

Q&A Record for Results Presentation of Industrial and Commercial Bank of China in 2024

(Transcribed according to recording)

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Meeting form: Hong Kong/Beijing on-site meeting + online livestreaming

Attending management members: President Liu Jun, Vice President Wang Jingwu, Vice President Zhang Weiwu, Vice President Duan Hongtao, Vice President Yao Mingde, Vice President Zhang Shouchuan, Chief Business Officer Song Jianhua

Attending directors: Lu Yongzhen, Feng Weidong, Cao Liquan, Chen Yifang, Dong Yang, Zhong Mantao, Herbert Walter, Chen Guanting, Li Weiping

Number of attendees: 4,500 visits

Qian Zhonghua: Good afternoon, investors, analysts, media reporters and friends! Welcome to the ICBC 2024 Annual Results Presentation. I am Qian Zhonghua from the Corporate Strategy and Investor Relations Department of ICBC. ICBC's 2024 Results Announcement has been released online, and we appreciate our 680,000 shareholders around the world for recognizing our investment value. ICBC has always attached great importance to investor relations and market value management, and insisted on maintaining high-frequency and effective communication with global investors and media friends. Today, the Presentation will be held in the form of "on-site + global online livestreaming".

Now, I would like to introduce to you the attendees from our Senior Management. President Liu Jun, Vice President Duan Hongtao and Vice President Yao Mingde attend the meeting in Hong Kong. Vice President Wang Jingwu, Vice President Zhang Weiwu, Vice President Zhang Shouchuan, Chief Business Officer Song Jianhua, and Directors Lu Yongzhen, Feng Weidong, Cao Liquan, Chen Yifang, Dong Yang, Zhong Mantao, Herbert Walter, Chen Guanting and Li Weiping attend the meeting in Beijing. In addition, heads of relevant departments of the Head Office, branches and subsidiaries in Beijing and Hong Kong also attended the meeting.

Next, we will first invite Vice President Duan Hongtao to present the overall picture of ICBC's results in 2024.

Duan Hongtao: Good evening, media friends, investors and analysts! Welcome to the ICBC 2024 Annual Results Presentation. Thank you for your interest and support.

I would like to brief you on the basics of ICBC's operations in 2024.

The year 2024 marks 40 years since the founding of ICBC. Over the past year, the Bank has embraced this milestone as a new starting point, setting a clear course toward the development of a world-class modern financial institution with Chinese

characteristics. The Bank has been upholding its positioning as the main force in serving the real economy, the ballast stone in maintaining financial stability, a bellwether in building a strong financial institution, and a benchmark bank in implementing major responsibilities and core businesses. The Bank has made progress in promoting the “five transformations” of intelligent risk control, modern layout, digital driver, diversified structure and ecological foundation -- further strengthening the Bank’s capabilities in value creation, market competitiveness, influence, and risk management. As a result, the Bank has delivered a strong performance marked by stable operations and steady progress.

First, operational results has shown steady progress, with increased resilience in development. At the end of 2024, ICBC’s total assets amounted to nearly RMB49 trillion; customer loans exceeded RMB28 trillion, up RMB2.3 trillion from the end of the previous year; and customer deposits recorded nearly RMB35 trillion, up over RMB1.3 trillion from the end of the previous year, all of which stay ahead globally. Throughout the year, ICBC recorded an operating income of RMB786.1 billion and a net profit of RMB366.9 billion, both of which remain leading among domestic peers. The net interest margin (NIM) was 1.42% and the cost-to-income ratio stood at 29.43%, with sound input-output efficiency. The capital adequacy ratio was 19.39%, up 29BP from the beginning of the year, at the forefront among major banks around the globe. The NPL ratio was 1.34% and the provision coverage ratio was 214.91%, making the foundation of prudent operation more solid.

Based on the good performance, the Bank proposes to pay a cash dividend of RMB109.8 billion in 2024. Specifically, RMB51.1 billion was distributed in the middle of last year, and a year-end dividend of RMB58.7 billion will be arranged for distribution after fulfilling the corporate governance procedures.

Second, assets and liabilities have grown steadily, and service quality and efficiency have been enhanced. At the end of 2024, the balance of loans to customers increased by 8.8% compared to the end of the previous year, and the balance of bond investments increased by 20%. The pace of granting has remained steady and balanced. The deposit scale of customers increased by 3.9% compared to the end of the previous year, significantly enhancing stability. The Bank highlights the “Five Priorities” of finance, and has formed a management mechanism of top-down and bottom-up coordination, layered connection, collaboration, and overall promotion, and improved the policy implementation and supporting system, continuously demonstrating the service effectiveness. **In terms of technology finance**, at the end of 2024, the balance of the Bank’s loans to strategic emerging industries exceeded RMB3.1 trillion, and the balance of loans invested in the manufacturing industry was RMB4.4 trillion, ranking first among peers; the balance of equity investment in the primary market of technology-based enterprises exceeded RMB70 billion. **In terms of green finance**, the balance and incremental volume of green loans ranked first among peers, and the lead underwriting scale of domestic ESG bonds ranked first among peers. **In terms of inclusive finance**, the balance of inclusive loans was RMB2.9 trillion, and the growth rate of customers with inclusive loans exceeded 40%. **In terms of pension finance**, the scale of various types of pension products under management was nearly RMB5 trillion, the number of elderly customers aged 55 and above exceeded 200 million, and the number of new personal pension accounts and the deposit amount both led peers. **In terms of digital finance**, loans to the core industries of the digital economy amounted to nearly RMB900

billion, and the innovation and promotion of e-CNY were effective, with the main indicators remaining ahead of peers.

Third, the “five transformations” have been solidly advanced, with further momentum generated for reform. The “five transformations” is an important tool for the Bank to promote power change, efficiency enhancement and quality improvement under the new situation, and the basic path to boost high-quality development and high-level security. After a year of exploration and practice, ICBC has achieved significant results in various tasks.

In terms of intelligent risk control, we promoted active prevention, smart control and comprehensive management, strengthened the overall risk control coordination, improved the mechanism of risk officers, reinforced the empowerment of new technologies such as artificial intelligence on risk control, and enhanced the quality and efficiency of enterprise risk management. In 2024, the Bank’s asset quality remained stable, with the NPL ratio declining by 2BP from the beginning of the year, and the provision coverage ratio increasing by 0.94 percentage points from the beginning of the year. The risk resilience was further strengthened, and effective progress was made in risk control in key areas. The NPL ratio of the real estate industry dropped by 38BP from the beginning of the year.

In terms of modern layout, we took the initiative to meet the requirements of Chinese modernization, and increased financial support for key areas and weak points in economic and social development. With a focus on the growth of emerging industries, the cultivation of future industries and the upgrading of traditional industries, we strengthened the linkage of “equity, loan, debt and insurance”, and provided diversified and relay-type financial services to accelerate the development of new quality productive forces. At the end of 2024, the balance of the Bank’s loans to technology-based enterprises was nearly RMB2 trillion, and loans to Specialization, Refinement, Differentiation and Innovation (“SRDI”) enterprises grew by more than 54% from the beginning of the year. ICBC actively participated in the pilot equity investment project of financial asset investment companies (AIC). All pilot cities have shown cooperation intentions, with a proposed fund scale of over RMB100 billion. Focusing on strengthening our comprehensive service capacity, we issued the first financial infrastructure service plan in China’s banking industry, and accelerated the development of investment banking, asset management, wealth and trading business. We comprehensively optimized financial services for private enterprises, supported the high-quality development of the private economy, improved the cross-border financial service system, deeply participated in international financial governance, and actively served the high-level opening up.

In terms of digital driver, we have deepened the “D-ICBC” initiative, iteratively upgraded the digital service platform, consolidated the two major support systems of business and data technology, and accelerated the digitalization and intelligent upgrading of financial services. At the end of 2024, the number of active monthly users of the Bank’s mobile banking reached 260 million, and the number of active monthly users of ICBC e Life reached 19.3 million. The annual transaction volume of open banking reached RMB375 trillion. The internal service platforms such as Counter Express, Marketing Express and ICBC e-Office have been comprehensively upgraded to further empower employees’ marketing and improve management effectiveness. The industry’s first large model built independently with over 100 billion parameters, ICBC Zhiyong, has been leveraged in more than 20 business fields

and 200 scenarios, undertaking an annual workload equivalent to that of more than 40,000 people.

In terms of diversified structure, ICBC actively responded to changes such as interest rate declines and narrowing NIM, and promoted the adjustment of customer structure, business structure and segment structure to continuously explore new room for growth. We accelerated the construction of a coordinated customer structure of “large, medium, small and micro enterprises and personal customers”, and the proportion of micro customers has significantly increased. Business structure, product structure, and asset-liability structure have been further optimized, with NIM decline narrowing compared to the previous year, increased proportion of “retail + inclusive finance” loan growth, and enhanced value contribution from financial market business. We coordinated the “four operating segments” of Head Office, domestic branches, overseas institutions, and integrated subsidiaries, continuously improving the international and comprehensive operation management system, and unleashing the operating efficiency of the Group.

In terms of ecological foundation, we insist on building our ecology and integrating it into the overall ecology of the economy and society. We deepened the implementation of GBC+ projects and, with a focus on the changes in customers’ needs, improved the customer chain, optimized the service chain, and enhanced the value chain along the capital chain. In 2024, the Bank acquired more than 370,000 G-end and B-end customers, and reached 170 million C-end customers; the number of personal customers, corporate customers and mobile banking customers increased by more than 25 million, 1.29 million and more than 35 million, respectively. At the same time, we insisted on organically integrating the concepts of ESG and sustainable development into our operations and development, further consolidating the ESG governance structure, and continuously improving the ESG information disclosure system.

Looking ahead to 2025, the advantages and conditions for high-quality development of China’s economy continue to expand, and the prospects for Chinese modernization are more promising. ICBC will unswervingly follow the path of financial development with Chinese characteristics, actively play the role of a leading bank, more deeply and solidly promote the “five transformations”, focus on creating a clean and healthy balance sheet and a balanced, coordinated, and sustainable income statement, promote the synergy of assets, capital, and funds, deposits, loans, and income, and strong, excellent, and large elements, better balance value creation, market position, risk control, and capital constraints, ensure the stability of key operating indicators, promote high-quality development and high-level security to a new level, and create stable and sustainable value returns for domestic and foreign shareholders.

Qian Zhonghua: Thank you, Vice President Duan. For more investors, analysts and media friends to better understand our results in 2024, we will enter a Q&A session. We suggest that you ask one question and state your organization and name before asking.

Let’s invite the questioner from the Hong Kong site.

I’ll take the first question from the lady in the first row.

Q1 (UBS Securities): Thank you very much for allowing me to ask the first question.

First, congratulate the Management for the impressively steady results made against such a complicated internal and external situation in 2024. Can you introduce what business highlights ICBC presented in 2024? What is the outlook for the operating income and profit in 2025 and will ICBC maintain its positive growth? Thank you.

Liu Jun: Thank you for your question. I'll answer you. It is easy to summarize the highlights of 2024 and difficult to judge the trends for 2025. However, as the President of ICBC, I still wish to analyze the situation seriously with you to see whether our judgment is consistent with that of the market and your judgment of ICBC.

Last year marked the first year of the new journey for ICBC after its 40th anniversary, and the primary challenge was survival in the low-interest rate environment, which was heavy pressure on a bank with such a large balance sheet. This is also the way we must go to build a first-class bank, a leading bank, a modern bank and a value bank, and ICBC will definitely break a new path.

Over the past year, we have been upholding fundamental principles and breaking new ground, exploring and moving forward on the path of “five transformations”, and have made some progress. Some of the results are reflected in our operating data, while others have just taken shape and are expected to form successive momentum in the future. The Pareto improvements in existing and incremental volume are significant, continuously demonstrating the synthetic effect. Specifically, I would like to summarize it by “Three Unchanged Areas” and “Three Major Pillars”.

First, in terms of value creation, the orientation of ambition remained unchanged. Last year, the Group's net profit grew by 0.5%, which is not easy for such a large volume to maintain positive growth. The operating income declined by 2.5 percentage points, in line with industry trends, especially in the third and fourth quarters when both operating income and net profit were positive, while the NIM declined by only 1BP. Despite factors such as the macro interest rate environment and internal and external market changes, ICBC's value creation ability has not weakened and has always been strong.

We insist that the fruits of value creation be effectively shared with stakeholders, including shareholders. The annual increases in A-share and H-share prices were 44.8% and 36.4%, respectively; the dividend rates based on the average annual share price were 5.32% and 7.49%, respectively; and the annual dividend distribution was nearly RMB110 billion, which is considerable for any listed company. Since our listing, ICBC has been providing positive returns to the capital market, with the total amount of dividends ranking at the forefront among A-share listed companies.

Second, in terms of serving entities, the direction of quality improvement and volume increase as well as coverage expansion and effectiveness enhancement remained unchanged. The Group's total assets grew by 9.2%, of which both domestic RMB loans and bond investments increased by RMB2.3 trillion, representing a considerable volume. ICBC also made remarkable progress in “Five Priorities” and support for emerging and future industries, effectively playing the role as a main force. The above data indicate that, in the face of insufficient effective credit demand, as a main channel, ICBC has effectively transmitted the monetary policy. At the same time, we accelerated the clearing of high-cost liabilities and continued to raise lower-cost funds. At the end of 2024, the RMB deposit interest payment rate dropped to 1.62%, which should be low among comparable peers,

indicating that ICBC has effectively supported the expansion of the balance sheet. Liability management has always been a challenge to be solved by large commercial banks. If they cannot effectively control the cost of their liabilities, the credit curve may see a downward trend, and they have to undertake some high-risk credit businesses. If these businesses make up a high proportion of the balance sheet, the overall quality of operations may be significantly affected.

Third, in terms of risk prevention and control, the efforts to strengthen infrastructure construction and consolidate the foundation remained unchanged.

The Group's NPL ratio dropped by 2BP, the provision coverage ratio was on the rise, and net profit saw positive growth. As you can see from these figures, ICBC does not adjust the account titles or boost the balance sheet, but provides positive returns to the capital market with real income growth. Last year, RMB85.1 billion of write-off resources were used, up RMB12.4 billion. The "three increases and one decrease" in indicators reflect a stronger quality foundation and a thicker "safety cushion".

That's all about the "Three Unchanged Areas". Now, let's talk about what has changed. You often comment on ICBC's strong operational resilience. In the current business situation, "resilience" is regarded as an important characteristic of large commercial banks and competitive banks. As for ICBC's "resilience", I hold that this feature is based on the scale and effect, because we have a strong balance sheet and a strong customer base. Our balance sheet highly matches the national balance sheet. We made balanced allocations by industry, region and customer segment, with both cyclical driving and counter-cyclical layout. Therefore, we are optimizing the portfolio of business in accordance with the orientation of full assets, full business, full customers, full products, full scenarios, full chain and full cycle, promoting the dynamic integration of new and old drivers, so that more growth poles will continuously grow.

First, ICBC fully expanded the coverage and diversified the services and products of internationalization and integration. With more than 30 years of intensive cultivation, ICBC has extended its service network to 49 countries and regions around the world. As the largest shareholder of Standard Bank of South Africa, our services have reached 20 countries in Africa, especially in countries along the "Belt and Road", where we have a certain market share and competitiveness. We also have 11 overseas RMB clearing banks. Our major integrated subsidiaries have licenses for funds, financial leasing, insurance, debt-for-equity swap and wealth management, occupying their due market shares in their respective fields and creating a systematic synergy. Based on our calculations, the assets of the two segments have accounted for 11.8% of the Group, which is not small, but there is still a lot of room for further tapping the potential and increasing profits. If both the internationalization contribution and the integration contribution increase by another 2-3 percentage points, it is equivalent to an increase of 5-7 percentage points in income from the non-commercial banking segment. If such an increase can be achieved, a balance sheet with more diversified value creation will be formed, which will strongly support ICBC's high-quality development.

Last year, we calibrated the positioning of our overseas institutions and subsidiaries based on the idea of "One Policy for One Bank" and "One Report for One Bank", clarified the direction of development, and optimized the collaboration mechanism between the parent bank and subsidiaries. As a result, the contribution of the two segments to income and pre-tax profit reached 9.6% and 11%, respectively. If the

momentum continues, the diversification of income sources and the deepening and broadening of business layout will be supported by real financial data.\

Second, ICBC improved modern financial services. In the balance sheet, if the assets are dominated by loans and liabilities by deposits, the balance sheet will be less flexible and transactional. Therefore, ICBC must set up the “second pillar” of modern financial services, which is also the “second growth curve” for future business development. We launched the industry’s first integrated service plan for financial infrastructure customers, and plan to explore more new tracks, shape more new drivers, reinforce value rediscovery and improve services. Taking the service for financial infrastructure as an example, ICBC is the largest agency settlement bank in the domestic securities and futures market and the largest investment underwriter and dealer in the interbank market. Relying on the expansion of the basic functions of clearing, settlement, payment and custody, and connecting with new types of businesses such as investment banking, asset management, wealth and trading, ICBC has built a service chain of product-based functions, system-based products, ecological systems, and globalized ecology, internally revitalized the balance sheet structure and externally expanded the extension of the balance sheet to realize on-balance-sheet and off-balance-sheet linkage and full coverage of all business types.

Third, ICBC promoted fintech and digital empowerment. Fintech has always been ICBC’s traditional strength and core competence, and we deployed early on large models with great impact in the industry. Against the backdrop of the “AI +” era, ICBC has taken the initiative to embrace change, endeavored to make forward-looking layouts, and accelerated model innovation and value reshaping. For example, last year, ICBC took the lead in building a full-stack, autonomous and controllable financial model system with over 100 billion parameters, ICBC Zhiyong, and applied it to more than 200 scenarios in more than 20 types of businesses, such as financial markets and risk management. The system has given rise to digital assistants, such as interactive dialogue trading, accompanying agent services, and intelligent capital investment forecasts, undertaking an annual workload equivalent to that of more than 42,000 people, which will reach a new level this year. For example, the trading assistant increased the number of financial market inquiry transactions by 40% last year, which will continue to rise this year, and improved the efficiency of customer transactions by three times. With the support of fintech and the empowerment of AI+, ICBC can create more value on the application side.

Last but not least, can we achieve positive income and profit growth this year? As there are many uncertainties in market development, it is difficult to make a particularly forward-looking forecast, but I promise you that ICBC will take a path in the same direction as the market, record income and profit above the market average, and deliver a reasonable return to our stakeholders. We will continue to adhere to the leadership of party building, advance the “Five Transformations”, continuously improve value creativity, market competitiveness, market influence and risk control, and endeavor to honor the trust of investors and all sectors of society with better performance.

Thank you!

Qian Zhonghua: Thank you, President Liu. Next, we will proceed with questions from the Hong Kong site. This lady in the first row, please.

Q2 (BofA Securities): Thank you. In 2024, ICBC showed overall robust asset quality.

What industries and regions of ICBC's asset quality need to be focused on? In particular, for personal business loans, consumption loans and credit cards, what are ICBC's risk control measures? What is your outlook for asset quality in 2025? Thank you.

Wang Jingwu: Thank you for your question. ICBC has always safeguarded asset quality as its lifeline. In the past year, ICBC thoroughly implemented all decisions and arrangements made by the CPC Central Committee for financial work. Focusing on “preventing risks, strengthening compliance, and promoting development”, the Bank centered on the “five transformations”, empowered the high-quality development of investment and financing, took a firm approach to group-wide credit risk management throughout the process, and managed to maintain good momentum for growth in the quality of credit assets. As at the end of 2024, the NPL ratio of the Group was 1.34%, down 2BP from the end of last year. This demonstrated that high-quality risk control provides a strong security guarantee for ICBC's sound development. In respect of asset quality in different industries, thanks to active and strong risk management measures, asset quality in key industries was on the rise. As at the end of 2024, the average NPL ratio of corporate loans at domestic branches was 1.5%, down 27BP from the end of last year. On the basis of providing strong support for basic industries, ICBC further increased its support for fostering and developing new quality productive forces. By offering differentiated policy guidance, it constantly improved the quality and efficiency of risk management and control. Meanwhile, the Bank optimized the NPA disposal system and established a direct operation and management mechanism by the Head Office for cross-region and large-value difficult NPA projects. With a focus on professional, intensive, hierarchical, and classified management, it realized more accurate risk treatment and worked consistently to improve the efficiency and effectiveness of NPA restructuring and innovative disposal, as well as the use efficiency of write-off resources. With these efforts, the asset quality of the manufacturing industry and other key industries has continued to improve.

For the real estate industry, which drew more attention in the market, ICBC adopted a variety of measures from the four aspects of “optimizing the increment, preventing risks, defusing risks, and conducting governance”. While resolutely implementing the urban real estate financing coordination mechanism, the Bank guarded a strict pass of the selection of newly-added assets, focused on building a decentralized, diversified, and balanced real estate investment and financing structure, and stepped up efforts in the exit from real estate enterprises with risks and the disposal of relevant projects. Loans to the real estate industry showed an overall trend of “better quality and optimized structure”. By industry, as at the end of 2024, the NPL ratio in the industry stood at 4.99%, down 38BP from the end of last year.

In respect of regional asset quality, asset quality in each region was basically stable. ICBC thoroughly implemented coordinated regional development strategies of the CPC Central Committee, and continued to improve the support system for regional and industrial chain credit policies. Focusing on serving Belt and Road cooperation and high-level opening-up, we adhered to a prudent and steady strategy for the layout of overseas credit assets, delivered excellent financial services for high-quality Chinese enterprises to “go global” and for “bringing in” foreign investment, and endeavored to stabilize coordinated regional development and asset quality. NPL ratios in the Yangtze River Delta, the Bohai Rim, Central China, and Western China

were better than the Bank's average level.

In respect of the retail sales line, although the NPL ratio rose, it remained at a controllable level. Facing changes in the market, ICBC made active moves to improve the whole-procedure risk management and control system by continuously optimizing key business processes, such as business access, duration management, intensive collection, and NPL disposal. Throughout the year, ICBC's NPL ratios in the retail sales line such as personal business loans, consumption loans, and credit cards rose, such variations were basically consistent with those in the whole industry, and thus asset quality was still under control. In terms of personal business loans, the NPL ratio of ICBC was at a superior level among the four major banks; in terms of personal consumption loans, ICBC continuously intensified front-end access and review and approval management of retail customers, and kept stable asset quality in newly issued loans; in terms of credit cards, ICBC strived to develop a transformation and development model for credit cards that is commensurate with market development and risk prevention and control, made great efforts to reduce NPAs and steadily narrowed risk exposure.

Looking into 2025, ICBC will further effectively implement "a raft of incremental policies", deliver vigorous support for investment and financing policies with a focus on the "Five Priorities", promote the Bank to grasp the correct direction and structural arrangements in development, and achieve balanced and coordinated development in the valuation of risk assets, so as to lay a solid foundation for the Bank to get off to a good start for the 15th Five-Year Plan. At the same time, in accordance with the arrangements made for the "five transformations" and the "four early" management requirements, ICBC will further integrate credit risk management into the big picture of high-quality development, improve the quality and efficiency of the enterprise risk management mechanism, continue to deepen accurate risk mitigation in key areas, and build a solid intelligent risk control "firewall" to ensure that various risks within the Group are overall controllable. ICBC will keep stable core indicators for asset quality, effectively control risks in key areas, and see that no systemic risks arise.

At present, the continued release of policy dividends such as expanding domestic demand and promoting consumption, and the accelerated cultivation of new quality productive forces will strongly drive the high-quality development of China's economy. China's economy will continue to improve while remaining stable along the track of high-quality development. In this context, we believe that ICBC will constantly improve the quality and efficiency of serving the high-quality development of the real economy in 2025. With a focus on embarking on a new journey to promote rebalancing and overcome difficulties, the Bank will better coordinate development and security and take more active and effective steps to respond to cyclical fluctuations and market changes. Therefore, it is expected that the Bank's annual asset quality will continue a stable and controllable trend.

Thank you!

Qian Zhonghua: Thank you, Vice President Wang. Let's proceed with another question from the Hong Kong site. The lady on the right in the third row, please.

Q3 (Hong Kong Commercial Daily): Thanks for giving me the opportunity to raise my question. What were the new advancements in ICBC's efforts to promote internationalized operation and high-level opening-up in 2024? In recent years, new forms of foreign trade such as cross-border e-commerce have been rapidly

developing. What financial measures does ICBC have? Thank you.

Zhang Weiwu: I would like to thank you for your interest in the internationalization of ICBC. In 2024, ICBC insisted on serving China's high-level opening-up on all fronts, maintaining an overall trend of high-quality development in internationalized operations.

Specifically: **First**, global operations saw progress amid stability. ICBC's overseas institution network covers 49 countries and regions globally. By holding shares in Standard Bank Group, ICBC's service network indirectly covers 20 African countries. ICBC serves as an RMB clearing bank in 11 countries, and has established 254 institutions in 31 countries that have participated in the Belt and Road initiative. The operating performance of overseas institutions remained sound, with pre-tax profit for 2024 exceeding USD4.4 billion, up 19%, and total assets at the end of the year exceeding USD430 billion, up 4% year-on-year. That is, we achieved 19% pre-tax profit growth based on the 4% asset growth, which is high-quality.

Second, ongoing efforts were made to serve foreign trade and foreign investment. To fulfill our "Chunrong Action" service commitments, we issued RMB4.8 trillion of aggregate financing, on- and off-balance sheet, to key export companies and foreign-funded enterprises. We continued to enhance investment and financing service capabilities for "Going Global" Chinese-funded enterprises, and supported the construction of major overseas projects. For the fourth consecutive year, ICBC was named the "Best Domestic Bank for Belt and Road" by *Global Finance*, and for the first time, ICBC won the Best Practice Award for "Small and Beautiful" Energy Cooperation from the National Energy Administration. We have established a list of major multinational corporate customers and key foreign-funded projects, and created a comprehensive product system to accurately match customers' needs by deepening the integrated linkage between domestic and overseas institutions. We accelerated the development of the ICBC Global Pay system and released the Global Pay service program for Africa. Global Pay provides direct access to 28 countries and regions overseas and covers 56 currencies. In addition, we continued to promote the "single window" financial services for customs clearance. In 2024, cross-border remittances processed by ICBC under the single window amounted to more than USD6.4 billion, ranking first among peers.

Third, we advanced the internationalization of the RMB in a steady, prudent, and solid way. We continued the "Chunxu Action", and issued cross-border RMB financing to global market players of more than RMB1.45 trillion. In 2024, the annual cross-border RMB business volume reached RMB9.8 trillion. The business volume of clearing banks exceeded RMB155 trillion, up 48% year-on-year. We implemented the State Council's arrangements for the integration of domestic and foreign trade, and processed cross-border RMB settlement business of RMB81.1 billion for 342 pilot enterprises. We took the lead in establishing the Free Trade Account (FT) separate accounting unit headquarters in Shanghai, and actively supported the innovative development of cross-border RMB business in key areas such as the Shanghai International Financial Center, the Guangdong-Hong Kong-Macao Greater Bay Area, and the Hainan Free Trade Port, and have cumulatively served nearly 12,000 customers. ICBC served more than 700 foreign institutional investors from more than 60 countries and regions around the world to participate in the interbank bond market, with a market coverage of more than 60%, and underwrote 39 panda bonds in 2024, with an issuance volume of RMB101.5 billion, up 66% from the previous year, with a

market share of 55%. Specifically, panda bonds with the Bank as the lead underwriter accounted for 16%.

Fourth, international cooperation was enhanced continuously. As the chair of the BRICS Business Council Chinese Chapter, we lived up to our responsibilities, and actively promoted BRICS pragmatic cooperation. The influence of the multilateral platforms of the Belt and Road Bankers Roundtable (“BRBR”) mechanism and the China-Europe Business Council (“CEBC”) initiated by ICBC continued to grow. The BRBR mechanism has covered 183 member and observer institutions from 75 countries and regions, and the CEBC has covered 17 European countries with a total of 100 members, including 44 Fortune 500 enterprises. As a strategic or comprehensive partner, ICBC actively served important international exhibitions, including China International Import Expo, China International Fair for Trade in Services, China Import and Export Fair and China International Supply Chain Expo, building a financial bridge for cooperation and exchange between Chinese and foreign business customers.

Regarding financial service initiatives for new forms of foreign trade, At the beginning of the year, ICBC launched the “Chunrong Action 2025”, introducing a service system for new forms of foreign trade, aiding in the high-quality development of new forms of foreign trade. We mainly took three initiatives:

First, ICBC provided a cross-border service system with wider coverage of customers. We have built a comprehensive online service system for cross-border e-commerce for payment institutions, cross-border e-commerce platforms, independent stations, foreign integrated services and other customers, providing foreign exchange settlement services for 45 minor currencies and currency risk management for over 100 currencies, covering major countries and regions for cross-border e-commerce, meeting the demand for funds to be directly exchanged into RMB, and helping customers reduce exchange losses and transaction costs. Since the launch of the business, ICBC’s cross-border e-commerce payment settlement volume has reached nearly RMB1 trillion, and we have served over 100,000 small- and micro-sized e-commerce enterprises.

Second, ICBC has set up an innovative service system with richer products. Adapting to the new forms characterized by “small amount, high frequency, and massive volume”, we have built up the “ICBC e Trade” service system integrating account management, payment and settlement, financing and guarantee, cash management, exchange rate hedging, and consulting and advising, relying on our sound global network layout, advanced technology system, and the advantages of the Group’s integrated linkage.

Third, we have built a more secure and intelligent risk control system for cross-border settlement, developed a cross-border e-commerce payment and settlement system in accordance with the standard of “independent, controllable, safe and efficient”, and pioneered an internal and external linkage, direct connect service model among our peers. We use big data and artificial intelligence technology to develop an intelligent risk control system for cross-border e-commerce, providing enterprises with comprehensive compliance solutions before, during, and after transactions to ensure transaction compliance and secure fund transfers, safeguarding enterprises’ transparent global expansion.

Thank you.

Qian Zhonghua: Thank you, Vice President Zhang. We'll now take questions from the Beijing site.

Xu Wei: This man in the fourth row on the left side of the left zone, please.

Q4 (Guosen Securities): Thank you. Regarding capital and dividends, how do you foresee the growth rate of risk-weighted assets and the sustainability of intrinsic capital growth a year after the implementation of the new capital regulations? How about the future dividend policy? Is there any possibility of adjustment? Thank you.

Duan Hongtao: Thank you for your question. Capital is the cornerstone for commercial banks' sustainable operation and the foundation for serving the real economy and preventing various risks. We have always highly valued optimizing capital management and focusing on improving capital utilization efficiency. As a result, ICBC's capital adequacy ratio has been in a reasonable range for a long time and remains in a good position among global peers.

As at the end of 2024, the Group's core tier-1 capital adequacy ratio, tier-1 capital adequacy ratio, and capital adequacy ratio had reached 14.10%, 15.36%, and 19.39%, respectively, up 38BP, 19BP, and 29BP from the beginning of the year. While enhancing capital management, we also focus on strengthening capital planning, making it an important business objective to achieve an inherent balance between capital consumption and capital replenishment, so that we can continue to generate good returns for our shareholders while endeavoring to accumulate more endogenous capital for our sustainable development. We follow the idea of "endogenous replenishment, exogenous replenishment, and balance" to ensure the balance of capital supply and demand in a forward-looking manner.

In terms of endogenous replenishment, we treat profit accumulation as the primary source of capital replenishment, maintain a reasonable profitability level, and enhance the long-term sustainability of capital sources. In 2024, we replenished capital through profit retention by more than RMB190 billion. In terms of exogenous replenishment, we continuously enrich and improve capital replenishment channels, coordinate the issuance of various capital instruments, and reasonably control capital costs by optimizing the capital structure and choosing favorable opportunities. In 2024, ICBC's net redemption of capital instruments amounted to RMB30 billion, and the average interest payment rate of capital instruments decreased by 40BP through rational replacement of existing instruments.

In terms of balance, we earnestly implement the new capital regulations, and achieve real-time calibration of risk parameters through upgrading measurement models, statistical systems, and data identification, thereby releasing capital space. We constantly optimize asset allocation, and guide funds into key areas and quality customers with high returns and low consumption through management tools like economic capital and EVA. At the same time, we continue to enhance capital utilization efficiency, strengthen capital constraints, and increase value creation.

Regarding the dividend policy, I would like to say that creating value for shareholders and serving investors is a very important business philosophy of ICBC. Since our listing in 2006, we have maintained a high level of dividend distribution, generating a cumulative cash dividend return of more than RMB1.5 trillion for domestic and overseas shareholders. The dividend rate has been stable at over 30% in recent years, and we have been the listed company with the highest dividend amount in A-share

since 2007. Meanwhile, to further enhance the sense of gain of our investors, we introduced interim dividends for the first time in 2024, and adjusted the frequency of dividend distribution from once a year to twice a year. We paid cash dividends of RMB0.308 per share in 2024, which exceeded RMB0.3 per share for the third consecutive year. The dividend rate of A-share and H-share reached 5.32% and 7.49% respectively in 2024 based on the average share price. We can see that the investment value of ICBC's stocks is relatively high.

In the future, ICBC will continue to enhance value creativity, market competitiveness, market influence and risk control. Taking into account the current and long-term interests of shareholders, we will maintain the continuity and stability of our dividend policy, and create long-term sustainable value returns for shareholders.

Thank you!

Qian Zhonghua: Thank you, Vice President Duan. Let's proceed with questions from the Beijing site.

Xu Wei: The lady in the fourth row of the central zone, by the corridor, please.

Q5 (Xinhua News Agency Xinhua Financial): Thank you. Previously, I saw President Liu Jun published an article about rejecting "involution" and resolute refusal of "price wars", which has been widely disseminated and is very encouraging because the banking industry's interest margin is indeed under great pressure. How does ICBC foresee the performance of the net interest margin in 2025? When is the turning point expected? The listed rate of deposit on the liability side is already very low. Is it expected that the LPR quotation will continue to decrease, and by how much? Thank you.

Yao Mingde: Thank you for your question, and thank you for your long-term attention and support to ICBC. Regarding LPR and the NIM performance and outlook in 2025, based on our overall judgment, the NIM's downward trend will remain common in the industry, but the decline is expected to narrow. Our judgment is based on the following considerations:

From the perspective of macro policies, there is still considerable downward pressure on asset-side yield levels. The impact of the three LPR cuts in 2024 and adjustments in interest rates on existing housing loans will gradually be released this year. Our fiscal policy will be more proactive and the monetary policy will be moderately eased in 2025 to promote a continuous economic rebound, which also raises higher requirements for banks to stabilize their net interest margin level.

From the perspective of bank operations, the effects of continuous strengthening of cost control on the liability side are gradually becoming apparent. In recent years, the entire industry has been working together to prevent idle capital arbitrage on the asset side, implement the self-discipline initiative of a "catch-all clause for rate adjustment" on the liability side, and continuously improve the sustainability of the banking industry's service to the real economy. We noted that the narrowing of interest margin in the banking industry showed marginal improvement in the second half of 2024.

From the perspective of ICBC's business development, in 2024, ICBC proactively strengthened the adjustment of the asset and liability layout under a low-interest rate environment, optimized the allocation of major assets, and enhanced liability cost control, which indicates our resolute refusal of "price wars" as just mentioned by the

media friend. In 2024, our overall interest margin fell by 19BP from the end of the previous year and 1BP from the mid-year. Therefore, we hold that the overall trend of movement is positive, and the decline is narrowing.

This year, ICBC always centers on serving national strategies and meeting people's needs, balancing the bank's functionality and profitability, actively playing the leading role of a large state-owned bank in serving the real economy, and maintaining both the loan balance and increase ahead of peers. In 2025, ICBC will collaborate in both asset and liability management, align with and implement various macro policies, improve supporting systems, and highlight "industrial" and "commercial" main responsibilities and main business to create a cleaner and healthier balance sheet, striving to keep the NIM at a reasonable level among peers.

First, we will continue to optimize the allocation of major assets, actively support investments in ultra-long-term special treasury bonds, local government special bonds, and credit bonds in line with ICBC's risk appetite and business strategy, and focus on promoting the adjustment of the duration structure of assets. Second, we will make reasonable arrangements for credit placement, actively meet real economy demands brought by incremental policies, and delve into the development of the "Five Priorities". Support for the development of personal mortgages, consumer loans, and credit card overdrafts will be enhanced to boost personal consumption. Third, we will continue to enhance the cost management of assets and liabilities. We will strive to improve the pricing level of risks, while supporting the development of the real economy through fee reduction and profit concessions. In addition, we will implement comprehensive liability cost management, avoid "involution", proactively optimize the maturity and variety structure, and enhance the ability and level of service to our customers, so as to continuously increase the proportion of liquidity funds and settlement funds and achieve a win-win situation between bank development and social benefits.

Regarding the LPR trend, our basic judgment is that the LPR quotation will continue to decline in 2025. The formation mechanism of the loan prime rate (LPR) is jointly determined by market supply and demand, quotations of peers, and monetary policy tools of the central bank. In case of changes in the LPR, it is necessary to balance the three objectives of the financing cost of the real economy, the profitability of banks, and macro risk prevention and control. In recent years, the transmission mechanism of deposit and loan interest rates has become smoother. The policy rate cut drives LPR adjustments, reducing social financing costs. Commercial banks should also timely adjust deposit listing rates, lower liability costs, stabilize interest margins, and enhance the sustainability of serving the real economy to better balance the relationship between stabilizing growth and preventing risks, as well as supporting the real economy and maintaining the health of the banking system.

Qian Zhonghua: Thank you, Vice President Yao. Let's proceed with another question from the Beijing site.

Xu Wei: The lady in the fifth row of the right zone, please.

Q6 (Shanghai Securities News): Thank you. In 2024, ICBC's total investment and financing volume continued to lead the market. Could you specify which fields the investment and financing are directed towards? How has the support for the "good start" of the real economy been this year? What are your credit investment plans? In addition, recently, domestic new technological achievements represented by

DeepSeek and humanoid robots have received high public attention. What measures and achievements does ICBC have in supporting private enterprises, developing technology finance, and fostering new quality productive forces? From ICBC's promotion of "D-ICBC" construction, what are the breakthroughs in AI large model application and achievement transformation? Thank you.

Zhang Shouchuan: Thank you for your question. First, regarding the investment and financing, In 2024, ICBC earnestly implemented the decisions and deployments of the CPC Central Committee and the State Council, coordinated the implementation of existing policies to stabilize the economy and a package of incremental policies, fully served the real economy, and maintained the financial stability. For the full year of 2024, all ICBC's domestic investment and financing increased by RMB4.2 trillion, with RMB loans increasing by RMB2.3 trillion.

In terms of direction: **First**, we focused on high-quality development and excelled in the "Five Priorities". We maintained our leading position in terms of technology finance, with the balance of loans to strategic emerging industries exceeding RMB3.1 trillion and loans for technology-based enterprises reaching nearly RMB2 trillion, both ranking first among peers. Our green loans exceeded RMB6 trillion and continued to rank first among comparable peers in terms of volume. We successfully issued global multi-currency "carbon-neutrality" overseas green bonds. In terms of inclusive finance, we continued to promote the implementation of the work coordination mechanisms supporting the financing of small- and micro-sized enterprises. As a result, the growth of inclusive loans was significantly higher than the average growth rate of all loans, and the number of customers with inclusive loans grew by over 40%. In addition, we launched a common action to safeguard food security with multiple parties. Our agricultural loans increased by nearly RMB800 billion from the beginning of the year, and loans to the pension industry and core industries of the digital economy maintained rapid growth.

Second, we highlighted the main responsibilities and main businesses, and strengthened precise investment. Focusing on modern layout, we enhanced financial services in fields such as manufacturing, major national strategies and the construction of security capabilities in key areas, equipment renewal and trade-in of old consumer goods, food and energy security, and "Three Major Projects" to support regional harmonious development. The medium- and long-term corporate loans increased by RMB1.2 trillion from the beginning of the year. Focusing on technology transformation and equipment renewal projects, the balance of loans to the manufacturing sector exceeded RMB4.4 trillion, with both balance and incremental volume ranking first among peers. In 2024, both the number and amount of "whitelist" projects supported by the real estate financing coordination mechanism led peers.

Third, we enhanced development momentum to promote the diversified transformation and upgrade of the credit structure. The proportion of the incremental volume of "retail + inclusive" loans increased further, with inclusive loans increasing by more than RMB660 billion and personal loans increasing by more than RMB300 billion from the beginning of the year.

Since the beginning of the year, ICBC has deeply implemented the instructions of the Central Economic Work Conference, seized the peak season for the start of work to continuously intensify financial support for major strategies, key areas, and weak

links, and issued over RMB840 billion of new loans, achieving a year-over-year increase. Next, ICBC will continuously implement the decisions and deployments of the CPC Central Committee and the State Council. Considering the real economy's demand, monetary policy orientation, and the Bank's operations, we will maintain a prudent and aggressive investment and financing strategy. More loans and bond investments will be made to continuously enhance the adaptability, competitiveness and inclusiveness of the service to the real economy.

Second, regarding financial services for private enterprises, ICBC actively implements the instructions of General Secretary Xi Jinping's important speech, and adheres to "unswervingly consolidating and developing the public sector and unswervingly encouraging, supporting, and guiding the development of the non-public sector", fully supporting the development and growth of the private economy. This is mainly reflected in three "more".

First, financing support is more powerful. At the end of 2024, the total financing and investment amount of ICBC for the non-public economy exceeded RMB7.5 trillion, leading peers, with an increase of more than RMB1 trillion from the beginning of the year. The interest rate of new loans to legal persons decreased by 0.14 percentage points year-on-year. The growth rate of unsecured loans for private enterprises was nearly 27%, significantly higher than the average growth rate of all loans. 98% of companies with loan accounts were private enterprises. In the next three years, we plan to provide not less than RMB6 trillion in financing and investment for private enterprises to support them in focusing on their main business and boosting their business development.

Second, innovative products are more diversified. In 2024, we cumulatively issued nearly RMB50 billion of M&A loans to private enterprises, underwritten over RMB30 billion in bonds, and provided more than 3,000 services on the enterprise digital supply chain platform. We have established a private enterprise equity demand database, with over 30,000 projects included, of which private enterprise projects account for more than 80%. We also promoted the "ICBC Business Matchmaker" platform. Currently, 620,000 small- and medium-sized enterprises from 75 countries and regions have settled in the platform, and the platform has facilitated 65,000 commercial collaborations.

Third, service security is more comprehensive. We conducted a series of "ICBC Supports Private Enterprises" activities. On March 12, ICBC and the All-China Federation of Industry and Commerce jointly held the promotion conference of "Assist Enterprises with Finance, and Improve Quality towards Innovation" to empower the high-quality development of private enterprises, introducing 10 practical initiatives.

Third, regarding support for technology finance and cultivation of new quality productive forces, ICBC has deeply implemented the instructions of the Third Plenary Session of the 20th Central Committee of CPC, accelerated the construction of a system and mechanism for technology finance compatible with technological innovation, and directed more financial resources towards the development of new quality productive forces. Specifically:

First, resource supply was further increased. We leveraged special policy tools like technology innovation re-lending, maintaining a leading position in cumulative amounts disbursed. The AIC equity investment covered all pilot cities, and the

balance of equity investments in the primary market for technology-based enterprises exceeded RMB70 billion.

Second, the service mechanism was further upgraded. The Head Office has established a Technology Finance Committee. ICBC was the first in the industry to establish a technology finance center at the Head Office level, with 25 regional technology finance centers set up nationwide, including six newly established in 2024, basically covering the domestic highlands of technological innovation. Focusing on key customer groups, including SRDI enterprises, we deeply carried out the “Chunmiao” and “Qiushi” special actions, and cooperated with the Ministry of Science and Technology to strengthen financial support for key technology projects.

Third, service innovation was accelerated. We coordinated the use of full-cycle and relay-style financial services of “equity, loans, bonds, insurance, leasing and consulting”, focusing on early-stage investment, small investments, long-term investment, and investment in hard technology. We established an ICBC technology innovation fund of RMB80 billion to introduce more patient capital for the whole cycle of innovation of technology-based enterprises, and innovatively created three types of special financing scenarios, “Fund Credit Loan”, “Fund Investment Loan” and “Technology Stock Loan”, with over 200 projects launched in just half a year of implementation. We explored the “loan + private equity direct investment” service model, iterated the exclusive rating credit model for technology-based enterprises, promoted the automated access of technology-based enterprises, and achieved precise empowerment by digital and intelligent means. Next, ICBC will build an ICBC technology innovation eco-financial service platform, focusing on launching innovative products, expanding the coverage of technology-based enterprises, and stepping up services to cultivate new quality productive forces.

Fourth, regarding the progress in D-ICBC construction, ICBC insists on taking technological innovation as an important support to promote the high-quality development of the entire bank, continuously advancing the leading “Artificial Intelligence +” initiative. In 2024, AI replaced the workload of more than 42,000 people per year. We were the first among peers to complete the privatization deployment of the latest open-source large model, DeepSeek, and integrate it into our own “ICBC Zhiyong” large model matrix system, further enriching ICBC’s landscape of new quality productive forces.

First, we have built an enterprise-level financial large model technology application system. In terms of computation power, we have built the first autonomous, controllable and high-capacity AI computation power cloud among peers, of which the training and inference efficiency is at the advanced level in the industry. In terms of algorithms, we have developed a collaborative application matrix of over ten large models and more than 2,000 traditional models, with a storage capacity reaching 530PB, and the model application is safe and controllable.

Second, ICBC promoted the large-scale application of AI large models. We have achieved large-scale application of over 20 major business areas within the Bank by large models, and applied them in over 200 scenarios, demonstrating the strong driving and supporting power of AI technology for high-quality development in the financial industry. For example, in the financial field of settlement, we launched the settlement financial AI advisor, reducing the time for response to customer inquiries by 79%.

Third, we initially created an industry-level AI application paradigm. From the perspective of the financial industry and based on application and practice, ICBC summarized and took the intelligent hub as the core to flexibly assemble special capabilities such as data analysis, document drafting, intelligent search and decision-making support, and has launched an engineering solution, which has been applied in scenarios efficiently. ICBC took the lead in outputting these results to empower some peers.

Next, ICBC will further enhance the core technological capabilities of “ICBC Zhiyong” to promote the quality improvement, coverage expansion, and volume increase of AI applications, enhancing new momentum and advantages for high-quality development under the premise of ensuring safety.

Thank you.

Qian Zhonghua: Dear investors, analysts, media reporters and friends, due to time constraints and not to hold up your wonderful weekend time, let’s wrap up today’s Q&A session. I would like to thank the management for their professional answers and the guests for attending our annual results presentation. We will also hold relevant investor communication and media exchange activities. Welcome your continuous attention and active participation. If you have any other questions, we also welcome you to further communicate with us. Our investment team and public relations team will maintain close communication with you daily, and we hope that you will continue to pay attention to and support us. ICBC will endeavor to do a better job in our operations and management, provide high-quality services for economic and social development, and create long-term and stable returns for global investors.

ICBC 2024 Annual Results Presentation has now concluded. Thank you! Wish you a great weekend!