



China Construction Bank Corporation  
Corporate Social Responsibility Report 2019

March 2020

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# Introduction

China Construction Bank Corporation (hereinafter referred to as "the Bank") publishes CSR Report annually, which covers the period from 1 January to 31 December of each year. Several events herein took place in January-March of 2020. There are no signifi-

cant changes in the method of obtaining and calculating the data for this annual report compared with the previous one. The financial data of the report is derived from the audited annual A-share financial report.

This report was reviewed and approved by the Board of Directors of the Bank on 27 March 2020. The Board and all directors of the Bank guarantee that there are no false records, misleading statements or major omissions in the contents of this report, and bear individual and joint responsibility for the truthfulness, accuracy and completeness of the contents.

## Guidelines of the Report

This report is compiled on HKEX *Environmental, Social and Governance Reporting Guide* ("ESG Reporting Guide"), Shanghai Stock Exchange's *Guidelines for Environmental Information Disclosure of Listed Companies and Guidelines for Preparing Corporate Social Responsibility Report* (collectively referred to as "SSE Guidelines"), and *Sustainability Reporting Guidelines* published by Global Reporting Initiative (GRI). In the meantime, the report is in line with requirements set out in the *Opinions on Strengthening the Social Responsibility of Banking Institutions* by China Banking and Insurance Regulatory Commission, the *Standards for the Contents and Formats of Information Disclosure by Companies Offering Securities to the Public No. 2: Contents and Formats of Annual Reports* by China Securities Regulatory Commission, and the *Guidelines for Corporate Social Responsibilities of China's Banking Institutions* by China Banking Association.

## Principles of the Report Coverage of the Report

The report follows the principles of materiality, quantitative measurement, balance and consistency, reports material information and ensures consistent and comparable quantitative data. When disclosure of extended data causes the statistical method for the disclosure to change, related explanations will be reported along with the data disclosure of the period.

In the part "[Green finance against climate challenges](#)", given that regulatory requirements are under revision, in order to strictly practice the principle of consistency the Bank will not disclose, environmental benefits and impact of environmental and social risk management of some green industries supported by the Bank and green financial products and services for the time being.

## Coverage of the Report

Businesses of the headquarters as well as domestic and overseas affiliated institutions.

## Assurance Method

Ernst & Young Hua Ming LLP conducted independent and limited assurance of this report prepared by the Bank in accordance with the ESG Reporting Guide, the SSE Guidelines and the GRI Sustainability Reporting Guidelines.

## How to Obtain

The printed version of the report can be found available at Public Relations & Corporate Culture Department of the Bank. The electronic version can be downloaded from the Bank's website (<http://www.ccb.com>). The report is written in simplified Chinese with English, traditional Chinese versions. If there is any difference between the three versions, the simplified Chinese version shall prevail.



For the social responsibility strategy and social responsibility model of the Bank, please visit the CSR column on the official website. We have updated the social responsibility strategy, published the latest social responsibility model and disclosed stakeholders' engagement in innovation in 2018, and disclosed the Bank's philosophy, progress and achievements in joining hands with stakeholders to promote actions on responsibility in the report of this year.

## Contact

Address: Public Relations & Corporate Culture Department, China Construction Bank Corporation, No. 25, Fiancial Street, Xicheng District, Beijing, 100033, the PRC.  
Fax: 86-10-66212659

## Chairman's Statement

A new year has arrived and spring is in the air. In the past year, we have taken solid steps towards New Finance. Being high-spirited, we witnessed the great achievements made in the past 70 years since the founding of the People's Republic of China, and stayed committed to making new progress in the new era. In the past year, people of CCB worked hard to reach new heights. We launched the campaign themed "Staying True to Our Founding Mission" across the Bank, fully practiced the new development concept of innovation, coordination, green, openness and sharing, pursued development driven by "New Finance + high-tech", and continuously enhanced the "three capabilities" of serving the country's construction, preventing financial risks and participating in international competition.

Dedicated to developing, promoting and practicing New Finance, we reviewed the underlying logic of finance, and promoted the transformation to New Finance modes, that is, from being capital-oriented to human-oriented, from focusing on institutions to functions, and from being centralized to ubiquitous. We are committed to developing people-centered New Finance, implementing new concepts, incorporating new elements, and building a new ecology and a new system based on collaboration, engagement and common interests.

### **Promoting equity and inclusiveness with New Finance to benefit more people and improve their well-being.**

Humans define the world. Serving human's advancement is an integral part of New Finance. We have implemented the house leasing strategy to respond to human's essential need of "settling down". A network consisting of Jianrong long-term rental apartments, new houses in urban villages, home of sanitation workers and other housing resources was gradually developed to help different groups of people to realize their "dream of settling down".

Finance is like water, which nurtures rather than hinders growth. New Finance aims to promote the financial well-being of all people. We have implemented the inclusive strategy to address the long-standing problem of insufficient financial services for small and micro-sized enterprises and "agriculture, rural areas and farmers", and to fulfil their industrial and professional goals. Relying on big data and high-tech, we have supported small and micro-sized enterprises by expanding their access to loans and significantly reducing the financing cost. We have successfully built an incubation platform for entrepreneurship and innovation and launched the "Inclusive Finance Training Plan for a Million Entrepreneurs", so as to enhance the vitality of small and micro-sized enterprises. The "Yunongtong" service network now basically covers the townships and administrative villages nationwide, bringing modern financial services to the farmers in their villages. Meanwhile "Mingonghui" has effectively addressed the social problem of "difficulty for migrant workers to get paid" by making timely and correct payment for migrant workers.

**Making New Finance the infrastructure to enhance social governance by upholding openness and sharing.**

The new wave of technology has become an important contributor to New Finance. Leveraging technological innovation, we can enrich financial products and make financial services more accessible. Therefore, New Finance is one of our ways to enhance social governance and realize healthy economic operations. Relying on its “new-generation” core system, we have promoted FinTech innovation, and facilitated the modernization of the country’s governance system and governance capacity through the smart government platform. The “Workers’ Harbour” serves as a new platform for the modernization of community governance and the development of community finance in the new era.

He who helps others benefits the most. New Finance is designed to be more open and inclusive, and thus empowering more social groups. Our CCB University has further opened its doors to all walks of life, and cultivated more professionals for New Finance while popularizing financial knowledge and providing related training for owners of small and medium-sized enterprises, entrepreneurs and farmers. During the countryside social practice activities held in the summer, we sent tens of thousands of students from home and abroad to over one thousand counties across the country. These efforts also aim at connecting more groups to CCB’s resources, and delivering our knowledge and expertise accumulated over a long period of time.

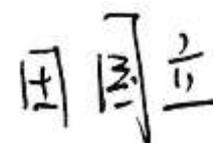
**Building a strong foundation for more sustainable and healthier development of New Finance**

Capacity building has always been the foundation for the sustainable and healthy development of financial institutions. We have set up a leading group to guard against and mitigate material financial risks, released a systemic risk index system, and continuously improved the capacity of risk research, mitigation and resolution, in a bid to firmly defend the bottom line of risk. We actively supported major national strategies such as coordinated development of the Beijing-Tianjin-Hebei region, integrated development of the Yangtze River Delta and building of the Guangdong-Hong Kong-Macao Greater Bay Area, and further leveraged this capacity to allocate green financial resources to help mitigate climate change. Led by Party building, the Bank has advanced targeted poverty alleviation efforts in a comprehensive and in-depth manner through e-commerce, credit support, extension of service network, and public welfare activities.

The new era calls for New Finance, and New Finance serves the new era. Standing at the new historical juncture, CCB will, as always, resolutely move forward, and actively explore the best practices of New Finance in improving people’s livelihood, enhancing public governance and addressing social problems. In 2019, the story of Zhang Fuqing, a retired manager of CCB, reached a wide readership and inspired all CCB staff to model after the meritorious deeds of the old hero in practicing New Finance and serving the economy, society and the people with patriotism.

2020 is destined to be an extraordinary year. At the beginning of the year, the sudden outbreak of COVID-19 has put everyone to the test. We earnestly followed the guidance of the central government, and promptly responded to the epidemic. Firmly shouldering the responsibilities of a large state-owned bank, CCB has issued a series of measures to guarantee financial services and leveraged its advantages in New Finance and high-tech to support epidemic prevention and control, and ensure stable economic and social development. Even the coldest winter will come to an end. After the epidemic ordeal, the country, society and CCB will realize more solid and sustainable development in the future.

2020 is also a year full of expectations, as we enter the final stage in fighting against poverty, and nearing the goal of building a moderately prosperous society in all respects. We will adhere to our original aspiration and initial mission, attach equal importance to obligations and interests, and boost the development of the real economy. Responding to people's aspirations for a better life, we will use the "gentle scalpel" of finance to alleviate the "pain points" of society, and draw the "Second Curve" with New Finance efforts, in a bid to serve high-quality economic and social development.



Tian Guoli  
Chairman

China Construction Bank Corporation

# 2019 Highlights



## Continuing to refine the operation management

The Bank further studied and implemented Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and the guiding principles of the 19<sup>th</sup> National Congress of the Communist Party of China, and closely integrated the adherence to the Party leadership, the enhanced Party building, and modern banking governance into all aspects of its work. It launched the education campaign on “Staying True to the Party’s Founding Mission” firmly carried forward General Secretary Xi Jinping’s requirements for developing the Bank’s “three capabilities”, learning from the model deeds of the veteran war hero Zhang Fuqing and furthering financial supply-side structural reform and making finance better serve the real economy, and responded to people’s expectations for a better life in the new era with New Finance action.

The Bank actively served the coordinated development of the Beijing-Tianjin-Hebei region, the integrated development of the Yangtze River Delta, the development of the Guangdong-Hong Kong-Macao Greater Bay Area and other major national strategies. It paid close attention to precautions for environmental and social risks of overseas projects, and established sound communication mechanisms with financial institutions in countries along the Belt and Road to jointly create a harmonious financing environment.

The Bank deeply advanced the inclusive finance strategy to help the development of private enterprises and small and micro businesses. It set up the Rural Revitalization Finance Department, a tier-one department at the Head Office, and signed the Comprehensive Cooperation Agreement with Agricultural Development Bank of China to carry out all-round cooperation in poverty alleviation, rural revitalization and other relevant fields. At the end of 2019, the balance of inclusive finance loans was RMB963.155 billion, the balance of loans to agriculture, rural areas and farmers was RMB1,812.489 billion and the balance of loans for targeted poverty alleviation was RMB219.507 billion.

The Bank established a leading group for the critical battle of forestalling and defusing major financial risks. The leading group set its office under the Risk Management Department and was specifically responsible for advancing, coordinating, and supervising various tasks of forestalling and defusing major financial risks. The Bank issued systemic risk index system “CCB – Nankai Systemic Risk Index”. This was intended to monitor real-time systemic financial risk, enhance the Bank’s abilities in risk research and systemic financial risk prevention.

## Serving state and social governance

The Bank thoroughly implemented the overall requirements of the CPC Central Committee and the State Council for promoting the modernization of the state governance system and capacity, and launched the strategy of smart government services on all fronts to help governments at all levels advance their building of “internet plus government” and “internet plus regulation”. The Bank provided great support for governments at all levels in enhancing their service capacities, improving business environments, developing smart cities and other aspects.

The Bank solidly implemented the house leasing strategy and supported the government in building the national real estate market monitoring system and the national public rental house information system. It launched the comprehensive house leasing service platform in 324 cities at prefecture level and above across the country, providing management services such as house verification, contract signing and filing in over 100 cities.

For migrant workers, the Bank launched the customized “Mingonghui” service which was integrated with resources from multiple parties like government departments, owners, maincontractors, labour service companies, and migrant workers, thus ensuring that migrant workers could get paid in time and in full amount.

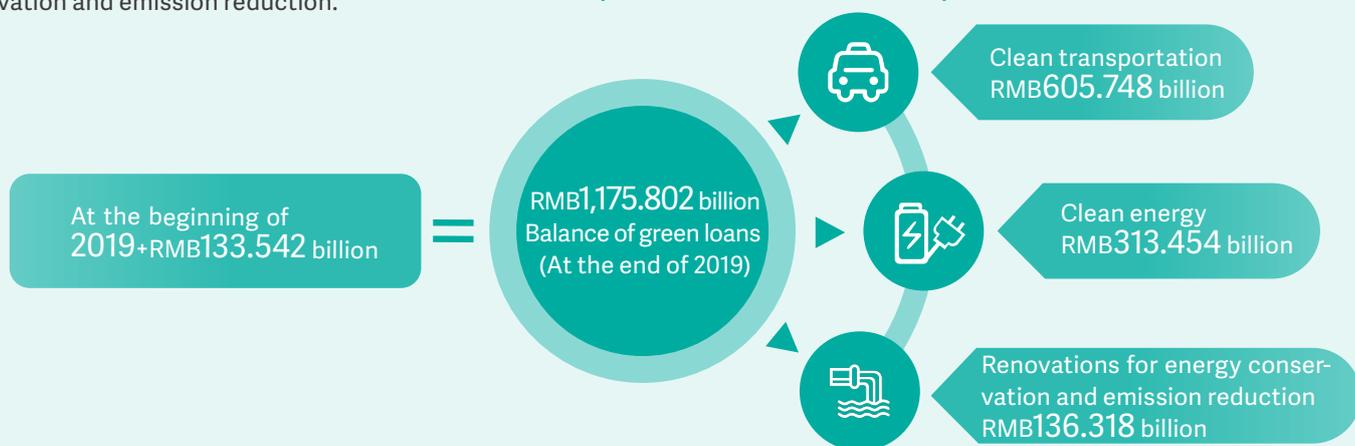
The Bank set up a total of 14,310 Workers’ Harbours, providing drinking water, temporary place to rest, mobile phone charging, rain gear and other services, and creating a new platform for the community governance modernization and financial development of communities in the new era.

## Facilitating the green and low-carbon development

At the end of 2019, balance of the Bank's green loans was RMB1,175.802 billion, increasing by RMB133.542-billion over the beginning of the year. Among these loans, RMB605.748 billion was granted to clean transportation, RMB313.454 billion to clean energy and RMB136.318 billion to renovations for energy conservation and emission reduction.

In terms of green operation, the Bank signed contracts online for whole process via the "Longjicai" platform and achieved paperless contract printing.

The Bank ranked the highest level, "Excellence", in the energy-saving target responsibility assessment of energy consumption units in the place where headquarter was registered.



## Creating diversified and shared value

The Bank's social contribution value per share was RMB **3.08**.

The Bank had **347,156** employees all over the world.

The Bank donated RMB **134** million for public welfare.

Throughout the year, CCB University held **14,700** sessions of free "Jinzhihuimin" training courses all over the country, benefiting **1.35** million people.

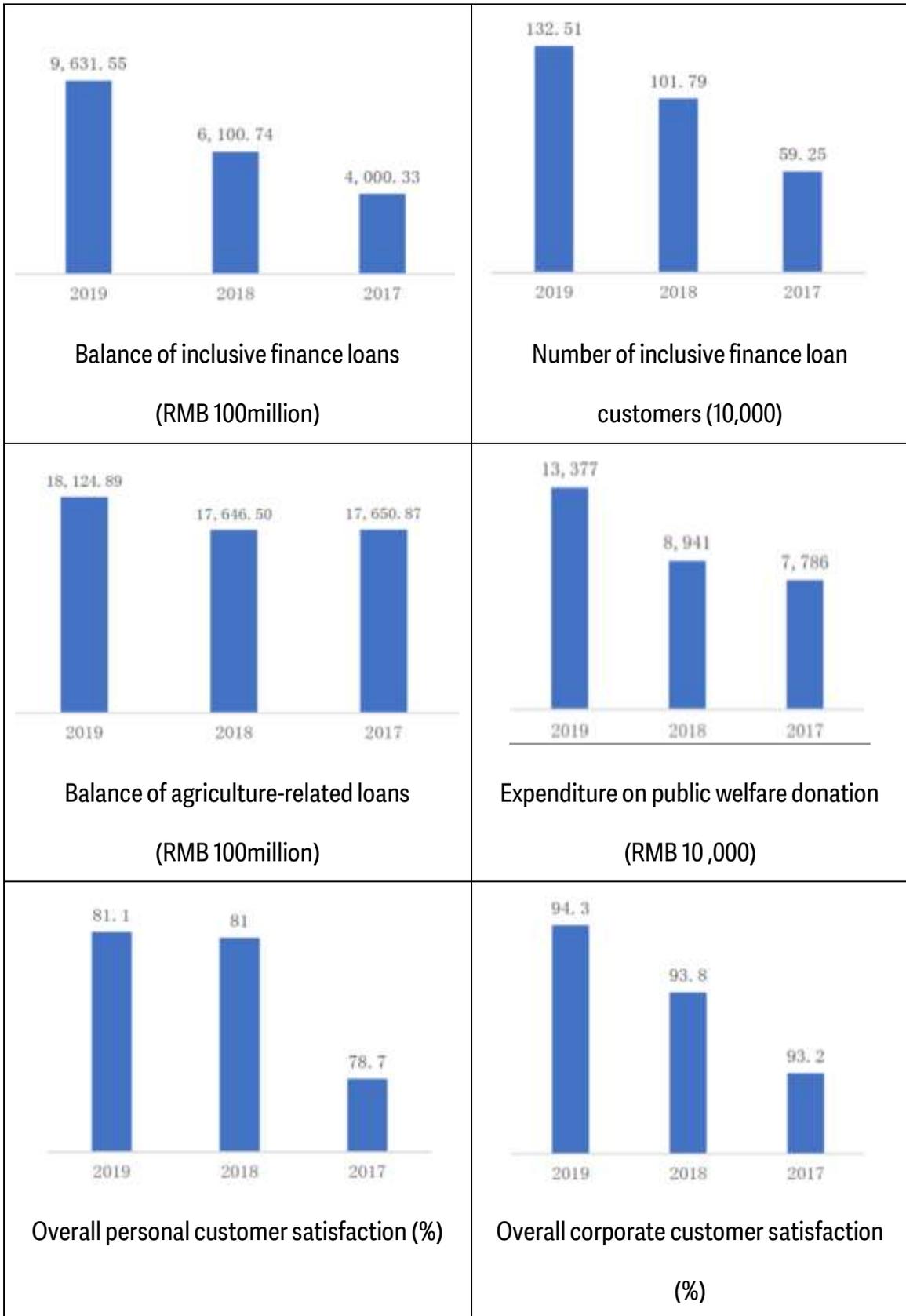


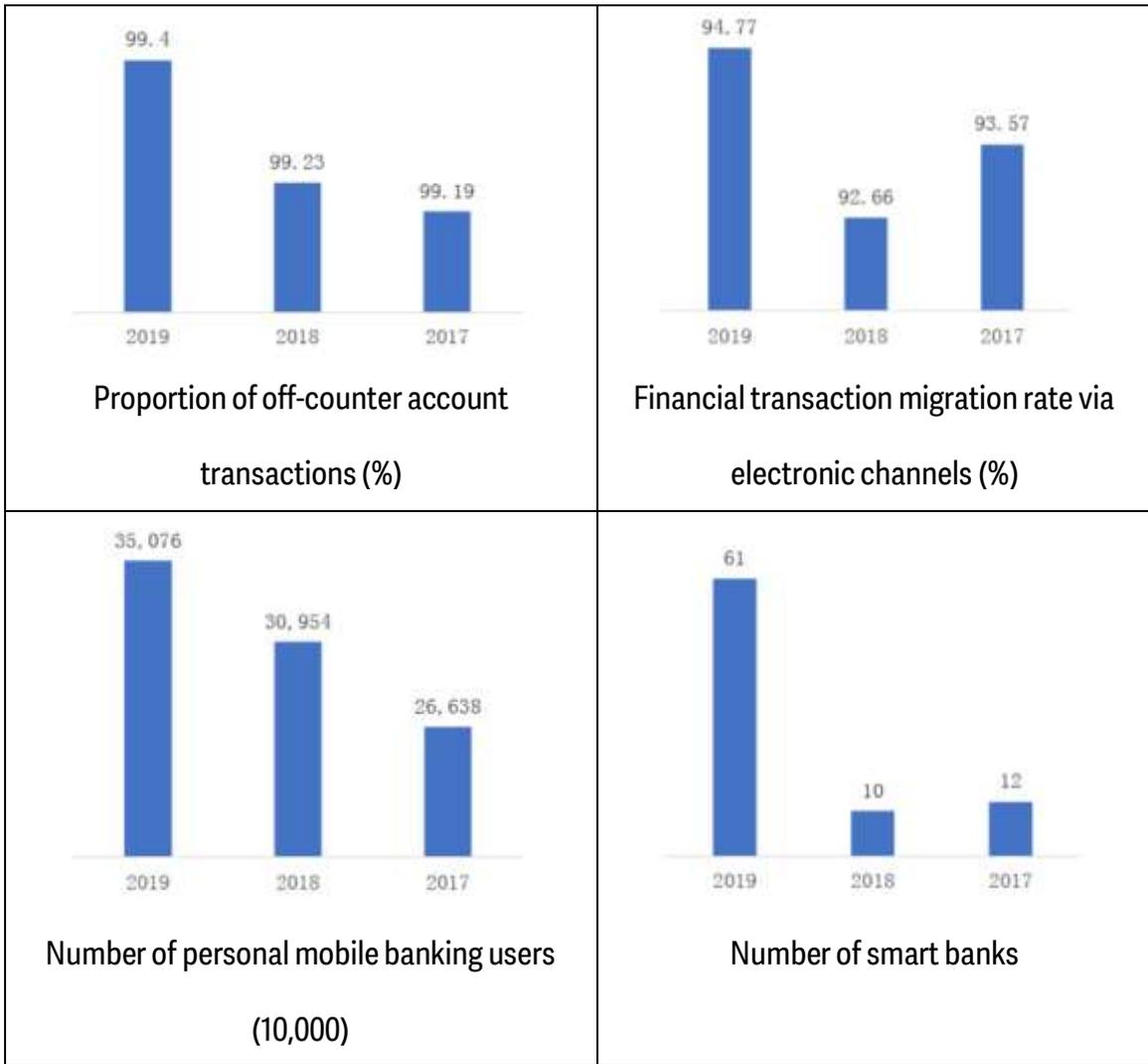
### CCB Model

In May 2019, Xi Jinping, General Secretary of the CPC Central Committee, Chinese President, and Chairman of the Central Military Commission, made an important remark on the meritorious deeds of Zhang Fuqing. Xi noted, "The old war hero Zhang Fuqing hid his great deeds for more than 60 years and has stayed true to his original aspiration all his life. As a soldier, he defends the country; as a civilian, he works for the people's wellbeing. Zhang lives a great life with his simplicity, purity, and indifference to fame and fortune, setting an example for both officers and soldiers in service and veterans of the armed forces." Xi called for carrying forward the spirit of dedication, encouraging people to come together and create a powerful force to forge ahead in the new era.

Comrade Zhang Fuqing used to serve as Deputy General Manager of CCB Enshi Laifeng Sub-branch in Hubei before retirement. The 95-year-old man was a soldier of Company 6, Battalion 2, Regiment 718 of Brigade 359 under the Northwest Field Army. Braving the hail of bullets in the Liberation War, he was cited by the Northwest Field Army for the first-class meritorious service three times, for the second-class meritorious service once, and for the outstanding service. He also won the honorary title of "Combat Hero" twice. In 2019, Zhang Fuqing was conferred the titles "national outstanding CPC member" "model of our times" "national moral model" and "most beautiful striver". In September, he won the "Medal of the Republic".

The Bank launched the campaign of "Learning from the Hero for Higher Stance, Greater Contribution and Better Development" across the Bank to promote the staff to learn from Zhang Fuqing for staying true to original aspirations and being indifferent to fame and fortune, and to carry forward the Bank's positive corporate culture.





# Strategy: Reshape Development

## Embrace New Finance for a Sustainable Future

### Challenges and Opportunities

Socialism with Chinese characteristics has entered a new era, which has brought great changes to China's financial system and given rise to New Finance both in theory and in practice. New finance rises with the purpose to face and address the difficulties, pain points and service obstacles that cannot be solved in the traditional financial system. The historical mission of financial practitioners in the new era is to review and reflect on the development logic of financial work with the concepts of innovation, coordination, greenness, openness, and sharing so as to develop people-centered New Finance.

### Strategy and Advancement

#### In 2018

the Bank launched the strategy of inclusive finance, committing itself to providing more convenient financial services to the inclusive finance groups such as small and micro-sized enterprises, innovative start-ups, agriculture-related enterprises and poverty-alleviating projects. Driven by "Inclusive Finance" + "House Leasing" and supported by FinTech, the Bank reshaped its advantages in comprehensive services.



#### House leasing

The Bank gradually formed the network of the house leasing platform, helping build "CCB Jianrong Jiayuan" community, new houses in urban villages, homes for sanitation workers, and other forms of housing. These new kinds of house supply begin to help different social groups realize their "house dreams". The Bank solidly assisted the government in building the national real estate market monitoring system, thus technically supporting the analysis on the real estate market conditions and the implementation of effective regulation. In addition, the Bank assisted in building the national public rental housing information system, improved the service efficiency of indemnificatory housing resources, and helped the government establish and improve the long-term development mechanism for the real estate market. It promoted the "digital real estate" systems nationwide for the links such as project construction approval, smart buildings, smart real estate management, and transaction fund supervision, to help local governments improve their governance capacities in housing sector.



#### FinTech

The Bank is committed to strengthening technology-driven development to deeply empower financial innovation, promoting open-capacity development to provide technology and information sharing services to society, and expanding the platform ecology to create an ecosystem for clients and partners. Besides, the Bank strives to integrate resources with the concept of sharing, to benefit the public with the power of technology, and to repay society with the wisdom of finance.



#### Workers' Harbour

In 2018, the Bank launched a campaign to share service resources in its physical outlets, providing various convenient services for outdoor workers like sanitation crew, taxi drivers, traffic police, couriers, and volunteers as well as different social groups like the elderly, the sick, the disabled, and the pregnant. Through this campaign, the Bank also created a new platform for the modernization of community governance and development of community finance in the new era.

#### In 2019

the Bank started the "Second Development Curve": The Bank focused on empowering businesses by fostering an ecology featuring co-existence and common prosperity and be full life-cycle partners for enterprises. It strengthened efforts to make breakthroughs in serving customers, empowering the public and bringing warmth to people. It also enhanced the linkage with governments and played an important role in facilitating social governance and won the trust of the country as the financial pillar.



#### Inclusive finance

With the abilities to apply FinTech and data, the Bank broke through the traditional business model and launched the innovative product, "Huidongni" App, to create the one-stop mobile financial service platform for inclusive customer groups. It also provided a series of big-data financial products such as the "Rapid Loan for Small and Micro Businesses", the "Operating Loan to Owners of Individual, Small and Micro Businesses", the "Rapid Transaction Loan", and the "Traditional and New Agricultural Entity Loan" to address the problems in credit and mortgage loans. Meanwhile, the Bank implemented the active whole-process management and control and improved the sensitivity and accuracy of risk identification. The "Yunongtong" service networks basically covered the administrative villages all over the country, making inclusive finance available to every rural family.



#### Smart Government Services

In 2019, the Bank launched the strategy of smart government services to help governments at all levels advance their building of "internet + government" and "internet + supervision". It created the first comprehensive convenient government service platform that incorporated all processes and covered all matters and application scenarios in the industry. Through this platform, different entities like natural persons, corporations, and government agencies can enjoy the online and offline integrated administrative approval services, and the general public could enjoy electronic payments, smart industry applications, and digitalized urban services. This platform conducted to enhancing the governments' governance capacities, improving business environments, and boosting people's well-being.



#### CCB University

Since CCB University was established last year, the five series public welfare education training courses of "Jinzhihuizheng", "Jinzhihuichuang", "Jinzhuihuinong", "Jinzhihuigong" and "Jinzhihuixue" have introduced the wisdom of New Finance to common households, helping the masses feel the warmth of financial services and benefit more from inclusive finance.

# Progress: Our Actions

## Inclusive finance for better livelihoods

### Technological empowerment: facilitating private enterprises and small and micro businesses



In the three years starting from 2018, the balance of inclusive finance loans will reach RMB1 trillion, and the number of new clients will exceed 2 million, with the NPL ratio below 3%.

#### Progress

Since 2016

the Bank has launched the "Rapid Loan for Small and Micro Business", an online financing service.

In April 2017

the Bank set up the Inclusive Finance Development Committee and the Inclusive Finance Business Unit and formed a "three-level" vertical organizational structure involving the Head Office, branches and sub-branches for inclusive finance.

In May 2018

the Bank launched the inclusive finance strategy and formulated a three-year plan for this strategy.

In September 2018

the Bank launched the one-stop mobile financial service platform, "CCB Huidongni" App, handling the whole processes online for the series products like the "Rapid Loan for Small and Micro Business".

In October 2018

the Bank established an inclusive finance research think tank and released the *Blue Book of Inclusive Finance in China (2018)* and the "CCB-Xinhua Inclusive Finance-SME Index".

In November 2018

the Bank released 26 specific measures to support the development of private enterprises and small and micro businesses.

In 2019

the Bank refined the "great inclusion, new inclusion" pattern, promoted the building of the social credit environment and enhanced the vitality of technological innovation enterprises and small and micro businesses.

In January 2019

the Bank set up "Grameen-CCB Inclusive Finance Innovation Laboratory" in Shenzhen.

In June 2019

the first session of the "Training Program for a Million Entrepreneurs on Inclusive Finance" was opened.

In September 2019

the Bank launched the brand "Technology Incubator Platform" in Shenzhen Nanshan Kexing Industrial Park.

### Cooperation with Partners: supporting rural revitalization



The Bank aims to strengthen the strategic cooperation with the Ministry of Agriculture and Rural Affairs to address the problems such as insufficient funds and resource inflows to agriculture and rural areas. It also aims to conduct all-around cooperation with Agricultural Development Bank of China in poverty alleviation and rural revitalization.

#### Progress

In 2019

the Bank implemented the national strategy of rural revitalization and established the Rural Revitalization Finance Department.

Following the intensified, industrialized, and standardized agricultural development trend, the Bank established a differentiated system for agriculture-related financial products and a stratification system for agricultural-related clients, thus diversifying the originally monotonous agriculture-related financial services.

The Bank expanded the inclusive finance services for small and micro agriculture-related enterprises and farmers and innovated the network supply chain approach to serve agriculture, rural areas and farmers.

The Bank made full use of the advantages of "Yunongtong+", that is, "product superposition, scenario superposition and platform superposition", promoted the penetration of the inclusive finance service network in rural hinterlands, addressed pain points such as insufficient supply of financial products and services in rural areas, and upgraded the "Yunongtong" comprehensive service platform for rural revitalization. At the end of 2019, the "Yunongtong" service network had basically covered towns and administrative villages across China.

The Bank actively followed up the rural property rights system reform and developed the management right mortgage loans of rural contracted land and the mortgage loans of farmers' housing property rights.

The Bank efficiently supported individuals' demands on agriculture-supporting loans and innovated the "N + farmer" loan mode.

The extension of CCB University platform made training available in rural fields, enabling the industrial development in rural areas through financial services and facilitating poverty alleviation and rural revitalization.

## 1. Facilitating private enterprises and small and micro businesses

The Bank constantly refined the “mega inclusion, new inclusion” pattern and pressed ahead with the strategy of inclusive finance, so as to continuously ease the social pain points of difficulty in access to affordable financing by small and micro businesses and meet the requirement of regulatory authorities for inclusive small and micro businesses.

- **Mega inclusion:** With forces across the Bank united, the Bank expanded financial services for agriculture-related business entities while committing to small and micro businesses, explored service modes for innovative and technology innovation enterprises to provide integrated services.
- **New inclusion:** On the basis of the CCB Mode of “batch customer acquisition, accurate profiling, automated approval, intelligent risk control, and integrated services” and “one-minute” financing, “one-stop” services, and “all-in” fee-charging, the Bank augmented online financial service abilities, explored offline FinTech empowerment, provided financial services and extended pan-financial services and promoted the building of inclusive ecology, so as to realize win-win results for all parties.

### Progress

- Adhering to the philosophy of “granting credit based on tax, promoting credit with tax”, the Bank deepened banking-tax cooperation and developed the “internet + tax + credit” online credit mode to address financing difficulties for small and micro businesses and promote the building of the social credit environment.
- The Bank carried out the national strategy of innovation-driven development, launched big data-based credit business in line with the demand of technology innovation enterprises, researched and developed technology financial products such as technology enterprise development loans, created the evaluation system that quantitatively assessed corporate behaviors and achievements in technology innovation in multiple dimensions and kept improving capabilities in customer service.
- It initiated the “Training Program for a Million Entrepreneurs on Inclusive Finance” and developed the course system and training scheme for owners of small and micro businesses and individual businesses to improve their financial literacy and operation ability and bring greater vitality to small and micro businesses.

**Case****Developing the “Technology Incubator Platform” of inclusive finance**

In cooperation with government departments, venture capital companies, core enterprises, scientific research institutions, and incubation institutions, the Bank integrated high-quality internal and external resources to provide start-ups and innovative enterprises with the “Technology Incubator Platform” of inclusive finance, an online and offline comprehensive one-stop service platform featuring “finance + incubation + industry + education”. Currently, this platform has been piloted in multiple branches and launched in Shenzhen.

**Launching “Start-up Loans for Women”**

The Bank promoted the pilot cooperation program with Grameen inclusive finance mode in Shenzhen Branch, Shaanxi Branch and Henan Branch, and launched “Start-up Loans for Women”, providing funds for start-ups by female through credit to support customers to realize their entrepreneurial dream.

**2. Targeted poverty alleviation with financial services**

The Bank continued to follow the basic strategy of targeted poverty alleviation and eradication, and explored a sustainable mode of e-commerce channels first, relevant credit innovation, service network extension, public welfare activities for promotion and pooling of resources from all parties. It implemented the requirements of the regulators on supporting severely impoverished areas and comprehensively improved the quality and efficiency of targeted poverty alleviation in those areas with financial services.

**Progress**

- The Bank continued to promote the implementation of the industrial poverty alleviation mode “Crossing 2020 – N + Filing for Poor Households” to help them realize income rise and get rich.
- The Bank focused on major areas and made differentiated support policies on credit for severely impoverished areas and designated areas for poverty alleviation.
- The Bank offered aid in pairs and paired branches in severely impoverished areas in “Three Regions (Tibet, four areas in southern Xinjiang, Tibetan areas in Sichuan, Yunnan, Gansu and Qinghai) and Three Prefectures (Linxia in Gansu, Liangshan in Sichuan, Nujiang in Yunnan)” to resource and policy departments at the Head Office, so as to step up support and aid for the branches in those areas.
- Relying on its e-commerce platform, the Bank tapped into e-commerce and consumption for poverty alleviation and organized a series of activities in the year of the same theme. A poverty

alleviation hall for the “Three Regions and Three Prefectures” was set up on the e-commerce platform to accelerate the introduction of merchants from severely impoverished counties and help poor households in those areas realize effective income rise.

**Case**

**Head Office: Poverty alleviation and revitalization over the cloud**

Industrial poverty alleviation: The Bank promoted the “Cloud Production” Targeted Poverty Alleviation Program in Ankang, Shaanxi Province. By establishing a three-level cloud production system which consists of centralized “Cloud Production Bases”, “Cloud Production Sites” distributed at villages and “Cloud Production Applications” on mobile phones, the Bank has facilitated the poverty-stricken families’ employment and income increase.

Smart governance: The Bank established an integrated platform for Party and government affairs and public services, breaking down data silos and minimizing administrative service costs for enterprises, the masses and governments.

E-commerce poverty alleviation: The Bank cooperated with local leading enterprises in Ankang on launching the “Tea Garden Claim Program” to precisely assist the poverty-stricken tea farmers with income increase.

Financial poverty alleviation: In Ankang, the Bank adopted new service models for people’s livelihoods, such as “Yunongtong + E-commerce”, “Yunongtong + Convenience Store”, “Yunongtong + Clinic” and “Yunongtong + ETC” to address the “last-mile” delivery problems in rural financial services.

Health poverty alleviation: The Bank gave priority to spreading health concepts, knowledge and services to rural areas in health poverty alleviation work. Basically, with CCB’s support, village clinics were capable to cure minor and acute illnesses, township health centers to treat common diseases, and county hospitals to diagnose and treat intractable diseases.

**Guizhou Branch: Alleviating poverty through industrialization to achieve win-win results**

Guizhou Branch explored a new industrial poverty alleviation mode of “leading enterprises + finance + farmers”, with the red-fleshed kiwi fruit industry taken for piloting. It supported core enterprises in building up a whole-industrial chain by granting them credit. Farmers participated in projects with contracted lands as shares and were entitled to land circulation fee, labor income and profit sharing of core enterprises. On CCB’s e-commerce platform, sales of kiwifruit were secured and farmers could buy wealth management products with the sales income to realize value preservation and increase.



**Figure: Kiwifruit planting has become a major source of income for local farmers, and CCB employees to approach farmers and promote sales of agricultural products.**



For more information on the case, please scan the QR code.

**Sichuan Branch: Innovating in the “industry and education integration” poverty alleviation mode**

Sichuan Branch re-organized job positions such as outbound customer service calls and credit card installment, so as to directionally recruit age-appropriate target groups for poverty alleviation (including the handicapped). Besides, it organized training resources of CCB University and offered occupational skill training on computer and cooking etc., so as to cultivate their sustainable working abilities and realize social employment migration. Positions that were made available were then opened to new target groups of poverty alleviation so that the employment cycle of industry, education and socialization was activated.



**3. Supporting rural revitalization**

In 2019, the Bank deeply implemented the rural revitalization strategy, actively practiced the idea of New Finance, and adhered to the penetration of technology, product and service. It upgraded the “Yunongtong” comprehensive service platform for rural revitalization, put forth effort to solve social pain points such as insufficient financial services in county and rural areas, and provided inclusive financial services and non-financial comprehensive services to rural residents, bringing benefit to every rural family.

## Progress

- The Bank developed the circulation system of rural land management right, standardized circulation and mortgaged trading of the right and enhanced the financial availability for agriculture-related entities.
- It adopted “agricultural big data + FinTech” to realize whole-process online processing of loans, which substantially lowered the financing cost of agriculture-related customers.
- It launched “Mingonghui”, a service platform for migrant workers, to realize timely and accurate transfer of wages. This platform provides special funding for employers to ensure that they have sufficient funds for wage payment, makes precise payee confirmation with big data in labor management, and supports direct and accurate transfer of wages through FinTech. These efforts help to tackle the social issue of “difficulty for migrant workers to get paid”.

## Case

### **Joining hands with governments, businesses and customers for coordinated development**

Cooperating with governments, the Bank developed a new-type bank-government relationship with multiple characteristic models, such as Yunan’s “Yunongtong + Smart Government Affairs” and Henan’s “Yunongtong + Information Unit for Farmers”. Joining hands with businesses, the Bank innovated bank-enterprise cooperation models by carrying out strategic collaboration in rural inclusive finance with Haier Group and jointly building the rural inclusive service platform “CCB Yunongtong + RRS Lenong”. “Qingdao Template” and “Liaoning Template” with regional characteristics sprang up. Empowering customers, the Bank supported entrepreneurs and innovation groups who return to their rural hometowns or go to rural areas in becoming rich first, supported migrant workers and rural left-behind families in enjoying modern financial services and supported the popularization of knowledge and skills in rural areas.

### **Beijing Branch: Connecting production and consumption to build a pattern of consumption for poverty alleviation**

By working with Beijing Leading Group Office of Poverty Alleviation Collaboration, Aid and Cooperation, Beijing Association for the Promotion of Aid and Cooperation and Beijing Capital Agribusiness & Foods Group, Beijing Branch initiated the “Two Halls + One Card” mode based on the offline Beijing Mass Entrepreneurship and Innovation Center on Consumption for Poverty Alleviation and the online “Specialty Product Hall” and “Caring Card” on CCB’s e-commerce platform (e.ccb.com). By promoting consumption for poverty alleviation, it drove the industrial development in paired areas for Beijing’s aid and cooperation and helped realize the effective connection between targeted poverty eradication and rural revitalization.



For more information on the case, please scan the QR code.



#### 4. Better housing services for the people

In 2019, the Bank pressed ahead with the house leasing strategy and actively built the new ecosystem of house leasing. The Bank refined the comprehensive house leasing service platform, provided tools and assistance for local authorities to manage the house leasing market, and helped them establish and refine the long-term development mechanism of the real estate market.

##### Progress

- The Bank facilitated the government’s establishment of the national real estate market monitoring system, thus technically supporting the analysis and study of the real estate market condition and the conduction of effective regulation. The Bank assisted in building the national public rental house information system to efficiently improve the IT-based management for public rental housing.
- Relying on the house leasing platform and ecosystem, the Bank innovated new-type wealth management services represented by “house deposits” of citizens to promote idle stock housing for barrier-free connection, orderly flow and efficient utilization. The services not only cleared “barrier lakes” in the housing market and properly eased financial risk, but also facilitated wealth preservation and increment for home-owners.
- It stepped up researches on big data analysis and compiled more professional housing index analysis reports to provide customers of local housing market with market information and statistical reference from multiple perspectives, so as to promote the real estate market to develop steadily.
- The 1<sup>st</sup> Meeting of House Leasing Industry Alliance was successfully held in Dalian. The meeting strengthened integration and sharing of information, technologies and services among the alliance members and promoted the integration and facilitation among financial services, market operation and government administration. It contributed new forces to building a standardized, efficient and sharing house leasing system, providing premium house leasing products and services and realizing a high-quality better life.

##### Case

##### Idle assets transformed into long-term rental apartments

On 20 March 2019, the “Jianrong Jiayuan • Nanjing Guanjiqiao Branch” was opened for service as China’s first “Jianrong Jiayuan” project renovated from privately owned house property. The project was the result of collaboration between CCB Jiangsu Branch and Jianxin Housing (Jiangsu) with FinTech elements of CCB, intended to develop a new house leasing brand with “premium quality, excellent experience and optimal cost performance”.

**Innovating “New Rental Loans” to revitalize housing resources**

In the house leasing market in Guizhou, rental-to-price ratio was low and housing for market-based leasing was inactive; public rental housing predominated by government was massive in quantity and urgently needed funds for decoration and renovation. In line with the decisions and plans of the provincial Party committee and the provincial government for taking poverty eradication as the basis of overall planning on economic and social development, CCB Guizhou Branch put into play its FinTech abilities, drove housing resources to be listed through credit extension, innovatively launched “New Rental Loans” following market-based principles and provided leasing enterprises and customers with whole-process services covering house supply, leasing, matchmaking, financing and post-leasing management. In doing so, it not only effectively met the rental needs of tenants for public rental housing, but filled the gap of financial products in the house leasing market in Guizhou.



**For more information, please follow the WeChat official account “CCB Today”:**

- Tian Guoli: Addressing underlying social problems with the power of finance
- Integrated financial solutions on public rental housing promoting local economic development
- House Leasing Industry Alliance officially set up

**5. Protecting customers’ rights and interests**

The Bank continued to promote intelligent, systematized and ecological development by stepping up innovation and application of financial technologies. It built a smarter risk control system for the application of personal customers’ information and consolidated the capability in fraud prevention and control, safeguarding the security of customers’ information and funds.

**Progress**

- The Bank formulated the *Measures for Information Management of Personal Customers of China Construction Bank (2019)*. It refined requirements and principles on customers’ information management, division of responsibilities and emergency response and strictly carried out the stipulated requirements to safeguard customers’ information security.
- The Bank released the *Voice of the Customer*. It continuously collected suggestions and issues encountered by customers, identified the issues that caused difficulties and pains in the customer service process and compiled regular reports of *Voice of the Customer* and analysis reports on specific issues faced by customers.
- It offered safety prompts and risk education for customers in time via multiple channels such as WeChat official account and website to better prepare customers against risks.

- It strengthened the capability of intelligent risk control brain for online finance to accurately intercept fraudulent transactions. 24/7 remote services were offered to protect customers' fund safety.
- It issued special cards such as social security cards for the handicapped and minors and improved its ability in providing financial services for vulnerable groups, so as to serve people's livelihood with concrete actions.

**Case**

**Protecting customers' fund safety with great care**

The Bank's big data-based smart risk control platform detected risk with an RMB19,100 mobile banking transfer and intercepted the transaction. The risk control specialist contacted the involved customer Ms. Zhang immediately to save her from the loss. Afterwards, Ms. Zhang presented a silk banner saying "Protector of Customers' Fund Safety with Great Care" to express her gratitude.

Having learnt about a possible telecom fraud, Jiangxi Branch immediately inquired about the money flow and cooperated with police in recovering RMB260,000, saving the involved customer from large-sum financial loss.



**6. Benefiting education and supporting mass entrepreneurship and innovation**

As a large state-owned commercial bank, the Bank has always taken servicing education and colleges as its bounden social responsibility. The Bank has supported China College Students' "Internet Plus" Innovation and Entrepreneurship Competition and innovated campus services and online education platforms like "Jianrong Huixue" and "CCB Class (Jianxuetang)" to fully serve the development of China's educational cause.

**Case**

**China College Students' "Internet Plus" Innovation and Entrepreneurship Competition**

From 2015 to 2019, the Bank fully participated in China College Students' "Internet Plus" Innovation and Entrepreneurship Competition and named it "CCB Cup" for five consecutive years. The Bank named the finals successively in Jilin, Hubei, Shaanxi, Xiamen, and Zhejiang as well as over 70 provincial games across the country, investing more than RMB100 million and benefiting a client group of 5 million college students.



**Figure: The 5<sup>th</sup> “CCB Cup” China College Students’ “Internet Plus” Innovation and Entrepreneurship Competition**

**“Jianrong Huixue” one-stop integrated campus service platform**

The innovation-oriented and people-centered “Jianrong Huixue” platform provides colleges, teachers and students with smart and convenient one-stop services covering all stages from enrollment, learning and living to graduation. On 15<sup>th</sup> October 2019, during the finals of the 5<sup>th</sup> “CCB Cup” China College Students’ “Internet Plus” Innovation and Entrepreneurship Competition, Vice Premier Sun Chunlan inspected CCB’s exhibition area and noted, “CCB’s ‘Jianrong Huixue’ is a very good smart campus service platform. It should be well carried on.”



## Green finance against climate challenges

### 1. Environmental and social risk management

After the Board of Directors of the Bank reviewed and passed the *Strategy on Green Credit Development of China Construction Bank (2016-2021)* which identified preventing environmental and social risks, accelerating business development in green sectors and improving the Bank's own performance in social responsibility as the three major tasks in the green credit development strategy. In accordance with the *Strategy on Green Credit Development of China Construction Bank*, the Bank specially formulated the *Notice on the Enhancement of Environmental and Social Risk Management*, integrating the management throughout the credit process and clarifying specific management requirements and differentiated measures for pre-lending investigation, credit approval, loan extension review and post-lending management.

The Bank also strengthened the information system building, incorporated categorized indicators on environmental and social risks of customers into the credit process system, and realized whole-process prompts of risk information. Meanwhile, the Bank connected the risk information on external environmental violations into the internal management system to further improve capabilities in risk early-warning, management and control. It relied on the comprehensive risk monitoring and early-warning platform to monitor the environmental and social risks and included environmental information into the customer rating system where customers with negative environmental records would be downgraded.

The macrocosm of climate change objectively requires us to keep deepening our understanding, studies and researches. The Bank followed up and participated in ESG-related seminars and discussions, and scientifically pressed ahead with stress testing and related research. On the one hand, the Bank signed the *Green Investment Principles for the Belt and Road*<sup>1</sup> (GIP) and attended the first meeting on 16 August 2019, when it discussed topics on environmental and social risk analysis, environmental and social risk disclosure and innovation in green financial products with other attendees. On the other hand, it explored and conducted stress testing on environmental risk in the sub-industries, studied conduction paths of environmental risk, constructed stress testing models and analyzed the impact of environmental standard changes on credit ratings of customers.

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<sup>1</sup>In order to ensure that new Belt and Road project investment and financing are environment-friendly, adaptable to climate and socially inclusive, Green Finance Committee of China Society for Finance and Banking (GFC) and the City of London jointly released the *Green Investment Principles for the Belt and Road* (GIP). The United Nations Principles for Responsible Investment (PRI), Sustainable Banking Network (SBN) supported by International Financial Corporation (IFC), Belt and Road Bankers Roundtable (BRBR), Green Belt and Road Investor Alliance, World Economic Forum and Paulson Institute provided technical support.

**2. Green finance**

As calculated by the People’s Bank of China, for the 2°C temperature control target in the Paris Agreement, investments of trillions of US dollars need to be made annually across the globe. According to the estimate of Green Finance Committee of China Society for Finance and Banking, in the next five years, China need invest at least RMB2-4 trillion annually to cope with environmental issues and climate change.

The Bank actively assisted the Chinese government in fulfilling the commitments in the Paris Agreement and comprehensively implemented the ecological conservation strategy to cope with the persistent challenges presented by climate change to the whole society. The Board of Directors paid great attention to green finance on the strategic level and adjusted Green Credit Committee into Green Finance Committee to further put into play the Bank’s capability in allocating green financial resources and contribute to mitigating climate change.

The Bank offered support mainly to clean transportation and clean energy projects helpful for reducing greenhouse gas emissions and pollution prevention and control projects helpful for improving quality of air, water and soil. Credit input to industries with high pollution and high energy consumption was kept under tight control. Enterprises with significant environmental risks, violations on environmental laws and regulations that didn't rectify on time were not supported. Enterprises were supported in adopting new energy-saving and emission-reducing equipment and technologies to promote the structural adjustment and technical upgrade in traditional industries.

Following the first issuance of green and sustainability financial bonds in 2018, in 2019, CCB simultaneously issued green financial bonds (USD1 billion and EUR500 million) on the theme of coping with global climate change in Hong Kong and Luxembourg, and underlying assets were entirely clean transportation and clean energy projects.

<b>Case</b>
<p>Guangdong Branch pioneered with pledge financing on carbon emission rights in 2018 and further launched such products as Green e-Sales and Green Zurongbao in 2019 to help with green transport. Guangzhou Public Transport Group purchased new energy buses with Green Zurongbao, effectively easing its cash flow pressure posed by the heavy purchase cost. Besides, as the buses are put into service, it can save 34,592 tons of standard coal, reduce 198,030 tons of carbon dioxide emissions and cut 1,155 tons of nitrogen oxides annually.</p>

Fujian Branch granted RMB297 million loans to a leading player in sewage disposal in Fujian Province, to support the construction of sewage disposal plants. The building, upgrading and renovation of the plants effectively cut discharge of water pollutants in Fuzhou, improved water quality of the river system in the city and played an important role in protecting water quality of the Minjiang River, bettering local living conditions and safeguarding the urban eco-environment.

For more information on green finance of the Bank, please click the following links:

Guangdong Branch

<https://finance.sina.com.cn/roll/2018-12-28/doc-ihqfskcn1915075.shtml>

Chongqing Branch

<http://news.10jqka.com.cn/20191227/c616318486.shtml>

Zhejiang Branch

<https://zj.zjol.com.cn/news.html?id=1348612>

Jiangxi Branch

[http://www.jiangxi.gov.cn/art/2019/10/23/art\\_5493\\_810085.html](http://www.jiangxi.gov.cn/art/2019/10/23/art_5493_810085.html)



**For more information on environmental issues, please refer to the part  
“ESG Disclosure”.**

## Sharing innovation to empower development

### 1. Deepening FinTech development

In 2019, the Bank continued to promote the “TOP+” FinTech strategy to serve economic development and people’s livelihoods. It created an open and sharing smart ecosystem to help build the smart city government affairs service platform. Various products and services such as artificial intelligence platform and blockchain platform were applied to better satisfy the diversified demands of customers.

#### Progress

- The Bank consolidated capacity building in disaster recovery to provide strong support for business continuity of the information system.
- It set up an ITBP service team that was dedicated to analyzing collaborative cross-department business demands.
- It reinforced risk prevention and control and fully used big data and other technologies to develop capabilities in proactively preventing and resisting risks.

#### Case

##### Facilitating the building of Shanghai Technology Innovation Center with finance

In support of the building of Shanghai Technology Innovation Center, Shanghai Branch set up the Financial Core Lab for Technology Innovation, which, by integrating experiments and practice, was dedicated to innovation in systems, processes, products and services for technology innovation enterprises and better meeting their demands.

##### Improving customer experience with new retailing

The Bank worked with Dmall to develop retail and financial services embedded in consumption scenarios and enabled users to have better consumption experience via smart cashier terminals and scenario-based financial products.

##### Contributing to the health ecosystem with blockchain

Shandong Branch put into place an integrated service system covering government regulation, drug traceability and inquiry by the public. The system supported the whole-process regulation over drugs from production and circulation to use, ensuring consumers’ access to reassuring drugs.





**Figure: A 5G smart bank developed into a new venue for digital and environment-friendly financial and social services.**

**2. Enabling smart government affairs**

The Bank thoroughly implemented the overall requirements of the CPC Central Committee and the State Council for promoting the modernization of the state governance system and governance capacity, and launched the strategy of smart government affairs. Through fully tapping into the financial and industry resources, the Bank established a “digital bridge” between governments, enterprises and the masses. With those efforts, the Bank facilitated enhancing governments’ modern governance capacity, improving business environment, and developing a social governance system based on collaboration, participation and common interests. By so doing, government services were refined, the people benefited, and enterprises revitalized.

Case
<p><b>“One Cell Phone for All Businesses” in Yunnan</b></p> <p>“I didn’t expect it to be so fast and convenient,” said Mr. Fu from Wuding County in Chuxiong Prefecture, Yunnan Province. He just successfully got his ID card replaced via “One Cell Phone for All Business”. Yunnan Branch and the Yunnan Provincial Government cooperated in “internet + government services” to realize a closed service loop for governments, enterprises and individuals. The two sides worked together to build a “1 in 5” smart government affairs pattern that allowed people in Yunnan to enjoy government services through the App, the PC side, physical outlets, Yunongtong, and government affairs service halls.</p> <p><b>“One Platform for All Government Services” in Shandong</b></p> <p>“We have spent over two months sorting out a catalogue of more than 1.2 million government affairs service matters and published an implementation list of over 1.17 million matters. In other provinces, such work might be completed in two or three years.” Shandong Branch fully played the</p>

role of a general integrator. Based on the integration of online and offline government services and with the “connection” of data and services as its core, this platform provides people with convenient government services that are handled at one go, and becomes China’s first provincial-level general “Platform for All Government Services” that integrates three networks.



### 3. Well building CCB University

Since its establishment one year ago, CCB University followed the vision of “Corporate University of New Era, New Finance, New Ecosystem” to plough the core values in the new journey of serving society, strategies and employees. In doing so, it strived to shape the new ecosystem that looked admirable, spoke loudly and reached far.

- Looking admirable: It developed the new thinking of “media-integrated publicity” and collected and edited videos, audios, graphics and texts in an integrated way as contents of news reports.
- Speaking loudly: It worked with renowned higher education institutions such as Fudan University and Nankai University as well as innovative enterprises such as BYD to pool wisdom and empower society.
- Reaching far: China Media Group’s programs News Broadcast, Live News and Night News reported on/covered CCB University.

#### Progress

- Resorting to the power of technology, CCB University set up a big data lab, a drill base and a joint FinTech innovation lab to empower society with industry-education integration.
- It built up the new brand “Jinzhihuimin” and launched the New Finance enlightenment campaign for the public to popularize financial ABCs.
- The 1<sup>st</sup> Council Meeting of Industry-Education Integration Alliance for New Financial Talents was held and the “Shanghai Action Plan 2019-2021” of the Alliance was launched. The purpose was to cultivate financial talents and promote translation and market application of scientific research achievements. The “One University in One Province” project was initiated to gradually realize the effective connection between talent cultivation at higher education institutions and talent use by enterprises.
- It published the *Tutorial Series on the Three Strategies*, implemented the “i-University, Growing Together” three-year action plan for employees and built up the “industry-learning-research-application” series of new projects to improve employees’ capabilities

in serving customers.



For more information on the progress, please scan the QR code.

**Case**

**10,000 Students practicing in the countryside on summer vacation**

CCB University launched the “Jinzhihuimin – Rural Revitalization” program, with 10,000 students practicing in different teams in the countryside on summer vacation. They held temporary positions in “village banks”, offered “Jinzhihuimin” training and conducted surveys in township enterprises, bringing financial services and financial knowledge to the fields and contributing “golden ideas” to rural revitalization.



**“Jinzhihuimin – National Training for Female Entrepreneurs and Innovators”**

The Bank joint hands with All-China Women’s Federation to launch the “Jinzhihuimin – National Training for Female Entrepreneurs and Innovators” program. Nearly 300 female entrepreneurs successively participated in three sessions covering inclusive finance, e-commerce, innovative mindset for enterprises and leadership improvement. The program won high recognition among the participants.



#### 4. Community welfare

With the “open, sharing and responsible” philosophy, the Bank further opened its outlet service resources. It advocated the “for convenience, for sharing and for community” culture and integrated resources to repay society. In 2019, apart from enriching the service content of the “Workers’ Harbour”, we advocated the opening and sharing of service resources in the financial industry, and held the ceremony for the Granting of “Outdoor Labor Service Center · Workers’ Harbour” and the Promotion Program of Service Resource Opening and Sharing in the Financial Industry at the Bank.

##### Progress in the “Workers’ Harbour”

- CCB collaborated with institutions such as tax bureaus, justice bureaus and labor unions to enrich the service content of the “Workers’ Harbour”.
- CCB developed “Workers’ Harbour” with features including Party building culture, comprehensive government service, daily life facilitation, poverty alleviation, education and training, technology and intelligence, and service for special groups.
- CCB built the “Workers’ Harbour” online service platform that was connected with both internal platforms such as “CCB University”, “Smart Government Services”, “Public Welfare Platform” and “Mingonghui” and external platforms such as “Alipay” and “AMAP”.

##### Case

CCB Zhongshan Branch in Guangdong Province worked with Zhongshan Justice Bureau to carry out services including law popularization, legal aid and consulting at the “Workers’ Harbour” on a regular basis to make more people enjoy more convenient legal services and expand the coverage of legal aid.

CCB Yunnan Branch, together with CWM Media and Yunnan Youth Development Foundation, launched the 2019 “Sunshine Student Aid at Workers’ Harbour” campaign. Offline registration desks were set at the Workers’ Harbour to help realize the college dream of worker’s kids.

CCB Qianxi’nanzhou Branch in Guizhou Province became the first to create a new mode of “Workers’ Harbour+” to promote public welfare and sharing. It extended the Workers’ Harbour’s antenna to areas with dense population such as squares, scenic spots and bus stations where it built “Caring Cabins” to open up its service resources free of charge.

At the “Workers’ Harbour” in the Business Department of CCB Pudong Branch in Shanghai, a “Sunshine House” was built as an offline channel to display the handicrafts made by the disabled. It also provided an online sales platform for these handicrafts so that the disabled could realize their own value and contribute to society.

CCB Xiamen Branch worked with pharmacies in placing smart ECG measurement devices at the “Workers’ Harbour” to provide hospitable health care services at the banking outlets.



For more information on the Workers' Harbour, please scan the QR code.



## Feature article: Supporting Anti-epidemic Fight for a Decisive Victory

Since the outbreak of COVID-19, the Bank has conscientiously implemented the requirements of the central government on the prevention and control of the outbreak, fulfilled the responsibilities as a large state-owned bank and given full play to its role as the “stabilizer” of the market. It made quick response and devoted every effort to help win the battle against the outbreak with targeted, effective measures.

### Immediate Planning for epidemic prevention and control

The outbreak of the epidemic is like a call for action, and the prevention and control is our responsibility. On 24 January, the Bank established a leading group for the epidemic prevention and control with Mr. Tian Guoli, Chairman of the Board of Directors, as the leader. The group set up an emergency team that is on duty 24 hours a day for quick response, prompt organization and effective implementation of relevant measures. On 2 February, Mr. Tian Guoli sent a letter titled “Supporting Anti-epidemic Fight for a Decisive Victory” to all employees, calling on the whole bank to act together and with confidence to fight the epidemic. Members of the Board of Directors called and sent letters to show support to the undertaking and care for employees.

### Holding targeted meetings to discuss and implement measures

On 26 January, the Head Office held an emergency meeting to study the epidemic prevention and control which was followed by the release of “ten measures” of financial services for the epidemic prevention and control, the service guide for outlets during the epidemic prevention and control period and “twenty measures” of employee care at outlets and so on. Subsequently, the Head Office held multiple special meetings to discuss the actions to further carry out all epidemic prevention and control measures, to provide financial support for the real economy and enterprises’ resumption of work and production, to coordinate poverty alleviation, and to participate in and support the overseas fight against the epidemic.

### Linked hearts bringing about great love

- A total donation of RMB177 million by the whole Group. On 26 January, the Head Office donated RMB30 million to the Hubei Charity Federation; on February 10, it authorized Hubei Branch to donate RMB20 million to 17 prefecture-level cities in Hubei Province. Some subsidiaries donated RMB2.7 million. Moreover, in response to the call of the Head Office, employees across the Bank voluntarily donated RMB124 million. All of the foregoing donations have been used in the frontline of the epidemic prevention and control in Hubei Province.
- Donation of RMB121 million worth of materials by the Bank. In late January, the Bank organized and mobilized overseas institutions to actively collect medical supplies urgently needed by the frontline of the epidemic prevention and control such as protective clothing, N95 masks, goggles and disposable surgical masks. As of 20 March, 27 overseas institutions donated a total of 10 million pieces of materials, totaling RMB120 million. Beijing Branch

donated 4 negative pressure ambulances worth RMB 1.32 million.

- Over RMB300 million's donation from our customers. Relying on FinTech, the Bank immediately developed charity donation channels and exempted all handling fees for such remittances. As of 25 February, customers donated over RMB3 million in total.
- Continue to increase support for overseas anti-epidemic. In early March, as China and overseas epidemic situation changes, the Bank required overseas institutions to pay attention to the local epidemic situation and actively raise medical supplies. As of 20 March, the Bank is urgently donated 650,000 protective clothing, N95 medical masks and ventilators, amounting to more than RMB17 million to Korea, Japan, Russia, Italy, Spain, Britain, France, Hungary, Malaysia and Singapore.
- Insurance guarantee. CCB Life provided free accident and term insurance to each one of the medical workers in Hubei Province and those outside Hubei Province who went to Hubei to fight the outbreak with an insured amount of RMB1 million, and a subsidy of RMB300 per day during hospitalization to each infected medical worker. In response to the needs of military hospitals, CCB Life extended the scope of guarantee to non-Hubei areas. It provided for free the exclusive "Care Insurance for Fighting the Outbreak" for community workers, sanitation workers, drivers, construction workers, couriers and country doctors. It also opened special claims service support, provided a green channel for claims, streamlined the process and shortened the settlement time. As of 20 March, CCB Life had handled 1,674 claim payments for medical workers in Hubei (including those who went to Hubei to fight the epidemic), with a total amount of RMB14.6323 million.

#### **Providing precision support with FinTech**

- The Bank developed and launched the "CCB Smart Community Management Platform" which strengthened the epidemic prevention capability of urban and rural communities, enterprises, public institutions and public places. The platform provided such functions as epidemic monitoring, integrated application of the national "health information code for epidemic prevention and control" and information reporting and analysis to help build an "online + offline" epidemic prevention and control system and enhance guarantee for work and production resumption.
- The Bank established the "special subject on the prevention and control of the outbreak of COVID-19" on the smart government service platform for multiple provincial and municipal governments, and connected it to the national "special subject on the prevention and control of the outbreak of COVID-19 of the integrated government service platform". In cooperation with the governments, the Bank promptly released news about the outbreak, outpatient information, policy reports and notices & announcements to help guide public sentiment positively.
- The Bank gave play to the online service function of the smart government service platform which is connected to 133 provincial, municipal and county government service platforms and had over 5,200 public service payment items available online to bring convenience to customers. Nearly 400 thousand government service matters can be inquired, appointed,

and handled online, which has reduced crowd gathering at government service halls.

- The Bank spared no time to launch the epidemic prevention materials and medical supplies guarantee system which helped governmental departments such as local epidemic prevention and control command headquarters, command centers, civil affairs departments and health commissions improve the efficiency of allocating and managing epidemic prevention materials and medical supplies. The Bank also improved the comprehensive service platform for charity organizations, which helped put the management and comprehensive control of charity materials and donations in order.
- The Bank developed and launched the "Real-time Help Platform of COVID-19" in cooperation with professional platforms such as "WeDoctor" on channels including mobile banking, WeChat banking "Workers' Harbour", "Yunongtong" and CCB University to provide free online inquiry and diagnosis, epidemic information, diagnosed traveler query and other 24/7 services to the public.
- The Bank built a cross-border platform for match trading of epidemic prevention materials. After learning about the rapid development of overseas epidemic and the shortage of epidemic prevention materials, the Bank actively leveraged the advantages of FinTech and overseas institutions and quickly opened the "special zone for global epidemic prevention materials" on the "intelligent match platform for enterprises" to provide cross-border trading channels for buyers and sellers of epidemic prevention materials. At meanwhile, the Bank provided comprehensive financial services such as "green channel" credit support and free cross-border settlement to promote the manufacturers of epidemic prevention materials.

#### **Giving play to the advantage of comprehensive financial services to support stable economic operation**

- Ensuring that credit demands of enterprises and public institutions be met. The Bank offered full-amount credit guarantee to seriously affected industries in Hubei and enterprises suffering temporary difficulties due to the outbreak if they met relevant conditions. The Bank established a green channel of financial services for the epidemic prevention and control to provide credit handling, examination & approval and loan granting all at once. By increasing credit supply in relevant infrastructure fields such as public health, it effectively met the capital turnover needs of medical and health institutions.
- Working together with small and micro enterprises to address the challenges. The Bank set special credit quotas for small and micro enterprises of an inclusive nature and ensured loans to them would not be withdrawn, suspended or compressed. The Bank cut the current loan interest rate by 0.5 percentage point for newly issued loans, and by 0.9 percentage point for relevant industries engaged in the epidemic prevention and control. For key enterprises in the epidemic prevention and control, the Bank adopted preferential interest rates. For enterprises that temporarily suffered difficulties due to the outbreak, the Bank authorized branches to help them through measures such as cutting interest rates and reducing or exempting overdue interests based on the actual situations.
- Setting up a RMB5 billion fund for epidemic prevention and stable development. The fund

was jointly established and managed by CCB FinTech Co., Ltd., CCB Hubei Branch, Hubei Province High Technology Industry Investment Co., Ltd. and Hubei Guoyi Investment Management Co., Ltd., and was used to support the production and operation of enterprises in Hubei and other areas affected by the outbreak.

- Setting a RMB10 billion special investment quota for epidemic prevention and control bonds. The quota was used to replenish the working capital of enterprises that provided support and guarantee services for the epidemic prevention and control in Hubei and other areas when they issue bonds. By combining direct and indirect financing, the Bank provided enterprises with targeted, timely debt financing support, helped them reduce financing cost and addressed their most practical and urgent needs.
- Providing financial convenience to epidemic prevention and control organizations and personnel. The Bank activated the emergency plan to ensure that emergency fiscal funds for epidemic prevention and control be paid timely and accurately. Branches opened 24/7 emergency service hotline to the public and provided emergency financial services such as emergency cash withdrawal and fund transfer to government organs, enterprises and public institutions engaged in epidemic prevention and control. Business relating to epidemic prevention and control could be accepted and handled at outlets at any time during business hours and door-to-door financial services were offered to medical institutions participating in epidemic prevention and control.
- CCB Housing Service Co., Ltd. provided over 400 free rental suites with free disinfection and cleaning services for over 500 medical workers and government workers participating in the prevention and control of the epidemic in Hubei, Guangdong, Zhejiang, etc.

## Performance: Our Achievements

### 1. Economic performance

Economic performance	2019	2018	2017
<b>Total assets (RMB trillion)</b>	25.44	23.22	22.12
<b>Net profit (RMB 100million)</b>	2,692.22	2,556.26	2,436.15
<b>Return on average assets (%)</b>	1.11	1.13	1.13
<b>Return on average equity (%)</b>	13.18	14.04	14.80
<b>Number of branches worldwide</b>	14,912	14,977	14,920
<b>Tax contribution(RMB 100million)</b>	641.52	586.66	619.39
<b>Social contribution per share (RMB)</b>	3.08	2.88	2.74
<b>Balance of agriculture-related loans (RMB 100million)</b>	18,124.89	17,646.50	17,650.87
<b>Balance of inclusive finance loans (RMB 100million)</b>	9,631.55	6,100.74	4,000.33
<b>Number of inclusive finance loan customers (10,000)</b>	132.51	101.79	59.25
<b>Balance of personal housing loans(RMB 100million)</b>	53,050.95	47,535.95	42,130.67
<b>Newly added housing funds by accumulation(RMB 100million)</b>	2,651.14	2,305.16	2,876.74
<b>Balance of real estate development loans for indemnificatory housing supported by state policies(RMB 100million)</b>	1,521.00	1,313.22	578.30
<b>Balance of shantytown renovation loan (RMB 100million)</b>	1,402.94	1,199.52	453.30
<b>Payment to suppliers (RMB 100million)</b>	52.75	48.82	41.85
<b>Expenditure on public welfare donation (RMB 10 ,000)</b>	13,377	8,941	7,786
<b>Including: Targeted poverty alleviation donations (RMB 10 ,000)</b>	10,807	6,188	4,981

Note: Due to changes in the statistical coverage of inclusive finance loans of the CBIRC, the corresponding data for 2018 and 2017 was adjusted.

## 2. Environmental performance

Green credit	2019	2018	2017
Balance of green loans(RMB 100million)	11,758.02	10,422.60	10,025.21
Standard coal equivalent emission reduction (10,000 tons)	3,196.96	3,011.71	2,800.46
Carbon dioxide equivalent emission reduction (10,000 tons)	7,233.31	6,926.12	6,305.09
COD emission reduction(10,000 tons)	33.44	29.63	23.64
Ammonia and nitrogen reduction (10,000 tons)	3.54	3.87	3.14
Sulfur dioxide emission reduction(10,000 tons)	60.09	24.73	26.78
Nitric oxides emission reduction(10,000 tons)	30.65	3.96	4.77
Water saving (10,000 tons)	6,629.90	123.06	119.87

Greenhouse gas emission	2019	2018	2017
Total greenhouse gas emissions (Category 1&2) (tons)	272,029.03	261,547.00	277,449.13
Total greenhouse gas emissions per employee (Category 1&2) (tons per person)	7.41	7.38	8.01
Direct emissions (Category 1) (tons)	17,936.84	17,518.07	18,576.91
Natural gas(tons)	7,803.19	7,258.00	7,727.66
Liquefied petroleum gas(tons)	34.49	214.05	142.32
Coal(tons)	1.59	1.58	1.58
Company vehicles (tons)	6,179.63	7,092.32	8,447.70
Diesel(tons)	3,917.94	2,952.12	2,257.65
Indirect emissions (Category 2) (tons)	254,092.19	244,028.93	258,872.22
External power purchase(tons)	254,092.19	244,028.93	258,872.22

Notes:

1. The environmental performance statistics include only the data from the Head Office and 37 tier-one branches.
2. Number of employees only includes those from the Head Office and 37 tier-one branches.
3. Based on the nature of the Group's business, greenhouse gas emissions are mainly derived from purchased electricity and fossil fuel combustion. The greenhouse gas refers to carbon dioxide, methane and nitrous oxide. Greenhouse gas emissions data are presented in terms of carbon dioxide equivalent, and calculated according to the *2015 China Regional Power Grid Baseline Emission Factor* published by the National Development and Reform Commission of China and the *2006 IPCC National Greenhouse Gases* published by the Intergovernmental Panel on Climate Change (IPCC).
4. The statistical caliber was adjusted in 2019 to add greenhouse gas emissions from external power purchases of Tibet Branch; the statistical calibers for 2018 and 2017 did not include greenhouse gas emissions from external power purchases of Tibet Branch.

Waste	2019	2018	2017
<b>Harmless waste (tons)</b>	409.31	371.47	391.50
<b>Discarded electronic devices (tons)</b>	244.64	173.67	288.29
<b>Scrapped vehicles (tons)</b>	155.38	188.43	3.96
<b>Waste batteries (tons)</b>	2.30	2.19	6.51
<b>Discarded office supplies (tons)</b>	6.99	7.18	92.74
<b>Annual total harmless waste consumption per employee (tons/person)</b>	0.011	0.010	0.011
<b>Hazardous waste (tons)</b>	19.46	20.58	40.29
<b>Discarded toner cartridges (tons)</b>	19.46	20.58	40.29
<b>Annual total amount of hazardous waste consumed per employee (tons/person)</b>	0.001	0.001	0.001

Notes:

1. The types of non-hazardous waste generated in the operation of the Group mainly include discarded electronic devices, discarded office supplies and scrapped vehicles.
2. The discarded electronic devices include desktop computers, monitors, laptops printers and servers.
3. Waste batteries include dry batteries and exclude storage batteries.
4. Discarded office supplies include waste pens, clippers and staples.

Energy and water consumption	2019	2018	2017
<b>Energy consumption (MWh)</b>	438,501.83	446,323.04	483,337.67
<b>Direct energy consumption (MWh)</b>	79,633.36	78,505.55	83,358.79
<b>Natural gas (MWh)</b>	39,906.61	37,118.44	39,520.35
<b>Liquefied petroleum gas (MWh)</b>	155.60	965.67	642.06
<b>Coal (MWh)</b>	4.65	4.65	4.65
<b>Diesel (MWh)</b>	14,477.82	11,703.93	10,234.43
<b>Gasoline (MWh)</b>	25,088.68	28,712.86	32,957.30
<b>Indirect energy consumption (MWh)</b>	358,868.47	367,817.49	399,978.88
<b>External power purchase (MWh)</b>	358,868.47	367,817.49	399,978.88
<b>Annual total energy consumption per employee (MWh/person)</b>	11.94	12.60	13.95
<b>Water consumption (tons)</b>	2,424,149.36	2,280,545.68	2,049,524.54
<b>Annual municipal tap water consumption per employee (tons/person)</b>	66.03	64.36	59.15

Notes:

1. The Group's main sources of energy consumption are from natural gas, liquefied petroleum gas, coal, diesel, gasoline and power purchase.
2. The energy consumption data are based on the consumption of electricity and fuel and the conversion factor provided by the General Rules for the Comprehensive Energy Consumption (GB/T 2589-2008).
3. The Group's main water consumption includes municipal water supply, recycled water and drinking water.

Paper consumption	2019	2018	2017
<b>Total paper consumption (tons)</b>	2,171.35	2,277.20	2,861.27
<b>Office use (tons)</b>	1,688.55	1,730.00	2,529.76
<b>Counter use (tons)</b>	482.80	547.20	331.51
<b>Annual paper consumption per employee (tons/person)</b>	0.06	0.06	0.08

Notes:

1. Office paper consumption includes A3 and A4 printing paper.
2. Paper consumption at counter services only includes the mostly used three types of paper.

Low carbon operation	2019	2018	2017
<b>Proportion of off-counter account transactions (%)</b>	99.40	99.23	99.19
<b>Financial transaction migration rate via electronic channels (%)</b>	94.77	92.66	93.57

### 3. Social responsibility performance

Employee distribution	2019	2018	2017
<b>Total number of employees (persons)</b>	347,156	345,971	352,621
<b>Additional labor contractors (persons)</b>	3,774	3,937	4,792
<b>Ethnic minority employees(persons)</b>	19,689	19,138	19,077
<b>New employees(persons)</b>	15,290	12,234	5,984
<b>Foreign employees(persons)</b>	811	763	719
By gender			
<b>Male employees(persons)</b>	158,306	157,664	161,426
<b>Female employees(persons)</b>	188,850	188,307	191,195
By age			
<b>Below 30 (persons)</b>	74,583	77,033	84,879
<b>31-40 (persons)</b>	93,704	88,190	83,658
<b>41-50 (persons)</b>	117,718	129,481	135,581
<b>51-59 (persons)</b>	60,952	51,076	48,319
<b>Above 60 (persons)</b>	199	191	184

By region			
<b>Yangtze River Delta (persons)</b>	51,654	51,641	52,565
<b>Pearl River Delta (persons)</b>	44,300	43,618	44,237
<b>Bohai Rim (persons)</b>	57,268	57,478	58,356
<b>Central China (persons)</b>	77,720	77,865	79,223
<b>Western China (persons)</b>	66,570	65,625	66,548
<b>Northeastern China (persons)</b>	34,961	35,116	35,888
<b>Head Office (persons)</b>	13,626	13,643	14,899
<b>Overseas (persons)</b>	1,057	985	905

<b>Training sessions for employees</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
On-site training			
<b>Tier-one branches and departments of the Head Office (number of trainees)</b>	1,284	483	872
<b>Tier-two branches, departments of tier-one branches, and divisions of the Head Office (number of trainees)</b>	31,166	29,312	30,685
<b>Business managers and lower levels (number of trainees)</b>	1,178,413	1,275,556	1,460,816
Online training			
<b>Tier-one branches and departments of the Head Office (number of persons)</b>	648	253	334
<b>Tier-two branches, departments of tier-one branches, and divisions of the Head Office (number of persons)</b>	11,919	8,023	9,336
<b>Business managers and lower levels (number of persons)</b>	309,724	299,408	321,019

Employee turnover rate	2019	2018	2017
By age			
<b>Below 25(%)</b>	5.1	5.9	6.6
<b>26-35(%)</b>	3.8	6.1	4.8
<b>36-45(%)</b>	1.2	2.0	1.1
<b>46-54(%)</b>	0.4	0.6	0.5
<b>Above 55(%)</b>	0.2	0.2	0.2
By region			
<b>Yangtze River Delta(%)</b>	3.1	3.7	5.0
<b>Pearl River Delta(%)</b>	2.1	2.3	2.5
<b>Bohai Rim(%)</b>	1.6	1.6	1.5
<b>Central China(%)</b>	1.5	1.8	1.5
<b>Western China(%)</b>	1.6	1.9	2.0
<b>Northeastern China(%)</b>	1.1	1.2	1.0
<b>Head Office(%)</b>	5.3	7.5	8.1
<b>Overseas(%)</b>	9.7	9.1	10.7

## Notes:

1. CCB Head Office includes Headquarters, Credit Card Center, Customer Service Center, Operation Centers under Direct Management of CCB and Training Centers.
2. The demographic mix by age does not include foreign employees.

Employee work injury	2019	2018	2017
<b>Death toll on business(persons)</b>	11	4	8
<b>Business death ratio (%)</b>	0.003	0.001	0.002
<b>Working days affected as a result of work injuries(days)</b>	19,753	15,889	13,676

Supplier chain management	2019	2018	2017
Number of suppliers in the Yangtze River Delta	2,060	518	448
Number of suppliers in the Pearl River Delta	2,608	294	261
Number of suppliers in the Bohai Rim	1,593	1,867	1,614
Number of suppliers in Central China	1,068	87	83
Number of suppliers in Western China	1,883	52	42
Number of suppliers in Northeastern China	719	34	30
Local supplier procurement expenditure as a percentage of the total (%)	99.92	99.92	99.47
Contract fulfillment rate (%)	100	100	100
External expert participation rate (%)	7.55	4.23	2.72
Number of social responsibility training sessions for suppliers (including interviews and business exchanges)	28	30	29

Customer satisfaction	2019	2018	2017
Overall personal customer satisfaction (%)	81.1	81.0	78.7
Overall corporate customer satisfaction (%)	94.3	93.8	93.2

Service channel development	2019	2018	2017
Number of online banking users (10,000)	35,002	31,256	27,675
Number of personal mobile banking users (10,000)	35,076	30,954	26,638
Number of users that connect bank accounts with WeChat (10,000)	7,694	6,443	4,956
Number of phone banking users (10,000)	38,147	33,649	28,882
Number of self-service bank branches	27,126	28,238	29,046
Number of ATMs	86,767	92,225	97,007
Number of smart banks	61	10	12
Number of branches with the wheelchair ramp	10,684	10,056	9,000
Number of branches with "Courtesy Window"	14,292	13,923	13,158
Number of branches with "Workers' Harbour"	14,310	14,307	--

## Social Recognition

Evaluating/Awarding Organization	Evaluation Results/Title of Recognition
<b>MSCI</b>	ESG rating was upgraded to BBB from BB in 2019
<b>FTSE Russell</b>	H-shares as a constituent of FTSE4Good Index Series
<b>China Banking Association</b>	Award of Achievements in Helping Fight against the “Three Critical Battles” Best Inclusive Finance Performance Best Case for Social Responsibility Practice –Workers’ Harbour Best Outlet with Special Contribution to Social Responsibility Best Social Responsibility Manager
<b>people.cn</b>	Best People’s Enterprise CSR Case of the Year
<b>chinanews.com</b>	Responsible Enterprise of the Year 2019
<b>All China Federation of Trade Union and Cyberspace Administration of China</b>	“Concentric Circles” Grand Prize
<b>The 11<sup>th</sup> China CSR Annual Conference</b>	Outstanding Responsible Enterprise of the Year Contribution to Targeted Poverty Alleviation of the Year – Role Model Enterprise of the Year Best CSR Case of the Year
<b>2019 China Social Responsibility Public Welfare Ceremony and 12<sup>th</sup> China Corporate Social Responsibility Summit</b>	Targeted Poverty Alleviation Award
<b>2019 Global Enterprise Sustainable Competitiveness Summit Forum</b>	Role Model Enterprise of Sustainable Competitiveness
<b>China Financial Publishing House</b>	Best Brand Communication Case of the Year –Workers’ Harbour Chinese Finance Brand of the Year –Workers’ Harbour
<b>China Philanthropy Times</b>	Outstanding Social Responsibility Program of the Year – Workers’ Harbour Excellent Social Responsibility Program of the Year – CCB Hope Summer Camp
<b>Caijing</b>	Evergreen Award – Sustainable Development Performance
<b>International Financial News</b>	Social Responsibility Contribution Award of the Year
<b>JRJ</b>	Outstanding Award for Social Responsibility by 2019 “Pioneers of China” voting campaign Outstanding Award for Innovation on Smart Outlets by 2019

	"Pioneers of China" voting campaign- "5G+ Smart Bank"
<b>Ifeng.com Activist Alliance Public Welfare Ceremony</b>	Special Contribution Award
<b><i>The Asset</i></b>	ESG Corporate Gold Award
<b>China Youth Development Foundation</b>	Award for Outstanding Contribution to 30-year Project Hope
<b>Institute for Sustainable Innovation and Growth</b>	Fair Wealth Honorary Two-star Enterprise

## ESG Disclosure

This part is prepared in accordance with the following requirements of the *Environmental, Social and Governance Reporting Guide* issued by The Stock Exchange of Hong Kong Limited on 18 December 2019.

### i. Governance

#### 1. Governance structure

Under the supervision and instructions of the Board of Directors, the Bank's social responsibility management scope includes the senior management, relevant departments of the Head Office, branches and business outlets, as well as overseas branches and subsidiaries. A Related Party Transactions, Social Responsibilities & Consumer Protection Committee<sup>2</sup> is set up under the Board of Directors, and major departments of the ESG management team regularly report to the Committee on analysis and progress on important issues. Particularly, the Committee includes the responsibilities related to green credit into its detailed working rules and hears work report on green credit annually. In 2019, the Committee held four meetings and carried out a great deal of fruitful work on strengthening the supervision and management over related party transactions, promoting the protection of consumers' rights and interests, supervising and instructing inclusive finance, advancing green credit, supervising and reviewing the corporate social responsibility reports, supervising the execution of donations for public welfare, and the like.

In order to further carry out the ecological conservation strategy and actively cope with climate change with green finance, the Bank preliminarily established the green finance operation mechanism. Meanwhile, the Bank held annual working conferences on green finance to study and understand the profound philosophy on ecological conservation, analyze new opportunities and challenges presented by green development and make plans on promoting green finance work of the entire Bank.

#### 2. Materiality Analysis

The Related Party Transaction, Social Responsibility & Consumer Protection Committee and the ESG core management team regularly discuss major issues affecting the sustained and prudent development of the Bank and sustainability issues attracting close attention of investors. Meanwhile, the EGS core management team actively participates in ESG forums and research subjects organized by regulators, specialized institutions and industrial organizations. This mechanism enables CCB to take into full consideration appeals of various stakeholders including regulators, investors, ESG rating agencies, customers, employees, professional consulting institutions, academic institutions, social organizations and media outlets and thus serves as important support for CCB to analyze and eventually identify the substantive issues.

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<sup>2</sup>According to relevant regulatory requirements, with deliberation and approval by the Board of Directors at the meeting on 17 January 2020, the former Social Responsibility and Related Party Transaction Committee was renamed the Related Party Transaction, Social Responsibility & Consumer Protection Committee under the Board of Directors. The Committee's responsibilities were adjusted and improved accordingly.

Topics in the Contents of the report are all substantive issues identified by the Bank through the above-mentioned normalized stakeholder engagement mechanism. Besides, in the “Introduction – More Information” are full texts that the Bank has disclosed in open channels. They are closely related to the substantive issues and can be taken for reference by investors and all the stakeholders.

### 3. ESG rating

As a global systemically important bank, the Bank is fully aware of the importance of its own sustainable development and its efforts to safeguard global financial stability. We continue to improve the capability in sustainable development to build the fortress in risk management. In MSCI’s latest ESG rating published in December 2019, CCB was upgraded from BB to BBB.

Compared with non-systemically important banks and medium and small-sized ones, we require further matured management and more prudent capability in sustainability to have the rating upgraded. We will continue to steadily press ahead with management enhancement based on feedbacks of stakeholders and realities of CCB, and further refine information disclosure regarding environmental, social and governance issues.

**For more information on corporate governance, please refer to the *Annual Report 2019 of China Construction Bank Corporation.***

## ii. Environmental

### Serial A1: Emissions

On 7 August 2016, the Beijing Municipal People’s Government issued the *Plan of Beijing for Energy Conservation and Consumption Reduction and Responses to Climate Change in “13th Five-Year Plan” Period*. With powerful and effective measures, during the “13th Five-Year Plan” period, the Bank smoothly completed the planning goals of total annual energy consumption and intensive energy conservation and consumption reduction. In 2018, the Bank was evaluated as “Excellence” in the energy-saving target responsibility assessment of energy consumption units in the place where the headquarter was registered.

The Bank updated its facilities to reduce energy consumption. It successively implemented projects such as the air-conditioning system upgrading for buildings, the infrastructure upgrading for data rooms, the lighting system energy-saving upgrading, and energy-saving upgrading for new fan control system. The Bank has achieved more accurate self-control of building air-conditioning units, reducing energy consumption and improving the office environment. It applies scientific working means to reduce energy consumption, and adopts paperless office, precise control of room temperature, scientific utilization of computer and water, and timely power cut. The Bank participated in the research led by the Beijing Municipal Development and Reform Commission into the advanced value algorithms for new facilities in the data center and proposed new algorithms to optimize energy consumption.

The Bank put into effect the scrapping process as stipulated in the *Interim Measures for Computer Equipment Management of China Construction Bank* and *Interim Measures for*

*Financial Management of China Construction Bank.* Equipment that need be scrapped was handed over to companies qualified for electronic waste disposal and filed with governmental environmental authorities on website, so as to ensure harmless disposal of the electronic waste and minimize impact on the environment.

### **Serial A2 and A3: Use of Resources and The Environment and Natural Resources**

The Data Center adopts measures such as energy efficiency and renewable energy to ensure its safe and stable operation and energy conservation. In the winter and transition seasons, natural cooling technology is used to reduce energy consumption of the refrigeration system; waste heat in the computer room is recycled with water-source heat pumps and supplies to offices for heating; supply and return water temperature of chilled water is increased to effectively lower energy consumption of water chillers and reduce carbon emissions.

### **Serial A4: Climate change**

The Bank has always paid great attention to performance of social responsibilities, including those on environment, climate change and other ecological issues. On the meetings of the Related Party Transaction, Social Responsibility & Consumer Protection Committee and the Board of Directors, the issues related to green finance were discussed in depth.

In 2019, as a primary member, the Bank joined the *2019 ESG and High-quality Development Research for Chinese Banking Industry* initiated by China Banking Association. Through the research, the Bank followed up international ESG development trends, tracked ESG policy dynamics of domestic regulators, and comparatively analyzed realities of global peers, domestic peers and the Bank itself with focus put on environmental issues, laying the foundation for the Bank to reasonably promote ESG management for the next step.

On 30 December 2019, China Banking and Insurance Regulatory Commission released the *Guiding Opinions on Promoting the High-quality Development of Banking and Insurance*, where it further clarified the requirements for greatly developing green finance. It was pointed out that banking institutions shall establish and improve their environmental and social risk management systems, include environmental, social and governance requirements into the whole credit process and strengthen related information disclosure and exchanges and interaction with stakeholders.

In 2020, the Bank will strictly practice regulatory requirements, continuously drive forward forward-looking researches, refine management frameworks and policy systems, continue to explore green finance products on responding to climate change and regularly report relevant progress.

## **iii. Social**

### **Serial B1 and B4: Employment and Labor Standards**

The Bank's operation and management are compliant with the laws and regulations of the PRC and countries of registered offices. The Bank is committed to protecting employees' employment

rights, and other legitimate rights and interests, making it clear that overseas branches must respect the customs and habits of local residents and should not violate their rights. When recruiting new employees to meet the needs of business development, the Bank is committed to recruiting employees following laws and regulations, upholding transparency and equality, and prohibiting discrimination. Child labor and forced labor are strictly avoided and prohibited. Democratic management is also applied to the Employee Representatives' Conference, where employees submit proposals through their employee representatives to participate in management and business development. It has also established an open letter box or a petition department to accept complaints about employee right protection.

In 2019, the topics closely related to employees' rights and interests were selected and presented at the Employee Representatives' Conference; the extension of "Tongxin Program" aimed to effectively offer inclusive care; the optimization of physical checkup for employees aimed to safeguard their health; and caring for outlet employees aimed to create their happy harbors. What's more, CCB University played a part in enhancing training for primary-level employees.

### **Serial B2: Health and Safety**

The Bank attaches great importance to the protection of employees' rights and interests and highlights the safety of employees' working environment and occupational safety. According to related laws and regulations such as the new *Fire Protection Law* and in line with the realities, the Bank has issued the *Measures for Fire Safety Management of China Construction Bank*, *Management Measures for the Responsibility System on Fire Safety* and *Rules on Fire Safety Management on Construction Sites* to institutionally standardize fire safety management and eliminate loopholes in fire safety. It refined daily safety management policies for offices and business premises, strictly prohibited the entry of dangerous articles such as flammables, explosives, and chemicals into office or business areas, and promoted the use of face recognition technology for access control in office buildings, so as to ensure the safety of office premises. Work safety inspections were conducted, covering all the institutions, venues and safe operation areas across the Bank, to detect and rectify safety hazards and weak points and enhance guarantee for employee's occupational safety. Adhering to the employee safety management philosophy that puts employees and prevention first, the Bank carried out the "Month for Safety Promotion" campaign, strengthened safety education and training for our employees, and organized fire evacuation drills. It promptly gave early warning of safety risks and made efforts to improve employees' safety awareness and their ability to cope with emergencies and avoid risks.

### **Serial B3: Development and Training**

The Bank continued to press ahead with the development of CCB University. It implemented the "i-University, Growing Together" three-year action plan for employees, widely organized pre-job training, on-the-job training and off-job training, launched various activities such as on-the-job drills, skill competitions and online learning, unfolded high-skill training and carried out overseas training for high-skill leadership and urgently needed talents. By developing the "Meet the Future at CCB" training program for new employees and implementing the "Growth under the Witness of CCB" capability improvement program for outlet employees, CCB University preliminarily established an integrated course system with a unified standard, collaborated development

among regional schools, distinctive professional schools and complete service functions.

Great efforts were made to promote the development of female employees. The Bank held training sessions for female representatives and conducted questionnaire-based surveys on care for employees and design of career paths to proactively contribute ideas and create conditions for development of female exemplary employees.

### **Serial B5: Supply Chain Management**

The Bank strengthened the management of suppliers' qualifications and service capacities. At the pre-admission stage, suppliers were selected by comprehensively reviewing their credentials and other basic elements, with field surveys conducted if necessary. In the process of investigation, attention was continuously paid to safety and environmental measures of suppliers. At the supplier selection stage, the Bank adhered to the principle of "choosing the best and the strongest among the good", and recommended excellent suppliers for participation in procurement activities.

Multiple measures were taken to prevent supplier-related corruption. The Bank revised procurement policies such as the *Measures for Management of Centralized Procurement of China Construction Bank* and included misconduct management of suppliers into the *Regulations on Supplier Management of China Construction Bank* to further enhance institutional restraints and intensify misconduct management of suppliers.

Longjicai, CCB's procurement platform, introduced artificial intelligence and big data analysis and integrated data from multiple channels including industry and commerce, justice, corporate finance, performance cases and banking business to multidimensionally prevent supply risk. Meanwhile, knowledge mapping and analysis technology was adopted to accurately depict relationships among suppliers, and the automatic comparison technology which could efficiently identify suppliers' behaviors of collusive tendering was employed to ensure sunshine procurement.

### **Serial B6: Product Responsibility**

CCB actively carries out national policies on protection of intellectual property (IP) rights and pays attention to IP creation, application, protection and management. According to CCB's rules and regulations on IP management, the Bank applies for IP rights, including patents, trademarks, etc. in time to protect the legitimate rights and interests derived from various innovations of the Bank. It is also committed to fully respecting the IP rights of others and preventing risks of IP infringement. No major IP infringement incident occurred during the year.

Fully aware of the importance of personal information for customers, the Bank has formulated the *Measures for Information Security Management of China Construction Bank*, *Management Rules on Protection of Scientific and Technological Information Security of China Construction Bank*, *Management Rules on Security of Production Data Application of China Construction Bank*, and *Management Measures on Personal Customers' Information of China Construction Bank (Version 2019)* to fully safeguard personal information security of customers. For the full text of *Privacy Policy*, please scan the QR code in "Introduction – More Information".

### **Protection of consumers' rights and interests**

In 2019, the Bank further strengthened the overall planning, supervision and instruction on consumer protection from the Board of Directors, the Board of Supervisors, and the Senior Management through regular hearing of consumer protection reports and guidance of relevant work. By enhancing the consumer protection review, boosting complaint management, conducting customer satisfaction surveys and other means, the Bank continuously promoted the refinement in products and services and strove to create a better financial consumption environment for consumers.

To facilitate consumers' inquiries and verification on financial products, the Bank continuously optimized the internet product information inquiry platform, and strove to completely disclose financial product information. For new products and services, rules and regulations, marketing and publicity materials, release of internet products, model contract texts and other contents, the Bank conducted special review from the perspective of consumer protection and worked hard to better protect customers' rights to know, property security rights, and other legal interests from the source.

Publicity and education is an important means to improve financial consumers' self-protection ability and to build a harmonious financial environment. The Bank actively organized the theme activities such as the "March 15 Financial Consumer Rights Day", the "Financial Knowledge Popularization for Wealth Maintenance", the "Month of Financial Knowledge Promotional Services", and various regular consumer education events. The Bank integrated financial education into the social and cultural life and tried hard to deepen the public's understanding of finance and consumer protection knowledge. In 2019, over 14,000 outlets of the Bank conducted the publicity and education activities, covering nearly 70 million people, and the Bank was thus awarded with the title of the "Excellent Organization for Joint Financial Knowledge and Popularization Activities" by CBIRC.

The Bank always gives top priority to customer problems and complaints. Through a variety of measures such as expanding handling channels, optimizing processing procedures, strengthening statistical analysis, and focusing on refinements, the Bank continuously improved processing efficiency and strove to lessen customer problems and complaints, achieving a customer satisfaction ratio of 81.1% in 2019. To ensure that "each problem customers faced shall be responded and addressed", the Bank developed and launched the customer complaint management system. By digital and technological means, the Bank further expanded the business in complaint handling, promoted the optimization in services and products, and continuously improved customer experience.

In 2019, the Bank provided financial services to several hundred million personal customers and had about 15,000 outlets. Throughout the year, the Bank handled over 260,000<sup>3</sup> cases of customer problems and complaints, most of which were about the businesses in bank cards

<sup>3</sup> Because the verification standards and statistical calibers of customer complaints vary with banks, the number of customer problems and complaints disclosed by the Bank is not horizontally comparable to those from other counterparts.

(including credit cards), loans, payment, settlement and the like. The branches in Guangdong, Hebei, Sichuan and other regions received relatively more customer complaints.

## **Serial B7: Anti-corruption**

### **1. Reinforcing supervisory functions and responsibilities and stepping up efforts in anti-corruption in the financial sector**

A tier-4 supervisory architecture was set up. The Party Committee of the Bank and the Discipline Inspection and Supervision Office at CCB jointly issued the *Implementation Program on the accrediting reform of China Construction Bank*, and transferred responsibilities assumed by former discipline inspection departments of the Bank and incompatible with duty performance of the Discipline Inspection and Supervision Office at CCB entirely to relevant in-house departments of the Bank. So far, nine in-house functional departments have been set up, including Office, Case Supervision and Management Office, No. 1, 2 and 3 Supervision and Inspection Offices, No. 4 and 5 Review and Investigation Offices, Case Trial Office and Cadre Supervision and Management Office.

The Discipline Inspection and Supervision Office at CCB formulated different daily supervision programs for the five groups (namely members of the Head Office Party Committee and Senior Management, heads of the Head Office departments and institutions directly under the Head Office, heads of tier-one branches and audit institutions in business areas, heads of domestic subsidiaries, and heads of overseas institutions).

**The above-mentioned information is sourced from the website of the Central Commission for Discipline Inspection of the CPC and the National Supervisory Commission. For more information on corruption cases, please click the open query links in the introduction.**

### **2. Complaint reporting**

In addition, the Bank has put in place the 4-in-1 complaint reporting system encompassing channels of "letters, emails, phone calls and visits". The Bank requires that agencies at all levels and relevant departments should timely report findings of any clue to suspected violations against disciplines, duty-related violations and duty-related crimes to the Discipline Inspection and Supervision Office at CCB and offer full support for related investigation and handling. Meanwhile, application of banking big data was explored to intensify proactive supervision and improve the capability in actively detecting clues.

### **3. Integrity requirements on overseas institutions**

Overseas institutions constitute an important part of CCB Group. The Bank takes strict precautions against the moral hazards of employees from overseas institutions and establishes policies for the integrity work in overseas institutions. It explicitly requires that overseas institutions should consider the laws and regulations and regulatory requirements of the local countries or regions in developing and improving the management policies for employees' integrity operation and timely review and revise them. The Bank strengthens the supervision and

inspection for the implementation of the policies and focuses on whether the employees commit violations such as power abuse, irregularities and favoritism, benefit transmission, corruption and bribery.

#### 4. Training

In addition to the anti-corruption training for directors, the Bank continued to conduct anti-corruption training for employees throughout the bank and filmed four special videos including “Keep Alarm Bells Ringing” to serve as the regular learning materials for the employees across the bank.

#### 5. Assessment

The Discipline Inspection and Supervision Office at CCB released the *Measures of Assessment in the Responsibility System for Building an Honest and Clean Administration for Management Cadres of the Party Committee of China Construction Bank*. The document clarified that Party organizations under direct administration of the Head Office Party Committee assumed main responsibility for building an honest and clean administration, main principals in the leadership were persons of primary responsibility and other cadres undertook “dual responsibilities”. The assessment work shall be implemented by the Discipline Inspection and Supervision Office at CCB on an annual basis.

#### 6. Anti-money laundering (AML)

The Bank kept refining its AML system, strictly implemented regulatory requirements, earnestly fulfilled AML obligations and actively conducted related management with focus put on management quality and efficiency to effectively prevent the AML risk. In 2019, the Bank received over 90 commendation letters from the People’s Bank of China and public security organs for providing clues to major money laundering cases.

The Bank incorporated fighting against crimes of money laundering in illegal trafficking of wild animals into the AML management system. It jointly held a seminar on “Fighting against Crimes of Money Laundering in Illegal Trafficking of Wild Animals” with the Financial Action Task Force (FATF), the People’s Bank of China, Standard Chartered Bank, the Royal Foundation, and other institutions, introducing the relevant experience in using financial technology, big data analysis and other means to efficiently identify abnormal behaviors and transactions and to provide powerful clues and evidence for fighting against related crimes.

For more information on AML, please refer to the annual report issued around the same period, or visit the following links for more practice and progress of subsidiaries of the Bank.

Anti-money laundering, CCB in action

<http://www.tbankw.com/xiuxianbank/qingsongyike/2019-02-10/297039.html>

CCB Guangdong Branch saving 113 customers from loss with AML mechanism

<http://finance.sina.com.cn/roll/2019-04-30/doc-ihvhiqax5911985.shtml>

## Serial B8: Community Investment

With the professionalism and dedication of a financial practitioner and the enthusiasm and responsibilities of a social worker, the Bank deeply studies the difficult social issues and participates in seeking solutions. Basing on the jointly building and sharing of public welfare platforms, the Bank participates in the public welfare together with its employees, clients, institutions and integrated business to help more people in need and to inject new positive energy into society.

It is our responsibility to well manage and use each donation. The Bank has formulated the whole-process management measures for public welfare donations. Detailed provisions have been made from various perspectives including feasibility analysis, implementation, publicity, and supervision and audit of projects. In 2019, the Bank donated a total of RMB134 million for public welfare. Among the donations, RMB108 million was used for targeted poverty alleviation. In addition, a number of long-term public welfare projects were also implemented, such as CCB Hope Primary School, Growth Plan for High School Students, and Mother Health Express.

### Community Investment

Project	Partner		Amount of total donation	Timescale	By the end of 2019
<b>Building the Future – CCB Sponsorship Programme for High School Students</b>	China Education Development Foundation		RMB150 million	2007-Now	Donated RMB150 million cumulatively and funded 93,500 high school students.
<b>CCB Sponsorship Programme of “Mother Health Express”</b>	China Women’s Development Foundation		RMB62 million	2011-Now	Purchased 410 Mother Health Expresses and put them into use in 24 poverty-stricken townships and counties in Xinjiang, Tibet, Gansu, Qinghai and other provinces and regions.
<b>Support CCB Hope Primary School</b>	China Youth Development Foundation		RMB13.06 million	1996-Now	Supported the construction of 46 Hope Primary Schools, equipped these schools with libraries, computer rooms, and sports grounds, funded the training for over 800 teachers, and organized 250 teachers and students to participate in the Summer Camp Program.
<b>Love in Tibet – CCB and JIC Scholarship (Grant)</b>	China for Poverty Alleviation Foundation		RMB3.5 million	2007-Now	Donated RMB2.76 million cumulatively and funded 1,320 poverty-stricken students in Tibet.

<p><b>"Donation of Bonus Points to Make Dream Come True Micro-Charity"</b></p>	<p>China Youth Development Foundation, China Literature and Art Foundation, China Youth Volunteer Association, League Central Committee Young Volunteer's Guidance Centre</p>	<p>RMB8 million</p>	<p>2012-Now</p>	<p>Made donations for the construction of 134 "Happy Music Classrooms", trained rural music teachers, and built the "Home for Youth" of the Chinese Young Volunteers Association and the Youth Volunteers' Guidance Center of the Central Committee of the Communist Youth League of China</p>
<p><b>"Do Good, Be Wise" Caring Student Action</b></p>	<p>CCB Youth Volunteers Association, League Committee of local branches</p>	<p>RMB4.8 million</p>	<p>2016-Now</p>	<p>Donated funds and goods to over 12,000 students in poverty-stricken areas, and organized over 200 teachers and students from poverty-stricken areas to participate in summer (winter) camp activities.</p>

## More information

For more information on housing and leasing, inclusive finance, FinTech, response to climate change, employees' development and public welfare for communities, please scan the following QR codes:



WeChat  
official  
account  
"CCB Today"



WeChat  
official  
account "CCB  
University"



WeChat official  
account  
"Yugong  
College"



people.cn: CCB University  
Redefining Corporate  
Universities



Green, Social and Sustain-  
ability Bond Framework of  
China Construction Bank

For more information on customer privacy policies, information security management, and systemic risk management, please scan the following QR codes:



Privacy Policy of China  
Construction Bank



Establishment of an Intelli-  
gent and Flexible Cyber  
Security Support System



Implementation Guide for  
the Information Security  
Management System



Issuance of China's First  
Systemic Risk Index System  
"CCB-Nankai Systemic Risk  
Index"

For articles by the management on sustainable development of banks, please scan the following QR codes:



Tian Guoli: Developing New  
Finance Serving the  
High-quality Economic and  
Social Development



Serving the Public to Live  
and Work in Peace and  
Contentment and Building a  
Better Modern Life



Tian Guoli: Empowering Finance  
with Technology to Comprehen-  
sively Improve the Capability in  
Serving Private Enterprises

## Public query links

Assessment of carbon emissions



Notice on Assessment Results  
of Energy-Saving Target  
Responsibility of Energy  
Consumption Units in Xicheng  
District of Beijing in 2018

Corruption cases



Central Commission for Disci-  
pline Inspection of the Commu-  
nist Party of China and National  
Supervisory Commission of  
the People's Republic of China

# Independent Assurance Report



Ernst & Young Hua Ming LLP  
Level 16, Ernst & Young Tower  
Oriental Plaza  
No. 1 East Chang An Avenue  
Dong Cheng District  
Beijing, China 100738

安永华明会计师事务所(特殊普通合伙)  
中国北京市东城区东长安街1号  
东方广场安永大楼16层  
邮政编码: 100738

Tel 电话: +86 10 5815 3000  
Fax 传真: +86 10 8518 8298  
ey.com

## Social Responsibility Report

### Independent Assurance Report

安永华明(2020)专字第60438537\_A01号  
China Construction Bank Corporation Co.,Ltd.

#### The Board of Directors of China Construction Bank Corporation Co.,Ltd.:

We have been engaged to express a limited assurance opinion on the selected data in the 2019 Social Responsibility Report of China Construction Bank Corporation Co., Ltd. (the "Social Responsibility Report") prepared by China Construction Bank Corporation Co., Ltd. ("CCB").

#### I. The Board of Directors' responsibilities

The Board of Directors of CCB are responsible for the preparation and presentation of the selected data in accordance with the standard for preparation of the report. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the selected data; and making estimates that are reasonable in the circumstances.

#### II. Our responsibilities

Our responsibility is to express a conclusion on the selected data in the Social Responsibility Report based on our work performed. We report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our work on the selected data in accordance with the *International Standard on Assurance Engagements 3000 (revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance as to whether any matters have come to our attention that causes us to believe that the selected data as at 31 December 2019 and for the year then ended in the Social Responsibility Report is not prepared in all material respects in accordance with the standard for preparation of the report.

#### III. Scope of work, approach, and limitation

The selected data in the Social Responsibility Report of CCB for 2019 that is covered by this report is as follows:





Social Responsibility Report

Independent Assurance Report

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China Construction Bank Corporation Co.,Ltd.

- Total assets (RMB trillion)
- Net profit (RMB100 million)
- Return on average assets (%)
- Weighted return on average equity (%)
- Number of branches worldwide
- Tax contribution (RMB100 million)
- Social contribution per share (RMB)
- Cross-border RMB settlement volume (RMB trillion)
- Balance of agriculture-related loans (RMB100 million)
- Balance of inclusive finance loans (RMB100 million)
- Number of inclusive finance loan customers under CBIRC criterion (10,000)
- Balance of personal housing loans (RMB100 million)
- Newly increased of housing fund collection (RMB100 million)
- Balance of real estate development loans for indemnificatory housing supported by state policies (RMB100 million)
- Balance of shantytown renovation loans (RMB100 million)
- Payment to suppliers (RMB100 million)
- Expenditure on public welfare donation (RMB 10 thousand)
- Targeted poverty alleviation donations (RMB 10 thousand)
- Balance of green loans (RMB100 million)
  - Equivalent of standard coal emission reduction (10,000 tons)
  - Equivalent of carbon dioxide emission reduction (10,000 tons)
  - COD emission reduction (10,000 tons)
  - Ammonia and nitrogen reduction (10,000 tons)
  - Sulfur dioxide emission reduction (10,000 tons)
  - Nitric oxides emission reduction (10,000 tons)
  - Water saving (10,000 tons)
- Total greenhouse gas emissions (Category 1&2) (tons)
- Total greenhouse gas emissions per employee (Category 1&2) (tons per person)
- Direct emissions (Category 1) (tons)
  - Natural gas (tons)
  - Liquefied petroleum gas (tons)
  - Coal (tons)
  - Company vehicles (tons)
  - Diesel (tons)



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**Independent Assurance Report**

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 China Construction Bank Corporation Co.,Ltd.

- Indirect emissions (Category 2) (tons)
  - Power purchase
- Harmless waste (tons)
  - Discarded electronic devices (tons)
  - Scrapped vehicles (tons)
  - Waste batteries (tons)
  - Discarded office supplies (tons)
- Annual total harmless waste consumption per employee (tons/person)
- Hazardous waste (tons)
  - Discarded toner cartridges (tons)
- Annual total amount of hazardous waste consumed per employee (tons/person)
- Energy consumption (MWh)
- Direct energy consumption (MWh)
  - Natural gas (MWh)
  - Liquefied petroleum gas (MWh)
  - Coal (MWh)
  - Diesel (MWh)
  - Gasoline (MWh)
- Indirect energy consumption (MWh) Power purchase (MWh)
- Annual total energy consumption per employee (MWh/person)
- Water consumption (tons)
- Annual tap water consumption per employee (tons/person)
- Total paper consumption (tons)
  - Office use (tons)
  - Counter use (tons)
- Annual paper consumption per employee (tons/person)
- Proportion of off-counter account transactions (%)
- Financial transaction migration rate via electronic channels (%)
- Number of suppliers - Yangtze River Delta
- Number of suppliers - Pearl River Delta
- Number of suppliers - Bohai Rim
- Number of suppliers - Central
- Number of suppliers - Western
- Number of suppliers - Northeastern
- Local supplier procurement expenditure ratio (%)
- Procurement contract fulfillment (%)
- External expert participation rate (%)
- Number of training provided to suppliers' social responsibility (including interviews and business exchanges) (times)



**Social Responsibility Report**

**Independent Assurance Report**

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- Total number of employees (persons)
- Additional labor contractors (persons)
- Ethnic minority employees (persons)
- New employees (persons)
- Foreign employees (persons)

By gender

- Male employees (persons)
- Female employees (persons)

By age

- Below 30 (persons)
- 31-40 (persons)
- 41-50 (persons)
- 51-59 (persons)
- Above 60 (persons)

By region

- Yangtze River Delta (persons)
- Pearl River Delta (persons)
- Bohai Rim (persons)
- Central (persons)
- Western (persons)
- Northeastern (persons)
- Head Office (persons)
- Overseas (persons)

On-site training

- Tier-one branches and departments of the Head Office (person-times)
- Tier-two branches, departments of tier-one branches, and divisions of the Head Office (person-times)
- Business managers and lower levels (person-times)

Online training

- Tier-one branches and departments of the Head Office (persons)
- Tier-two branches, departments of tier-one branches, and divisions of the Head Office (persons)
- Business managers and lower levels (persons)

Employee turnover rate by age

- Below 25 (%)
- 26-35 (%)
- 36-45 (%)
- 46-54 (%)
- Above 55 (%)



**Social Responsibility Report**

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- |   |  |
|---|--|
| <p>Employee turnover rate by region</p> <ul style="list-style-type: none"> <li>● Yangtze River Delta (%)</li> <li>● Pearl River Delta (%)</li> <li>● Bohai Rim (%)</li> <li>● Central (%)</li> <li>● Western (%)</li> <li>● Northeastern (%)</li> <li>● Head Office (%)</li> <li>● Overseas (%)</li> </ul> <p>Employee work injury</p> <ul style="list-style-type: none"> <li>● Death toll on business (persons)</li> <li>● Death rate on business (%)</li> <li>● Working days affected as a result of work injuries (days)</li> </ul> <p>Customer satisfaction</p> <ul style="list-style-type: none"> <li>● Personal customers - Overall customer satisfaction (%)</li> <li>● Corporate customers - Overall customer satisfaction (%)</li> </ul> <p>Service channel development</p> <ul style="list-style-type: none"> <li>● Number of online banking users (10,000)</li> <li>● Number of mobile banking users (10,000)</li> </ul> | <ul style="list-style-type: none"> <li>● Number of users that connect bank accounts with WeChat (10,000)</li> <li>● Number of telephone banking customers (10,000)</li> <li>● Number of self-service bank branches</li> <li>● Number of ATMs</li> <li>● Smart Bank</li> <li>● Number of branches with wheelchair access</li> <li>● Number of branches with "Caring Window"</li> <li>● Number of branches with "Workers' Harbour"</li> <li>● Sessions of training namely "Jinzhihuimin"(number of sessions)</li> <li>● Balance of loans to the clean transportation sector of CCB's domestic branches (RMB 100 million)</li> <li>● Balance of loans to the clean energy sector of CCB's domestic branches (RMB 100 million)</li> <li>● Balance of loans to the energy-saving and emission reduction sector (RMB 100 million)</li> </ul> |
|---|--|



## Social Responsibility Report

### Independent Assurance Report

安永华明（2020）专字第60438537\_A01号  
China Construction Bank Corporation Co.,Ltd.

- Number of platforms for integrated house leasing services on prefecture level and above
- Balance of loans for targeted poverty alleviation (RMB 100 million)

Our work was performed at the Head Office of CCB and Beijing branch.

The procedures we performed comprised:

- 1) Interviews with management and personnel in the departments involved in providing information for inclusion in the Social Responsibility Report in relation to the selected data;
- 2) Analytical procedures;
- 3) Examination, on a test basis, of documentary evidence relating to the selected data on which we report;
- 4) Recalculation;
- 5) Other procedures deemed necessary.

In a limited assurance engagement, the evidence-gathering procedures are more limited than for a reasonable assurance engagement, and the therefore less assurance is obtained than in a reasonable assurance engagement. The procedures selected depend on the practitioner's judgment, including the assessment of the risks of material non-compliance of the selected data prepared in accordance with the standard for preparation of the report.

Our work was limited to the selected data as of 31 December 2019 and for the year then ended in the Social Responsibility Report. We have not performed any procedures over other data included in the Social Responsibility Report for 2019, nor have we performed any procedures on other data or data for 2018 and years before. In addition, our work performed was not for the purpose of expressing an opinion on the effectiveness of CCB internal controls.



**Social Responsibility Report**  
**Independent Assurance Report**

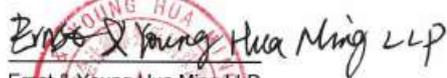
安永华明（2020）专字第60438537\_A01号  
China Construction Bank Corporation Co., Ltd.

**IV. Conclusion**

Based on the limited assurance work which we have performed, nothing has come to our attention that causes us to believe that the selected data as at 31 December 2019 and for the year the ended has not been prepared, in all material respects, in accordance with the standard for preparation of the report.

**V. Our independence, quality control and assurance team**

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants. We have complied with the quality control requirements of the *International Standard on Quality Control 1*. Our team has required competencies and experience for this assurance engagement.

  
Ernst & Young Hua Ming LLP  
Beijing, China  
27 March 2020



## Appendix

### Content Index of GRI Standards

Serial #	GRI Standards	Notes
102-1	Name of the organization	Refer to the official website
102-2	Activities, brands, products, and services	Refer to the official website
102-3	Location of headquarters	Refer to the official website
102-4	Location of operations	Refer to the official website
102-5	Ownership and legal form	Refer to the official website
102-6	Markets served	Refer to the official website
102-7	Scale of the organization	Refer to the official website
102-8	Information on employees and other workers	Refer to the official website
102-9	Supply chain	ESG disclosure
102-10	Significant changes to the organization and its supply chain	ESG disclosure
102-11	Precautionary Principle or approach	ESG disclosure
102-12	External initiatives	Refer to the official website
102-13	Membership of associations	Refer to the official website
102-14	Statement from senior decision-maker	From the Chairman
102-15	Key impacts, risks, and opportunities	From the Chairman
102-16	Values, principles, standards, and norms of behavior	ESG disclosure
102-17	Mechanisms for advice and concerns about ethics	ESG disclosure
102-18	Governance structure	ESG disclosure
102-19	Delegating authority	ESG disclosure
102-20	Executive-level responsibility for economic, environmental, and social topics	ESG disclosure
102-21	Consulting stakeholders on economic, environmental, and social topics	ESG disclosure
102-22	Composition of the highest governance body and its committees	Refer to the annual report of CCB
102-23	Chair of the highest governance body	Refer to the annual report of CCB
102-24	Nominating and selecting the highest governance body	Refer to the annual report of CCB
102-25	Conflicts of interest	Refer to the annual report of CCB
102-26	Role of highest governance body in setting purpose, values, and strategy	ESG disclosure
102-27	Collective knowledge of highest governance body	ESG disclosure

102-28	Evaluating the highest governance body's performance	Refer to the annual report of CCB
102-29	Identifying and managing economic, environmental, and social impacts	ESG disclosure
102-30	Effectiveness of risk management processes	Refer to the annual report of CCB
102-31	Review of economic, environmental, and social topics	ESG disclosure
102-32	Highest governance body's role in sustainability reporting	ESG disclosure
102-33	Communicating critical concerns	ESG disclosure
102-34	Nature and total number of critical concerns	ESG disclosure
102-35	Remuneration policies	Refer to the annual report of CCB
102-36	Process for determining remuneration	Refer to the annual report of CCB
102-37	Stakeholders' involvement in remuneration	Refer to the annual report of CCB
102-38	Annual total compensation ratio	Refer to the annual report of CCB
102-39	Percentage increase in annual total compensation ratio	Refer to the annual report of CCB
102-40	List of stakeholder groups	Refer to the CSR column on the official website.
102-41	Collective bargaining agreements	ESG disclosure
102-42	Identifying and selecting stakeholders	ESG disclosure
102-43	Approach to stakeholder engagement	ESG disclosure
102-44	Key topics and concerns raised	ESG disclosure
102-45	Entities included in the consolidated financial statements	Refer to the annual report of CCB
102-46	Defining report content and topic boundaries	Materiality analysis
102-47	List of material topics	Materiality analysis
102-48	Restatements of information	Introduction
102-49	Changes in reporting	Introduction
102-50	Reporting period	Introduction
102-51	Date of most recent report	Introduction
102-52	Reporting cycle	Introduction
102-53	Contact point for questions regarding the report	Introduction
102-54	Claims of reporting in accordance with the GRI Standards	Introduction
102-55	GRI content index	GRI Index
102-56	External assurance	Independent Assurance Report
103-1	Explanation of the material topic and its boundary	ESG disclosure
103-2	The management approach and its components	ESG disclosure
103-3	Evaluation of the management approach	ESG disclosure

201-1	Direct economic value generated and distributed	2019 highlights
201-2	Financial implications and other risks and opportunities due to climate change	Green finance against climate challenges ESG disclosure
201-3	Defined benefit plan obligations and other retirement plans	Refer to the official website
201-4	Financial assistance received from government	Not yet disclosed
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Not yet disclosed
202-2	Proportion of senior management hired from the local community	Not yet disclosed
203-1	Infrastructure investments and services supported	2019 highlights
203-2	Significant indirect economic impacts	2019 highlights
204-1	Proportion of spending on local suppliers	Social responsibility performance
205-1	Operations assessed for risks related to corruption	Adopted in the future
205-2	Communication and training about anti-corruption policies and procedures	ESG disclosure
205-3	Confined incidents of corruption and actions taken	Refer to notices of regulators
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Not applicable
301-1	Materials used by weight or volume	Environmental performance
301-2	Recycled input materials used	Not applicable
301-3	Reclaimed products and their packaging materials	Not applicable
302-1	Energy consumption within the organization	Environmental performance
302-2	Energy consumption outside of the organization	Environmental performance
302-3	Energy intensity	Environmental performance
302-4	Reduction of energy consumption	Environmental performance
302-5	Reductions in energy requirements of products and services	Environmental performance
303-1	Interactions with water as a shared resource	Not applicable
303-2	Management of water discharge-related impacts	Not applicable
303-3	Water withdrawal	Environmental performance
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable
304-2	Significant impacts of activities, products, and services on biodiversity	Green finance against climate challenges

304-3	Habitats protected or restored	Green finance against climate challenges
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not applicable
305-1	Direct (Scope 1) GHG emissions	Environmental performance
305-2	Energy indirect (Scope 2) GHG emissions	Environmental performance
305-3	Other indirect (Scope 3) GHG emissions	Environmental performance
305-4	GHG emissions intensity	Environmental performance
305-5	Reduction of GHG emissions	Environmental performance
305-6	Emissions of ozone-depleting substances (ODS)	Green finance against climate challenges
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	ESG disclosure
306-1	Water discharge by quality and destination	Not applicable
306-2	Waste by type and disposal method	Environmental performance
306-3	Significant spills	Not applicable
306-4	Transport of hazardous waste	Not applicable
306-5	Water bodies affected by water discharges and/or runoff	Not applicable
307-1	Non-compliance with environmental laws and regulations	Not applicable
308-1	New suppliers that were screened using environmental criteria	ESG disclosure
308-2	Negative environmental impacts in the supply chain and actions taken	ESG disclosure
401-1	New employee hires and employee turnover	Social responsibility performance
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	ESG disclosure
401-3	Parental leave	ESG disclosure
402-1	Minimum notice periods regarding operational changes	Refer to the annual report of CCB
403-1	Occupational health and safety management system	Not applicable
403-2	Hazard identification, risk assessment, and incident investigation	ESG disclosure
403-3	Occupational health services	Not applicable
403-4	Worker participation, consultation, and communication on occupational health and safety	ESG disclosure
404-1	Average hours of training per year per employee	ESG disclosure
404-2	Programs for upgrading employee skills and transition assistance	ESG disclosure

	programs	
404-3	Percentage of employees receiving regular performance and career development reviews	ESG disclosure
405-1	Diversity of governance bodies and employees	ESG disclosure
405-2	Ratio of basic salary and remuneration of women to men	Not yet disclosed
406-1	Incidents of discrimination and corrective actions taken	Not applicable
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not applicable
408-1	Operations and suppliers at significant risk for incidents of child labor	Not applicable
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Not applicable
410-1	Security personnel trained in human rights policies or procedures	Not yet disclosed
411-1	Incidents of violations involving rights of indigenous peoples	Not applicable
412-1	Operations that have been subject to human rights reviews or impact assessments	Not yet disclosed
412-2	Employee training on human rights policies or procedures	Not yet disclosed
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Not yet disclosed
413-1	Operations with local community engagement, impact assessments, and development programs	Not yet disclosed
413-2	Operations with significant actual and potential negative impacts on local communities	Not applicable
414-1	New suppliers that were screened using social criteria	ESG disclosure
414-2	Negative social impacts in the supply chain and actions taken	Not applicable
415-1	Political contributions	Not yet disclosed
416-1	Assessment of the health and safety impacts of product and service categories	Not applicable
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Not applicable
417-1	Requirements for product and service information and labeling	ESG disclosure
417-2	Incidents of non-compliance concerning product and service information and labeling	Refer to notices of regulators.
417-3	Incidents of non-compliance concerning marketing communications	Refer to notices of regulators.

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Refer to notices of regulators.
419-1	Non-compliance with laws and regulations in the social and economic area	None