



2023
中国工商银行 | Annual Results
Overview

Preface

In 2023, the Bank facilitated the high-quality development of the economy with high-quality financial services, implemented the strategic layout of "leveraging our strengths, tackling areas of weaknesses and solidifying the foundation", coordinated and balanced the important relationships between speed and quality, and development and safety, and effectively responded to the challenges of significantly narrowing net interest margin, increasing financial market volatility, and increasing risk control challenges. Eventually, the Bank achieved stable and improving operating results, maintained strong competitiveness in the "Strong, Excellent and Large" indicators, and coordinated and promoted the work of **maintaining stable growth, adjusting structure, increasing growth drivers, preventing risks and breaking new ground**, thus continuously creating new situations for high-quality development.

01

Consolidating the "Strong, Excellent and Large" foundation, and demonstrating the resilience of business development

02

Improving the quality and efficiency of serving the real economy, and enhancing market competitiveness

03

Deepening business transformation and innovation, and strengthening the growth drivers for high-quality development

Consolidating the "Strong, Excellent and Large" foundation, and demonstrating the resilience of business development

- Sound core performance indicators
- Good value creation ability
- Sound capital and liquidity management
- Leading scale
- Stable and sustainable investment returns

Sound core performance indicators

01 "Strong, Excellent and Large" Foundation

02

03

IFRS Unit: RMB100 million	2021	2022*	2023
Aggregate indicators			
Total assets	351,714	396,101	446,971
Loans to customers	206,672	232,104	260,865
Total liabilities	318,961	360,947	409,205
Due to customers	264,418	298,705	335,212
Due to banks and other financial institutions	29,210	31,877	33,699
Operating results			
Operating income	8,609	8,424	8,065
Profit before provision	6,275	6,074	5,728
Net profit	3,502	3,621	3,651
Profitability			
ROA	1.02%	0.97%	0.87%
ROE	12.15%	11.45%	10.66%
NIM	2.11%	1.92%	1.61%
Cost-to-income ratio	26.36%	27.22%	28.28%
Asset quality			
NPL ratio	1.42%	1.38%	1.36%
Allowance to NPLs	205.84%	209.47%	213.97%
Capital status			
Common equity tier 1 capital adequacy ratio	13.31%	14.04%	13.72%
Tier 1 capital adequacy ratio	14.94%	15.64%	15.17%
Total capital adequacy ratio	18.02%	19.26%	19.10%

The "Strong" foundation was effectively cemented

- The **capital adequacy ratio** was over 19.10%, at the forefront among major banks around the globe.
- The **allowance to NPLs** reached 213.97%, steadily increasing, and making ICBC more resistant to risks.
- The **NPL ratio** was 1.36%, steadily declining, and making ICBC's asset quality stable.

The "Excellent" quality and momentum met the Bank's expectations

- **ROA and ROE** were 0.87% and 10.66%, respectively, keeping the industry-leading position in the globe.
- **NIM** was 1.61%, which was consistent with the trend of industry fluctuations in an environment where industrial interest margins were generally narrowing.
- The **cost-to-income ratio** was 28.28%, with sound input-output efficiency.

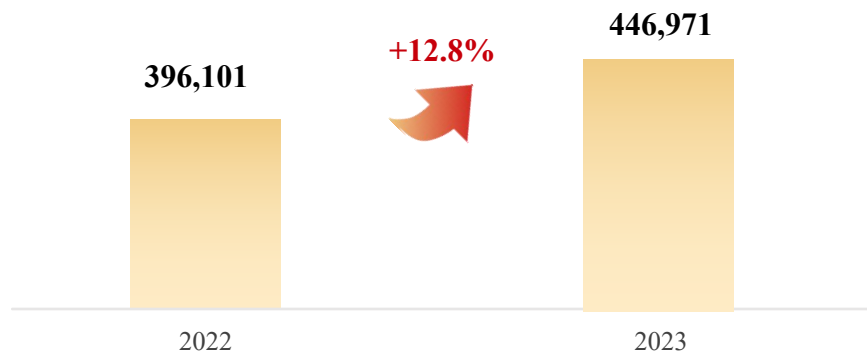
The strengths in "Large" scale were continuously consolidated

- **Total assets** were nearly RMB45 trillion, maintaining a leading position in the globe.
- **Loans to customers** increased by RMB2.9 trillion or 12.4% compared to the beginning of the year.
- **Due to customers** increased by RMB3.7 trillion or 12.2% compared to the beginning of the year.
- The Bank realized **operating income** of RMB806.5 billion and **net profit** of RMB365.1 billion, both maintaining a leading position among domestic peers,

* Note: Since January 2023, the Group retroactively adjusted the data for the comparative period of 2022 due to the implementation of IFRS 17.

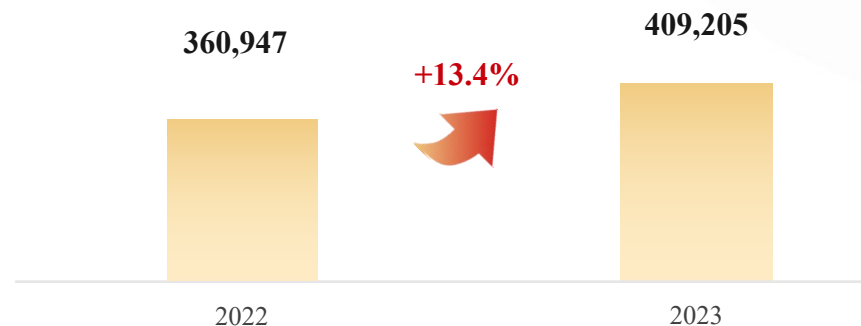
Total assets

Unit: In RMB100 millions



Total liabilities

Unit: In RMB100 millions



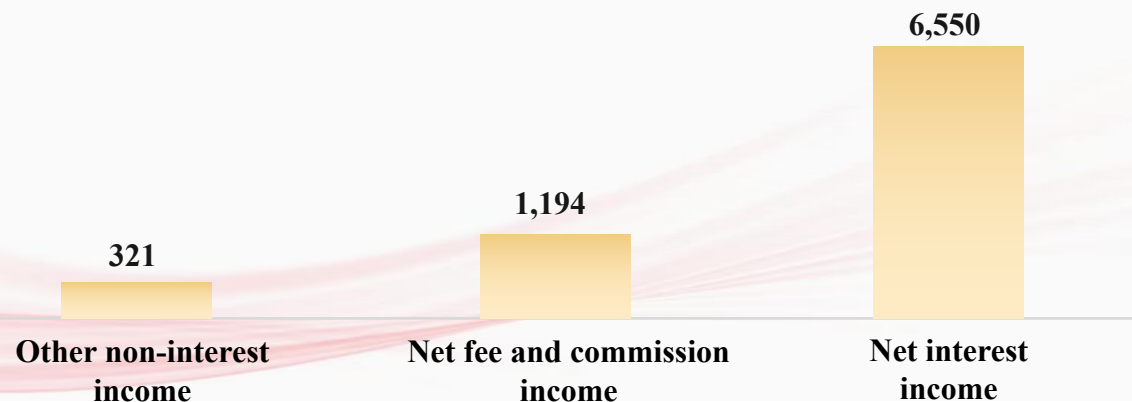
Operating income and structure

Unit: In RMB100 millions

Operating income

RMB806.5 billion

Continuously improving the level of sophisticated management and stimulating operating motivation



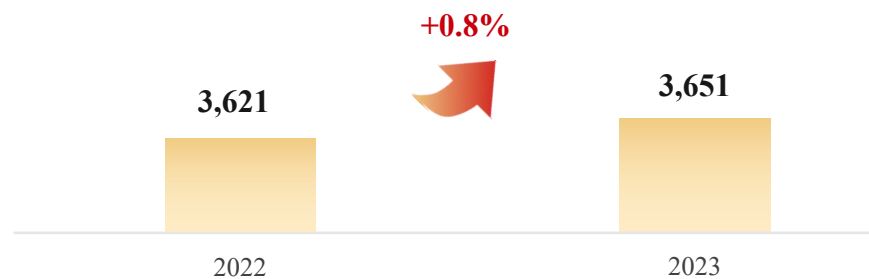
Good value creation ability

01 "Strong, Excellent and Large" Foundation

02 03

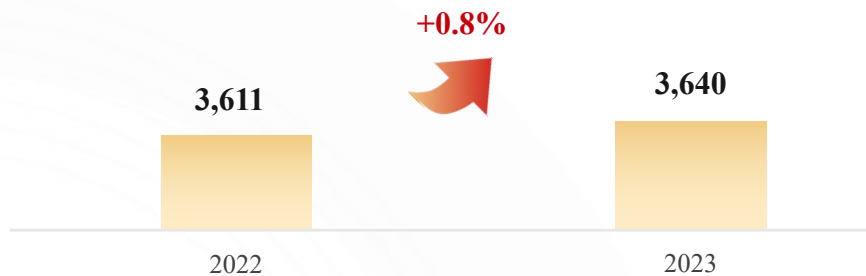
Net profit

Unit: In RMB100 millions



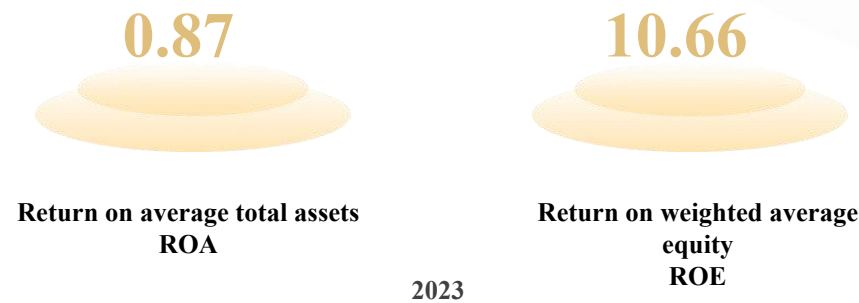
Net profit attributable to shareholders

Unit: In RMB100 millions



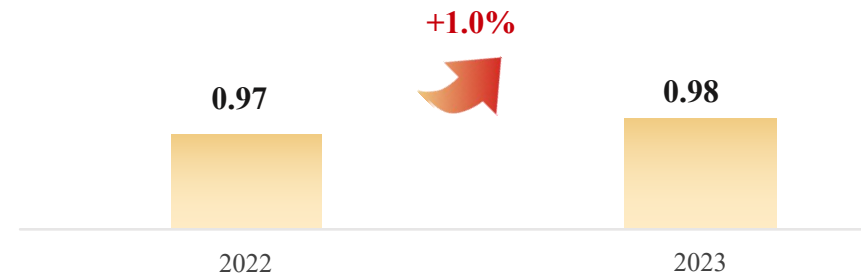
ROA and ROE

Unit: %



Earnings per share

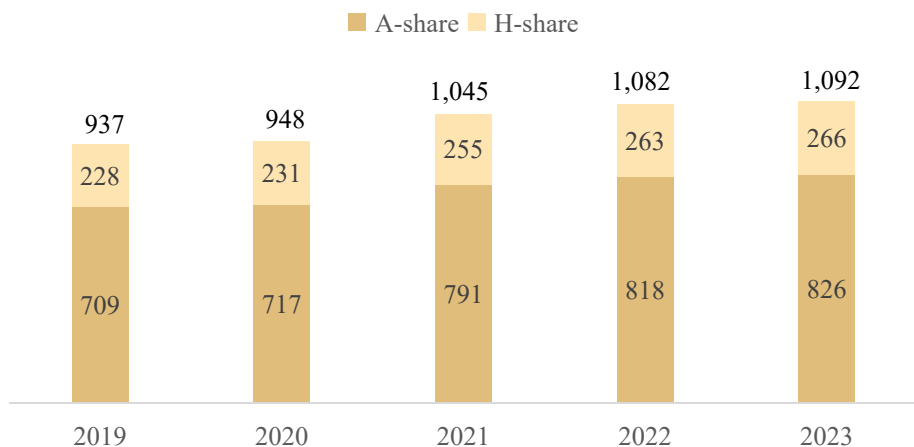
Unit: RMB



Stable and sustainable investment returns

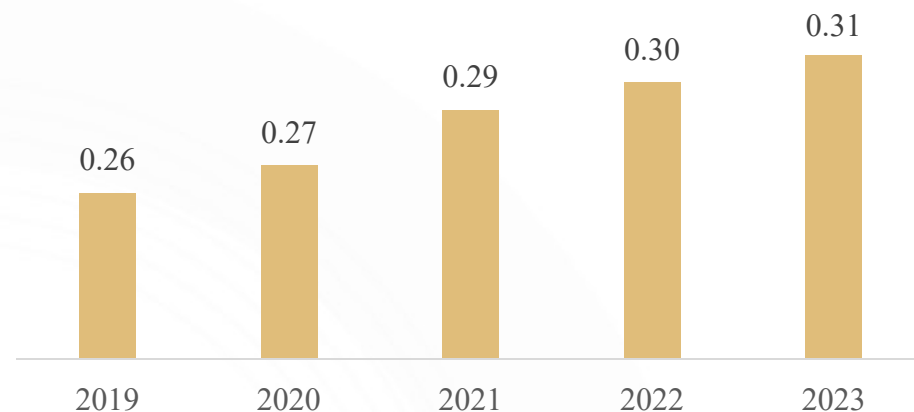
Dividends of ordinary shares*

Unit: In RMB100 millions



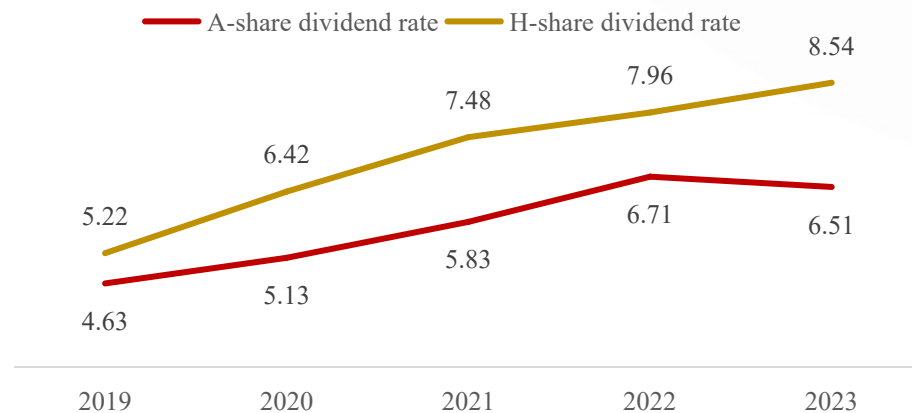
Dividends per share

Unit: RMB



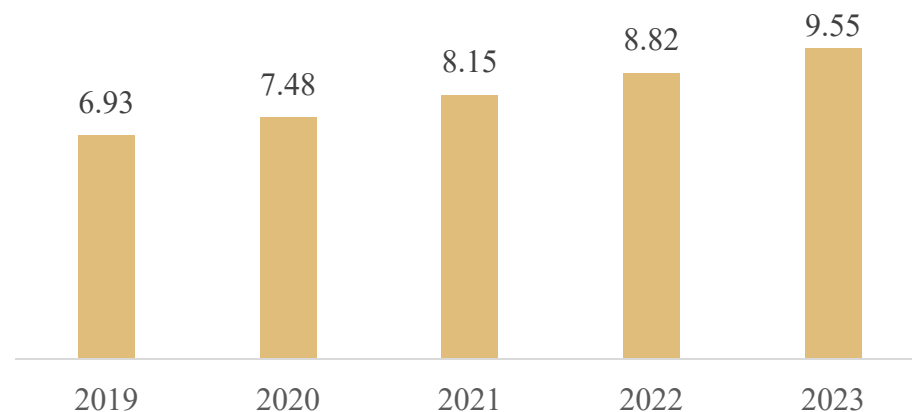
A/H-share dividend rate*

Unit: %



Net asset value per share

Unit: RMB

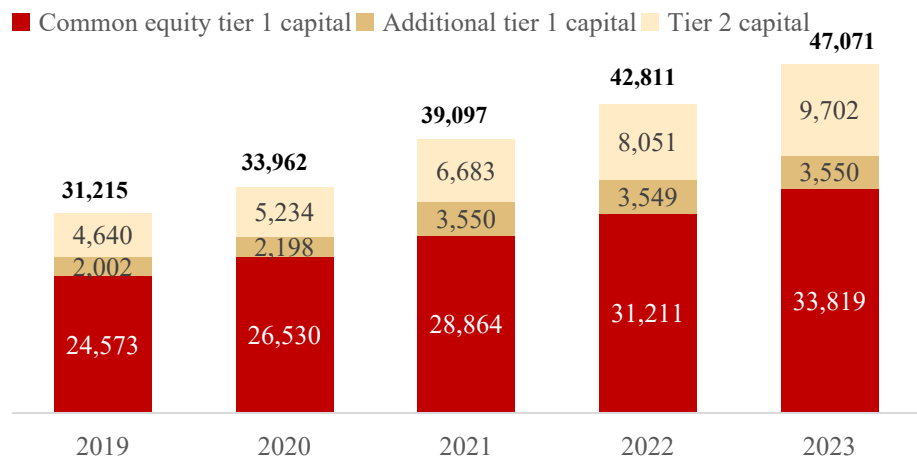


*Note: Dividends for A and H ordinary shares were calculated by rounding.

*Note: The dividend rates of A-share and H-share are calculated based on the average annual stock price

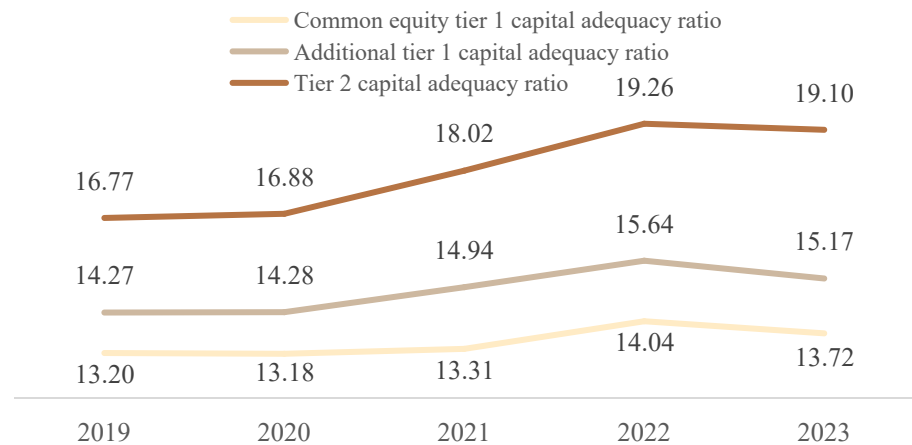
Capital

Unit: In RMB100 millions



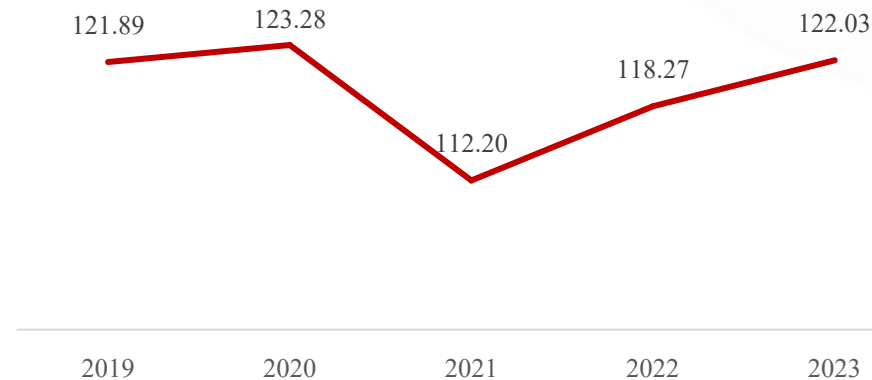
Capital adequacy ratio

Unit: %



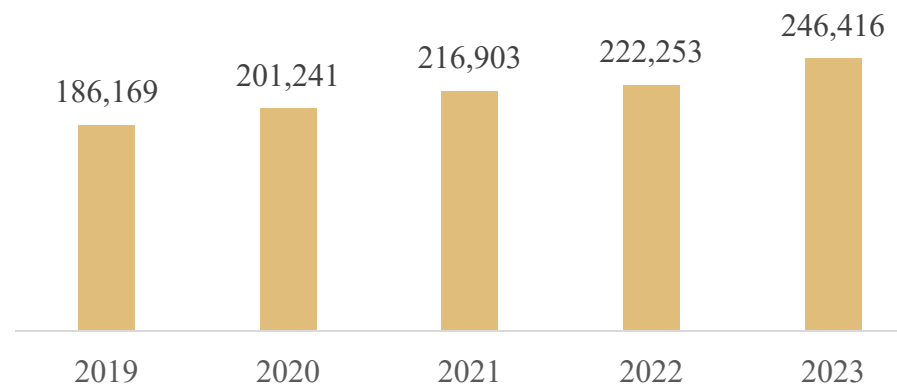
Liquidity coverage ratio (LCR)

Unit: %



Risk-weighted assets

Unit: In RMB100 millions

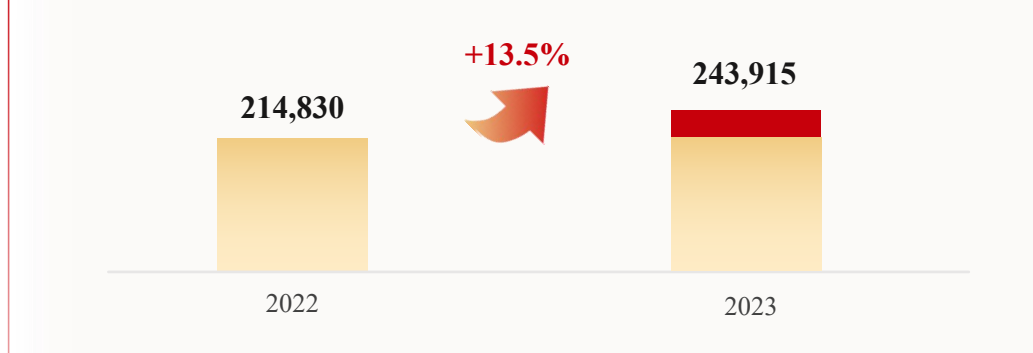


Improving the quality and efficiency of serving the real economy, and enhancing market competitiveness

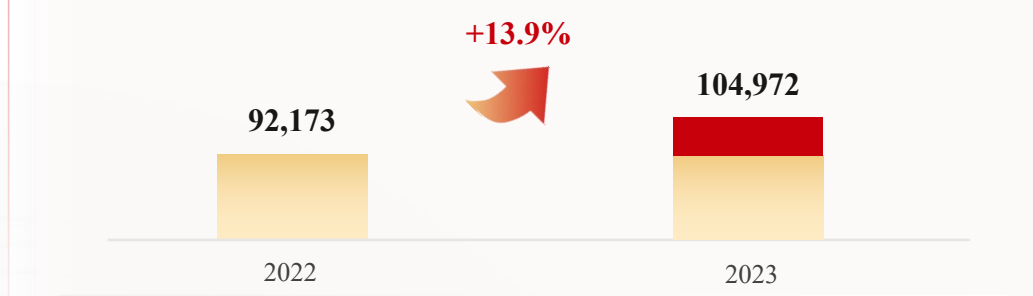
- The aggregate investment and financing volumes have been steadily increased, and new breakthroughs have been made in the high-quality development of deposits
- The credit structure has been continuously optimized and the planning layout of “five priorities” of technology finance, green finance, inclusive finance, pension finance and digital finance has been prudently implemented

The aggregate investment and financing volumes have been steadily increased, and new breakthroughs have been made in the high-quality development of deposits

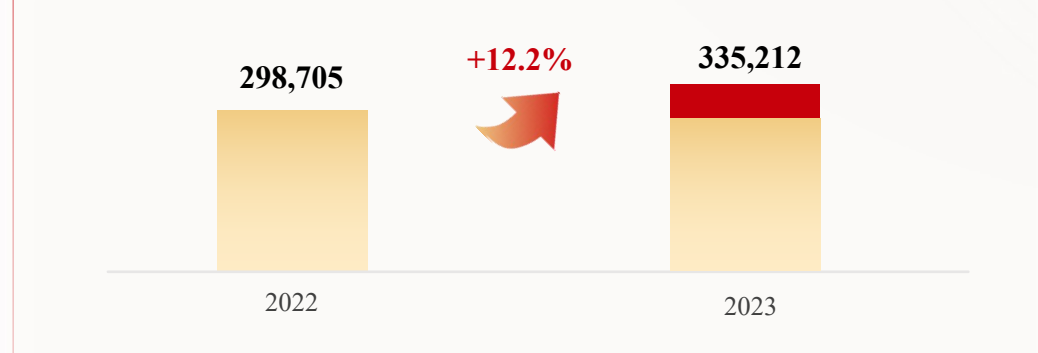
RMB loans Unit: In RMB100 millions



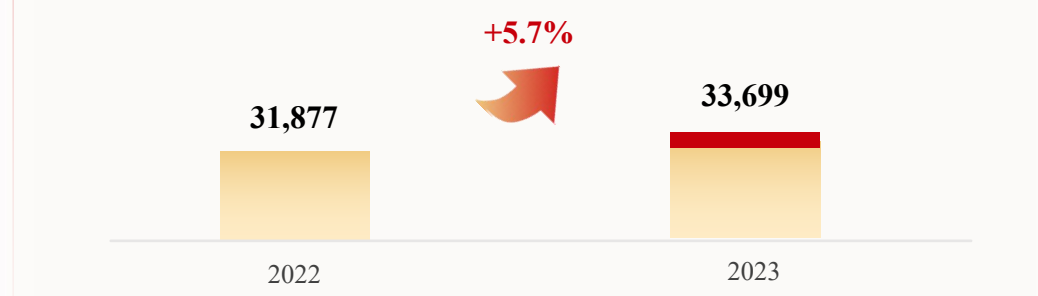
RMB bond investment Unit: In RMB100 millions



Due to customers Unit: In RMB100 millions



Due to banks and other financial institutions Unit: In RMB100 millions



The aggregate investment and financing volumes have been steadily increased

At the end of 2023, domestic RMB loans increased by RMB2.91 trillion compared to the beginning of the year, with a year-on-year increase of RMB355.5 billion, ranking first in the market in terms of balance and incremental volume. The balance of RMB bond investment reached RMB10.5 trillion, an increase of RMB1.28 trillion from the beginning of the year.

New breakthroughs have been made in the high-quality development of deposits

Deposits increased by RMB3.7 trillion to RMB33.5 trillion compared to the beginning of the year, with an increase of over RMB3 trillion for two consecutive years. **The Bank achieved a balanced and harmonious development in personal and corporate deposits**, providing reliable sources of funding to support the development of the real economy.

The credit structure has been continuously optimized and the planning layout of “five priorities” of technology finance, green finance, inclusive finance, pension finance and digital finance has been prudently implemented



Loans to manufacturing

Balance **RMB3.8 trillion**
 Increment **Approximately RMB830 billion**
 Growth rate **+27%**



Loans to strategic emerging industries

Balance **RMB2.7 trillion**
 Increment **Approximately RMB950 billion**
 Growth rate **+54%**



Inclusive loans

Balance **RMB2.2 trillion**
 Increment **Approximately RMB680 billion**
 Growth rate **+44%**



Green loans

Balance **RMB5.4 trillion**
 Increment **Approximately RMB1.4 trillion**
 Growth rate **+35%**

Note: This standard refers to the standard of investment in the manufacturing industry, including loans, credit card overdrafts, syndicated loans, trade finance, financing leases, discounting, and various advances.

In terms of pension finance, the management scale of various pension funds reached RMB4.1 trillion, and loans to the **pension industry steadily increased**. The financial products for the pension industry were **continuously enriched**.

In terms of digital finance, the loans to core industries of the digital economy reached **nearly RMB800 billion**, and the building of **D-ICBC** was continuously deepened.

With a forward-looking layout, the Head Office has established a steering group for the "five major tasks", a committee under the Management has been set up for synchronous optimization, and **an integrated decision-making implementation mechanism** has been established.



Deepening business transformation and innovation, and strengthening the growth drivers for high-quality development

- Continuously promoting the strategic layout of "leveraging our strengths, tackling areas of weaknesses and solidifying the foundation"
- New achievements in the building of D-ICBC
- Deepening the implementation of GBC+ projects
- Improving the quality and efficiency of enterprise risk management, with a stable and improving asset quality

Continuously promoting the strategic layout of "leveraging our strengths, tackling areas of weaknesses and solidifying the foundation"



The advantageous position of corporate banking has been consolidated

Corporate loans increased by 16.8% compared to the end of last year, with a year-on-year increase of 3.4 percentage points.



The competitive edge of institutional banking has been further sharpened

The cooperation between banks and government and the interbank cooperation have been deepened, and the output of digital finance has been promoted, steadily expanding basic scenarios.



More contributions of transaction banking has been made

The total increase in net transaction income and net financial investment income for the whole year was RMB20.3 billion.



The leading advantages of settlement finance have been expanded

The number of corporate settlement accounts increased by 1.46 million compared to the end of last year.



No.1 personal bank

The aggregate amount of personal financial assets under management (AUM) was nearly RMB21 trillion, with personal deposits increasing by 14% compared to the beginning of the year.



Preferred bank for foreign exchange business

In 2023, international settlement amount steadily increased, with cross-border RMB business volume reaching RMB9.24 trillion.



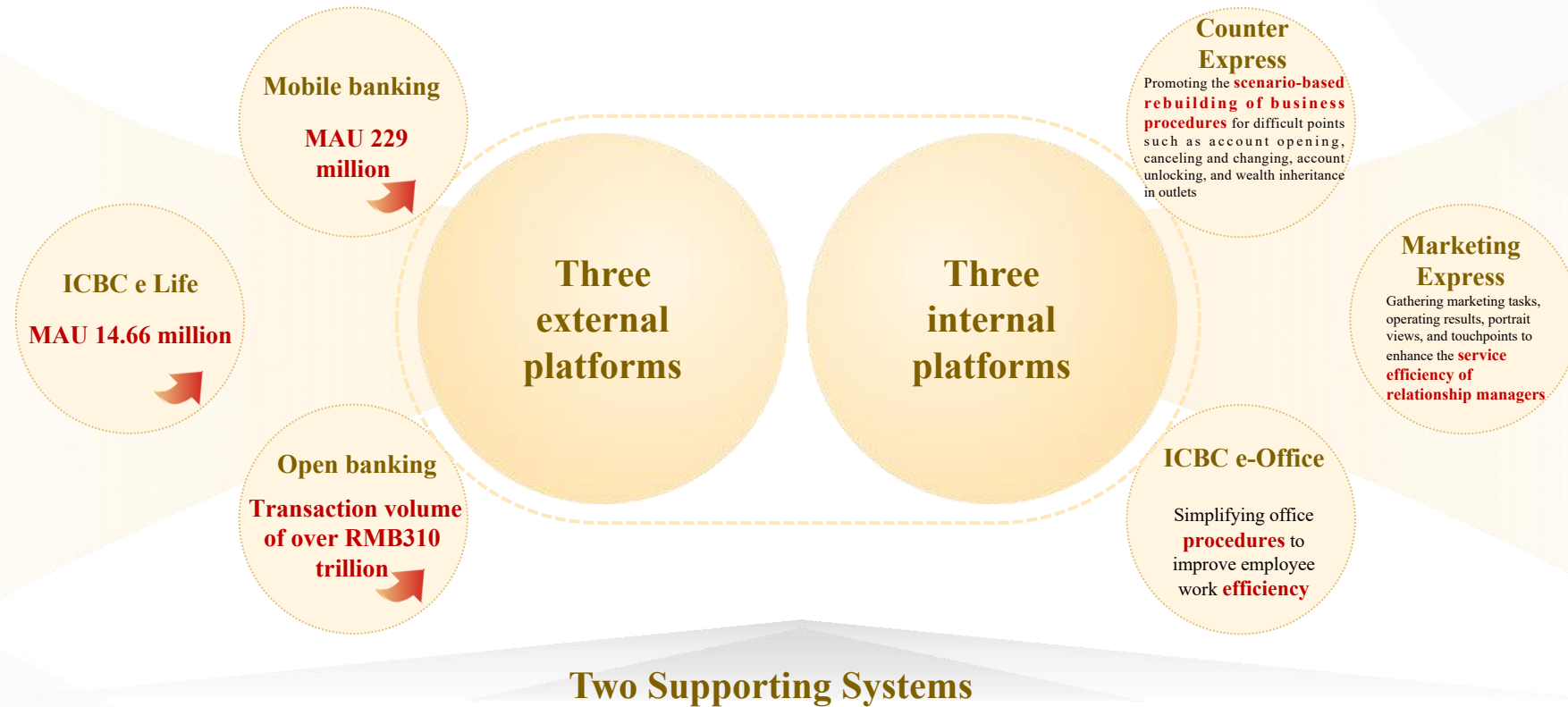
Sharpening competitive edge in key regions

The investment and financing of five key strategic regions were satisfied adequately, up 75.6% in incremental percentage.



Urban-rural collaborative development

Agriculture-related loans increased by RMB960 billion, with a growth rate of over 29%.



Business supporting system

- Global cash management: Serving **11 thousand** corporate customers accumulatively
- Treasury service system: Serving **over 200** large and medium-sized enterprises accumulatively
- Digital inclusive finance products: Loan balance of nearly RMB1.9 trillion, **leading the industry in growth rate**
- Digital operation system: Online fund, insurance, and wealth management transactions of **RMB540 billion**
- Enterprise risk management: **Risk view of "Five-pronged Risk Management Approach"**

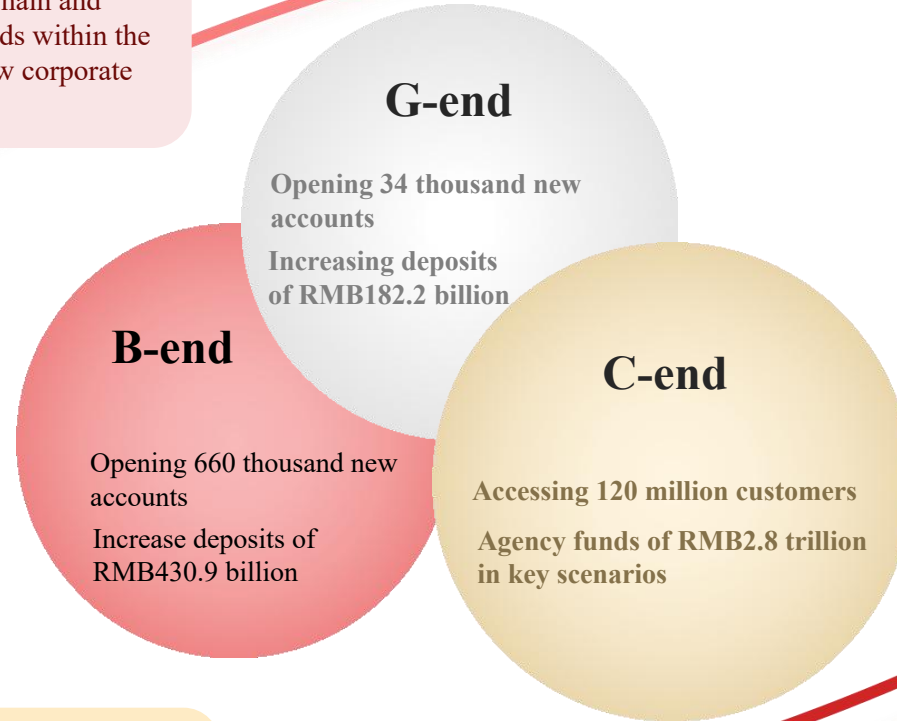
Data technology supporting system

- Technical base: Deepening the "cloud + distributed" transformation, and supporting the information of **over 700 million** personal customers, and **over 1 billion** personal accounts
- Data empowerment: Strengthening the building of enterprise-level data middle office and deepening the operation of data middle office
- New technology application: A **10 billions-level** large-scale model technology system; an assistance scale of **over 30 thousand** people

Deepening the implementation of GBC+ projects

Consolidating customer chains along the capital chain

The Bank has leveraged the advantages of industrial chain and supply chain finance to promote the circulation of funds within the Bank's system, with a target of increasing 107,000 new corporate customers for the whole year.



Enhancing the value chain with a reliance on the service chain

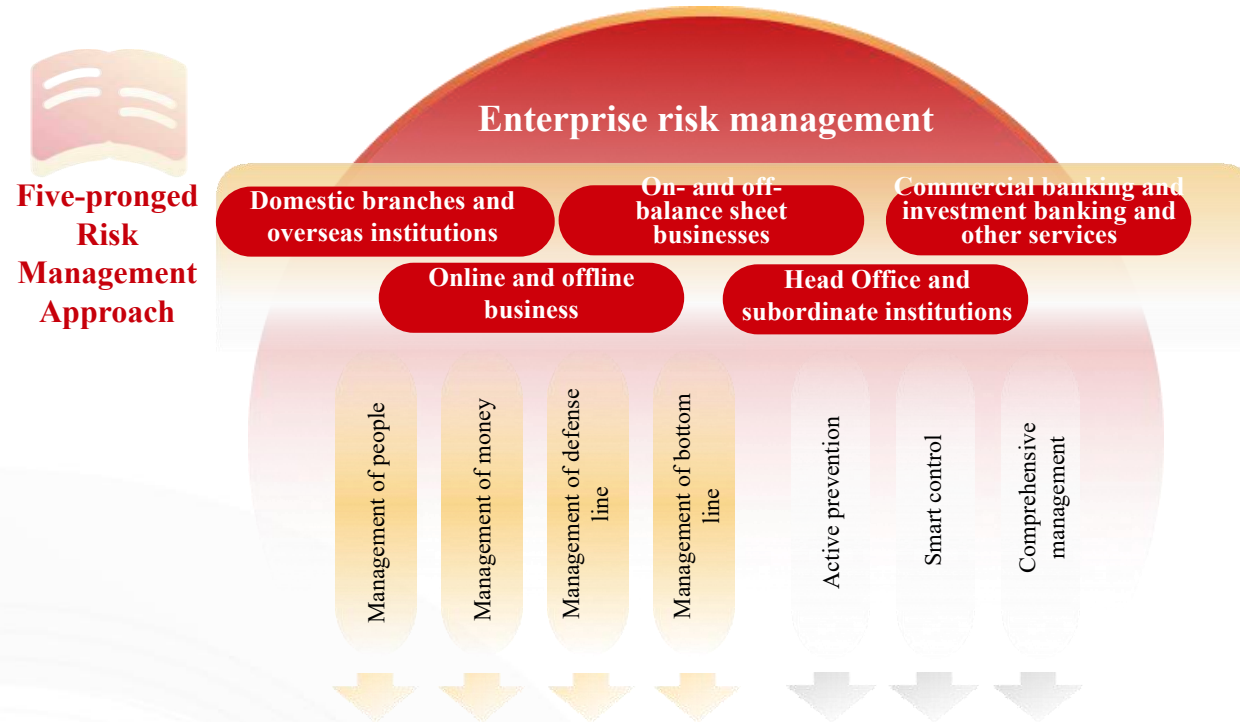
The Bank has explored the commercial value of deposit and income growth, and striven to enhance the overall contribution while actively meeting the financial needs of customers.

Optimizing the service chain around the customer chain

The Bank has built scenarios and platforms, created various fund supervision service products, and enhanced the stickiness of GBC-end customers.

Significant improvement in the quality and efficiency of enterprise risk management

The Bank has continued to optimize the enterprise risk management system of "Five-pronged Risk Management Approach", improved the "Four-pronged Risk Management Approach", strengthened the path building of "active prevention, smart control and comprehensive management", consolidated the three lines of defense for risk management, and enhanced enterprise risk management capabilities, so as to serve as a cornerstone for maintaining financial stability.



Joint risk prevention and control in the five major markets: Bond market, foreign exchange market, commodity market, money market and stock market

Full coverage of the four major segments: Departments of the Head Office, domestic branches, overseas institutions and integrated subsidiaries

Comprehensive control of various risks: Risks in key areas, nine categories of risks and others, and risks that the Bank shall mainly prevent

- The Bank has strengthened the coordinated "Five-pronged Risk Management Approach" and comprehensively safeguarded the safety bottom line.** The Bank has established a risk officer management system, and strengthened the allocation and management of risk officers in the frontline departments of the Head Office, domestic branches, overseas institutions, and integrated subsidiaries, improving the quality and efficiency of enterprise risk management. The Bank has improved risk monitoring mechanisms and established a sound product risk management system.
- The Bank has strengthened risk "prevention, mitigation, and governance" in key areas, achieving a stable and improving asset quality.** The Bank has adhered to the intelligent credit risk control of "Three Gates" and "Seven-color Pools", strengthened the extension and implementation of new regulations on credit approval to overseas institutions and integrated subsidiaries, strengthened investment and financing planning and outstanding maturities management, and conducted precise and effective risk prevention and control in key areas, achieving a stable and improving asset quality.
- The Bank has enhanced the level of intelligent risk management and effectively responded to emerging risks. In terms of model risk management,** it has covered the whole procedure of model development, validation, deployment, assessment, and exit; **in terms of climate risk management,** the Bank has played a leading role among peers in conducting localized calibration of climate risk stress testing scenarios for international organizations, completed annual climate risk stress testing, and strengthened climate risk rating, monitoring reports, and information disclosure, thus continuously improving climate risk management mechanisms.

9+X risks

Strategic risk, credit risk, market risk, country risk
Operational risk, liquidity risk, interest rate risk in the banking book, reputational risk
IT and cybersecurity risk, other types of new risks

The asset quality remained stable and was improving

Asset quality was further improved

NPL ratio



1.36%

Steadily declining, down 2BP from the beginning of the year

Cost of credit



0.58%

Down 7BP from the beginning of the year

Price scissors



- RMB23.1 billion

Remaining negative for 15 consecutive quarters
Asset quality was consolidated

Risk resilience was continuously sharpened

Capital adequacy ratio



19.10%

Maintaining an industry-leading position

Allowance to NPLs



213.97%

Up 4.50 percentage points from the beginning of the year

Allowance for impairment loss



RMB756.4 billion

Increasing by RMB83.6 billion compared to the beginning of the year

Risks in key areas were mitigated effectively

The NPL ratio in the real estate industry started to decline



5.37%

Down 77BP from the beginning of the year

Mitigating financing risks related to local debts in a market-oriented manner



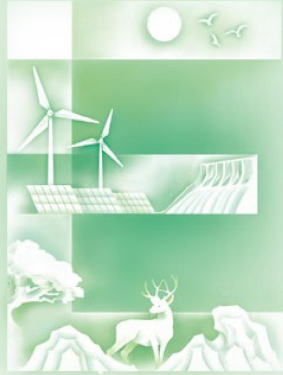
Abiding by laws and regulations, making risks controllable, and promoting debt risk mitigation work in a market-oriented manner

Supporting risk prevention and control for small- and medium-sized financial institutions



Strengthening the Bank's risk control technology output
Assisting peers in enhancing risk management capabilities

ESG concepts were integrated into business development



AA

MSCI ESG Rating
The first domestic listed
bank to be rated



Best ESG Practice of Listed Companies

China Association for
Public Companies



● Industry-leading green finance

The balance of green loans of the Bank according to the standard of the NFRA was nearly RMB5.4 trillion, with the aggregate green loan volume reaching a record high, leading the industry in both balance and incremental volume.

● Significant achievements in low-carbon operation

The Bank has steadily carried out carbon footprint statistics, taken multiple measures to save energy and reduce carbon emissions, and promoted the practical implementation of green office. The Bank has formulated an overall strategy of "four major areas and five improvements" for energy conservation and carbon reduction transformation, deepened the building of green and low-carbon outlets, and continuously promoted the improvement of physical environment and service appearance of outlets.

● Continuously deepening financial services for the real economy

By adjusting the aggregate volume, incremental volume, and structure of investment and financing, the Bank aimed to improve the accuracy and accessibility of financial services. The balance of local currency corporate loans in domestic branches reached RMB14.6 trillion. The Bank enriched high-quality small-scale, credit-based, online, and scenario-based financial supply. The Bank's domestic inclusive small and micro enterprise loans were RMB2.2 trillion, and the digital inclusive loan balance was nearly RMB1.9 trillion.

● Continuously increasing efforts to build a bank embracing people's satisfaction

Consumer rights protection has always been an important goal and management requirement of corporate governance. The number of individual customer complaints decreased by 14% year on year throughout the year. The Bank has deeply engaged in the building of the "ICBC Sharing Station+" public service system benefiting the people, relied on 15.5 thousand "ICBC Sharing Stations" to orderly expand the supply of convenient services, and carried out more than 95,000 themed public welfare activities. Under the leadership of "ICBC Brightness Action", the Bank has continued to carry out various forms of public welfare activities, and built a good situation of "sharing public welfare resources and co-building public welfare projects".

● Optimizing the governance system and consolidating the foundation of sustainable development

The Board of Directors has attached great importance to environmental, social, and governance issues, continuously deepened ESG governance, and improved the ESG governance structure. The Senior Management has established the ESG and Sustainable Finance Committee.

● Three-in-one ESG information disclosure system

As at the end of the Reporting Period, the Bank has released annual social responsibility reports for 16 consecutive years, and it was the first to issue semi-annual ESG special reports for three consecutive years among peers. The ESG column on its website has set up a "ESG Information" column to disclose ESG management effectiveness and work results in real time.

Maintaining a leading position in the international and domestic authoritative rankings



Ranking the **1st place** among the "Top 1,000 World Banks" for the eleventh consecutive year



Digital Bank of the Year, China
Best Private Bank in China
Best Custodian Bank in China



Ranking the **1st place** among commercial banks in the "Global 500" for the eleventh consecutive year



Ranking the **1st place** among the "Top 500 Banking Brands" for the eighth consecutive year



Best Cash Management Bank in Asia Pacific
Green and Sustainable Bank of the Year in China
Best International Cash Management Bank in China



China Council for Brand Development

Ranking the **1st place** in the "Corporate Brand Value List" for the eighth time



Best Domestic Bank in China
Best Corporate Bank in China
Best Bank for Digital Solutions in China



Ranking the **1st place** among national commercial banks in the Gyroscope evaluation system for the third consecutive year



Best Inclusive Financial Service Bank of the Year
Best Green Finance Service Bank of the Year



Rated **AA** in the MSCI ESG ratings



Institution of **Excellence** in Financial Innovation in 2023



Best Bank in China
Best Corporate Bank in China
Best Bank for Belt and Road in China

OUTLOOK

The year 2024 is a critical year for realizing the objectives and tasks of the "14th Five-Year Plan" and for the Bank to start again after the 40th anniversary of its establishment. ICBC will accurately grasp the positioning of a major bank, and adhere to the principles of pursuing progress while ensuring stability and promoting stability through progress as well as establishing the new before abolishing the old. With a new atmosphere of steadfastly following the path of financial development with Chinese characteristics, ICBC will continuously create new situations of high-quality development and bring long-term and stable value returns to global investors.

THANKS