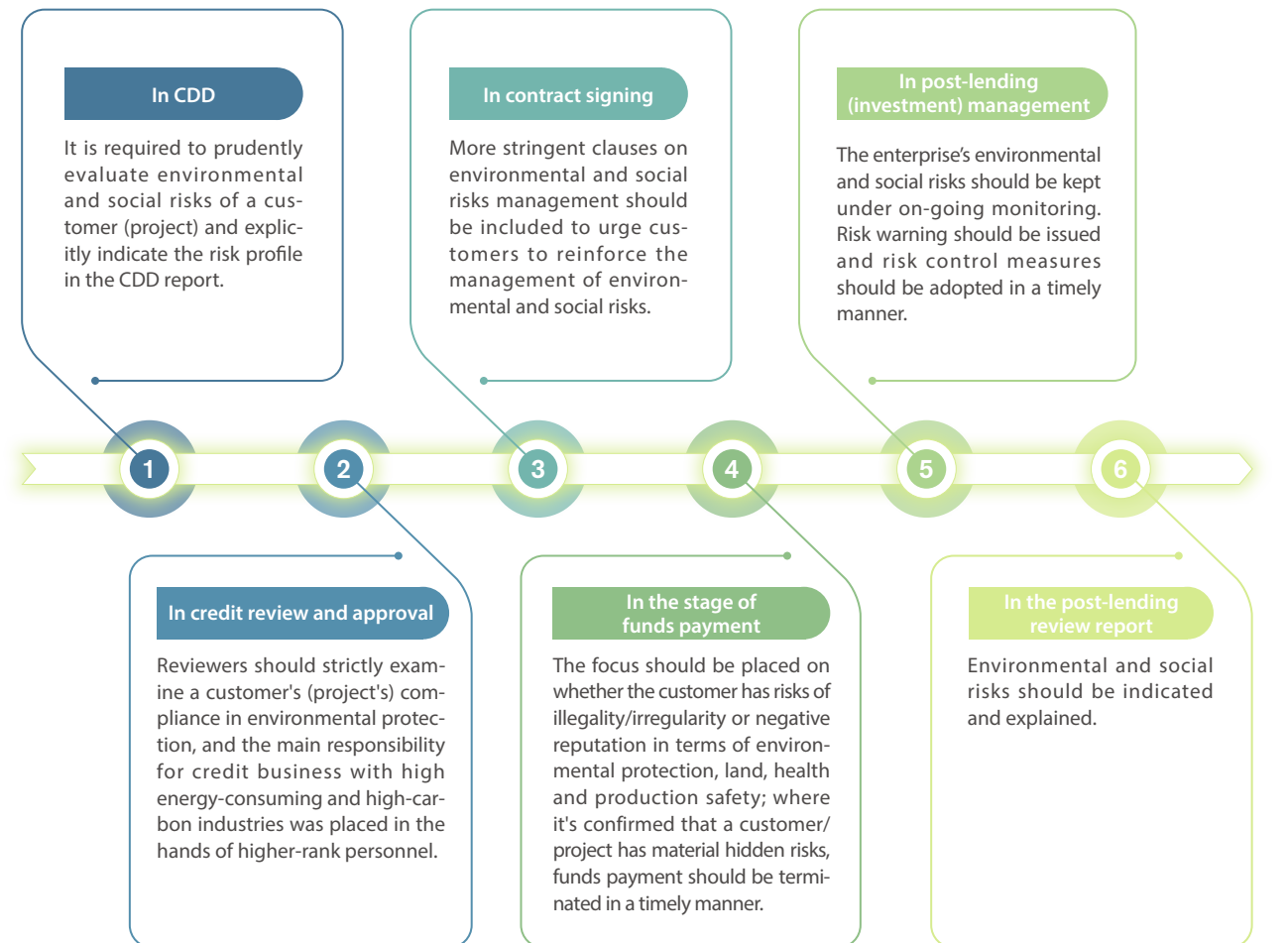
Early warning, identification and reporting mechanisms for ESG risk of domestic customers

The Bank has put in place early warning, identification and reporting mechanisms for domestic customers' ESG risk. For years, the Bank has adopted the mechanism of corporate risk information collection and risk control that featured division of responsibilities between the Head Office and domestic institutions.

The Bank released the *Notice on Strengthening the System Management of Customers' Environmental and Social Risks*, made full use of multi-dimension big data on enterprises' ESG risk through cooperation with third-party data providers, and added the factors of ESG information inquiry and ESG risk control to the GCMS system that allowed real-time access to an enterprise's ESG information and automatic issuance of risk alerts in the process, thus effectively enhancing the Bank's smart ESG risk management capacity.

Fully embedding ESG risk into the credit approval procedure and decision-making procedure

The Bank released the *Opinions on Further Enhancing the Development of Green Finance*, which explicitly required for strengthening whole-process management of green finance and including compliance requirements for environmental and social risks into the whole process of investment and financing management.



SPECIAL TOPIC | ESG-related training

The Bank fully stepped up ESG training, and continued to improve the regular ESG training mechanism in an effort to enhance, in all aspects, the understanding of all position holders from all institutions across the Group and facilitate the transmission and implementation of ESG ideas.

Regular and embedded ESG training

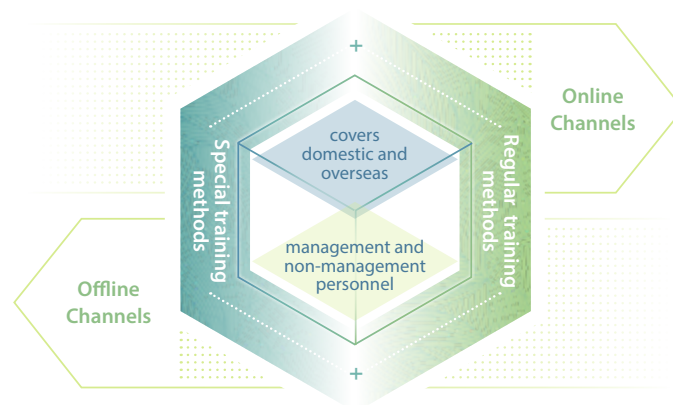
ESG training courses were included into the training programs for middle and senior management personnel, covering key ESG lines such as credit management (credit review and corporate banking), personal banking, operation, institutional banking and law, and achieving integrated ESG development. In particular, the Senior Management offered training for the heads of some Head Office departments/tier-one branches, while the heads of the Corporate Strategy and Investor Relations Department, Information Management Department, Office of Steering Group for Deepening Reform, and Risk Management Department offered training for division-level cadres of some Head Office departments/tier-one branches. As for other training programs, experts inside and outside the Bank were invited to teach ESG-related courses, in order to transmit ESG concepts throughout the Group.

Deepening the development of the "ICBC ESG Cloud School"

The Bank improved the development of the "ICBC ESG Cloud School" on the online platform of ICBC Training Center, and uploaded ESG themed training courses, annual corporate social responsibility (ESG) reports, interim special reports on corporate social responsibility, and related articles on "ESG dynamics" to the "ICBC ESG Cloud School", which are available to all employees of the Group to learn. The ESG business philosophy has been deeply rooted in the hearts of the people.

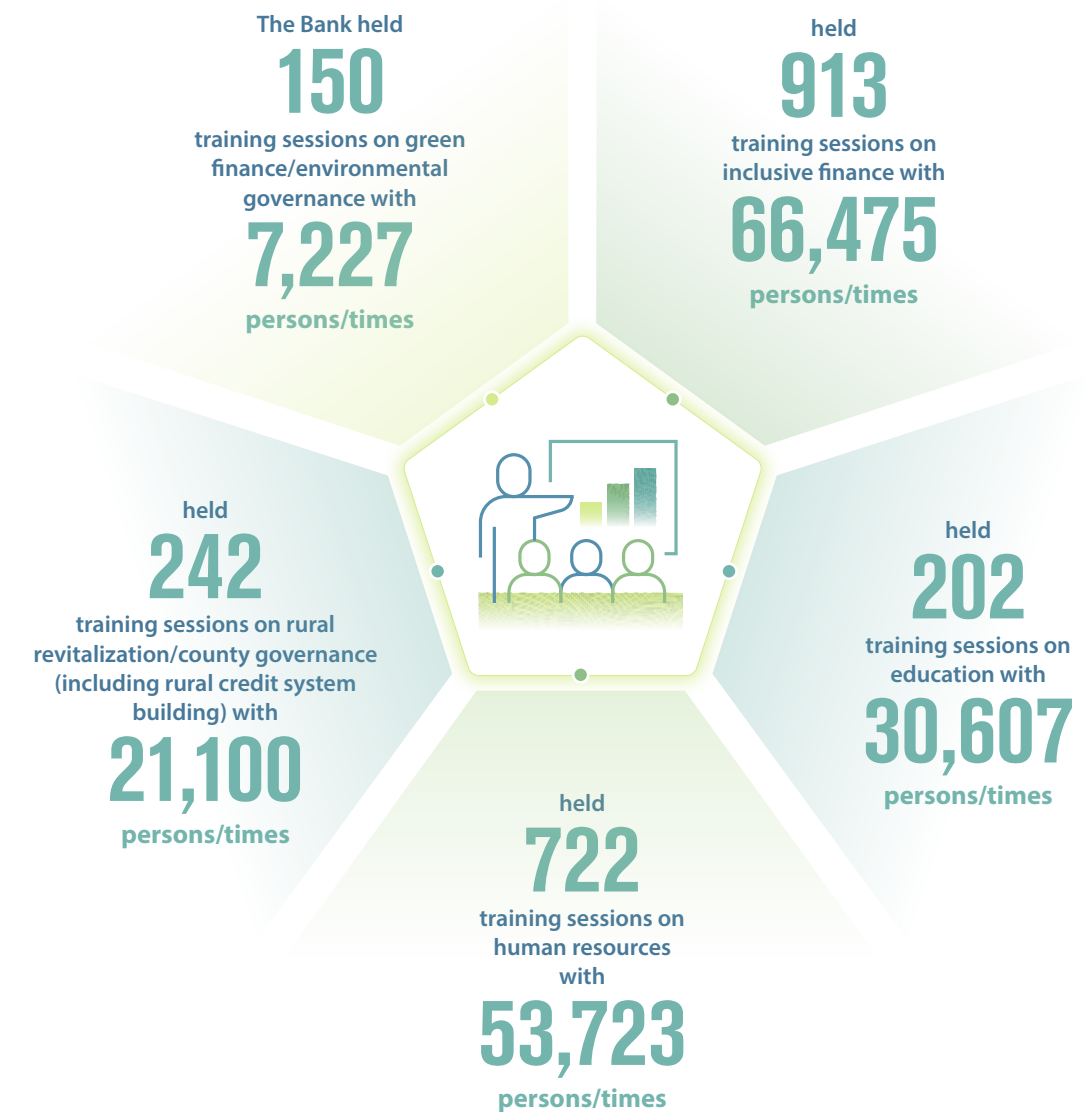
Establishing and improving ESG training system

The Bank continuously improved its ESG training system, and established a three-dimensional ESG training system via online and offline channels that covers domestic and overseas management and non-management personnel through special and regular training methods. It continuously enriched and expanded ESG training resources with a focus on courses, trainers, examples and training materials, and improved the online platform "ICBC ESG Cloud Class".



Special training programs and training courses on ESG

During the reporting period, the Bank actively organized special training programs and training courses on ESG while incorporating ESG knowledge into the training of management personnel, business backbones and employees at the primary level. The training programs at all levels include the courses on green finance/environmental governance, tech-empowered bank, corporate governance, rural revitalization/county governance (including rural credit system building), inclusive finance/social governance, and human resource management.



SPECIAL TOPIC | ESG-related training

Development of ESG training materials

As at the end of the reporting period, the Bank had developed ESG materials including

335
teaching materials

courseware for
30,700
courses

2,143
examples

During the reporting period, the Bank developed

29
teaching materials

courseware for
3,199
courses

680
examples

including more than
400 courses
on ESG-related business fields

such as consumer protection, green finance, tech-empowered bank, rural revitalization, and human resources management.

A total of **2,000** courses have been developed for ESG-related business fields.

The Bank carried out the second campaign of co-creation of mini-lecture videos with a focus on key work.

Centering on the "GBC+" basic project of the Bank, eight topics have been established to solicit mini-lecture videos, encouraging employees to combine their job skills, practical experience, and typical cases into concise and practical mini-lecture works.

The Bank expanded the supply of high-quality resources and increased the introduction of external courses.

During the reporting period, the Bank introduced a total of 84 high-quality external courses. 26 high-quality courses, such as "ecological conservation embarks on a new journey in the new era" and "improving social governance efficiency while refining the social governance system", were introduced and fully applied to ESG-related training projects and employees' self-learning.

Based on the work philosophy of sorting out existing courses, standardizing new courses, and sharing high-quality courses, excellent courses were selected to be shared across the Bank, of which approximately 600 training courses involve ESG-related business.

The Bank strengthened course management at branches and promoted course sharing there.

The Bank stepped up efforts to promote the application of "100 courses on examples".

Ten branches were selected to develop 45 example courses under 10 topics relying on their own business advantages, and share and promote them throughout the Bank. Among them, 15 examples related to the topics of "inclusive finance/rural revitalization" in Shandong Branch, "training and human resources" in Tianjin Branch, and "corporate credit" in Hubei Branch were widely used in ESG-related training.

The *Serving the Real Economy and Preventing and Controlling Financial Risks - Credit Review Guideline* analyzes the operation logic of various sectors of the real economy, and summarizes the key points of risk control and credit service strategies, focusing on four major segments, i.e., manufacturing and strategic emerging industries, modern services, new infrastructure, and green finance. "Financial services for rural revitalization" section was specially included into the *Teaching Materials for Marketing Line (Inclusive Finance and Rural Revitalization Business) Qualification Authentication*.

ESG-related content was incorporated into training materials.

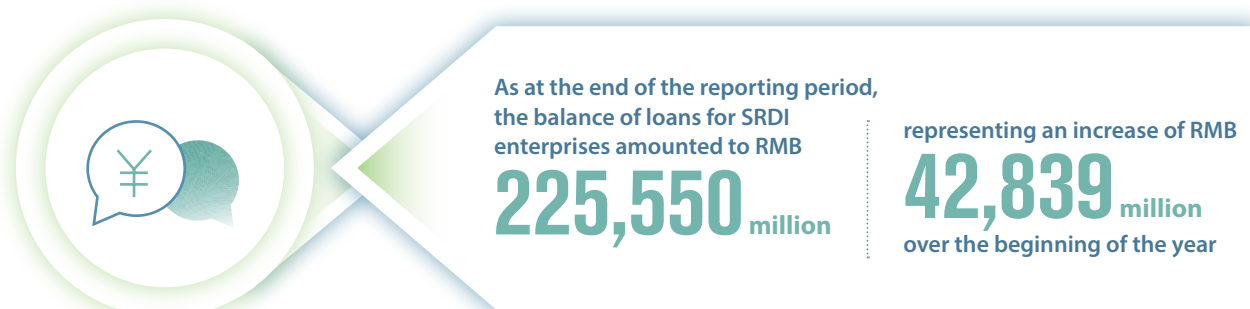
Sustainable Finance of Domestic Institutions

02

Loans for Specialization, Refinement, Differentiation and Innovation ("SRDI") enterprises



During the reporting period, the Bank strengthened financial services for SRDI enterprises, with both the balance and growth of loans for SRDI enterprises hitting a record high.



Enhancing guidance for assessment

The Bank further added content and weight of factors of SRDI enterprises, strategic emerging industries and national high and new technology enterprises in the KPI assessment of domestic branches. The *Guidelines for Assessment of Financial Service Centers of Technical Innovation Enterprises in 2023* was issued, requiring technical innovation centers to play a leading and exemplary role, and to render better financial services for SRDI enterprises.



Strengthening resources guarantee

The *Opinions on Improving Financial Services for Specialization, Refinement, Differentiation and Innovation Enterprises* was issued to refine the access management, review and approval, and credit service models for general legal person customers, enhance business resource guarantee, and increase marketing cost budget and strengthen fee reduction and exemption. The Bank also made good use of preferential policies such as FTP and economic capital measurement, guaranteed credits for SRDI enterprises on a priority basis, and comprehensively stepped up resource guarantee for these enterprises.



Speeding up product innovation

Efforts were made to increase the credit loan limit for SRDI enterprises in the scenario of Quick Lending for Operation to RMB10.00 million from RMB3.00 million, in order to help branches accelerate the high-quality and targeted financial supply to SRDI enterprises.

Financial services for medical health



In terms of serving reform of medical insurance system, the Bank offered convenient and efficient clearing service for mobile payment for medical services through all-round cooperation in electronic medical insurance certificate and clearing of mobile payment. Among the 28 provinces and regions that have launched the bidding for provincial clearing bank qualifications for medical insurance, the Bank won binds in 22 provinces and autonomous regions, ranking first among peers.

In terms of serving the country's "healthcare, medical insurance and medicine reform", the Bank was the first among peers to launch an intelligent healthcare service brand - "ICBC Cloud Healthcare", in keeping with the requirements of the "Healthy China" strategy for tiered diagnosis and treatment, county medical community construction, internet hospitals, regional healthcare centers, and traditional Chinese medicine revitalization. Aiming at "optimizing governance, promoting healthcare and benefiting the people", the Bank has formed an intelligent healthcare product and service matrix covering 45 subcategories under five categories.



In terms of healthcare credit, the Bank continued to expand the market of household consumption centering on healthcare education. It has taken measures such as formulating industry exclusive service guidelines, refining industry credit policies, setting up exclusive service teams, organizing business training, and conducting industry surveys, in an effort to cultivate a comprehensive and scenario-based competitive edge with a focus on credit, covering investment and financing, payment and settlement, digitization, and other full-cycle products. The Bank continued to lead the industry in terms of business scale. As at the end of the reporting period, the balance of healthcare education corporate loans reached RMB198.1 billion, an increase of RMB12.3 billion over the beginning of the year and RMB2.0 billion over the same period of last year. During the reporting period, a total of RMB39.2 billion was granted. The Bank served nearly 160 thousand healthcare education customers, including 4,080 loan customers.

Financial services for education, culture and sports



The Bank created an education finance service system with complete products and functions. In line with the characteristics of various segments such as colleges and universities, vocational education, primary and middle schools and kindergartens, and extracurricular training, the Bank developed innovative platform products to assist in IT application on campus, and promote the effective implementation of policies on industry-education integration and "double reduction" (ease the burden of excessive homework and off-campus tutoring for students undergoing compulsory education). The "intelligent education" brand has been built up in the industry. Relying on various financial platform services, the Bank actively promoted the transformation of results from industry, universities and research institutions, as well as the industry-university integration innovation, and was named as an "industry-university integration enterprise" by the National Development and Reform Commission and the Ministry of Education. The Bank developed "Intelligent Campus" and "Intelligent Vocational Education" platforms to assist universities and vocational colleges in achieving efficient campus management with IT. The Bank also established a "Campus Affairs Management Cloud" platform to assist primary and middle schools and kindergartens in enhancing their ability to apply IT to schooling, and provide convenience for teachers, students, and parents. In light of the "double reduction" policy, the Bank launched the "ICBC Anxin Education and Training Fund Supervision" platform to assist local education regulators in supervising funds of training institutions, and effectively safeguard people's rights and interests.

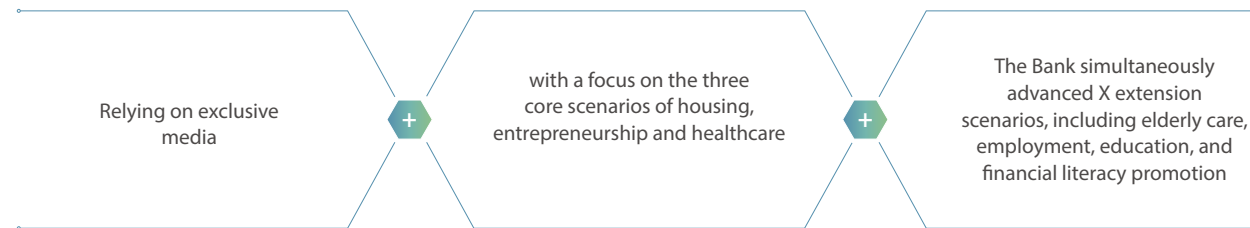
The Bank continuously improved comprehensive financial services of all chains and all varieties, fully supported cultural and tourist enterprises, promoted the upgrading of cultural and tourist consumption, and boosted the high-quality development of the cultural and tourist industry.



Financial services for ensuring employment



The Bank launched a "1+3+X" exclusive financial service system for new citizens



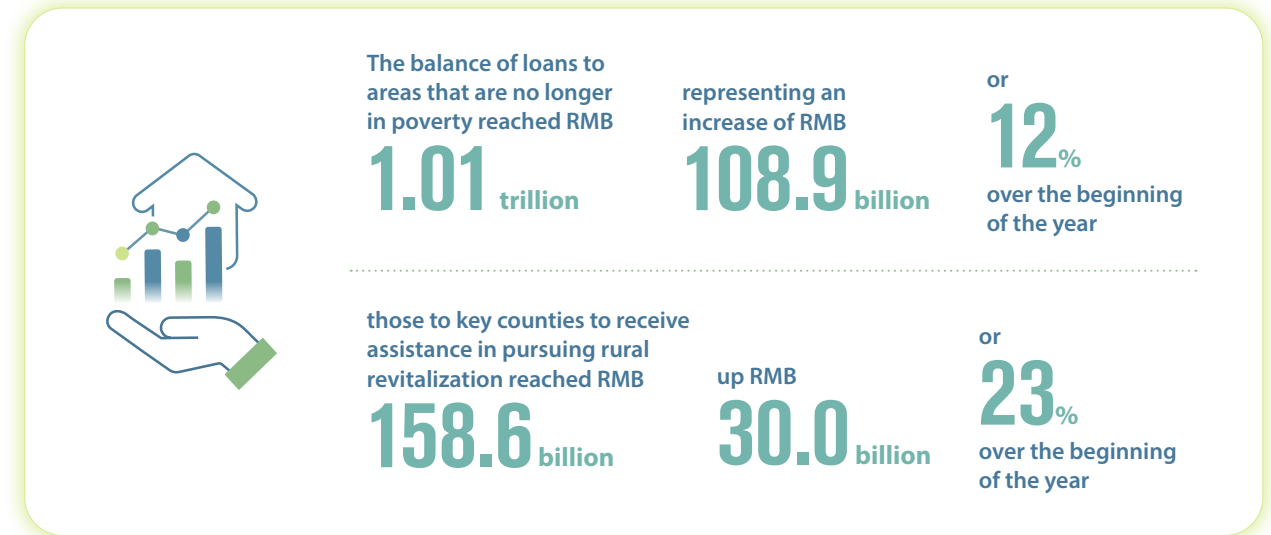
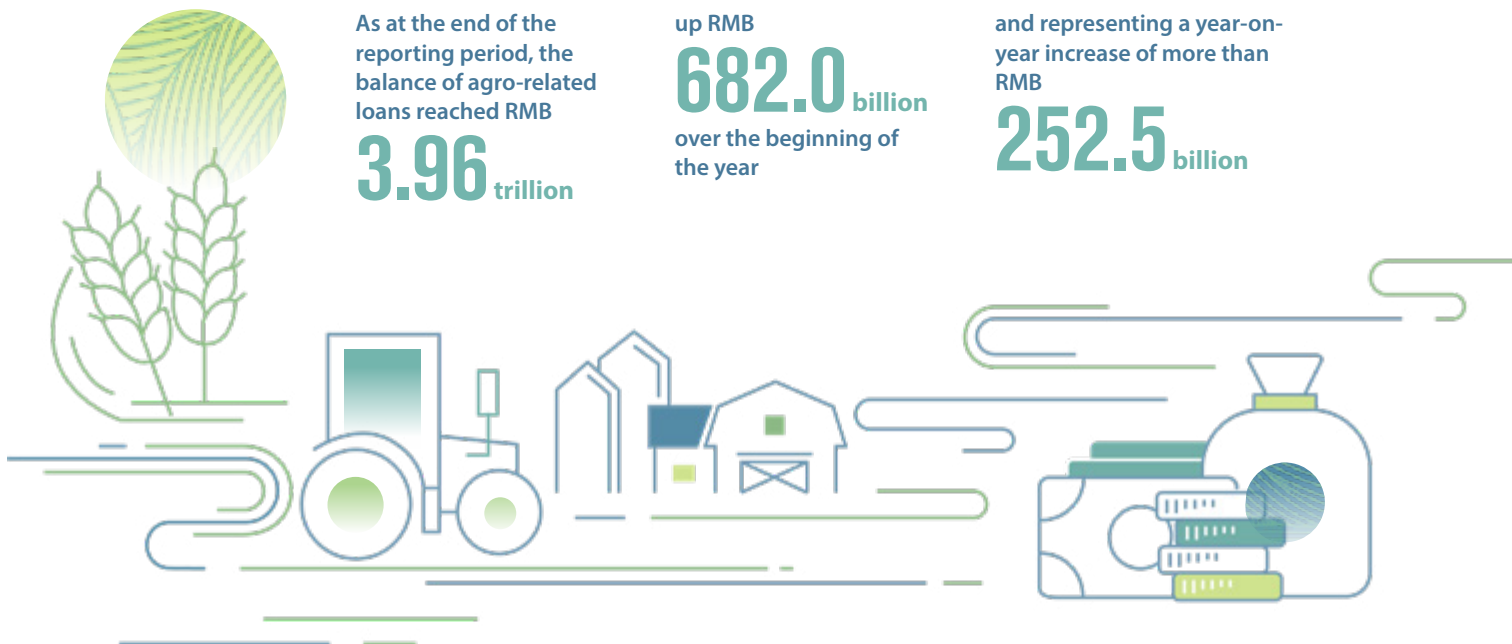
To provide high-quality financial services for new citizens and continuously improve the availability and convenience of financial services for them. Each branch determined key service scenarios based on local resources and the characteristics of new citizens, and actively worked with local government agencies, employers and service platforms that serve new citizens, to accelerate implementation and produce results as early as possible.

Financial services for staple food supply, agriculture, farmers and rural areas

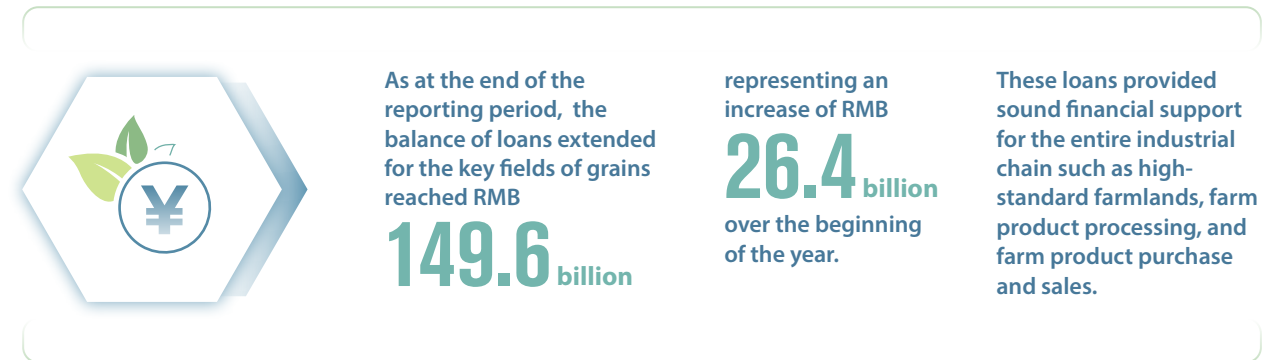


The Bank continued to increase the extension of agro-related loans. These loans prioritized such fields as food security, consolidating gains in poverty elimination, rural industries and development, and increasing rural incomes. For farmers and other new types of agricultural operating entities, the Bank developed "grain planting loans", an exclusive loan product targeting planting scenarios, to better meet their financial needs in the grain planting.

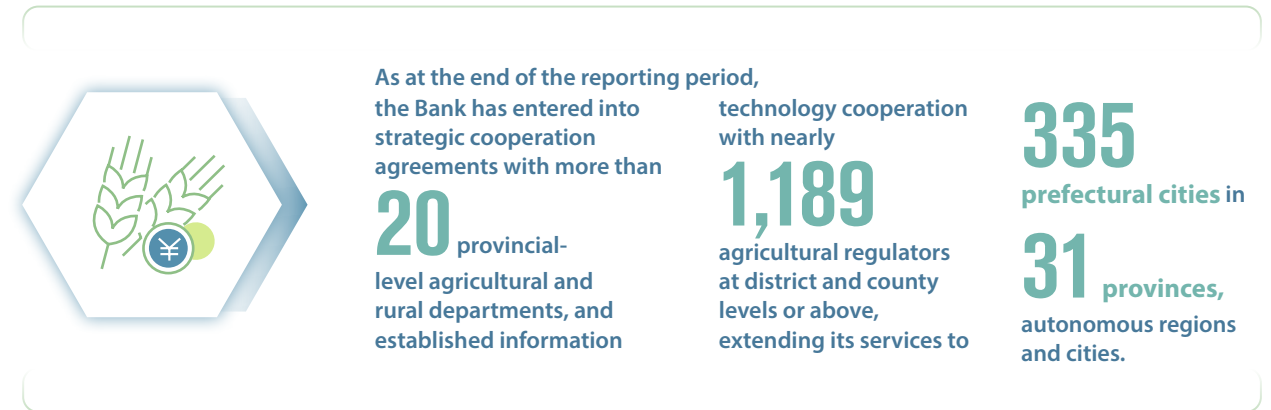
As at the end of the reporting period, the balance of agro-related loans reached RMB **3.96 trillion** up RMB **682.0 billion** over the beginning of the year and representing a year-on-year increase of more than RMB **252.5 billion**



Key efforts were made to strengthen the financial support for the modernization of agriculture and rural areas. The *Notice on Enhancing Financial Support for Agriculture and Rural Infrastructure* was issued to guide the Bank to provide comprehensive financial support in the fields such as food security, facility agriculture, cold chain logistics, and agriculture-industry integration. The Bank formulated a scenario-based service plan for supporting facility agriculture, in an effort to help build a diversified food supply system. During the reporting period, the Bank provided active support for staple food supply with an aim to stabilize crops-growing areas, guarantee outputs and enhance productivity, actively supported projects of high-standard farmland construction and oil plants (including soybean) production capacity improvement and ensured supplies of the "Vegetable Basket".



Relying on the "Digital Villages" comprehensive service platform, the Bank established a new model of financial services for rural revitalization, to actively serve customers in the fields of agriculture, farmers and rural areas.



The Bank actively explored the "ICBC's Solutions" for rural production and operation, intelligent rural governance, financial services to benefit farmers, etc., providing new ideas, tools, and paths of rural digital transformation and development for customer groups such as county and township-level government agencies, supply and marketing cooperatives, village collectives, and villagers.

The Bank was honored



the Excellent Project of New Technology, New Product and New Model
by the Ministry of Agriculture and Rural Affairs




the Special Innovation Award for Information Consumption and Rural Revitalization
by the Ministry of Industry and Information Technology





the "18th People's Craftsmanship Service Award"
by People.cn





Financial services for energy



While aligning initial work in the energy field with long-term strategic arrangements, the Bank continued to step up investment and financing support and favorable policy and resources allocation. It signed a strategic cooperation agreement with the National Energy Administration, intending to provide financing support of RMB3 trillion for the energy industry so as to promote energy green development.

Since September 2021, the Bank has cumulatively provided financing of RMB **1,933.4 billion** for the energy sector

According to the relevant arrangements of the National Development and Reform Commission and the People's Bank of China, the Bank has extended loans of RMB **35.6 billion** to key enterprises on the list since November 2022

It has established a special bond guarantee mechanism, cumulatively underwrote RMB **29.0 billion** worth of special bonds

with an investment of RMB **26.2 billion**

Financial services for the judicial organ



Catering for the needs of judicial organ for "refined management of case funds", the Bank was the first in the industry that developed a comprehensive service platform "Smart Politics & Law". The platform allows it to achieve full-process management to meet customers' requirements for supervising the funds involved in cases.



As at the end of the reporting period, the platform has covered **32 regions** in China and has been promoted in nearly **177 judicial organs** on a pilot basis

Financial services for biodiversity



Since 2015, the Bank has included the promotion of domestic biodiversity into the Group's green credit development strategy. In 2022, it incorporated biodiversity and ecological protection into the *Guideline for Greening Investment and Financing of Industrial and Commercial Bank of China (Trial)* with specified management requirements for financing and investment business in the field. The Bank actively took measures to protect biodiversity, strictly observed the ecological protection redline, prevented damages to important habitats, statutory protection zones and ecosystems in ecologically fragile areas, and vigorously supported customers and projects advocating nature protection and ecological restoration. For industries with high biodiversity risks, including agriculture, forestry, animal husbandry, fishery, mining, oil and gas exploitation, infrastructure and building materials, the Bank placed an emphasis on biodiversity risk management, provided intensive supports for customers characterized by environmental friendliness, stringently limited supports for customers with higher ESG risks, and reduced the adverse impact on ecosystem and biodiversity.



The Bank innovated the pilot query about ecological protection redline map. It explored the use of GIS (Geographic Information System) technology to embed ecological protection redline database information in its credit business system, added ecological protection redline judgment function for loan project siting, and gradually incorporated it into the full-process management of credit business. It laid a solid foundation for the Bank's innovative development of biodiversity finance and improved the intelligent management of biodiversity finance and ecological environment risks.

Financial services for ocean protection



The Bank offered loans and other financing facilities to marine ecosystem protection projects and stressed the importance of protecting marine biodiversity and coastal lines in project development. A wide selection of marine financial services and products were launched for large marine enterprises and large marine projects.

Financial services for public charity



Actively practicing the principle of finance for the people

The Bank provided financial services for over 2,000 public charity organizations, and maintained long-term and stable cooperation relationships with Red Cross Society of China and other influential charitable institutions in various business fields such as deposits, fund settlement, centralized financial payment, unified payroll payment, and official cards.



Carrying forward the concept of developing science and technology for good purpose

The cloud-based public welfare platform developed by the Bank has been put into service in a number of charitable institutions, including Dongying Charity Federation and Red Cross Society of China Ningbo Branch. The platform provides systematic solution for enhancing transparency of the charitable sector.

SPECIAL TOPIC | targeted assistance

During the reporting period, the Bank firmly fulfilled its responsibility for providing targeted assistance for Tongjiang County, Nanjiang County, Wanyuan City, and Jinyang County in Sichuan Province. To address the country's needs, give full play to finance and tap into ICBC strengths, the Bank stepped up assistance for these regions, innovated measures, and continuously deepened targeted assistance work.



During the reporting period, Mr. Yang Kaisheng, former President of the Bank, published "Mountains, Winds and Roads - Changes in Daliang Mountain and Daba Mountain Areas", a photo collection documented the historical changes of some areas received targeted assistance from the Bank. The picture shows two elderly locals collecting herbs in the area.

Advancing the implementation of assistance tasks

The Bank has held meetings for several times to conduct thematic research on targeted assistance and rural revitalization, debriefed relevant reports, studied ideas and measures, and addressed difficult and key issues in a timely manner. During the reporting period, a special meeting on inclusive finance and financial services for rural revitalization in 2023 was held to make specific arrangements for targeted assistance and rural revitalization work. The Bank organized a research team in Jinyang County, to investigate assistance projects, and study and improve assistance measures. The 2023 Targeted Assistance Work Plan was issued to refine the objectives of targeted assistance tasks. The Bank mobilized all staffers available to participate in assistance work, and select and appoint assistance cadres. Currently, around 20 provisional assistance cadres worked in four counties and cities.

Highlighting financial support

The Bank fully leveraged its advantages in industrial finance and technology finance.

The Bank increased funding to bolster the development of distinctive local business projects such as Nanjiang yellow sheep, Tongjiang white fungus, Wanyuan black chicken, and Jinyang green pepper. At the same time, the Bank increased support for livelihood projects such as healthcare, water conservancy and hydropower, as well as small and micro enterprises. The loan growth rate in the four counties and cities was three times the average growth rate of the Bank's total loans, for which an additional preferential treatment of one percentage point lower than the average interest rate was provided.

The Bank innovated financial services. To address the financing difficulties of small and micro enterprises and self-employed businesses in the four counties and cities, the Bank launched, in an innovative way, more than 10 exclusive credit products for crops such as pepper, tea, and bamboo shoots, and promoted the "credit to the village as a whole" business model. It extended credit of over RMB64.0 billion for 20 thousand administrative villages and over 5.50 million farmers, effectively alleviating their financing difficulties.

The Bank strengthened technology empowerment, and developed the "Digital Villages" comprehensive service platform in line with rural governance. The platform provides online services such as loan handling and management of village affairs, and better facilitates rural life.

Highlighting talent cultivation

The Bank prioritized the building of a talent team for rural revitalization, continued to implement the "ICBC Agricultural Talent Cultivating Program", and supported various types of talent training in the four counties and cities. It provided stronger talent support for comprehensive rural revitalization.

- For cadres at primary level, the Bank organized online training courses, and invited high-quality trainers to provide training for all cadres at primary level.
- For the bellwethers of rural revitalization, the Bank established village schools and carried out the "Thousand Villages and Ten Thousand People" initiative to cultivate vanguards.
- For professional and technical talents, the Bank invited experts from Beijing's three-A hospitals to provide online special training for medical staff in four the counties and cities, with over 4,000 people being trained. It organized training courses for enhancing the abilities of rural teachers, covering 400 outstanding teachers in the four counties and cities. 18 backbone physicians from eight departments including respiratory, digestive, and laboratory departments of Wanyuan Central Hospital were organized to take part in a 3-month training in Beijing hospitals, so as to enhance their professional competence.

Making every effort to consolidate and build on our achievements in poverty alleviation



To strengthen health protection

the Bank continued to carry out the "ICBC Bright Travel" health express project. It has cumulatively provided funding for more than 1,700 cataract patients from families in financial difficulty to recover their sight. It donated funds to help medical institutions such as Nanjiang County Maternal and Child Healthcare Hospital, Wanyuan City Maternal and Child Healthcare Hospital, Tongjiang County Traditional Chinese Medicine Fever Clinic, and Jinyang County Zhongyi Hospital improve diagnosis and treatment conditions and health services.



To strengthen education

the Bank carried out the "Sailing Project" for 20 consecutive years, providing funding for more than 5,800 college students in difficulty. The Bank has carried out the "Candlelight Program" for 21 consecutive years, and cumulatively commended more than 4,500 outstanding teachers in mountain villages.



To better meet the people's basic needs

the Bank purchased insurance for prevention of relapse into poverty on an annual basis, and timely identified and compensated for those whose annual income is affected by illness, schooling and disasters. It covered all rural populations in the four counties and cities, and built an "interception valve" and "dam" to prevent large-scale reemergence of poverty at source.

Participation in influential sustainability-linked and ESG investments



Equity investment projects

During the reporting period, ICBC Wealth Management, a wholly-owned subsidiary of ICBC, leveraged various instruments, such as bonds and stocks, standard and nonstandard, domestic and overseas instruments, to deepen support for investment research, and advance credit selection. New progress was made in serving the real economy with sustainability-linked and ESG investments. The Bank received important industry honors such as "ESG Practice 50 · Responsible Wealth Management Company" and "Best Green Asset Management and Wealth Management Company". As at the end of the reporting period, the proportions of both debts and equities in the three major areas, i.e. investing in and serving the construction of a modern industrial system, supporting rural revitalization, and promoting inclusive finance, exceeded 50%.

During the reporting period, among the newly increased investments made by ICBC Investment, a wholly-owned subsidiary of ICBC, RMB

3,118 million

was invested in new energy generation and its upstream industries and other green finance fields,

accounting for

33.48%

of the total investment in the first half of the year

representing an increase of

6.88 percentage

points over the end of 2022

Specifically, investment in the new energy generation industry chain, such as wind power and photovoltaic power, stood at RMB

2,300 million

accounting for

27.60%

of total

representing an increase of

16.52 percentage

points over the end of 2022

As at the end of the reporting period, ICBC Investment recorded a balance of green finance investments of RMB

49,625 million

accounting for

26.39%

of total

representing an increase of

5.06 percentage

points over the end of 2022

Leasing projects

During the reporting period, ICBC Leasing, a wholly-owned subsidiary of ICBC, continued to provide financial support for relevant entities, and implemented a number of green projects, focusing on green energy, green transportation, and green recycling.

Mutual fund projects

As at the end of the reporting period, ICBC Credit Suisse Asset Management, a holding subsidiary of ICBC, held RMB51.58 billion worth of stocks in green economy sectors, mainly including new energy vehicles, energy storage, photovoltaic power, wind power, and environmental protection. It also held RMB3.2 billion of convertible bonds and RMB26.8 billion of unsecured bonds in the green economy sectors. The Bank issued a total of 15 ESG-themed funds dedicated in investing in ecological environment, new energy, carbon neutrality, with a total amount of approximately RMB42,197 million.

Green Finance

03

Green finance strategy and honor

The Bank aimed to become a domestic leading bank in practicing green development, and strengthened the development of green finance and ESG system as a specific move.

During the reporting period, the Bank accelerated the innovation of financing instruments such as green bonds, green funds, and green wealth management products, increased the funding in key areas such as green manufacturing, clean energy, low-carbon transportation, low-carbon buildings, and ecological conservation, and further expanded its industry-leading advantages in green loans.

- During the reporting period
- the Bank was awarded Best Bank for Sustainable Finance, China 2022 by *The Asset*
- China Green and Sustainable Bank of the Year by *The Asian Banker*
- and the Best Green Financial Service Bank of the Year by the *Financial Times*

Green investment and financing

Achievements in supporting the development of low-carbon industries and cutting down on exposures to high-carbon industries

The Bank recorded the largest balance of green loans among peers and an industry-leading increment.

As at the end of the reporting period, the Bank recorded a balance of RMB **5,018,700 million** of green loans that met the green credit criteria of the National Administration of Financial Regulation (NAFR) extended to green industries including energy-saving & environmental protection industries, clean production, clean energy, ecological environment, infrastructure greening and green services,

representing an increase of RMB **1,040,242 million** or **26.1%** over the beginning of the year. The top three industries with

biggest amounts of outstanding green loans were infrastructure greening, clean energy and energy-saving & environmental protection industries.

During the reporting period, the Bank actively supported the country's energy security and low-carbon transformation strategy. The proportion of the balance of loans to wind power and photovoltaic power industries among the clean energy loans in the total loans to the power industry was higher than that of wind power and photovoltaic power to the country's power generation structure during the same period. Total loans to industries with heavy pollution and high energy consumption dropped steadily.

Bank-wide domestic environmental risk management of investment and financing and relevant policies

Based on the annual investment and financing policy for industries and specific policies, the Bank implemented green credit risk classification, supported the development of green industries, capped financing to high-carbon industries, and actively spurred structural adjustment of investment and financing to a greener way, thus effectively stemming ESG risk of investment and financing.

Driving structural adjustment of investment and financing by policies

The Bank formulated and issued the *Investment and Financing Policy for Industries in 2023*. The Policy covers approximately 50 industries in 16 categories, highlighting the “greener” orientation and setting forth further differential policy support and control intensity. Policies that are differentiated in terms of occupation, authorization, pricing and scale of economic capital were adopted. Indicators about an enterprise’s technology, environmental friendliness, energy consumption, etc. were embedded into the process of customer and project selection in priority industries. Besides, the Bank vigorously supported the development of green, low-carbon, recycling economy through designating clean energy, green transportation, energy saving, environmental protection, etc. as highly or moderately prioritized access industries. The Bank facilitated the prevention and control of environmental pollution, promoted concerted efforts to cut carbon emissions, reduce pollution, expand green development, and pursue economic growth, channeled its funding to the green economy field, and encouraged the industries with heavy pollution and high energy consumption to accelerate transition to green development.

Formulating and releasing the Guideline for Greening Investment and Financing of Industrial and Commercial Bank of China (Trial)

The Bank formulated and released the *Guideline for Greening Investment and Financing of Industrial and Commercial Bank of China (Trial)* as a specific policy for green finance and a fundamental document of its greening investment and financing policy system. Focusing on green development, the Guideline takes ESG risk prevention and control as the general starting point, and provides rich operation guidance for controlling ESG risk of investment and financing. The clarification of key points for ESG risks identification, minimum access criteria, excellence criteria and target green fields has rendered ESG risks control more effective and better-targeted. ESG that draws particular attention in the *Guideline* includes, but is not limited to, eight aspects, namely, prevention of environmental pollution, reduction in energy consumption, handling of climate change & control of carbon emissions, conservation of water resources & flood control, biodiversity and ecological protection, work safety & occupational health, preservation of cultural relics, corporate governance and owner behavior.

Green credit risk classification management for domestic and overseas institutions

To adapt to policy changes and effectively control the environmental risks of enterprises, the Bank formulated and released the *Measures for Green Credit Risk Classification Management for Domestic Legal Person Customers*. The Measures revised the standard that investment and financing were classified into 12 categories at four levels, increased the weight on climate risk factors in green credit risk classification, lowered the green risk ratings of some high-carbon industries and enterprises, and actively exerted green credit risk classification of bonds, leasing and non-standard wealth management business based on the completion of green classification of outstanding loans. *The Notice on the Trial Implementation of Green Classification Management of Investment and Financing of Overseas Institutions* was issued, requiring all overseas institutions to implement a full range of green classification management of investment and financing within the scope permitted by the laws, regulations and regulatory provisions of host countries (regions).

Strengthening the systematic management and control of ESG risks

The Bank released the *Notice on Strengthening the System Management of Customers’ Environmental and Social Risks*, made full use of multi-dimension big data on enterprises’ environmental risk through cooperation with third-party environmental data providers, and added factors of environmental information inquiry and environmental risk control to the credit system that allowed real-time access to an enterprise’s environmental information and automatic issuance of risk alerts in the process. During the loan term, ESG risk inspection requirements will be regularly automatically monitored and triggered, thus effectively enhancing the Bank’s ESG risk identification, monitoring, and prevention and control capacity.

The Bank increased financial support for clean energy

The industry credit policy designates all clean energy as highly prioritized access category, and provides it with differentiated policies for authorization, pricing, FTP, etc. The Bank issued a plan to improve the quality and efficiency of clean energy services, and improved policy transmission and business supervision in a top-down manner.

As at the end of the reporting period, outstanding loans for clean energy industry stood at RMB

660.4 billion
representing an increase of RMB

57.4 billion
over the beginning of the year



During the reporting period, the Bank extended RMB

139.0 billion
of loans cumulatively,
representing a year-on-year increase of RMB

36.2 billion

hitting a record high in terms of balance, increment and lending amount. Most of the loans were granted for wind power, solar energy, hydropower, nuclear power and other projects.

The Bank promoted green and low-carbon transformation of enterprises

The Bank promoted the integration of green finance and industrial upgrading, and assisted in the transformation and development, energy-saving and carbon reduction of enterprises.

It applied for eight batches of loans for carbon emission reduction support tools totaling RMB

145.7 billion

ranking first in the industry

It applied for 20 batches of special refinancing funds of RMB

27.5 billion for clean and efficient utilization of coal,

in order to assist in reducing enterprises’ financing costs

EXAMPLE

ICBC Shanxi Branch provided RMB 170 million of transformation financing for a photovoltaic power project



Relying on its own resource conditions and management advantages, the Bank reasonably utilized the idle land resulting from relocation of residents in sinkholes in coal mining areas, and carried out preliminary landfilling, reinforcement, and greening without damaging the original terrain and landforms. It took the lead to implement the “integration of forest conservation and photovoltaic power generation”, effectively improving the ecological environment of sinkholes in coal mining areas and increasing the income of surrounding residents. Meanwhile, the Bank conducted real-time monitoring and subsidence alert for dangerous areas, ensuring the safety of projects, personnel, and equipment.

Giving due consideration to new energy transformation and commercial sustainability, the project has leading power generation efficiency, advanced power generation equipment and methods, low equipment cost and investment cost, and high profitability.

Providing high-quality financial services for the enterprise will boost low-carbon transformation and new energy development. The enterprise has opened a basic account with the branch and maintains a close relationship with the branch in various aspects such as project loans and payroll payment agency services.

Green bond

Issuance of green bonds



Issuance of domestic green bonds

During the reporting period, the Bank issued RMB **10.0 billion** worth of green finance bonds on the national interbank market with a maturity of three years and an issuance interest rate of **2.55%**

As at the end of the reporting period, the Bank had issued three tranches of domestic green finance bonds, all of which are defined as green bonds under the Belt and Road Inter-bank Regular Cooperation (BRBR) Mechanism. The proceeds from these bonds are invested in green industrial projects.

Based on the proportion of the money actually raised from the bonds in the total project investments, the carbon emission reduction effects of the previous two tranches of domestic green bonds issued by the Bank were measurable, verifiable and testable. The projects were expected to reduce carbon dioxide emissions by about 3.50 million tons per year, and significantly bring down emissions of sulfur dioxide, nitrogen oxides and soot.

The Bank established a green bond framework in 2017, under which money raised through the issuance of green bonds are used to provide financing or refinancing for eligible green assets that contribute to low-carbon, environment-friendly, sustainable economic development, and climate change. As at the end of the reporting period, the Bank had issued eight overseas green bonds with a total amount of USD17.9 billion, securing its leading advantages over Chinese peers. It has cumulatively won 13 international awards from *The Asset*, *The Banker*, the *International Financing Review*, the *Climate Bonds Initiative*, etc.



Issuance of overseas green bonds

During the reporting period, the Bank successfully issued multi-currency carbon neutrality-themed overseas green bonds that totaled an equivalent to USD2.2 billion through four of its overseas branches (Hong Kong Branch, Dubai (DIFC) Branch, Singapore Branch, and Sydney Branch), which are denominated in USD, offshore RMB, and AUD. The bonds were listed on the exchanges of Hong Kong, Singapore, and Dubai simultaneously. These bonds comply with both the Green Bond Principles of the International Capital Market Association (ICMA) and the China Green Bond Principles.

The green assets supported by the proceeds from outstanding overseas green bonds issued by the Bank from 2018 to 2022 reduced carbon emissions by 21.32 million tons, increased water supply by 450 thousand cubic meters and treated sewage of 35.64 million cubic meters per year. Specifically, renewable energy projects reduced carbon emissions by 14.70 million tons annually; low-carbon and low emission transportation projects reduced carbon emissions by 6.62 million tons annually; sustainable water resource management projects increased water supply by 450 thousand cubic meters and treated sewage of 35.64 million cubic meters per year.

Underwriting of green bonds

During the reporting period, the Bank, as the lead underwriter, underwrote a total of

48 ESG bonds including green bonds, sustainable development bonds and rural revitalization bonds with an underwriting scale reached RMB **67,088 million** It raised RMB **310,143 million** in total for various market entities.

Specifically, there were **21** green bonds with an underwriting scale of RMB **40,471 million** The total proceeds of RMB **180,733 million** from the bonds were fully invested in the fields of clean energy, green development, etc., effectively supporting green economic development.

Green bond investment

During the reporting period, the Bank's newly increased investments in RMB green bonds exceeded RMB

70.0 billion, with a balance of more than RMB **260.0 billion** as at the end of the reporting period representing a year-on-year increase of **37.2%**

Newly increased investments in foreign currency green bonds amounted to USD **200 million** with a balance of USD **1,071 million** as at the end of the reporting period representing an increase of **14.91%** over the end of the previous year

Participation in global financial governance

During the reporting period, the Bank organized or participated in green finance and other relevant activities held by organizations at home and abroad, including the BRICS Business Council, the China Development Forum, the UK-China Green Finance Taskforce, the China (Shenzhen) Singapore Green Finance Forum, and GIP. In various activities, representatives of the Bank exchanged views in depth with guests, experts and scholars from domestic and foreign government agencies, industry associations, financial institutions, research institutes, enterprises, etc. to jointly analyze the developments, policy support, model innovation and other issues in the field of green finance, and share the best practices and governance experience of green finance.

Green and low-carbon operation

Statistics of carbon emissions from own operation

During the reporting period, the Bank put into service and improved its self-developed statistical system of carbon footprint management data that allows information reporting in digital forms, standardized approval, automatic pooling and intelligent inspection, thereby laying down a solid foundation for the Group's efforts on carbon peaking and carbon neutrality. Domestic institutions at all levels and subsidiaries of the Group were organized to furnish data of energy consumption, covering three categories of carbon emission, disposal facility and monitoring tools.



During the reporting period, the Bank completed the attribution analysis of historical data. Based on historical carbon emission data, the Bank conducted research on its own carbon peaking and carbon neutrality work, analyzed its potential and implementation path of energy saving and carbon reduction, and guided all staff to carry out energy saving and carbon reduction in four areas: IT infrastructure, building infrastructure, daily work, and key energy facilities.

The Bank continuously optimized green office and video conferencing functions, strengthened the management of important meetings, improved remote office services, launched mobile approval for common office matters, kept reducing the use of office paper, and further promoted green and efficient office work.



Moreover, third-party professional agencies were engaged to verify the data through on-site inspection, document review, etc.

Continuously advancing the building of green and low-carbon outlets



In respect of design, the Bank made efforts to avoid increased energy consumption and material waste caused by design change during the construction, and to reduce carbon emissions.



In respect of materials selection, the Bank advocated selecting suppliers certified by environmental agencies of national or provincial governments, and encouraged the selection of local materials and local quality suppliers, and use of green building materials that are renewable and the certified green building and decoration materials. It also encouraged continuous application of new energy, new processes, and new technologies to reduce comprehensive energy consumption.



In respect of decoration, the Bank steadily advanced the energy-saving upgrading of lighting for outlets, accelerated the elimination of inefficient lighting products, and increased the promotion and use of efficient energy-saving lighting facilities. It also explored the application of technologies such as photovoltaic power generation + storage batteries, solar LED display glass, and preferred renewable energy.

Domestic Inclusive Finance

04

Financial services for small and micro enterprises

As at the end of the reporting period, the Bank registered a balance of RMB **2,049,212 million** of inclusive loans for small and micro enterprise¹

representing an increase of RMB **498,896 million**

or **32.2%** over the beginning of the year

The increment in first-time borrowers and the proportion of unsecured loans further went up, the supply of inclusive finance better met needs of the real economy, and asset quality remained stable.



As at the end of the reporting period, the Bank had a total of **6,237** outlets

representing an increase of **24** over the beginning of the year

ICBC Xingnongtong App served **5.32 million** customers

There were **4,277** inclusive finance rural service stations

covering **1,458** counties

508 regions that had been lifted out of poverty

and **91** key counties receiving assistance for rural revitalization



During the reporting period, the Bank handled **1,455 thousand** transactions for rural customers

and carried out **22 thousand** events to promote financial literacy, making its financial services more accessible to customers in rural areas.

1.Note: The data are consistent with the "balance of inclusive finance loans that met the CBIRC criteria" disclosed previously.

Innovation in mobile/online distribution channels

County-level financial services and financial services for rural revitalization

The Bank further expanded the coverage of outlet services, and continuously enhanced the convenience and availability of financial services.



As at the end of the reporting period, the Bank had **6,237** county-level

outlets in **1,807** counties

575 regions that had been lifted out of poverty

and **93** key counties receiving assistance for rural revitalization

including four counties where the Bank had no outlets previously. The Bank has set up outlets



in **86.3%** of counties in China and its coverage

of outlet services in counties kept expanding

It moved faster to promote online financial services in counties and rural areas, and built an all-channel rural online financial service system. Relying on its own channels such as ICBC Xingnongtong App and mobile banking, the Bank enriched the supply of agro-related financial products, and vigorously promoted agriculture-related loans, Digital Villages, Agricultural Matchmaking, agricultural technology training and other products and services with the features of agriculture, farmers and rural areas. The Bank innovated and opened up financial service platforms, served the digital transformation of agricultural platform enterprises, and rendered comprehensive financial services such as account, settlement, clearing and financing tailored to the financial needs of agricultural product development of all industrial chain and integrated business scenarios. It has been cumulatively cooperated with nearly a hundred digital agricultural platforms.



As at the end of the reporting period, the Bank had **154 million** online agriculture-related customers

Financial services for the elderly

The Bank further fine-tuned the standards for upgrading outlet services for the elderly, increased service facilities and convenient service facilities, and continuously promoted innovation in financial services for elderly customers. On the homepage of exclusive services for elderly customers launched on the ATMs and intelligent devices, the Bank provided large font display and key business information alerts for elderly customers. At the same time, the Bank timely added ATMs with passbook services based on the status of services for elderly customers in various outlets.

During the reporting period, the Bank's intelligent teller machines served a total of **43.00 million** customers aged 55 and above

and attached ATMs serviced **104 million** customers aged 55 and above

making its services for elderly customers more convenient, available and safer.

The Bank formulated the Guidelines for "ICBC Sharing Station + Elderly Care" Scenario Building, further improving the outlet environment for the elderly and promoting the elderly service events.

the Bank carried out more than **8,600** financial literacy lectures and volunteer service activities related to pension, care

for the elderly, and prevention of telecommunications fraud relying on the "ICBC Sharing Station", and actively created a financial consumption environment that respects and suits the elderly.

Based on the needs of elderly customers, the Bank optimized mobile banking processes, functions and experience, and created safer, more friendly, and more considerate online financial services for the elderly. It improved the remote video-based limit adjustment process of mobile banking, strengthened online and offline coordinated review for elderly and high-net-worth customers, in order to secure their funds. The Bank continuously optimized the Happy Life version of mobile banking, and expanded the application range of basic services for the elderly such as expansion of screen reader, font enlargement, and contrast enhancement, so as to provide better user experience for the elderly.



Improving the availability of financial services

The Bank fully leveraged the scale advantages of physical channels, advanced the "ICBC Sharing Station Plus" public services of outlets, and enriched the functions of public services, to provide heart-warming "finance + pan-finance" services for customers. During the reporting period, relying on 15.5 thousand ICBC Sharing Stations, the Bank carried out 27 thousand "Learn from Lei Feng" volunteer services and other events, serving 4.95 million new citizens, new workforce and other customers and the public. The Bank carried out the event under the theme of "ICBC Sharing Station · Summer Trio" to assist the college entrance examination takers and actively provide them and their parents with offline convenient services for preparing for the exam. The Bank promoted the bank-government linkage services such as electronic social security, tax collection and fee payment, intelligent medical insurance, credit report, and e-CNY at its intelligent ATMs of outlets, making them the "government service halls" by the side of customers.



EXAMPLE | ICBC Shanxi Branch provided financial support for developing the yellow flower industry in Datong City



Shanxi Branch provided various financial services for Huanghua Cooperatives in Yunzhou District, Datong City, to facilitate large-scale agricultural operations. The Bank cumulatively extended poverty alleviation loans of RMB12.55 million and inclusive finance loans of RMB2.50 million. With the "Industry-Finance Cloud" system, it built an online Yellow Flower Industrial Park platform that allows online integration of yellow flower production, purchase, and sales in Yunzhou. Leveraging big data, the Bank provided online financial services for yellow flower planting and processing enterprises, made full use of the "Planting e Loan" digital inclusive finance products to disburse loans. Furthermore, it also used platform and scenario-based financial products to actively support the development of the yellow flower industrial chain.



Number of self-service devices:
76,994
intelligent devices

and **56,670**
ATMs

Number of ICBC outlets in counties:
6,237

Number of outlets equipped with barrier-free facilities:

11,940

accounting for **76.6%** of total

Number of outlets equipped with "ICBC Sharing Station":

15.5 thousand



Advancing the reform of outlet operation in an all-round way



The Bank advanced the reform of outlet operation on all fronts, and moved faster to create a pattern of light operation for outlets and a new model covering full-journey services for customers. Focusing on the difficult, pressing and complicated service problems of outlets, the Bank optimized the business process extensively, and established a new outlet terminal platform "ICBC Counter Express" to comprehensive improve the service experience of customers and the operation efficiency of outlets.

Deepening the application of online and offline integrated operation model. As at the end of the reporting period, the Bank has covered 33 types of personal and corporate banking scenarios such as getting a new debit card without changing card the number, and opening electronic letters of confirmation. During the reporting period, the Bank handled more than 27.00 million transactions for customers, representing a year-on-year increase of 20%. Online processing is available for more than 90% of key scenarios.

Speeding up the empowerment of business operation with intelligent technologies. The Bank fully upgraded and scaled up the application of digital employees, with a total of 47 intelligent scenarios put into service. During the reporting period, the Bank processed 130 million AI-driven transactions, representing a year-on-year increase of 3.2%, effectively improving operation and service efficiency.

Microfinance products and relevant policies

The Bank continuously expanded the scope of collaterals, and created a differentiated mortgage rate model. Based on non-standard collaterals such as industrial, commercial and office buildings, it launched the personal scenario of e-Enterprise Quick Loan, effectively improving the quality and efficiency of services for personal inclusive finance customers.

The Bank simplified the offline product system of small and micro enterprises, improved product management requirements and financing elements, and enhanced the match between credit products and market condition and customers' funding needs, to further sharpen the competitive edge of offline small and micro credit products.

Innovation in other alternative non-outlet distribution channels

Seizing the opportunities of digital transformation of supply and marketing cooperatives, the Bank, using financial technology, conducted agile iteration of services such as ICBC Ju Fu Tong and Industry-Finance Cloud underpinned by business model innovation and product collaboration. It provides account management, payment settlement, exclusive financing and other products for supply and marketing cooperatives and upstream and downstream enterprises, thereby deepening digital cooperation between the Bank and cooperatives. As at the end of the reporting period, the Bank has established digital financial cooperation with China CO-OP Group and provincial-level supply and marketing platforms in Hebei, Hubei, Hunan, Anhui, Sichuan, Guangxi, Xinjiang, etc.

Privacy and Data Security of Domestic Institutions

05

Major awards and achievements



At the first “China Data Governance Annual Conference” held by the China Electronic Information Industry Federation, **the Bank was awarded the “2022 Top Ten Brand Enterprises in China for Data Management”, making it the only bank that won the title.**

Customer information protection management system and guarantee mechanism

During the reporting period, the Bank further improved data security management system and continuously enhanced the ability to protect personal information. The Bank formulated and issued the *Measures for the Management of Data Security and the Implementation Rules for Data Governance and Data Security Technology Management*, further refined data security system and reinforced management requirements for full-lifecycle data security. It continuously advanced the classification and grading of data security and implementation of data security standards, strengthened the review of information system security control functions, and further promoted the implementation of the *Measures for the Management of Personal Customer Information Security*.

Protection of privacy of personal customers



The Bank strengthened the collection and management of personal customer information, included customer information collection and usage terms into relevant product and service agreements, and fully informed customers of that.

The ICBC Mobile personal privacy protection policy was revised and completed.

System user and authority management was enhanced. Following the principles of “minimum necessary” and “minimum authorization”, the Bank controlled the scope of users and available information through the system.

Management of query results was enhanced. The management measures include inserting watermarks to the query results page, and prohibiting screen shotting, duplication, and downloading of query results.

Data security policy and system audit

The Bank attached great importance to data security and customer privacy protection in the Group. During the reporting period, the Bank conducted a special audit on data security management, focusing on the development of organizational structure and system, system security and technical protection, and implementation of rules and regulations related to data security, and the formulation and execution of strategies for customer information collection, access, deletion, desensitization, and storage.

The Management responsible for privacy and data security

During the reporting period, the Financial Technology and Digital Development Committee of the Bank reviewed and approved the *Implementation Opinions on Deepening Digital Transformation (2023)*, proposing to establish a unified data security management platform of the Bank which centers on data security classification, and to build a data security lifecycle management system. It reviewed and approved the *Measures for the Management of Data Security (2023 Version)*, in order to further clarify the principles and objectives of data security management in the Group, division of responsibilities and data security management, technical protection, monitoring and assessment requirements, effectively standardize the Group’s data processing, ensuring data security and promoting the reasonable use of data.

Data security/privacy-related risk training offered to employees and suppliers

During the reporting period, the Bank continuously strengthened training on data security and personal customer information protection, and publicized laws, regulations, and regulatory requirements on data security and personal information protection, in an effort to enhance employees’ awareness of data security and personal information protection.

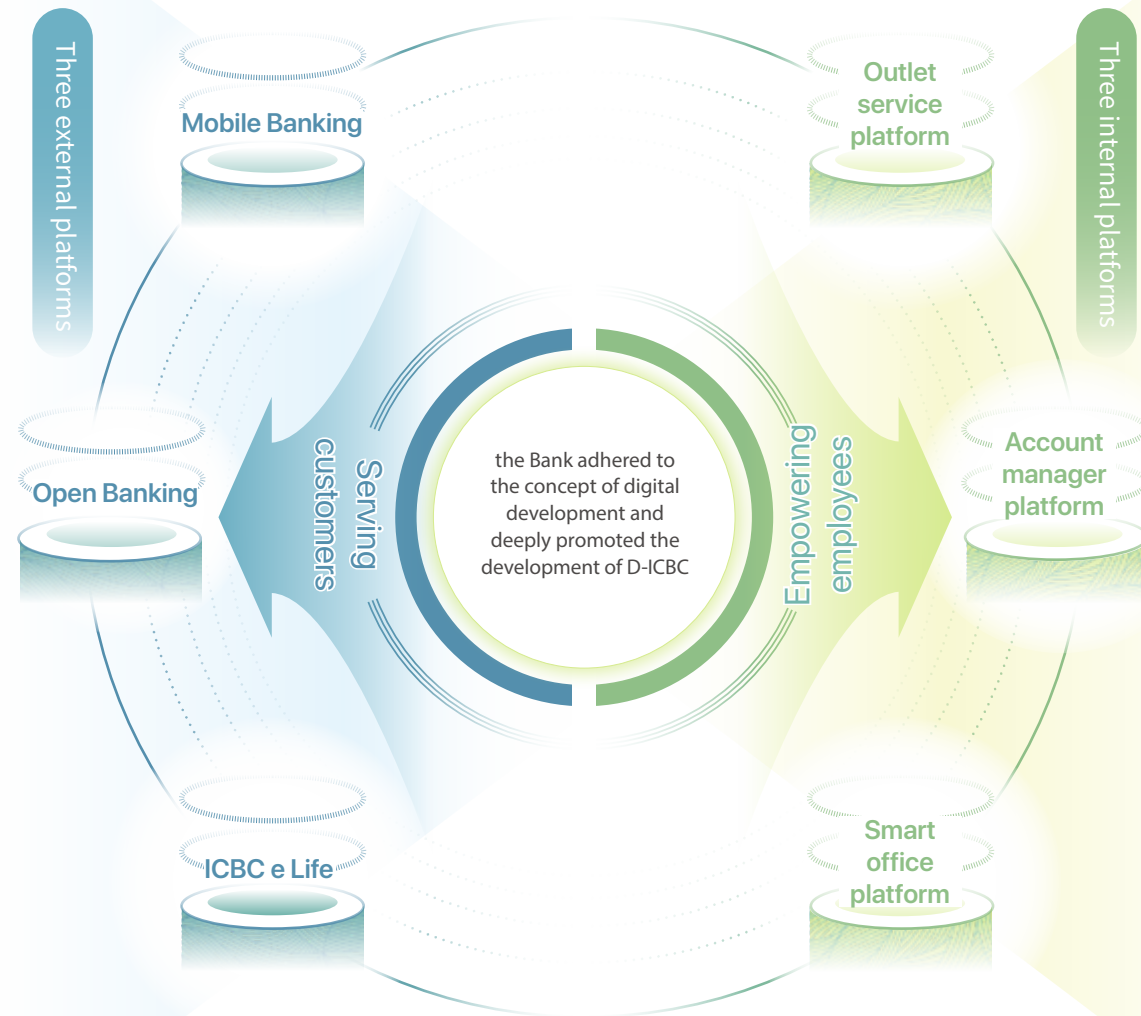
The Bank organized emergency drills for personal customer information security events.



It organized employee training and incorporated the requirements for customer information security management into its training on personal banking risk management.

SPECIAL TOPIC | Six technology platforms

During the reporting period, the Bank adhered to the concept of digital development and deeply promoted the development of D-ICBC. Focusing on "serving customers and empowering employees", it reinforced the three external platforms, i.e., "Mobile Banking, Open Banking, and ICBC e Life", refined the major internal platforms, i.e., "outlet service platform, account manager platform, and smart office platform", continuously accelerated the transformation of business and management models, and fostered new development drivers and strengths, to promote its high-quality development in serving the digital economy.



Serving customers



Mobile Banking

To meet the needs of the people for a better life, the Bank fully upgraded the financial services of "earning, management, spending and borrowing" in its mobile banking, and launched new functions such as loan column, wealth management tab, and Tian Tian Ying.

It served **536** million customers with more than **200** million monthly active users, leading the industry. The Bank was also ranked first in the banking industry in terms of digital comprehensive service capabilities in a third-party assessment.



ICBC e Life

ICBC e Life worked closely with leading Internet platforms to build the ecological convergence capabilities covering high-frequency life scenarios such as catering and travel. It continued to promote the application of "APP + official account + applet + enterprise WeChat group",

with **14.80** million monthly active customers.



Open Banking

The Bank delivered excellent open banking, integrated it into the development of digital economy, and created a new model of open ecological services to assist with the digital transformation of government affairs, industry, and people's livelihood.

The number of open bank partners exceeded **46** thousand, and the transaction amount of open banking reached RMB**150** trillion.

Empowering employees



Outlet service platform

The Bank accelerated the shaping of a new model of intelligent, intensive, and refined business operation, deepened the integration of outlet transactions and improvement of operational convenience, and facilitated the transformation of outlets towards light and marketing service-driven operation.



Account manager platform

The Bank built a data- and strategy-driven account manager platform, to provide targeted marketing support for account managers, and enhance their overall marketing capabilities.



Smart office platform

The Bank launched the ICBC e Office (version 5.0), providing efficient and coordinated one-stop office and business processing services that are available online all the time, thereby improving office efficiency and employee experience.

Protection of Lawful Rights and Interests of Domestic Financial Consumers

06

Consumer protection training for employees

Strengthening training plan

The Bank formulated and released the *Consumer Protection Training Program 2023*, requiring to intensify training for operational managers, backbone employees and primary-level employees of specialty departments. The Program specified and refined key contents of training for employees on different posts, flexibly set training contents and key points based on different management levels, specialties and duties of trainees, and continuously enhanced the concept consumer protection and professionalism of employees at all levels.

Making training more targeted and consistent

The Bank conducted in-depth surveys at primary level, earnestly debriefed and fully adopted the opinions and suggestions of institutions on training courses, trainers, and training arrangements, focused on strengthening the training for employees at primary level, and key areas and weak links of consumer protection, and continued to make training more targeted and effective. The Bank also refined the assessment indicators related to consumer protection training, gave full play to the role incentive and constraining mechanisms in assessment, guided institutions at all levels to strengthen training and improved training quality and efficiency.

Strengthening special-purpose training and business training

The Bank held three bank-wide consumer protection training courses on customer complaints governance, consumer protection, and customer service managers, to publicize consumer protection laws, regulations, regulatory requirements, and the Bank's requirements for consumer protection and customer complaints governance. The Bank integrated consumption protection contents into business training for personal banking, bank card, Internet banking, operation and other specialty departments, and urged institutions at all levels to implement various consumption protection requirements in business development and operation.



During the reporting period,
519 training sessions
on consumer protection

that covered
40,682 persons/times
were held

Relevant consumer protection policies

Personal credit loan policies

In order to ensure that there are regulations and rules to follow in the development of each segmented product or business, the *Administrative Measures for Personal Credit Loans (Version 2023)* was revised and issued during the reporting period, further clarifying the key points of investigation, review, approval, and other work, and consolidating the foundation for high-quality business development in the future. The Bank issued the *Basic Authorization for Credit Risk Business of Personal Credit Loans of Domestic Branches for 2023*, guiding all staff to properly handle the handover of the review and approval functions for personal credit loans. The rules such as the *Management Regulations on Real Estate Mortgage Customer Linked Personal Credit Loan Business* were formulated.

Credit card limit adjustment policy

Limit adjustment was steadily implemented in accordance with regulatory requirements, as well as the Bank's credit card risk appetite and rules, to serve market development, defuse potential risk, and protect consumers' rights and interests. Specifically, it is divided into increase and reduction of limits. When increasing the credit limit, the Bank made full use of internal and external information data, and reviewed customers' card usage behavior and risk information according to risk control conditions. For customers meeting risk control conditions, credit limits were increased in a differentiated manner based on measurement models or expert rules and credit standards to better meet consumer needs. Reduction of credit limits was based on internal and external data and the assessment results of credit risk models. The Bank paid close attention to changes in customers' credit status, regularly conducted inspection and dynamic management of customers at risk, reasonably reduced limits to ensure the safety of cards and assets, and explicitly informed customers in the prescribed manner.

Policy of penalty compound interest in case of an overdraft

Based on the development of credit card business, the Bank revised the *Charter of Industrial and Commercial Bank of China on Peony Credit Cards* and the usage contract, further clarifying relevant content such as interest rate standards to protect customers' right to know.

Debt collection policy

The Bank further standardized the collection behavior. During the reporting period, the Bank inspected the loan collection behaviors of cooperative agencies, and conducted inspection covering all cooperative agencies on the list and their affiliated companies, legal representatives, major shareholders, persons chiefly in charge and collection personnel. The *Notice on Standardizing Collection Phrase and Enhancing Self-inspection and Rectification of Collection Behavior Management* was issued to standardize collection phrase and strengthening the self-inspection and rectification of collection behavior management throughout the Bank.

Fair advertising policy

To be a bank satisfactory to the people, the Bank worked to continuously improve fair advertising policies. Guided by the new brand cultivation model of "strategic guidance, brand incubation, and empowerment of business" in advertising, the Bank effectively ensured the formulation and implementation of fair advertising policies by formulating policies and measures such as the *Management Measures for the Advertising and Marketing Expenses* and the *Management Measures for the Electronic Media Management Systems of Outlets*.

The Bank attached great importance to the professional training for personnel engaged in publicity, advertising, and other related work. It adopted various forms such as offline instruction, online training, thematic discussions, authoritative interpretation, and regularly held various types of training sessions, lectures, and seminars annually, effectively improving the professionalism and knowledge update of relevant employees.

Product and business review

Management of product (business) innovation plans

The Bank developed annual product and business innovation plans and priority level of innovation programs, and put the access of innovation programs in place. During the reporting period, the Bank determined key business innovation programs in line with its development strategy, market prospect and implementability of relevant programs and other factors, and dynamically tracked and managed the execution of relevant plans.

New product R&D risk management

In order to strengthen the management of new product R&D risks, and standardize the activities of identifying, assessing and controlling new product R&D risks, the Bank clarified the responsibilities of product management departments for new product R&D risks by developing R&D management measures and other rules, covering various risks such as credit, market, operational, reputation, liquidity, money laundering, banking book interest rate and external fraud risks. During the reporting period, the Bank carried out risk assessment and review, formulated risk prevention and control measures for key links, and inspected and confirmed the implementation of prevention and control measures prior to project launch.

Governance of customer complaints

Customer complaints and governance effect



During the reporting period, the Bank recorded **104.3 thousand** personal customer complaints¹

representing a year-on-year decrease of **31.33%**

The number of personal customer complaints per 100 outlets fell by **30.67%**

the number of complaints per 10 million personal customers went down **32.93%**

year on year to **669**

year on year to **1,424**

From the perspective of business categories, complaints mainly came from personal banking and credit cards, accounting for 86.48% of total complaints. Personal banking service complaints mainly focused on the issue of prepayment of personal housing loans. The number of such complaints increased rapidly in the first quarter, but declined markedly in the second quarter due to centralized special governance. Most of credit card complaints were related to negotiated repayment, special auto installment loans, credit records, etc.

From the perspective of regional distribution, most of the complaints were lodged in Guangdong, Jiangsu, Hubei, Beijing, Sichuan and other regions, accounting for 30.05% of total complaints.

From the perspective of business processing channels, complaints related to front office service channels accounted for 54.76% of total, while those related to middle and back office service channels accounted for 45.24%.

¹In order to reflect customer complaints more accurately, the number of personal customer complaints in the first half of 2023 in this report has excluded repeated complaints and complaints related to the "anti-illegal card usage action" to crack down on new types of telecommunications network crimes.

According to data released by the Financial Consumer Protection Bureau of PBC, during the reporting period, the number of complaints



about the Bank accepted by PBC's offices at various levels reached

4,604

ranking fourth among the six large state-owned banks

(in terms of quantity, the same below)

the number of complaints per 100 outlets was

29.4

ranking fourth among the six large state-owned banks

the number of complaints per RMB100 billion worth of assets was

11.6

ranking sixth among the six large state-owned banks

Customer complaints governance measures



During the reporting period, living up to "finance for people" and "customers foremost", the Bank continuously deepened customer complaints governance and improved financial services.

During the reporting period, the Bank's customer satisfaction reached

92.4%

Note: Research data of the Bank



The Bank deeply carried out root cause governance of complaints and specified the responsibilities of key departments as the first line of defense. The Bank actively played the role of consumer protection review in "proactive prevention", and timely identified complaint risks in product and service development and design.



The Bank carried out the campaign of "Year of Deepening Complaint Governance of Personal Banking", to implement root cause rectification from aspects such as rules, products, processes, and systems with a focus on 10 typical issues of most concern to the public, in a bid to provide better financial services for customers.



The Bank continuously built up complaint handling capabilities, conducted special research on improving the online complaint handling capabilities of 95588 customer service agents and complaint handling capabilities at primary level, drew up more than 20 work measures and advanced the formulation of detailed rules.



The Bank fully leveraged the role of diversified resolution mechanisms for financial disputes, established a direct linkage mechanism for headquarter-to-headquarter mediation, and quickly intervened through mediation organizations to further improve the quality and efficiency of dispute resolution. It utilized a diversified dispute resolution mechanism to handle 7,566 conflicts and disputes, representing a year-on-year increase of 79.54%.



The Bank accelerated the digital transformation of complaint management, and widely applied technologies such as robot process automation, natural language processing, and speech recognition to complaint handling, effectively improving the automation of complaint monitoring, early warning, analysis, and handling.

Customer complaint channels and processes

Continuously improving complaint acceptance channels

The Bank accepted customer complaints through multiple channels such as outlets, customer service hotline, portal, Internet banking, mobile banking, and WeChat banking, and announced and updated the acceptance channels in a timely manner. It implemented 24/7 manual seat and online self-services to ensure smooth and efficient handling of customer complaints. It publicized the ways of lodging complaints, complaint handling process or relevant links through multiple channels, such as its outlets, the homepage of its official website, and WeChat official account "ICBC Customer Service", in order to help customers reflect their demands more conveniently and quickly.

Continuously improving complaint handling procedures



Whistleblower protection system

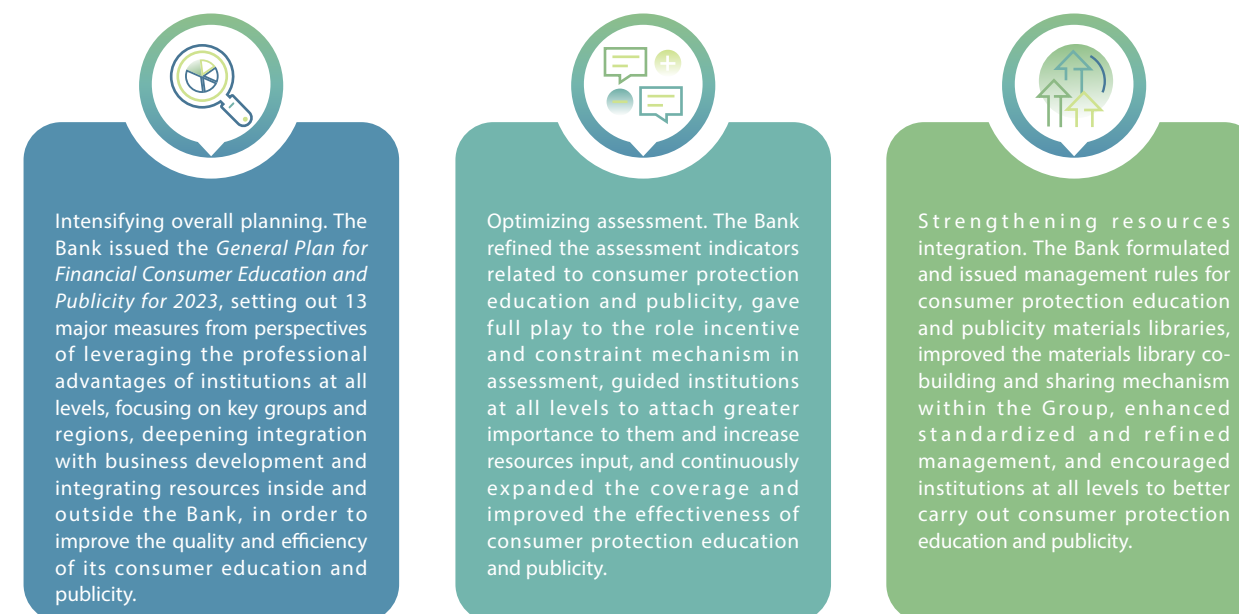
To investigate and handle criminal cases and severe irregularities involved in the whistleblowing within the Bank, the Bank released the *Measures for the Handling of Irregularities Reports*, building a sound whistleblower protection system.

Loan change programs

The Bank actively improved the prepayment service of personal housing loans central to customers, improved services, and adopted a differentiated service strategy to render online and offline integrated convenient repayment services. It developed a series of prepayment system functions to enhance branches' refined management capabilities, and intensified risk alerts, further popularized financial knowledge for customers, and alerted customers to the risk of irregular on-lending.

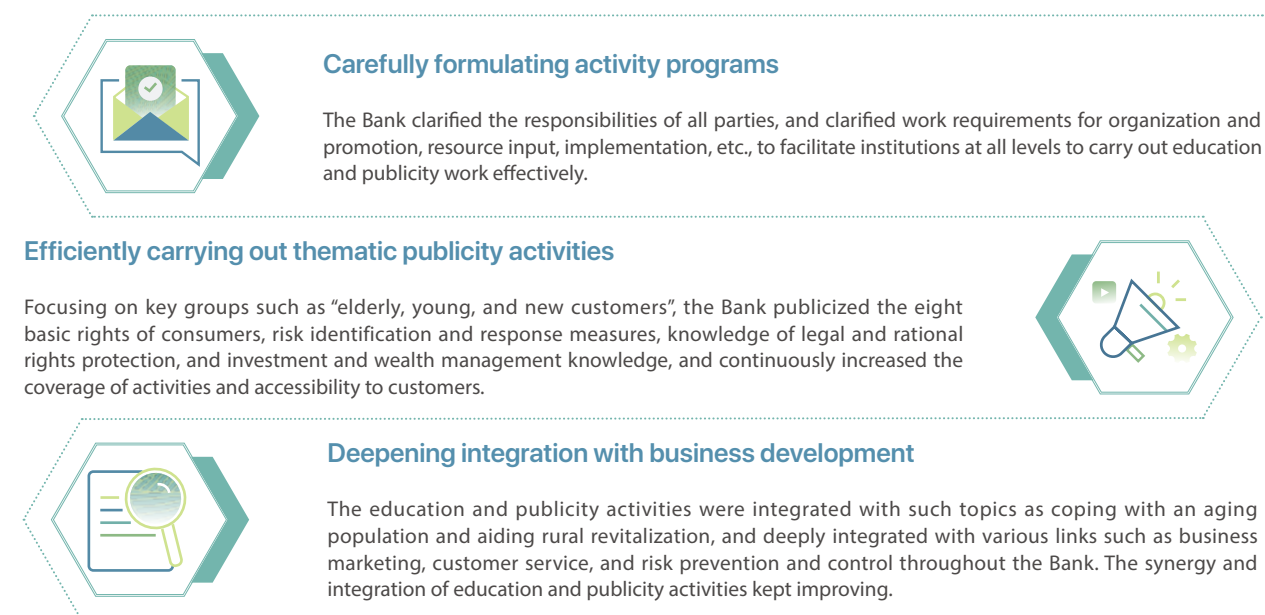
Financial education initiatives and stakeholder participation

Strengthening organization and promotion and consolidating the foundation for consumer protection education and publicity



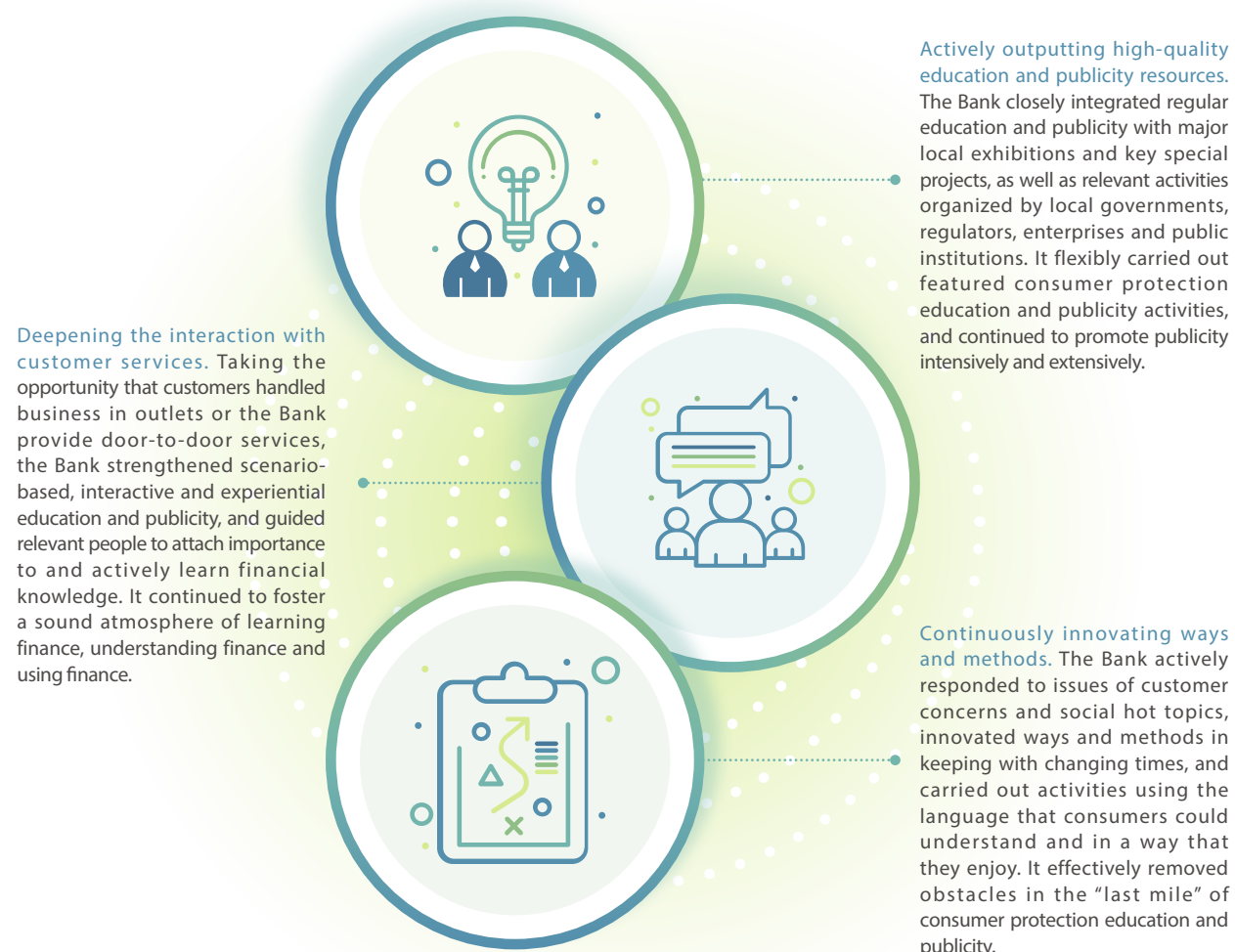
Carefully organized, planned and carried out centralized education and publicity activities

The Bank carried out centralized education and publicity activities such as "March 15", "Spreading Financial Knowledge, Protecting Your Pocket" and "Publicizing Financial Knowledge to Walk Ten Thousand Miles". As at the end of the reporting period, 84.2 thousand education and publicity activities were carried out, which educated a total of 1,234.36 million persons/times and were fully recognized by the society. The Bank was awarded the 2022 "Service Innovation Case of the Year" in the Banking Industry of China by the *China Banking and Insurance News*.



Improving regular education and publicity in a targeted manner based on business conditions

The Bank carried out various regular education and publicity activities in line with local conditions, took multiple measures to enhance consumers' financial literacy and risk prevention capabilities, assisted customers in correctly using its financial products and services, and continued to promote the development of a harmonious financial ecological environment.



Complaint supervision mechanism

During the reporting period, the Corporate Social Responsibility and Consumer Protection Committee under the Board of Directors studied and reviewed the *Proposal on 2022 Consumer Protection Work and Work Plan for 2023*, which included an analytic report on customer complaints in 2022. Understanding the general picture of customer complaints, effectiveness of complaint governance, and key fields and problems complained about could help translate consumers' opinions and suggestions to where to improve in customer services and business development. The directors perused the internal audit report on consumer protection in 2022, paid much attention to the issue and took actions to press for consumer protection efforts.

Human Resources Development

07

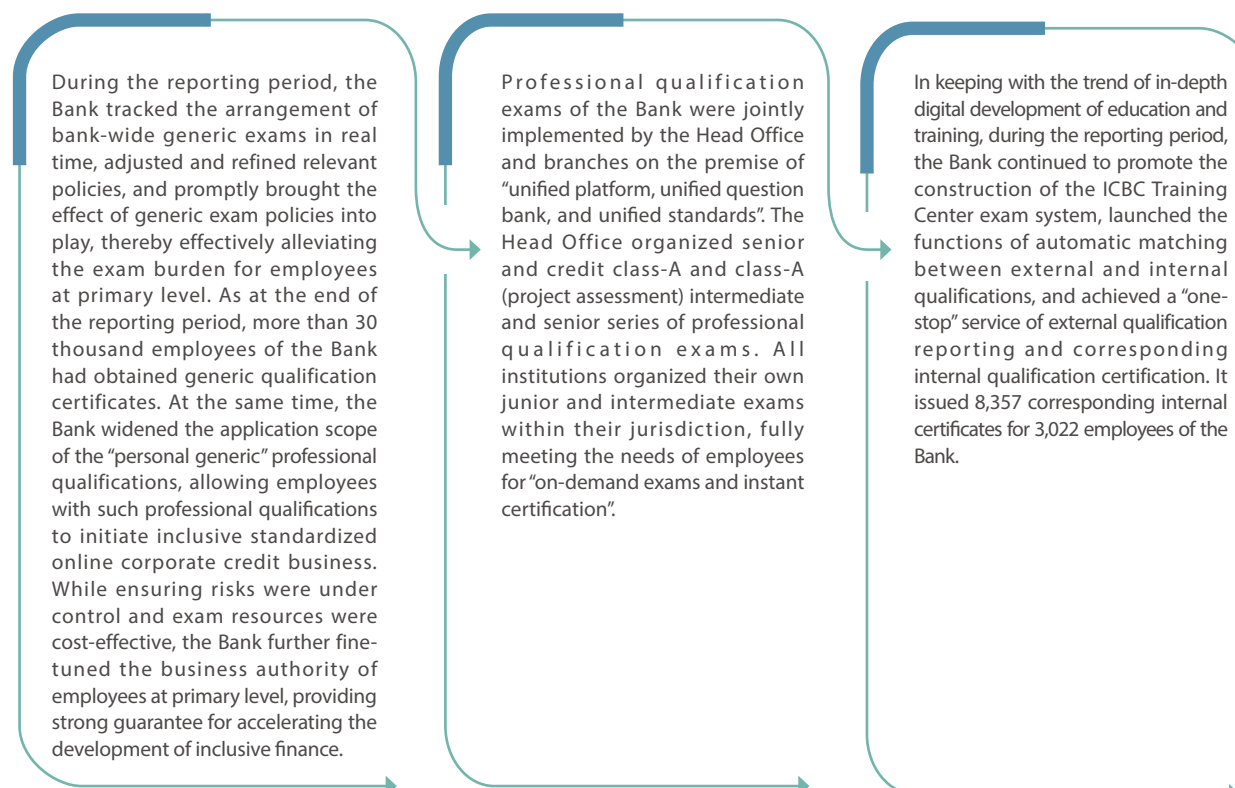
On-the-job learning and acquisition of certificates

Relevant policies for the reimbursement of external qualification certificates (including CFA and CPA)

During the reporting period, the Bank vigorously promoted the *Measures for the Reimbursement of External Qualification Examination Fees (Version 2022)*, providing support and guarantee for employees to obtain 38 international qualification certificates such as Financial Risk Manager (FRM), Chartered Financial Analyst (CFA), and Chartered Certified Accountant (ACCA).



Internal policies related to professional qualification certification and implementation of these policies



Bank-wide Reading activity

The Bank has continuously carried out the "Bank-wide Reading" activity for 8 years, providing its staff with multi-channel study services such as book recommendations, purchasing and sharing. The activity enriched their cultural life, and diversified their learning and training modes. As at the end of the reporting period, it had benefited 50 domestic institutions and nearly 400 thousand employees. During the reporting period, the Bank organized the "Bank-wide Reading" activity, creating a cultural atmosphere of "loving reading, reading good books, and being good at reading".

Staff research

Deepening the reform of the research system and cultivating the brand of "ICBC Research"

A plan on deepening the reform of the research system was drafted to further integrate the Bank's research resources. To provide financial services for the real economy, prevent and defuse risks and deepen financial reform, the Bank delivered a wealth of high-quality research findings, and leveraged the role of research in serving decision-making, customers, branches, and employees. The brand value of "ICBC Research" has been increasingly prominent, and the building of a first-class think tank was steadily making headway.

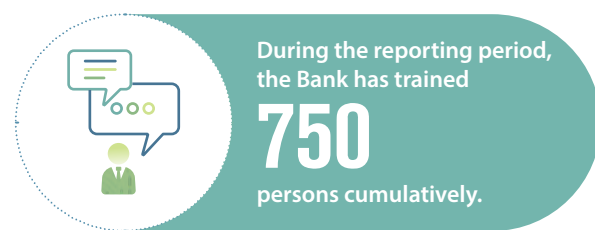
Holding multiple academic meetings to promote project application and research

During the reporting period, the Bank held the 2023 Annual Academic Meeting of the China Modern Financial Society, and the ICBC Research · Modern Finance Lecture, created the academic brand of "ICBC · Academic Salon", and prepared for activities such as the ICBC Research · Closed-door Seminar and the Peer Postdoctoral Forum.

Cooperation with educational institutes in developing and offering joint training programs

International talent training programs

The Bank has implemented international talent training programs for 13 consecutive years, and sent outstanding employees to study and work abroad. It advanced the continuous implementation of programs through systematic multi-stage training of "language skill improvement + professional training at home", by collaborating with top domestic universities and introducing high-quality course resources from overseas universities via online links.



Overseas training programs for senior management members

The Bank has implemented overseas special training programs for senior management members for 12 consecutive years, and sent them to internationally renowned universities such as the University of Cambridge, the University of Michigan, and the University of Toronto for studying and exchanges.



Joint training programs developed in cooperation with renowned universities and institutions

Cooperation with global universities

The Bank held multiple short-term training programs for senior management members in cooperation with global universities such as the Wharton School, Yale University, and the University of Cambridge. It held a number of international talent training programs in cooperation with universities such as the University of Michigan, the University of Manchester and the University of Illinois. Besides, it also conducted high-level visits and case development with the University of Cambridge and the International Institute for Management Development in Lausanne, Switzerland, and held high-level speeches at the University of Illinois.



Cooperation with domestic universities

During the reporting period, the Bank worked with Tsinghua University, Peking University, Renmin University of China, and Zhejiang University on the projects such as "ICBC Leadership Training", "Ability Enhancement Program for Newly Appointed Deputy General Managers in Charge of Personal Banking", and "Ability Enhancement Training for Deputy General Manager in Charge of Credit (Dispatched Credit Risk Officer)", to provide differentiated and targeted training for groups at different levels.



Strengthening in-depth industry-education-learning-research interaction

The Bank actively contacted renowned domestic universities and signed talent cooperation agreements with such universities as Tsinghua University. It was the first in the industry that jointly offered a summer internship practice course with Tsinghua University, in order to effectively link training with employment.

Complaint lodging procedures for employees and democratic governance

Improving irregularity complaint lodging system

During the reporting period, the Bank updated and issued the *Provisions on Handling Staff Irregularities*, explicitly setting out the time limit and process of complaint lodging for matters such as credit determination, administrative penalties, and labor contract disputes, in order to protect the legitimate rights and interests of employees.





Improving complaint lodging mechanism and procedures for employees

During the reporting period, the Bank issued the *Measures for Reviewing Staff Irregularities*, explicitly setting out the basic principles and procedures for administrative penalty complaint (review) of institutions at all levels. The Measures ensured that there are regulations to follow for the Bank's complaint lodging (review) work and relevant procedures are standardized, and the "(9+X)+4" risk event accountability mechanism could be implemented smoothly.

In accordance with China's laws and regulations, the Bank has formulated the *Measures for the Management of Labor Contract*, which requires managing labor disputes in a rule-governed and standardized way. The normative document stipulates that tier-one branches (branches directly managed by the Head Office) and tier-two branches shall establish their respective labor dispute mediation committees in accordance with the law. These committees shall be affiliated to the labor union committees at the same level, responsible for mediating labor disputes within the jurisdiction. A labor dispute mediation committee is composed of employee representatives and employer representatives. Specifically, employee representatives are labor union members or elected by all employees. The labor dispute mediation committee is chaired by a member of the labor union or someone mutually recommended by both sides. In the event of labor disputes, employees may settle them by negotiating with their institution. Where negotiation fails or settlement agreements cannot be fulfilled, employees concerned may apply to the labor dispute mediation committee of their institution for mediation. If mediation fails or mediation agreements cannot be enforced, employees concerned may apply to their local labor dispute arbitration committees for arbitration. Those who are dissatisfied with the arbitration award may file a lawsuit with the local people's court.

Advancing the setup of accountability committees

As at the end of the reporting period, the Bank has finished the establishment of accountability committees for handling irregularity in institutions at all levels, which are responsible for collective deliberation on review (checking) results of administrative penalties received by relevant personnel, to ensure that relevant decisions are objective.



Democratic governance of employees (employee (representative) assembly)

During the reporting period, tier-one branches, branches and institutions directly under the Head Office and domestic integrated subsidiaries convened 20 sessions of employee (representative) assemblies, where issues related to business management, financial work, remuneration and benefits, education fund, collective contract for the protection of female employees' rights and interests, selection of the May 1 Labor Medal, etc. were discussed, thereby truly protecting employees' democratic rights in participating in business management and major decision-making as well as in discussing important issues related to their interests.



Employee satisfaction

The Bank attaches high importance to employee satisfaction, and has established a regular closed-loop employee satisfaction survey and improvement mechanism that covers multiple levels and dimensions. During the reporting period, the Bank delivered real benefits to employees through addressing their urgent needs and difficult problems, and respected their needs, self-esteem, personality and characters with a view to fully arousing their solidarity and creativity so that employees can feel at ease, make ICBC their home and work wholeheartedly for ICBC to realize mutual development with the Bank.

During the reporting period the Bank carried out sampling questionnaire surveys on satisfaction of nearly **60 thousand** employees

The results showed that the satisfaction rate of exceeded **90%**

and indicated that the Bank's digital transformation, implementation of key strategies, etc. had been highly recognized by employees

Non-salary benefits and work-life balance



Supplementary pension insurance plan for domestic employees

The Bank continuously bettered the employee pension guarantee system, and introduced a supplementary pension insurance plan (enterprise annuity), after getting all employees covered by the basic pension insurance. More and more employees have got covered by the supplementary pension insurance plan. Guarantees for employee's life in retirement have been constantly enhanced.



Supplementary medical insurance plan for domestic employees

The Bank also attaches great importance to employee health management through increasing medical guarantees for its employees. In addition to the basic medical insurance, the Bank has also put in place a supplementary medical insurance plan that can reduce employees' medical bills incurred by outpatient service, emergency treatment, and hospitalization and provided additional medical support for employees suffering from serious diseases. The supplementary medical insurance plan had a coverage rate of 100%, effectively easing the burdens of medical expenses on employees.



Assistance scheme for domestic employees

During the reporting period, the labor union of the Head Office paid visits to **1,090** employees at primary level, model workers and cadres on secondment of counties receiving targeted assistance and distributed RMB **3.27 million** to them

It also set aside over RMB **2.76 million** and entrusted the labor union of each institution to pay visits to **5,556** employees of **208** outlets

While the Head Office delivering care and assistance to employees, the labor unions at all levels distributed over RMB **67.00 million** to **95 thousand** employees model workers, cadres on secondment and primary-level employees of **5,563** outlets and offered psychological health, cultural services and living guarantee services to **128 thousand** persons/times

Medial check and mental health services for domestic employees

During the reporting period, the "ICBC Health" and other programs for employee health management were rolled out, with targeted and diversified health education activities carried out. Employee projects such as science-backed ways to lose weight were implemented to continuously improve employee health. The Bank introduced high-quality external medical resources for on-site consultation, launched online health consultation, and took multiple measures to address the urgent needs and difficult problems of employees such as "difficult to get medical treatment" and "slow access to medical treatment".

The Bank completed the preliminary survey on the employee health check project in 2023, and continuously increased the options of medical check institutions for employees creating favorable conditions for the annual employee health check experience.

The bank continuously expressed cares and concerns to its employees, and provided professional psychological counseling services to employees. It organized activities such as mental health lectures, online "high-quality sleep training camp", and online knowledge contest on the mental health day to help employees stay healthy and positive.

Paid leaves and nursing for domestic employees

The Bank fully protects the staff's rights to rightful leaves. Employees are entitled to paid annual leave in accordance with relevant national regulations. Annual leave can be taken at one time or discretely throughout a year. If an employee needs to reserve his/her annual leave for the next year, arrangements can be made on a case-by-case basis flexibly.

Rewards and incentives for employees

The Bank has established a reward and incentive system with its own characteristics and stimulating effects, which can be summarized as "1+4".

Specifically, "1" denotes the *Reward and Incentive Management Rules of ICBC*



"4" denotes four specific rules, i.e. the *Measures for the Management of Internal Rewards and Incentives within ICBC*, the *Measures for the Management of Party and National Rewards and Incentives*, the *Measures for the Management of Collective/Organizational Rewards and Incentives*, and the *Measures for the Management of Media/Social Rewards and Incentives*

A series of honorary titles were created, including "ICBC Excellence Award", the highest-level comprehensive title of honor within the Bank

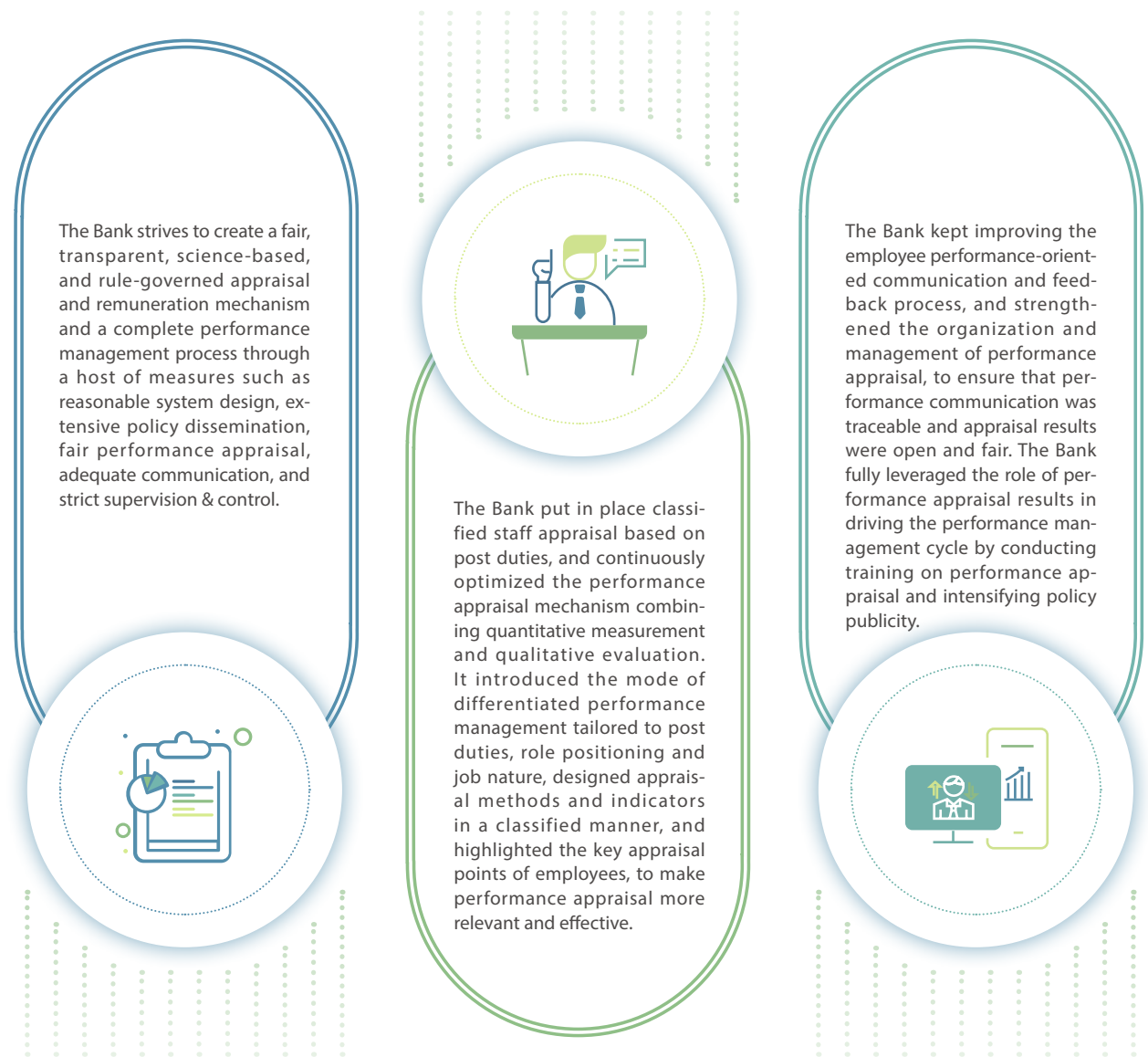
"ICBC Achievement Awards", honorary awards for each business line

and such honorary titles as "Touching the Heart of ICBC", "Innovative ICBCers", "Craftsmen of ICBC", "Elites of ICBC", "Employees of Honor Worldwide" and "Model Workers in Compliance"

A mechanism that protects the legitimate rights and interests of domestic female employees and relevant work of women workers' committee

Labor unions at all levels carried out a variety of cultural enrichment activities for female employees, such as talent shows, health lectures, brisk walking, and art piece appreciation based on respective real conditions. According to the *Guiding Opinions on Safeguarding the Rights and Interests of Female Employees and Providing Services for Them* and the *Reference Text of the Collective Contract for the Protection of the Rights and Interests of Female Employees of Industrial and Commercial Bank of China* formulated by the labor union of the Head Office, the labor unions of all institutions promptly revised and renewed the collective contracts for female employees, promoted gender equality in the workplace, safeguarded the legitimate rights and interests of female employees, and advanced the building of "Baby Care Room", "Loving Mothers' Cabin" and "Room of Cares for Female Employees" according to local conditions to step up care for female employees.

Regular performance appraisal and feedback process



Career development training plan for employees

The Bank refined the on-boarding training system, provided advanced training on entry to growth for new employees, systematically enhanced their professional ability and comprehensive quality, and further improved the recruitment and cultivation chain for new employees.

It devoted more energies to the cultivation of high-caliber young employees, improved the mechanism for introducing and cultivating management trainees, and better identified and cultivated junior management talents.



The Bank strengthened the cultivation of technology talents, promoted the exchange and cultivation of technology and business personnel, and created a technology talent "reservoir" characterized by "recruitment, technology training, and talent use at work".

It removed obstacles on the career path for employees at primary level, highlighted performance, value and ability orientation, and built up the capacity of employees of outlets who have been transferred to other posts. It reinforced the allocation senior business positions, and further widened the career development channel and removed the career development barriers for those with high comprehensive quality, strong professional ability, and good performance.

Management skills/leadership training

The Bank continued to improve the leadership enhancement system, where training and practice opportunities were classified for management personnel according to the age and sophistication and offered to enhance their professional competence and leadership.

Focusing on key strategic areas, the Bank selected core professional talents to offer ability enhancement training for deputy general manager in charge of credit (dispatched credit risk officers) and ability enhancement program for newly appointed deputy general managers in charge of personal banking, in order to enhance their ability to perform duties.

Training for senior management members aimed at sharpening their global strategic insights, science-based way of thinking, strong sense of innovation, good leadership and ability to attract and retain competent employees. Each year the "ICBC Leadership" training program was offered to heads of domestic institutions, in a bid to strengthen leading talents to serve the Chinese path to modernization.



To better support the international development and global operation of the Bank, English proficiency enhancement courses were provided for management members of domestic institutions at all levels and senior management members to be sent to work overseas temporarily.

In order to accelerate the cultivation and reserve of outstanding young cadres, training was offered to middle-aged and young cadres with a view to making them more politically reliable, and improving their professionalism and practical ability. In the meanwhile, senior management members of the Bank were invited to teach ESG concept courses.

To strengthen the business capability and comprehensive quality of the management members of tier-two branches, business capability enhancement training and rotational training were offered for the heads of tier-two branches, with a focus on enhancing their Party spirit, consolidating business management capability, broadening thinking horizons, and strengthening risk prevention and control. As at the end of this year, the training will be offered to the heads of all tier-two branches of the Bank.

ESG Performance

08

Environment

Reduction of greenhouse gas (GHG) emissions under green credit

Equivalent to reduction in standard coals

7,175.71

10 thousand tons

Equivalent to reduction in sulfur dioxide emissions

2,997.45

10 thousand tons

Equivalent to reduction in carbon dioxide equivalent emissions

14,045.25

10 thousand tons

Equivalent to reduction in nitrogen oxide emissions

2,101.52

10 thousand tons



Equivalent to reduction in water use

11,016.10

10 thousand tons

Main indicators of green finance

Green credit

As at the end of the reporting period, the Bank recorded a balance of RMB **5,018,700 million** of green credit facilities that met the green credit criteria of the National Administration of Financial Regulation

representing an increase of RMB **1,040,242 million**

or **26.1%** over the beginning of the year

Green bond

During the reporting period, the Bank issued RMB **10.0 billion** worth of green finance bonds on the national interbank market

with a maturity of **three** years

and an issuance interest rate of **2.55%**



The Bank successfully issued a global multi-currency "carbon neutrality" themed overseas green bond worth a total value of USD

2.2 billion

through four overseas branches in Hong Kong, Dubai, Singapore, and Sydney

As at the end of the reporting period, the Bank issued a total of **eight** overseas green bonds

with a total amount of USD **17.9 billion**, consolidating its leading advantage among Chinese peers

During the reporting period, the Bank, as the lead underwriter, underwrote a total of

48

ESG bonds, including green bonds

sustainable development bonds and rural revitalization bonds, with an underwriting scale reached RMB **67,088 million**

It raised RMB **310,143 million** in total for various market entities

Specifically, there were

21

green bonds

with an underwriting scale of RMB **40,471 million**

The total proceeds of RMB **180,733 million**



from the bonds were fully invested in the fields of clean energy, green development, etc., effectively supporting green economic development.

The newly increased investments in RMB green bonds exceeded RMB

70.0 billion

with a balance of more than RMB **260.0 billion** as at the end of the reporting period

representing a year-on-year increase of **37.2%**

The newly increased investments in foreign currency green bonds amounted to USD

200 million

with a balance of USD **1,071 million** as at the end of the reporting period

period, representing an increase of **14.91%** over the end of the previous year

• Total amount of green investment and financing •

As at the end of the reporting period, the total amount of green investment and financing meeting the criteria of the National Administration of Financial Regulation (including loans, green bond investments by non-financial enterprises, green bank acceptance bill and green letter of credit) reached RMB

5,142,012 million



Note: For information on carbon emissions from own operation, energy consumption, waste statistics, supply chain management (responsible procurement) and others from domestic institutions, please see the Bank's 2022 Corporate Social Responsibility Report (ESG Report), pp.30-31 and pp.116-117.

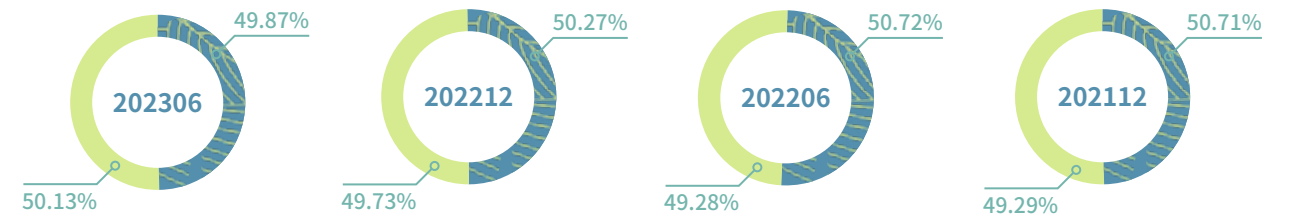
Social

Staff

• Proportions of employees by gender •

Female Male

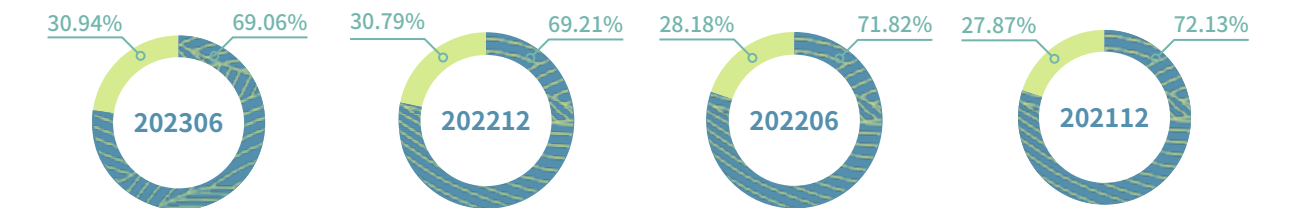
• All staff •



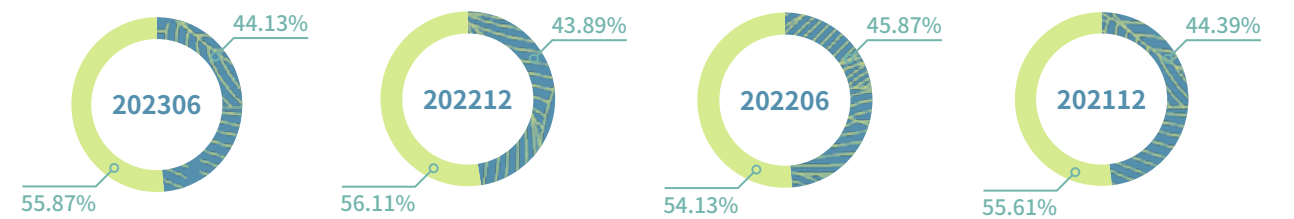
• Senior management member •



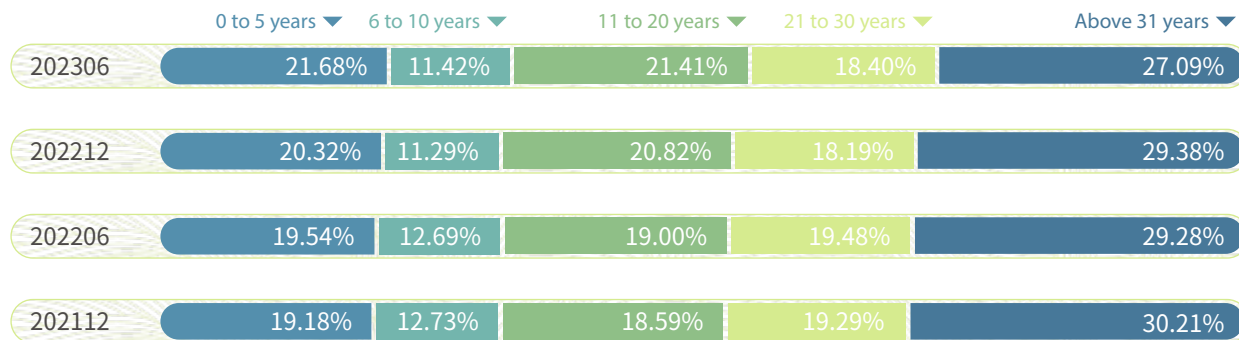
• Management personnel above the middle level •



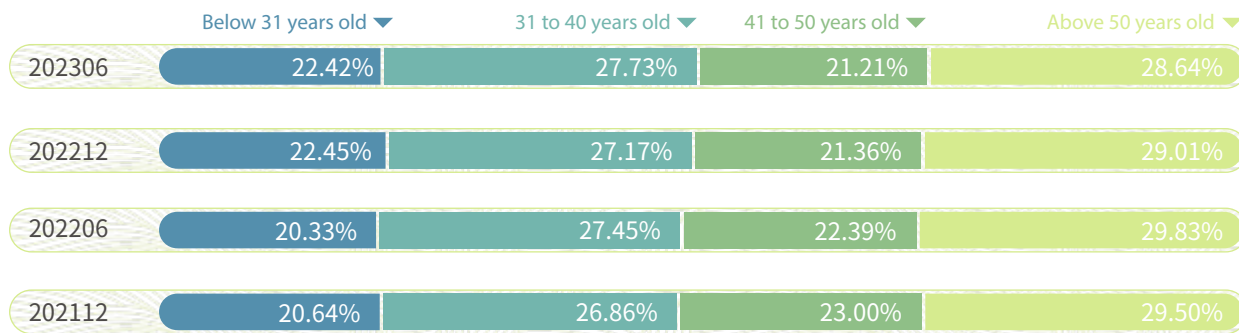
• New employee •



Employee structure by working year



Employee structure by age group



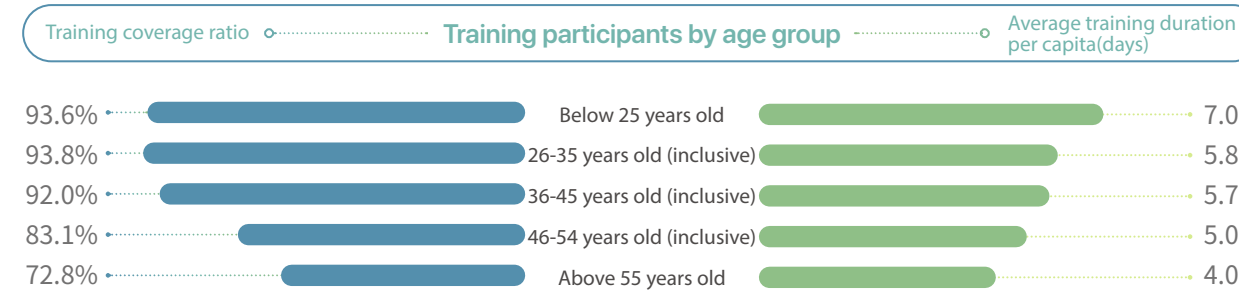
	Total employees	New employees	Voluntary employee turnover rate
202306	415,719	5,295	0.95%
202212	427,587	22,964	1.95%
202206	424,962	4,683	1.06%
202112	434,089	22,048	1.64%

Reasons for the reduction in total headcount

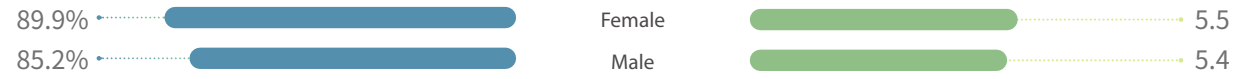
During the reporting period, domestic branches experienced a retirement wave; the majority of university graduates hired through campus recruitment did not start to work; the staff resignation rate was largely at par with that of the previous years. Therefore, the total headcount as at the end of the reporting period went down slightly. The Bank kept a generally stable team, and devoted rigorous efforts to staff recruitment and training that further improved the structure of the team.

Training for employees

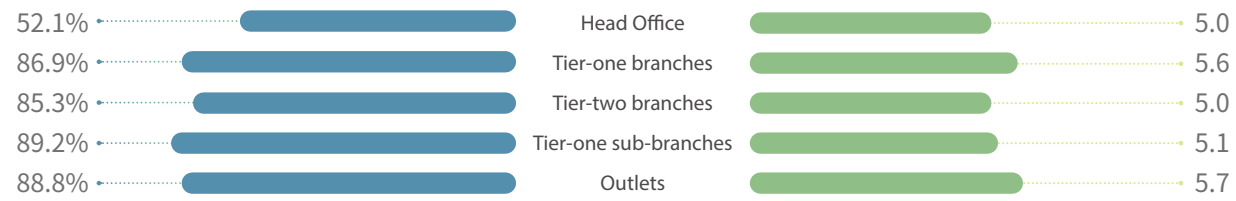
During the reporting period



Training coverage ratio Training participants by gender Average training duration per capita(days)



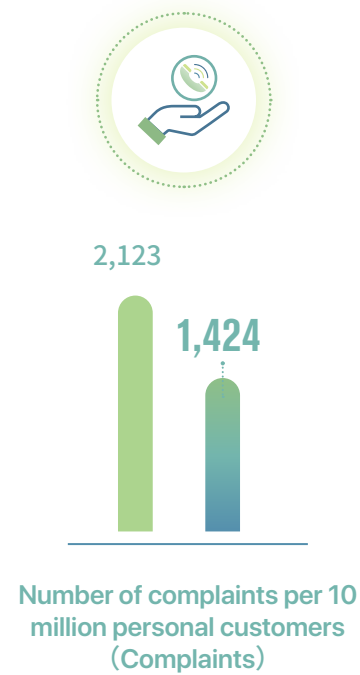
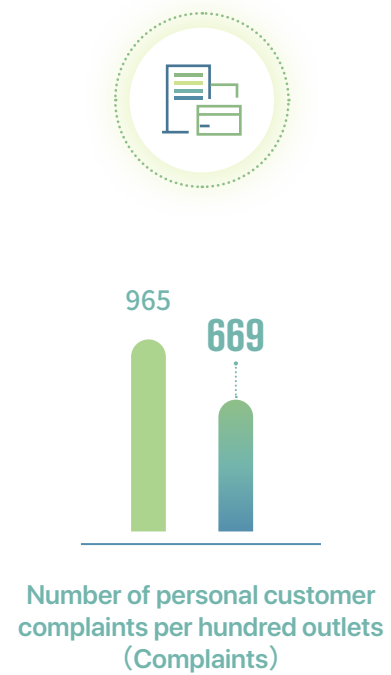
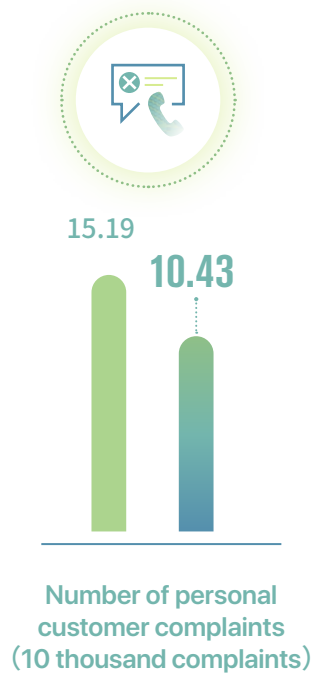
Training coverage ratio Training participants by institution level Average training duration per capita(days)



Customer complaints



■ First half of 2022 ■ First half of 2023



Community services and inclusive finance



As at the end of the reporting period, the Bank registered a balance of RMB **2,049,212 million** of inclusive loans for small and micro enterprise

representing an increase of RMB **498,896 million** or **32.2%** over the beginning of the year

As at the end of the reporting period, the Bank had a total of **6,237 outlets**

representing an increase of **24** over the beginning of the year

ICBC Xingnongtong App served **5.32 million** customers

There were **4,277** rural inclusive finance service stations

covering **1,458** counties

508 regions that had been lifted out of poverty

and **91** key counties receiving assistance for rural revitalization.



During the reporting period, the Bank handled **1,455 thousand** transactions for rural customers

and carried out **22 thousand** events to publicize financial literacy, making its financial services more accessible to customers in rural areas

As at the end of the reporting period, the Bank had **6,237**

county-level outlets in **1,807** counties

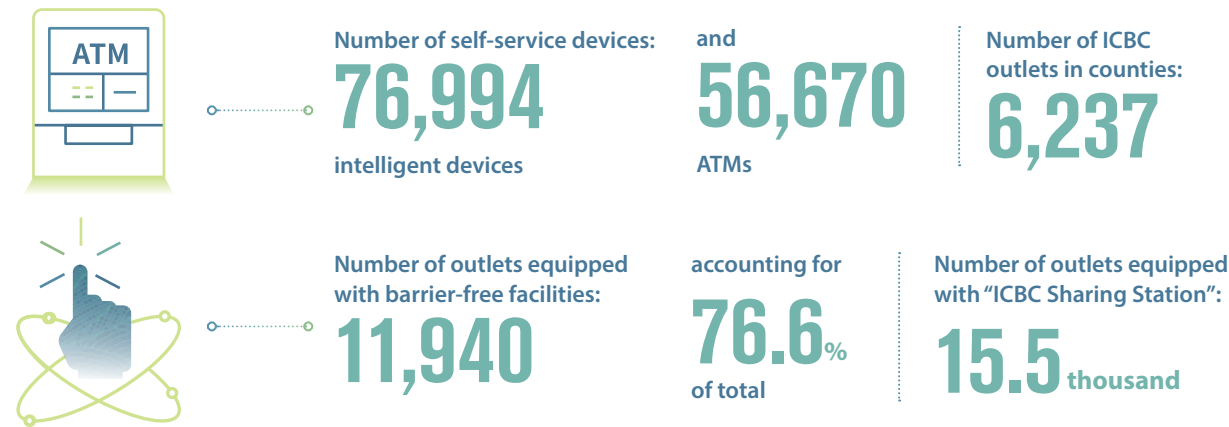
575 regions that had been lifted out of poverty and

93 key counties receiving assistance for rural revitalization, including

four counties where the Bank had no outlets previously. The Bank has set up outlets in

86.3% of counties in China, and its coverage of outlet services in counties kept expanding

Note: The data are consistent with the "balance of inclusive finance loans that met the CBIRC criteria" disclosed previously.



Public donations



Young voluntary activities



The Bank launched the "Rural Revitalization Youth Travel" activity, organizing young ICBCers to go to the countryside, get to know the countryside, and personally participate in rural revitalization.

The Bank launched the ninth season of "Eye Care Initiative" comprising activities in Beijing, Inner Mongolia, Sichuan, etc., to examine eyes of over 30 thousand students.

It instituted the sixth season of "ICBC in Action for Beautiful China campaign", calling on young ICBCers to learn and carry forward the concept of ecological conservation.

Based on the bank-wide financial quotient education for teenagers that has been carried out for four consecutive years, the Bank created the "Future Financier" brand and upgraded and optimized the courses.



Note: For more ESG performances in 2022, please see the Bank's 2022 Corporate Social Responsibility Report (ESG Report) on the Company's website (www.icbc-ltd.com) (QR code for the official website)

Instructions

Scope of the Report

Organizational scope of the Report:

The Report is primarily about the domestic institutions of Industrial and Commercial Bank of China Limited, unless otherwise specified.

Reporting period:

1 January 2023 - 30 June 2023. Some content exceeded this scope.

Preparation Principle of the Report

The Report is prepared with reference to the *Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)* of the Financial Stability Board, the United Nations Sustainable Development Goals (SDGs) and The Ten United Nations Global Compact (UNGC) Principles, among others. It also complies with requirements of relevant opinions and guidelines including the *Guidelines for Self-Regulation of Listed Companies* promulgated by the Shanghai Stock Exchange and the *Environmental, Social and Governance Reporting Guide* released by The Stock Exchange of Hong Kong Limited. The report is reviewed by the Bank's Green Finance (ESG and Sustainable Finance) Committee. Deloitte Touche Tohmatsu Certified Public Accountants LLP has carried out the third-party assurance of this report.

Explanation for Report Data

Data in the Report are the statistics in the first half of 2023 from the Bank's internal system. The units in this report, unless otherwise specified, are denominated in RMB.

Release and Interpretation of the Report

The Report is released online and available at the Bank's website (www.icbc-ltd.com).



Independent Limited Assurance Report

DTT(23)BAR00018

Management of Industrial and Commercial Bank of China Limited (hereinafter referred to as "Management"):

We were engaged to provide limited assurance on the key ESG performance indicators selected in the "Industrial and Commercial Bank of China Limited 2023 Interim Special Report on Corporate Social Responsibility (ESG and Sustainable Finance)" (the "Special Report") prepared by Industrial and Commercial Bank of China Limited ("ICBC") for the period from 1 January 2023 to 30 June 2023.

1.Scope

Assurance is provided on the following key ESG performance indicators in the interim 2023 selected from the Special Report:

- ◆ Balance of green loans (RMB 100 million)
- ◆ Increase in green loans balance from 2022 (RMB 100 million)
- ◆ Growth rate of green loans balance compared to 2022 (%)
- ◆ Domestic green bonds issued (RMB 100 million)
- ◆ Overseas green bonds issued (USD 100 million)
- ◆ Number of ESG bonds underwritten as lead underwriter (No.)
- ◆ The scale of ESG bonds underwritten as lead underwriter (RMB 100 million)
- ◆ Total amount of proceeds from ESG bonds underwritten as lead underwriter (RMB 100 million)
- ◆ Number of green bonds underwritten as lead underwriter (No.)
- ◆ The scale of green bonds underwritten as lead underwriter (RMB 100 million)
- ◆ Total amount of proceeds from green bonds underwritten as lead underwriter (RMB 100 million)
- ◆ Balance of inclusive loans for small and micro enterprises (RMB 100 million)
- ◆ Increase of inclusive loans for small and micro enterprises from 2022 (RMB 100 million)
- ◆ Growth rate of inclusive loans for small and micro enterprises compared to 2022 (%)
- ◆ Number of personal customer complaints (10,000)
- ◆ Customer satisfaction (%)
- ◆ Emission reduction of domestic green loans: Equivalent to reduction in standard coals (10,000 tons)
- ◆ Emission reduction of domestic green loans: Equivalent to reduction in CO2 emissions (10,000 tons)
- ◆ Emission reduction of domestic green loans: Equivalent to reduction in SO2 emissions (10,000 tons)
- ◆ Emission reduction of domestic green loans: Equivalent to reduction in nitrogen oxide emissions (10,000 tons)
- ◆ Emission reduction of domestic green loans: Equivalent to reduction in water use (10,000 tons)
- ◆ Total amount of green investment and financing (RMB 100 million)
- ◆ Proportion of employees by gender (%)
- ◆ Employee structure by working year (%)
- ◆ Employee structure by age group (%)
- ◆ Total number of employees (person)
- ◆ Number of new employees (person)
- ◆ Voluntary employee turnover rate (%)
- ◆ Total number of online and offline training sessions (10,000 sessions)
- ◆ Total participants of online and offline training (10,000 person-times)
- ◆ Total number of online training sessions (10,000 sessions)
- ◆ Total participants of online training (10,000 person-times)
- ◆ Total number of offline training sessions (10,000 sessions)
- ◆ Total participants of offline training (10,000 person-times)
- ◆ The training coverage ratio (%)
- ◆ Average training duration per capita (days)
- ◆ Employees' overall satisfaction rate with training (%)
- ◆ Training coverage ratio by age group (%)
- ◆ Average training duration per capita by age group (days)
- ◆ Training coverage ratio by role (%)
- ◆ Average training duration per capita by role (days)
- ◆ Training coverage ratio by gender (%)
- ◆ Average training duration per capita by gender (days)
- ◆ Training coverage ratio by institution level (%)
- ◆ Average training duration per capita by institution level (days)
- ◆ Total public donation of the group (RMB 10,000)

Our assurance work is limited to the key ESG performance indicators for interim 2023 selected in the Special Report, excluding information disclosed in the Special Report but not listed in "1. Scope", and all information of 2022 and previous years.

2.Basis of preparation

The interim 2023 key ESG performance indicators selected in the Special Report are prepared in accordance with the key ESG performance indicators in the appendix of "Industrial and Commercial Bank of China Social Responsibility (ESG and Sustainable Finance) Special Report for the Interim 2023" ("basis of preparation").

3.Responsibilities of those charged with governance and management

It is the responsibility of the ICBC management to determine the appropriate basis of preparation and prepare the key ESG performance indicators selected in the Special Report for interim 2023 accordingly. Responsibilities include designing, implementing and maintaining internal controls related to the key ESG performance indicators that are free from material misstatements due to fraud or error.

Those charged with governance are responsible for monitoring the Special Report process of ICBC.

4.Our independence and quality control

We conducted our engagement in accordance with the independence and other ethical requirements in the "Code of Ethics for Professional Accountants" (including International Standard on Independence) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We applied "International Standard on Quality Control 1 — Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements" issued by the International Auditing and Assurance Standards Board, requiring accounting firms to design, implement and operate system of quality control including related policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5.Our responsibilities

Our responsibilities are to express a limited assurance conclusion as to whether the key ESG performance indicators in interim 2023 selected from the Special Report have been prepared, in all material respects, in accordance with the basis of preparation based on our work performed. We conducted our work in accordance with "International Standard on Assurance Engagements 3000 (Revised) — Assurance Engagements Other Than Audits or Reviews of Historical Financial Information", requiring that we plan and perform our work to obtain limited assurance as to whether the key ESG performance indicators in interim 2023 selected from the Special Report are prepared, in all material respects, in accordance with the basis of preparation.

6.Assurance procedures

Limited assurance engagements involve procedures of nature and timing different from those of reasonable assurance engagements and are less extensive than reasonable assurance engagements. As a result, limited assurance engagements obtain a much lower level of assurance than reasonable assurance engagements. We do not express a reasonable assurance opinion as to whether the key ESG performance indicators in interim 2023 selected from the Special Report have been prepared, in all material respects, in accordance with the basis of preparation. Our assurance work consists of identifying areas of the key ESG performance indicators in interim 2023 selected from the Special Report in which a material misstatement may exist, designing and implementing assurance procedures to respond to those identified areas and obtaining evidence accordingly, and the assurance procedures we performed are dependent on our professional judgement and assessment of the risks of the assurance engagement.

Our assurance procedures performed include:

- Interview ICBC's Management and employees responsible for the collection, collation and disclosure of information to understand the preparation process related to key ESG performance indicators;
- Sample test relevant supporting documents;
- Perform analytical procedures for selected key ESG performance indicators;
- Recalculate selected key ESG performance indicators.

7.Inherent limitations on the basis of preparation

We draw your attention to the fact that there is no recognized system of assessment and measurement standards to serve as the uniform criteria for preparation of the key ESG performance indicators selected from the Special Report, which will affect the comparability of the relevant data among companies.

8.Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that would lead us to believe that the key ESG performance indicators in interim 2023 selected from the Special Report have not been prepared, in all material respects, in accordance with the basis of preparation.

9.Scope of use of this report

This report is only for the purpose of preparing the Special Report, and is not suitable and cannot be used for other purposes. We will not assume any responsibility to any third party other than the Management of ICBC.

Deloitte Touche Tohmatsu Certified Public Accountants LLP
Shanghai, China
5 September 2023

Basis of preparation for the key ESG performance indicators for Industrial and Commercial Bank of China Limited 2023 Interim Special Report on Corporate Social Responsibility (ESG and Sustainable Finance)

The key ESG performance indicators in Industrial and Commercial Bank of China Limited 2023 Interim Special Report on Corporate Social Responsibility (ESG and Sustainable Finance) prepared by Industrial and Commercial Bank of China Limited ("ICBC") have been prepared in accordance with the following basis of preparation:

► **1. Balance of green loans (RMB 100 million):** The on-balance sheet green loans of the Head Office and domestic branches of ICBC as at 30 June 2023. Green loans balance is the loan balance calculated by ICBC based on the green loans criteria of the National Administration of Financial Regulation (formerly known as the China Banking and Insurance Regulatory Commission). The statistical scope of green loans includes energy-saving & environmental industry, clean production industry, clean energy industry, ecological environment industry, infrastructure greening industry, green service industry, overseas items adopting international practices or international standards, green trade financing and green consumption financing.

► **2. Increase in green loans balance from 2022 (RMB 100 million):** The increase of on-balance sheet green loans of the Head Office and domestic branches of ICBC as at 30 June 2023 from 2022.

► **3. Growth rate of green loans balance compared to 2022 (%):** The growth rate of on-balance sheet green loans in the Head Office and domestic branches of ICBC as at 30 June 2023 compared to 2022.

► **4. Domestic green bonds issued (RMB 100 million):** The total amount of domestic green bonds issued by the Head Office of ICBC in China's national inter-bank bond market during the period from 1 January 2023 to 30 June 2023. The amount of domestic green bonds are calculated by ICBC based on the scope indicated in the Announcement of the People's Bank of China (No.39, 2015).

► **5. Overseas green bonds issued (USD 100 million):** The total amount of overseas green bonds issued by ICBC overseas branches during the period from 1 January 2023 to 30 June 2023. The amount of overseas green bonds are calculated by ICBC based on Green Bond Principals issued by the International Capital Market Association and the China Green Bond Principles issued by the China Green Bond Standard Committee.

► **6. Number of ESG bonds underwritten as lead underwriter (No.):** The total number of green bonds, sustainability-related bonds and social responsibility bonds underwritten by the Head Office of ICBC as the lead underwriter from 1 January 2023 to 30 June 2023.

► **7. The scale of ESG bonds underwritten as lead underwriter (RMB 100 million):** The total amount of green bonds, sustainability-related bonds and social responsibility bonds underwritten by the Head Office of ICBC as the lead underwriter from 1 January 2023 to 30 June 2023.

► **8. Total amount of proceeds from ESG bonds underwritten as lead underwriter (RMB 100 million):** The total amount of funds raised from green bonds, sustainability-related bonds and social responsibility bonds underwritten by the Head Office of ICBC as the lead underwriter from 1 January 2023 to 30 June 2023.

► **9. Number of green bonds underwritten as lead underwriter (No.):** The total number of green bonds underwritten by the Head Office as the lead underwriter from 1 January 2023 to 30 June 2023. The number of green bonds are calculated by ICBC based on the scope indicated in the Announcement of the People's Bank of China (No.39, 2015).

► **10. The scale of green bonds underwritten as lead underwriter (RMB 100 million):** The total amount of green bonds underwritten by the Head Office of ICBC as the lead underwriter from 1 January 2023 to 30 June 2023. The amount of green bonds are calculated by ICBC based on the scope indicated in the Announcement of the People's Bank of China (No.39, 2015).

► **11. Total amount of proceeds from green bonds underwritten as lead underwriter (RMB 100 million):** The total amount of proceeds from underwriting of green bonds by the Head Office of ICBC as the lead underwriter from 1 January 2023 to 30 June 2023. The amount of green bonds are calculated by ICBC based on the scope indicated in the Announcement of the People's Bank of China (No.39, 2015).

► **12. Balance of inclusive loans for small and micro enterprises (RMB 100 million):** Balance of inclusive loans for small and micro enterprises issued by the Head Office and domestic branches of ICBC as at 30 June 2023. Inclusive loans for small and micro enterprises are counted by ICBC based on the statistical scope of inclusive small and micro enterprises of the National Administration of Financial Regulation (formerly known as the China Banking and Insurance Regulatory Commission).

► **13. Increase of inclusive loans for small and micro enterprises from 2022 (RMB 100 million):** The increase of inclusive loans for small and micro enterprises issued by the Head Office and domestic branches of ICBC as at 30 June 2023 from 2022.

► **14. Growth rate of inclusive loans for small and micro enterprises compared to 2022 (%):** The growth rate of inclusive loans for small and micro enterprises issued by the Head Office and domestic branches of ICBC as at 30 June 2023 from 2022.

► **15. Number of personal customer complaints (10,000):** The number of personal customer complaints of the Head Office and domestic branches of ICBC from 1 January 2023 to 30 June 2023 calculated by ICBC through the "Customer Service and Complaint Management System", excluding repeated complaints and complaints concerning the "Action of Controlling Cards" taken to combat against new telecom and internet crimes.

► **16. Customer satisfaction (%):** The overall customer satisfaction for the period from 1 January 2023 to 30 June 2023, with statistics collected by ICBC through the "Evaluation Questionnaire for Personal Customers" in ICBC mobile App.

► **17. Emission reduction of domestic green loans: Equivalent to reduction in standard coals (10,000 tons):** The emission reduction of domestic green loans: Equivalent to reduction in standard coals is the reduction of the Head Office and domestic branches of ICBC as at 30 June 2023. The statistics are collected by ICBC in accordance with the requirements of the Notice by the General Office of the China Banking and Insurance Regulatory Commission Concerning Work Related to Green Financing Statistical System (Letter No. 739 [2020] of the General Office of the China Banking and Insurance Regulatory Commission).

► **18. Emission reduction of domestic green loans: Equivalent to reduction in CO2 emissions (10,000 tons):** The emission reduction of domestic green loans: Equivalent to reduction in CO2 emissions is the reduction of the Head Office and domestic branches of ICBC as at 30 June 2023. The statistics are collected by ICBC in accordance with the requirements of the Notice by the General Office of the China Banking and Insurance Regulatory Commission Concerning Work Related to Green Financing Statistical System (Letter No. 739 [2020] of the General Office of the China Banking and Insurance Regulatory Commission).

► **19. Emission reduction of domestic green loans: Equivalent to reduction in SO2 emissions (10,000 tons):** The emission reduction of domestic green loans: Equivalent to reduction in SO2 emissions is the reduction of the Head Office and domestic branches of ICBC as at 30 June 2023. The statistics collected by ICBC in accordance with the requirements of the Notice by the General Office of the China Banking and Insurance Regulatory Commission Concerning Work Related to Green Financing Statistical System (Letter No. 739 [2020] of the General Office of the China Banking and Insurance Regulatory Commission).

► **20. Emission reduction of domestic green loans: Equivalent to reduction in nitrogen oxide emissions (10,000 tons):** The emission reduction of domestic green loans: Equivalent to reduction in nitrogen oxide emissions is the reduction of the Head Office and domestic branches of ICBC as at 30 June 2023. The statistics are collected by ICBC in accordance with the requirements of the Notice by the General Office of the China Banking and Insurance Regulatory Commission Concerning Work Related to Green Financing Statistical System (Letter No. 739 [2020] of the General Office of the China Banking and Insurance Regulatory Commission).

► **21. Emission reduction of domestic green loans: Equivalent to reduction in water use (10,000 tons):** The emission reduction of domestic green loans: Equivalent to reduction in water use is the saving of the Head Office and domestic branches of ICBC as at 30 June 2023. The statistics are collected by ICBC in accordance

with the requirements of the Notice by the General Office of the China Banking and Insurance Regulatory Commission Concerning Work Related to Green Financing Statistical System (Letter No. 739 [2020] of the General Office of the China Banking and Insurance Regulatory Commission).

► **22. Total amount of green investment and financing (RMB 100 million):** The total amount of green investment and financing as at 30 June 2023, which is counted by ICBC based upon statistics of the National Administration of Financial Regulation (formerly known as the China Banking and Insurance Regulatory Commission), include balance of green loans, balance of green bond investments in non-financial enterprises, balance of green bank acceptance bill and balance of green letter of credit.

► **23. Proportion of employees by gender (%):** The proportion of female and male employees directly signing a labour contract with the Head Office, domestic branches, overseas branches as well as domestic and overseas subsidiaries as at 30 June 2023. The roles include all staff, senior management members, management personnel above the middle level and new employees. Senior management members include Chairman, President, Vice President, Senior Director, Board Secretary, members of the Executive Committee, members of the Party Committee and Head of the Discipline Inspection and Supervision Group at ICBC. Management personnel above the middle level include deputy director level and above; new employees include those who have signed a labour contract for the period from 1 January 2023 to 30 June 2023.

► **24. Employee structure by working year (%):** As at 30 June 2023, the proportion of employees by working year that directly signed a labour contract with the Head Office, domestic branches, overseas branches as well as domestic and overseas subsidiaries of ICBC as at 30 June 2023. Year ranges are 0 to 5 years, 6 to 10 years, 11 to 20 years, 21 to 30 years and above 31 years.

► **25. Employee structure by age group (%):** Proportions of employees with various age groups directly signing a labour contract with the Head Office, domestic branches, overseas branches as well as domestic and overseas subsidiaries of ICBC as at 30 June 2023. Age ranges include below 31 years old, 31 to 40 years old, 41 to 50 years old and above 50 years old.

► **26. Total number of employees (person):** The total headcount of employees directly signing a labour contract with the Head Office, domestic branches, overseas branches as well as domestic and overseas subsidiaries of ICBC as at 30 June 2023.

► **27. Number of new employees (person):** The total headcount employees initially signing a labour contract with Head Office, domestic branches, overseas branches as well as domestic and overseas subsidiaries of ICBC during the period from 1 January 2023 to 30 June 2023.

► **28. Voluntary employee turnover rate (%):** The number of employees directly signing a labour contract with the Head Office, domestic branches, overseas branches as well as domestic and overseas subsidiaries of ICBC who voluntarily terminated the contract during the period from 1 January 2023 to 30 June 2023 as a percentage of the average of the total headcount at the beginning of 2023 and at the end of June 2023.

► **29. Total number of online and offline training sessions (10,000 sessions):** The total number of training sessions participated by employees of the Head Office, domestic branches, overseas branches and domestic and overseas subsidiaries of ICBC through online and offline channels during the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system.

► **30. Total participants of online and offline training (10,000 person-times):** The total number of participants of the Head Office, domestic branches, overseas branches and domestic and overseas subsidiaries of ICBC who participated in the training through online and offline channels during the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system.

► **31. Total number of online training sessions (10,000 sessions):** The total number of training sessions participated by employees of the Head Office, domestic branches, overseas branches and domestic and overseas subsidiaries of ICBC through online channels during the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system.

► **32. Total participants of online training (10,000 person-times):** The total number of employees of the Head Office, domestic branches, overseas branches and domestic and overseas subsidiaries of ICBC who participated in online trainings during the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system.

► **33. Total number of offline training sessions (10,000 sessions):** The total number of training participated by employees of the Head Office, domestic branches, overseas branches and domestic and overseas subsidiaries of ICBC through offline channels during the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system.

► **34. Total participants of offline training (10,000 person-times):** The total number of participants of the Head Office, domestic branches, overseas branches and domestic and overseas subsidiaries of ICBC who participated in the training through offline channels during the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system.

► **35. The training coverage ratio (%):** The proportion of the number of employees of the Head Office and domestic branches of ICBC who received training through online and offline channels to the total number of employees of the Head Office and domestic branches of ICBC during the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system.

► **36. Average training duration per capita (days):** The average training duration per capita is the average duration of training received by employees of the Head Office and domestic branches of ICBC through online and offline channels during the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system. Average training duration per capita = total training duration of online and offline training sessions attended by employees in the Head Office and domestic branches of ICBC ÷ total number of employees of the Head Office and domestic branches of ICBC ÷ training duration of one day. Of which, the training duration of one day is calculated as 6 hours.

► **37. Employees' overall satisfaction rate with training (%):** The Employees' overall satisfaction rate with training of the Head Office and domestic branches of ICBC which the employees independently evaluated the courses after participating in various trainings through online and offline channels during the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system.

► **38. Training coverage ratio by age group (%):** The proportion of the number of employees of each age group who attend online and offline training sessions to the total number of employees of this age group in the Head Office and domestic branches of ICBC for the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system. The age groups are below 25 years old (inclusive), 26 to 35 years old (inclusive), 36 to 45 years old (inclusive), 46 to 54 years old (inclusive), and above 55 years old.

► **39. Average training duration per capita by age group (days):** The training duration per capita by age group is the duration of training received by employees of the Head Office and domestic branches of ICBC of each age group through online and offline channels during the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system. The age groups include below 25 years old (inclusive), 26 to 35 years old (inclusive), 36 to 45 years old (inclusive), 46 to 54 years old (inclusive), and above 55 years old. Average training duration per capita by age group = total training duration of online and offline training sessions attended by employees of this age group in the Head Office and domestic branches of ICBC ÷ total number of employees of this age group in the Head Office and domestic branches of ICBC ÷ training duration of one day. Of which, the training duration of one day is calculated as 6 hours.

► **40. Training coverage ratio by role (%):** The proportion of the number of employees of each roles who received training through online and offline channels to the total number of employees of this role in the Head Office and domestic branches of ICBC during the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system. The employee roles include management, professionals, sales, customer service and operations.

► **41. Average training duration per capita by role (days):** The average training duration per capita by role is the duration of training received by employees of the Head Office and domestic branches of ICBC of each role through online and offline channels during the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system. The employee roles include management, professionals, sales, customer service and operations. Average training duration per capita by role = total training duration of online and offline training sessions attended by employees of this employee role in the Head Office and domestic branches of ICBC ÷ total number of employees of this employee role in the Head Office and domestic branches of ICBC ÷ training duration of one day. Of which, the training duration of one day is calculated as 6 hours.

► **42. Training coverage ratio by gender (%):** The proportion of the number of employees of each gender who attend online and offline training sessions to the total number of employees of the corresponding gender in the Head Office and domestic branches of ICBC for the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system.

► **43. Average training duration per capita by gender (days):** The average training duration per capita by gender is the duration of training received by employees of the Head Office and domestic branches of ICBC by gender through online and offline channels during the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system. Average training duration per capita by gender = total training duration of online and offline training sessions attended by employees of one gender in the Head Office and domestic branches of ICBC ÷ total number of employees of the corresponding gender in the Head Office and domestic branches of ICBC ÷ training duration of one day. Of which, the training duration of one day is calculated as 6 hours.

► **44. Training coverage ratio by institution level (%):** The proportion of the number of employees who received training through online and offline channels at different institution levels of the Head Office and domestic branches of ICBC to the total number of employees at that level during the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system. The institution levels include Head Office, first-level branches, second-level branches, first-level sub-branches and outlets.

► **45. Average training duration per capita by institution level (days):** The average training duration per capita by institution level is the duration of training received by employees of the Head Office and domestic branches of ICBC at different institution levels through online and offline channels during the period from 1 January 2023 to 30 June 2023 according to the statistics collected by ICBC through the "ICBC Training Centre" system. The institution levels include Head Office, first-level branches, second-level branches, first-level sub-branches and outlets. Average training duration per capita by institution level = total training duration of online and offline training sessions attended by employees at different institution levels in the Head Office and domestic branches of ICBC ÷ total number of employees at this level in the Head Office and domestic branches of ICBC ÷ training duration of one day. Of which, the training duration of one day is calculated as 6 hours.

► **46. Total public donation of the group (RMB 10,000):** The total public donations made by the Head Office, domestic branches, overseas branches as well as domestic and overseas subsidiaries of ICBC during the period from 1 January 2023 to 30 June 2023.