



2018 CSR
CSR REPORT

About This Report

Report Coverage

This report includes information on Bank of Communications Co., Ltd. (BoCom) and its domestic and international branches, subsidiaries and retail banks. The report covers the period from January 1 to December 31, 2018.

BoCom publishes its CSR report annually. The 2017 CSR Report was published on March 28, 2018.

References

This report is written in accordance with the China Banking Regulatory Commission's Opinions on Promoting the Social Responsibility of Financial Institutions; the China Banking Association's Social Responsibility Guidelines for Financial Institutions in China's Banking Sector; the Shanghai Stock Exchange's Notice on Promoting the Social Responsibility of Listed Companies and Publishing Environmental Information Disclosure Guidelines for Companies Listed on the Shanghai Stock Exchange; the Environmental, Social and Governance Reporting Guide of Hong Kong Exchanges and Clearing Limited (HKEx); and the GRI Sustainability Reporting Guidelines Standards" (GRI Standards) issued by the GRI Global Sustainability Standards Board (GSSB).

Reporting Process

BoCom uses a seven-stage preparation process when drafting its report. This is based on the bank's CSR practices and covers project approval, information gathering, drafts and revisions, a senior management review, a Social Responsibility and Consumer Protection Committee review, a Board of Directors review, and printing and publishing. BoCom communicates frequently with its stakeholders for feedback on the structure and content of the report.

Assurance

The bank asked PricewaterhouseCoopers Zhong Tian CPAs Limited Company (special general partner) to provide a third-party assessment of the report, in line with the "International Standard on Assurance Engagements (ISAE) 3000: Other Than Audits or Reviews of Historical Financial Information," and an independent statement of assurance.

Report Data

Financial data from BoCom's 2018 financial statements have been independently audited by PricewaterhouseCoopers Zhong Tian CPAs Limited Company (special general partner). Other data from previous years are included in this report.

All financial statements are reported in RMB, unless otherwise stated.

Report Availability

This report is available electronically and in hard copy. BoCom uses environmentally friendly paper for all printed copies, and electronic copies are viewable at www.bankcomm.com.

Both Chinese and English versions of the report are available. If discrepancies exist between the two versions, the Chinese version takes precedence.

Designations

Bank of Communications Co., Ltd. is also referred to as "BoCom" or "the Bank" in this report.

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CONTENTS

02/ Message from the Chairman

04/ Report from the President

06/ About BoCom

13/ Managing Responsibility

18/ Feature: Giving Top Priority to Targeted Poverty Alleviation

28/ Deepening Reform to Serve High-Quality Development

30/ Responding to National Strategies

34/ Serving the Real Economy

36/ Improving People's Livelihoods

38/ Driving Development with Innovation to Create a Blueprint for Inclusive Finance

40/ Supporting MSEs

43/ Backing Agriculture, Rural Areas and Farmers

45/ Optimizing Financial Services

52/ Green Finance and Ecological Progress

54/ Green Finance

58/ Green Services

59/ Green Operations

67/ Green Public Welfare Activities

70/ Working Together to Build a Happy Home at BoCom

72/ Creating a Diverse Environment

74/ Emphasis on Career Development

78/ Employee Wellbeing

82/ Contributing to a Harmonious Society

84/ Establishing a Charity Brand

87/ Contributing to a Harmonious Community

88/ Volunteer Services

89/ Outlook

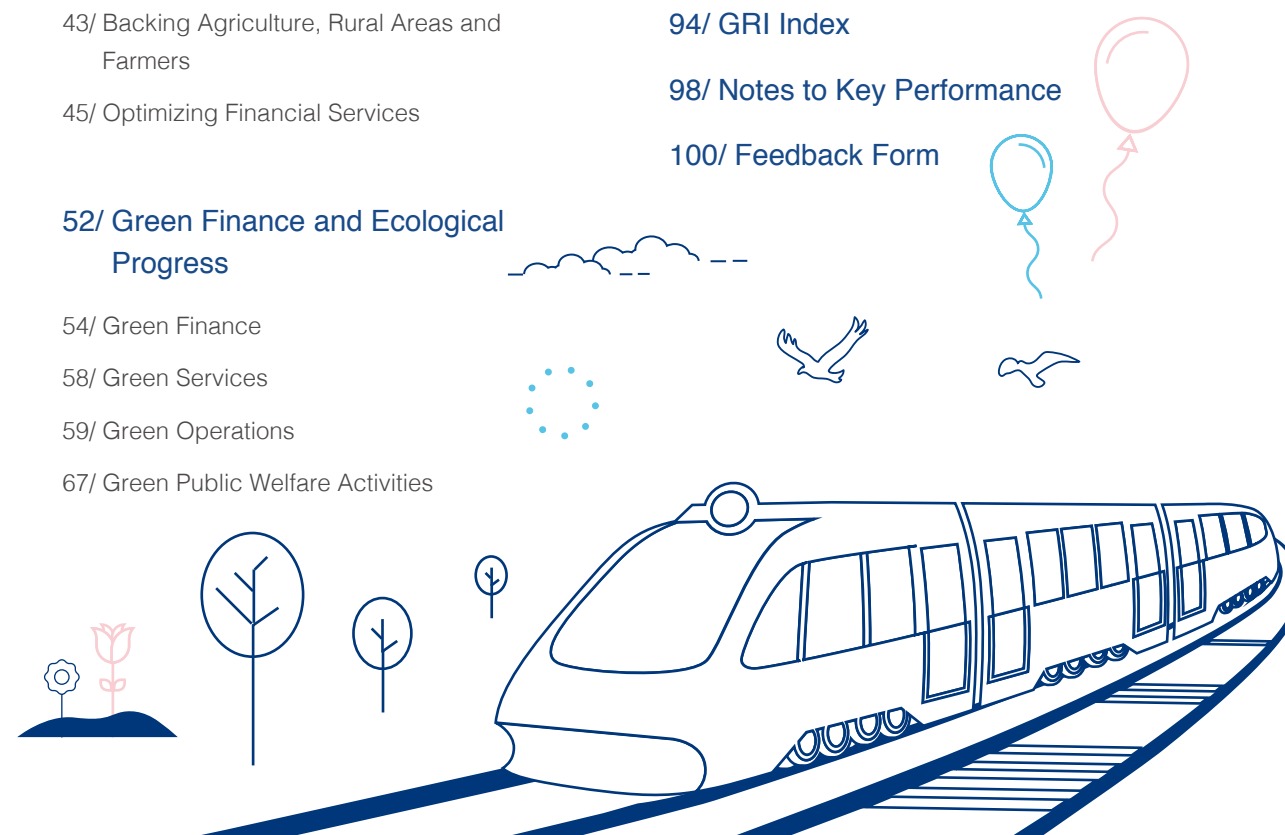
90/ Independent Statement of Assurance

92/ ESG Index

94/ GRI Index

98/ Notes to Key Performance

100/ Feedback Form



Message from the Chairman



2018 marks the 40th anniversary of China's reform and opening up, and is a key year for securing a decisive victory in building a moderately prosperous society in all respects, and for building on past successes moving forward with the 13th Five-Year Plan. It also marks the 110th anniversary of BoCom, and a new starting point for the Bank to pursue high-quality development under the leadership of the new Board of Directors and senior management. We remained true to our founding mission, kept up with the times, and focused on increasing our customer base, core debts and revenue from business transformation, and reducing the cost of risks, capital occupancy, and operating costs. We made new progress in reform and development, and recorded good performance. The Group's net profit attributable to the parent company reached RMB73.63 Billion, an increase of 4.85% year on year. Our business scale and asset quality saw steady improvements. At the end of 2018, our total assets were RMB9.531171 trillion, an increase of 5.45% year on year; the non-performing loan ratio was 1.49%, down 0.01 percentage points compared to the beginning of the year. In 2018, BoCom ranked 168th on the Fortune Global 500, remaining on the list for the tenth year in a row. It also made the best 20 of The Banker's list of Top 1000 World Banks for the fifth consecutive year, ranking 11th by tier-one capital.

Committed to Serving the Real Economy

We have stayed true to our founding mission to serve the country. Since it was founded in 1908 with the mission of recovering the revenue and expense management rights of ship, road, electricity and postal services, BoCom has been dedicated to contributing to economic development and social progress. In the past 110 years, we have closely followed national strategies, implemented policies on stabilizing employment, finance, foreign trade, foreign and domestic investment and expectations, and supported supply-side structural reforms, capitalizing on our advantages in global presence and diversified business. We go all out to serve such major national initiatives as the Belt and Road, the Beijing-Tianjin-Hebei region, the Yangtze River Economic Belt, the Xiong'an New Area, and the Guangdong-Hong Kong-Macao Greater Bay Area. We provide strenuous support for the private sector and small and micro enterprises. In 2018, we granted RMB274.972 billion in new loans, and RMB633.7 billion in relending, invested RMB138.7 billion in local treasury bonds, and provided a total of more than RMB1 trillion in funds for the real economy. A stronger customer base and better business structure underpinned a growth in profits.

Promoting Targeted Poverty Alleviation

We are actively engaged in target poverty alleviation and consider it our primary political task in fulfilling social responsibility. With a sense of responsibility for the country, we have concentrated our efforts for Great Poverty Alleviation and supported impoverished areas in implementing their development plans and key projects. We have supported targeted poverty alleviation, relying on our expertise in finance to improve the living and production conditions in impoverished areas, increase the income of poor people, and help them build capacity for sustainable development. We have increased support for poverty alleviation and donations to poverty-stricken areas. In 2018, BoCom had RMB27.743 billion in outstanding loans for targeted poverty alleviation, a year-on-year increase of 72.79%, and was given a "good" rating by the State Council Leading Group Office of Poverty Alleviation and Development.

Advancing Inclusive Finance

We have remained resolute in fulfilling our social responsibility. We stepped up efforts to transform and upgrade traditional financial services, expanded financing channels for the public, enterprises and individuals, and delivered multi-tier, full-coverage and higher-quality financial services to market entities and citizens. At the end of 2018, the Bank had RMB110.493 billion in outstanding loans for inclusive finance, up 24.57% compared to the beginning of the year, and the non-performing loan ratio was 5.33%, down 3.30 percentage points from the beginning of 2018; the interest rate of loans in the fourth quarter decreased 110 basis points compared to the first quarter, which means we met the regulatory targets of "two

increases and two controls" for inclusive finance. Striving to be the best bank in omni-channel services, BoCom integrated online and offline operations to improve service quality. It topped the industry with 135 outlets on the 2018 Top 1000 Model Outlets list selected by China Banking Association.

Putting Employees at the Center

We are committed to creating a happy home for employee growth. We see employees as the key to achieving exceptional results, and strive to create an enabling environment for employees by putting them first. We launched a strategy to cultivate a home-like atmosphere, issued the *Opinions on Strengthening the Building of Happy BoCom*, and established a five-pronged employee development system integrating corporate culture, democratic management, employee benefits, employee honor, and career development. We care about the physical and psychological wellbeing of employees, and assist them in balancing work and life in order to increase their sense of fulfillment and happiness. We have a sound career development system and enable employees to grow together with the Bank, so as to build a community of shared future.

In 2019, we will go on pursuing our dreams and remain committed to creating shared value, providing superior services, integrating our own development into the overall development of the country, improving our capacity to provide services across borders, industries and markets in an all-around manner, and will do our utmost to serve China's high-quality development. We will push forward with the BoCom Strategy of "becoming a first class listed comprehensive banking group focused on international expansion and specializing in wealth management," and make financial services more equal, efficient and accessible in order to serve the people's need for better lives. We will enhance cohesion among employees, build them a "BoCom homeland" and enable them to fulfill their dreams in pursuing high-quality, efficient and sustainable development, and deliver greater value to society.

E-signature of Peng Chun
Chairman of BoCom

March 29, 2019

Report from the President



In 2018, BoCom seized the development opportunities brought by economic transformation and upgrading and pursued a vision of innovative, coordinated, green, open, and shared development. We served society by relying on our expertise in finance, and elevated public recognition of our values and culture. While serving society and giving back to the community, we also scored well in business performance.

Supporting economic development with steady operations. We align business operations with national strategies and macro-economic policies, and focus on better serving the economy. At the end of 2018, the balance of customer loans reached RMB4.854228 trillion, an increase of 6.00%. We actively respond to key national strategies including the coordinated development of the Beijing-Tianjin-Hebei region, the Yangtze River Economic Belt, Xiongan New Area, and the Guangdong-Hong Kong-Macao Greater Bay Area. We combine regional coordinated development with our integrated operations and improve mechanisms and resource allocation so that major projects can be implemented effectively. We concentrate on operations outside the Chinese Mainland in the Asian Pacific, Europe and America, and fully support the Belt and Road and the "Going Global" Initiatives. In 2018, our domestic branches provided RMB129.157 billion in trade financing, an increase of 35.97% year on year.

Building a distinguished brand with quality services. We are committed to becoming the best bank in omni-channel services, and strive to build a customer-centered service system including service standards, service channels, business operations and IT systems. We continuously improve our service management system, link customers and financial resources through reform and innovation, and make financial resources more accessible. We have raised the level of smart services, and adopted advanced technologies and methods such as biological identification, integrated marketing, and online/offline integration on the basis of smart devices to improve service efficiency. The success rate of robots exceeded 99%, and the average waiting time for customers of BoCom was 7.45 minutes, decreased by 46.9% from the end of last year.

Breaking new ground in reform and innovation. We are pushing forward with implementation of BoCom's Deepening Reform plan approved by the State Council, as well as continuing to transform our development concepts and modes, and promote application of and innovation in Fintech. In 2018, we launched the new-generation intelligent information system project ("New

531 Project"), as well as "Ju Cai Lian", the first blockchain asset securitization platform in China's banking industry. We advanced the construction of online financial service platforms, and boosted innovation in wealth management. We reduced the cost of risk, capital consumption and operating costs through transforming our business model, and endeavored to build various competitive advantages through product/service differentiation.

Pursuing green development for ecological conservation. Green finance is an essential approach to achieving green development, and an important task on the supply-side of structural reform. To support the fight against pollution, we implemented the "three-color and seven-category" green credit management, steered more resources toward green industries, and curbed investment in polluting industries. At the end of 2018, outstanding loans to nine industries with severe capacity such as steel and coal decreased RMB830 million compared with the beginning of the year. We also took measures to conserve energy and reduce emissions within the Bank. In 2018, we met the energy use targets set by the Shanghai Financial Service Office.

A responsible bank never stops moving forward. At a new historic starting point, we will, with the support and trust of shareholders and customers, uphold "entrepreneurship, responsibility, and innovation", make concerted efforts to implement national strategies and policies, advance the reform and opening up, and contribute to the building of a moderately prosperous society in all aspects while achieving greater success in our business.

E-signature of Ren Deqi
President of BoCom

March 29, 2019

About BoCom

Company Profile

Founded in 1908, BoCom is one of the longest standing note-issuing banks in modern China. It was the first state-owned, joint-stock, nationwide commercial bank in China, and has its Head Office located in Shanghai. The Bank is one of the major financial service providers in China. The Group's business scope includes commercial banking, securities, trust, financial leasing, fund management, insurance, and offshore financial services, etc. As of the end of the Reporting Period (December 31, 2018, the same below), the Bank had set up 238 domestic branches, including 30 Tier-1 branches, 7 directly operating branches of the Head Office and 201 Tier-2 branches. 3,241 banking outlets were set up in 239 cities, prefecture-level or above, and 163 county-level cities nationwide. It also set up 22 overseas banking branches, subsidiaries and representative office in 16 countries and regions, and established 66 overseas banking outlets in total (excluding the representative offices). It had 7 non-bank subsidiaries, including wholly-owned subsidiaries such as Bank

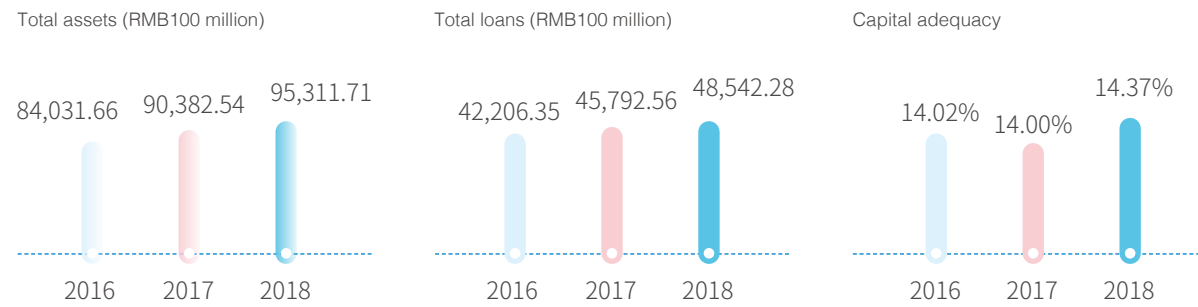
of Communications Financial Leasing Co., Ltd., China BoCom Insurance Co., Ltd. and BoCom Financial Asset Investment Co., Ltd., as well as subsidiaries with a controlling interest, including Bank of Communications Schroder Fund Management Co., Ltd., Bank of Communications International Trust Co., Ltd., BoCommLife Insurance Company Limited and BoCom International Holdings Company Limited. Moreover, the Bank is the largest shareholder of Jiangsu Changshu Rural Commercial Bank Co., Ltd. and the paratactic largest shareholder of Bank of Tibet Co., Ltd. The Bank has strategically invested in the Bank of Hainan Co., Ltd., and controls 4 rural banks.

In 2018, the Bank was listed among the Top 500 Global Companies for ten consecutive years and was ranked No. 168 in terms of revenue by Fortune. It was ranked No. 11 among the world's top 1,000 banks in terms of Tier 1 capital rated by The Banker.



Key Performance

Economic



Net profits (RMB100 million)

736.30

Outstanding loans, agro-related (RMB100 million)

5,811.47

Outstanding loans, micro-, small- and mid-sized enterprises (RMB100 million)

14,167.74

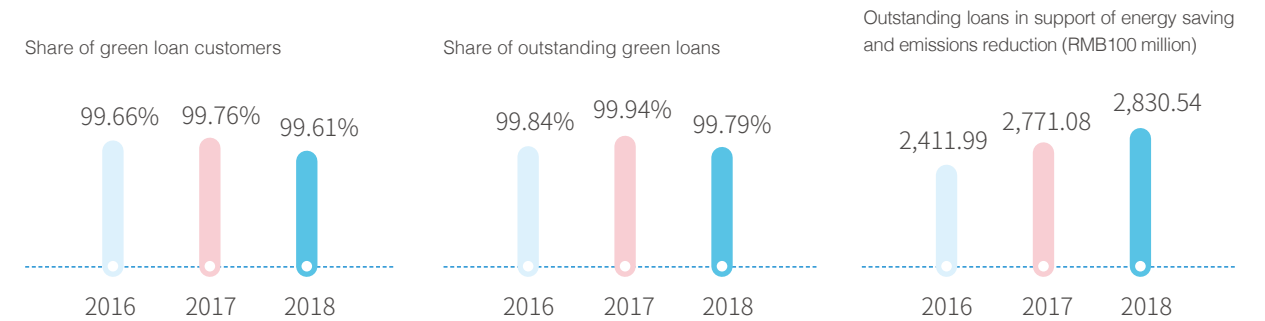
Outstanding loans, central and western China (RMB100 million)

13,279.09

- Taxes 316.55 (RMB100 million)
- Return on average assets 0.80%
- Return on average equity 11.36%
- Impaired loan ratio 1.49%
- Provision coverage 173.13%
- Tier 1 capital adequacy 12.21%
- Core Tier 1 capital adequacy 11.16%
- Total assets of branches outside Chinese mainland 10,691.86 (RMB100 million)
- Total profits from branches outside Chinese mainland 55.07 (RMB100 million)
- Total assets of 7 controlled non-bank subsidiaries 3,222.08 (RMB100 million)

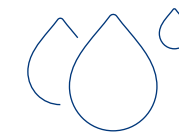
- Total profits of 7 controlled non-bank subsidiaries 43.19 (RMB100 million)
- Low-income housing loans 737.63 (RMB100 million)
- Science, education, culture, and health loans 894.36 (RMB100 million)
- Personal loans 16,356.27 (RMB100 million)
- Number of product innovation plans implemented 72
- Share of successful transactions made via UnionPay interbank trading system 99.99%
- Number of outlets in the Chinese mainland 3,241
- Number of outlets ranked among Top 1000 Model Outlets 135

Environmental



Head office electricity use (10,000 kW·h)

9,964.67



Head office water use (10,000 tons)

33.33



Head office carbon emissions (tons of CO₂e)

81,184.27

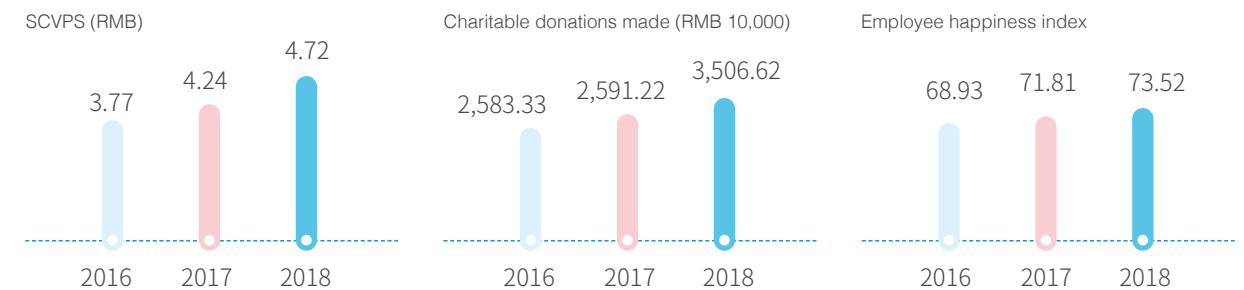


Head office paper use (tons)

40.95

Share of loans to heavily polluting, energy-intensive, and overcapacity industries 3.18% | E-banking business share 96.59% | Bank-wide video conferences 7,760
Head office gas use (10,000 m³) 123.25 | Data center PUE 1.79

Social



Employees (domestic and overseas)

89,542



Female middle and senior management

2,809



Poverty reduction donations (RMB 10,000)

2,815.79



Ethnic minorities

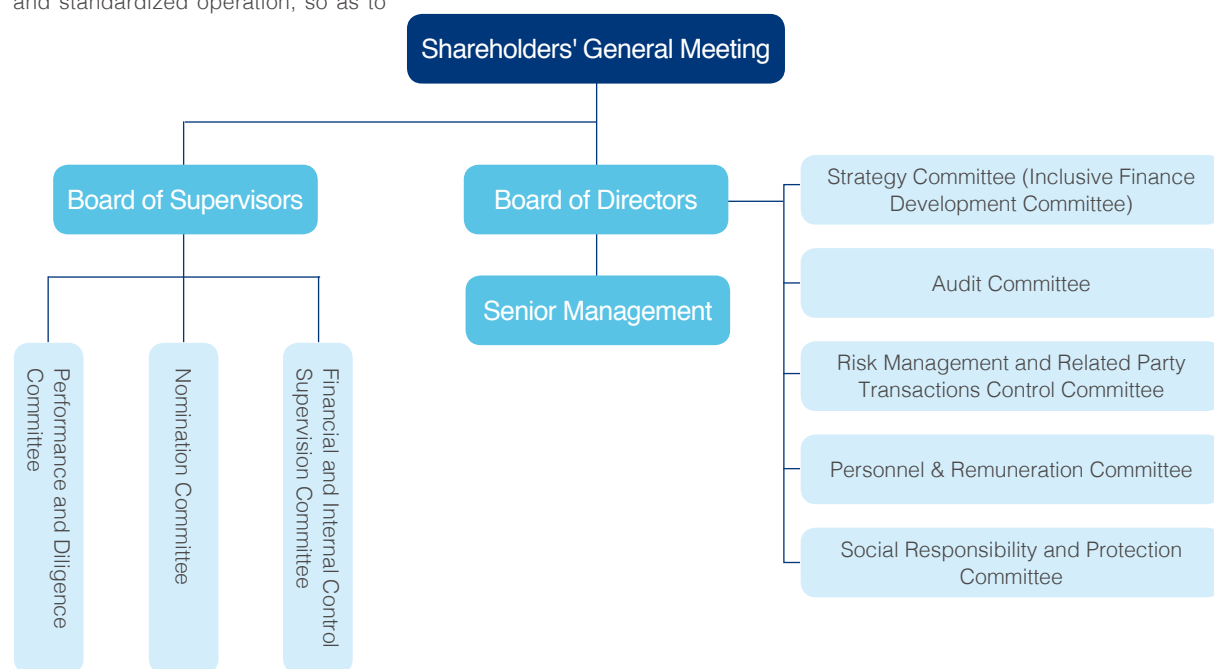
4,042

Corporate Governance

BoCom strictly abides by domestic and overseas laws and regulations and listing rules and constantly improves its corporate governance system. The Bank has established "core leadership by the Party Committee, strategic decision-making by the Board of Directors, legal supervision by the Board of Supervisors, and the full authority of Senior Management," which are effectively balanced and coordinated corporate governance mechanisms for large commercial banks with Chinese characteristics. The Shareholders' General Meeting, the Board of Directors and its special committees, the Board of Supervisors and its special committees, and Senior Management have clearly defined authorities and responsibilities and standardized operation, so as to

continuously enhance the effectiveness of corporate governance. As of the end of the Reporting Period, the 8th Board of Directors had 17 members, including 3 executive directors, 8 non-executive directors, and 6 independent non-executive directors. More than one-third of Board members were independent directors. The 8th Board of Supervisors had 13 members, including a chairman, 5 shareholder supervisors, 3 external supervisors and 4 employee supervisors. Among the supervisors, 4 were female.

During the Reporting Period, the Board of Directors of the Bank conscientiously applied the guidelines of the 19th CPC National Congress and the Central Economic Work Conference, and made serving the real economy its foundational principle, preventing and controlling risk its security tactic, and deepening reform its driving force. With the support and supervision of all shareholders, regulators and the Board of Supervisors, the Bank enriched the content of the "BoCom Strategy," emphasized "Building the Best Wealth Management Bank," stimulated the momentum to drive development, highlighted value creation, and further promoted its high-quality development through cohesion of strategic consensus.



BoCom Governance Structure

Committed to being the "best bank for all investors and capital markets," BoCom has continuously enriched its channels and forms of communication with investors, expanded communication coverage, strengthened communication efforts, and strived to maximize shareholder value. During the Reporting Period, the Bank established close interaction with the market in its "Bringing In" and "Going Global" campaign through a wide range of channels and means, actively promoted its investment value and demonstrated the results of deepening reforms, thereby enhancing information transparency. The Bank held four regular performance conferences, carried out roadshows in Asia, the Americas and Europe, as well as for domestic institutional investors, where the senior management team met and communicated with more than 300 journalists, analysts and institutional investors. The Bank's investor relation team participated in 15 investor forums held by domestic and overseas investment banks, received 50 visits and interviews from analysts and institutional investors, and held a reverse roadshow on credit cards. Making full use of SSE's e-Interaction website, online reception day, investor

hotline, investor mailbox and other platforms, the Bank actively participated in the "Collective Reception Day for Investors" campaign organized by the Listed Companies Association of Shanghai and other institutions, and responded to questions raised by investors online.

The Bank adheres to the principle of "truthfulness, accuracy, completeness, timeliness and fairness" in carrying out statutory information disclosures. The Bank issued 4 regular reports, 52 A-Share and 48 H-Share interim announcements. Taking the initiative on information disclosure, the Bank disclosed its performance of social responsibilities, focusing on poverty alleviation in regular reports, and made special presentations on FinTech innovations and applications, "outlet, electronic banking, customer manager" trinity channel building, layout of international strategy, integrated operation, and the concept, measures and results of "Full Service," which investors are generally concerned about. The quality of the Bank's information disclosure has been widely recognized by regulators and investors, and has been rated as Class A by the Shanghai Stock Exchange for five consecutive years. During the Reporting Period, the Bank did not have abnormal fluctuations in stock prices or trading volume, and fully protected investors' right to know and legitimate rights and interests.

Complete 2017 cash dividend of ordinary shares, with total dividends of RMB

21,209 million (before tax)

Complete dividend distribution of domestic preference shares, with total dividends of RMB

1,755 million (before tax)

Complete dividend distribution of overseas preference shares, with total dividends of USD

122.5 million (before tax)

During the Reporting Period, in the face of transformations in banking and the increasing difficulties and pressures of risk management and control, the Bank regarded maintaining financial security and preventing and controlling financial risks as priorities for its operation and management. It implemented comprehensive risk management, strengthened anti-corruption building, and paid attention to anti-fraud and anti-money laundering management, to resolutely put an end to behaviors that seriously interfere with the financial market's order.



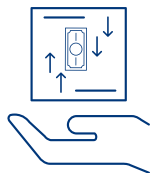
Risk Management

- The Board of Directors of the Bank assumes the ultimate responsibility and performs the highest decision-making function for the Bank's risk management and controls the Bank's risk management through its Risk Management and Related Party Transaction Control Committee. The Senior Management established a "1+4+2" Risk Management Committee, where four sub-committees were established under Comprehensive Risk Management Committee, namely the Credit Risk Management Committee, Market and Liquidity Risk Management Committee, Operational Risk Management Committee and Compliance (Anti-Money Laundering) Risk Management Committee. Two business review committees, namely the Loan and Investment Review Committee and High-risk Asset Review Committee, were also established and performed their respective duties. Each Tier-1 branch, overseas branch, subsidiary and directly operating institutions correspondingly established simplified and practical Risk Management Committees in reference to the above-mentioned framework, forming an efficient and professional risk decision-making system.
- During the Reporting Period, the Bank initiated a reform of credit risk management, formulated and issued its Opinions on Further Strengthening Risk Management, and Preventing and Resolving Financial Risks Under the New Situation, which focused on establishing a credit risk management system featuring "full coverage, differentiation, specialization, intelligence and accountability" to further improve the risk policy system. It also issued the Policy for the Management of Concentration Risk and Large Risk Exposure of Bank of Communications Co., Ltd., and Consolidated Management Policy of Bank of Communications Co., Ltd., effectively guiding risk management practices under the new situation. The Bank achieved positive results in improving the risk management decision-making system and dynamic balance management mechanism for risk and profit, strengthening the unified credit risk management, enhancing the specialization and independence of examination and approval, and promoting the Group's unified risk monitoring, measurement and disposal system building.
- The Bank improved its multi-tiered and wide-coverage classification training system to enhance employees' risk management and control capabilities. It issued the Reward Measures for Case Risk Event Reporting of Bank of Communications Co., Ltd., (2018 Version) to encourage employees to report case risk events, and stipulated that relevant departments must strictly enforce the confidentiality rules, protect the legitimate rights and interests of the reporter, and must not disclose the identity, contact information of the reporter or the report's contents.



Anti-Corruption and Anti-Commercial Bribery Management

- The Bank formulated the Twelve Behavioral Prohibitions for Employees of Bank of Communications Co., Ltd., and Bank of Communications Co., Ltd. Reward Measures for Case Risk Event Reporting, reaffirmed that once an employee violates the prohibitions, he/she may be dismissed or discharged from the labor contract, and encouraged employees to report case risk events, further strengthening the normative and binding nature of the rules.
- The Bank formulated the Work Plan for the Special Governance of Corruption and Work Style Problems in Poverty Alleviation from 2018 to 2020, and rectified such problems as inadequate performance of duties, impractical style of work and abuse of power for personal gains in poverty alleviation.
- The Bank launched such activities as the “Work Style Building Year” and “Discipline Education Month” to publicize a culture of integrity and created a public opinion atmosphere of strict governance of the Party and strict administration of the Bank.
- The Bank carried out such special governance campaigns as the “New Five Major Areas ” and “Long Sword 2018.” During the Reporting Period, 1,002 problems were identified. Among them, 573 were self-examined and self-corrected, 519 of which have been rectified; and 429 problems or problem clues were found in spot checks, 322 of which have been rectified.



Anti-Fraud and Anti-Money Laundering Management

- The Bank continued to improve its anti-fraud system and promote the linkage of the anti-fraud system and case prevention with continuous governance of the “New Five Major Areas.” It allocated more resources to the anti-money laundering (AML) system, improved the functions of the AML system, and strengthened the “risk-based” working philosophy in order to enhance the effectiveness of AML.
- The Bank organized training courses on case prevention and discipline review, training courses for part-time inspectors and discipline inspectors of inspection teams dispatched to overseas institutions, and training courses on anti-fraud ability enhancement and the TCE exchange program for “prevention of financial crimes” in order to facilitate employee acquisition of the latest work trends and skills.
- The Bank improved its AML internal control policies by formulating the Standards for the Classification and Grading of Anti-Money Laundering Risk, Implementation Rules for the Rating Assessment and Classification Management of Customer Money Laundering Risk (2018 Version) and Guidelines on Responsibilities of Anti-Money Laundering Post, and revising the Anti-Money Laundering Management Measures (2018 Version). It also organized employee participation in AML training held by the regulators and the Bank in order to continuously improve employees' AML awareness and skills.
- As of the end of the Reporting Period, early warnings were issued to 1,944 financial transactions, 95.6% (1,859) of which were checked, and the Bank took the initiative of checking 681 transactions, 200 of which were subsequently turned over for investigation, effectively cracking down on bank-related crimes and making due contributions to safeguarding national security and the safety of customer funds.

Note: See the Bank of Communications 2018 Annual Report for more detailed information on corporate governance.

Managing Responsibility

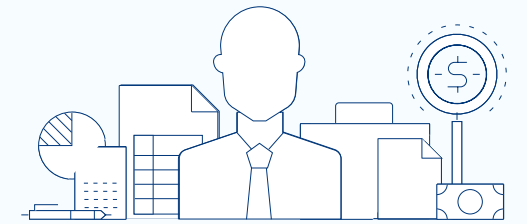
Corporate governance is one of the most critical factors when an enterprise takes responsibility for the impact of its decisions and activities, or when integrating social responsibility into its management and relevant relationships. Therefore, the Bank continued to improve its social responsibility management system, and promoted the integration of corporate social benefits, economic benefits and social responsibilities, to make fulfillment of corporate social responsibilities a conscious action of the Bank, and comprehensively enhance its capability to fulfill social responsibilities.

BoCom has a Social Responsibility and Consumer Protection Committee under its Board of Directors. The Committee carries out routine work in accordance with the Regulations on Work of the Board of Directors Committee for Social Responsibility and Consumer Protection, and as authorized by the Board of Directors, and is responsible for the Bank's CSR strategy and policy, reviewing the strategies, policies and objectives for consumer protection, approving donations, and protecting the rights and interests of all stakeholders.



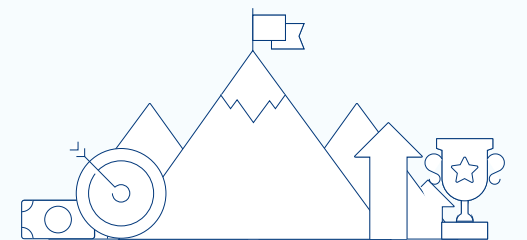
During the Reporting Period, the Social Responsibility and Consumer Protection Committee held 1 meeting to review and approve 6 proposals and reports including the annual work report and work plan, the annual CSR report, the donation report, the green credit report, the consumer protection report, and the annual Happy BoCom progress report. The above picture shows the committee meeting in preparation of the CSR report.

During the Reporting Period, the Bank organized the core communication meeting on CSR report, and with the Environmental, Social and Governance Reporting Guide and the GRI Sustainability Reporting Guidelines Standards as the primary training content, built department awareness of social responsibility and integrated the concept of social responsibility into the core business of the Bank. The Bank actively participated in social responsibility exchange activities, communicated and held discussions with mainstream social responsibility organizations on key issues of social responsibility, and shared the Bank's philosophy and practices on responsibility in order to expand the external influence of BoCom's social responsibility. During the Reporting Period, the Bank participated in the 11th China International Conference on Corporate Social Responsibility Reports and won the “Leading Enterprise” award as listed on the GoldenBee Excellent CSR Report Honor Roll for 2018.



Declaration of Responsibility:

Achieve more through harmony and credibility and grow with society.



Vision:

Fulfill the responsibilities of a modern corporate citizen while meeting the expectations of our shareholders, customers, employees, and all other stakeholders as a global CSR leader.

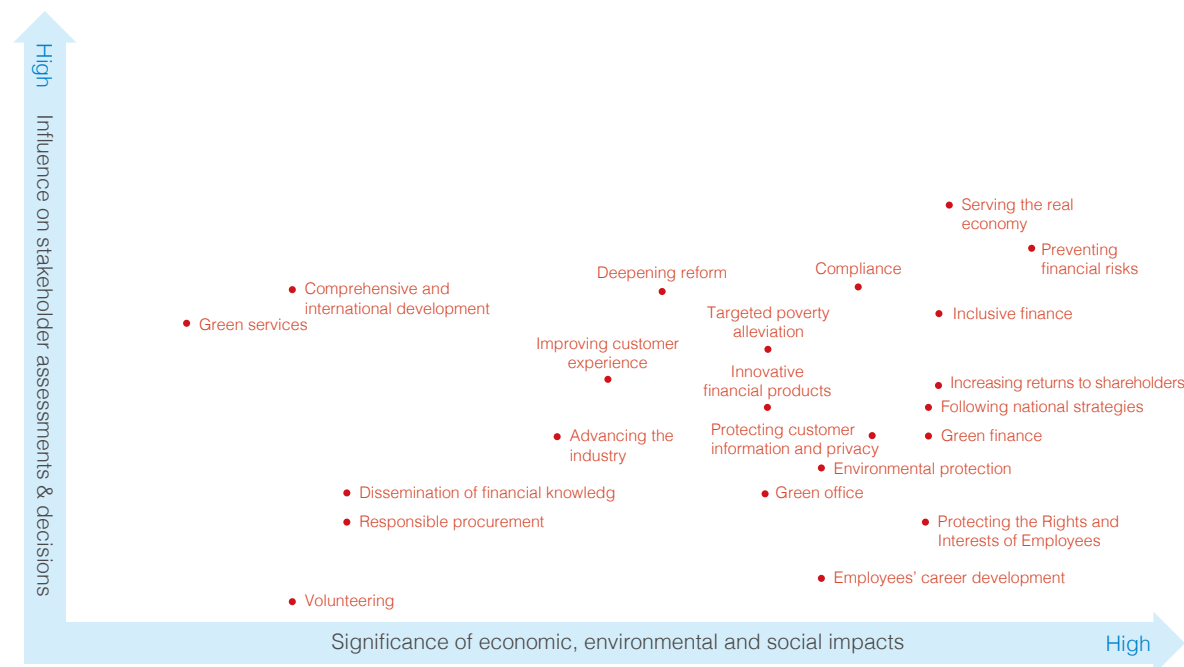


Ms. Mao Xiaopei, Deputy General Manager of the Corporate Culture Department of Bank of Communications, participated in the 11th China International Conference on Corporate Social Responsibility Reports and discussed the topic of Responsibility and Communication - Enhancing Sustainable Brand Value with other guests.

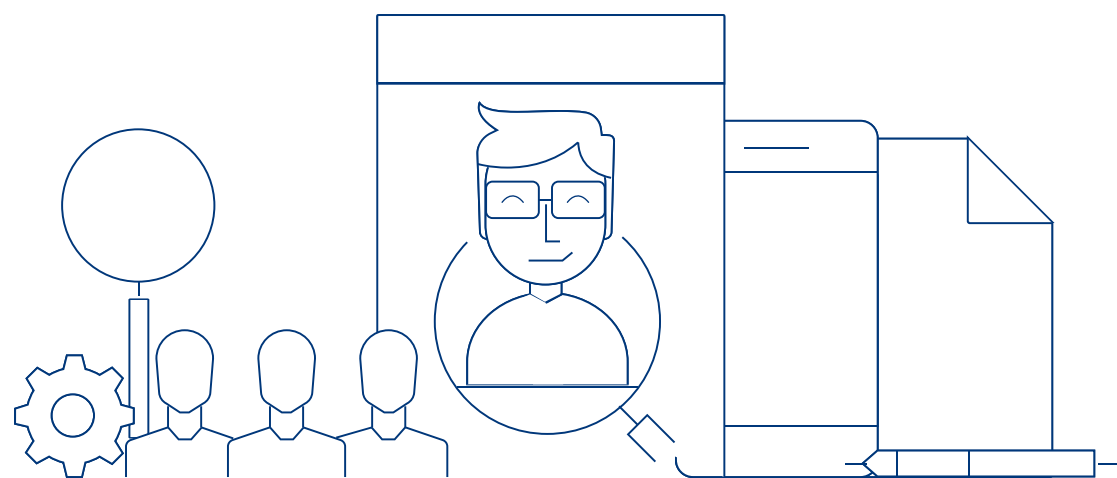


Materiality Analysis

During the Reporting Period, BoCom adopted the materiality definition process proposed in the GRI Sustainability Reporting Guidelines Standards to identify and rank issues based on their economic, environmental and social impact and their influence on the decision-making of stakeholders, and determined the Bank's key issues subject to management and information disclosure.



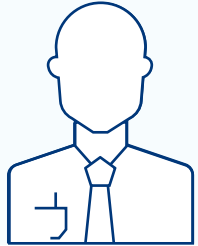


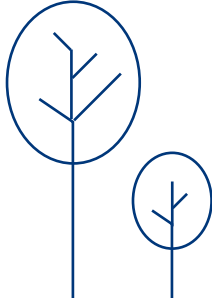
BoCom Materiality Analysis Results for 2018



Stakeholder Communication and Engagement

Stakeholder	Description	Primary concern	Source of information	Response
Customers	Current and prospective customers	Convenient, efficient, and quality financial services	Product promotion, customer service hotline, various customer activities	Provide efficient, quality services, and innovative financial products; fulfill obligations to protect customer interests and information.
Shareholders	Holders of the Bank's shares	Good return on investment; fair, impartial, transparent and timely information disclosure	Shareholders' general meetings, investor activities, investor hotline, e-mail and fax, and company announcements	Efficient operations, good business performance, and effective investor relations to maximize value for investors.
Government agencies	All levels of the government; PBOC and its branches, CBRC and its agencies, CSRC; administrative agencies for industry and commerce and taxation at all levels	Maintain stability of financial system, assist in developing the national economy, and improving the people's well-being	Policy directives, work reports, day-to-day communications, etc.	Compliance management, standardized operations, active implementation of China's macro-economic policies, support for agriculture, rural areas and farmers, micro-, small, and mid-sized companies and the development of central and western China, etc.
Employees	Bank staff, regardless of position or duration	Stable employment, proper benefits, satisfactory working conditions, growth opportunities	Employee congress, personnel opinion solicitation, personnel studies, counseling sessions, etc.	Protect employee rights and interests, grow together to increase employee satisfaction
Environment	The areas where the Bank transacts business and other affected areas	Pay close attention to climate change, support a low-carbon economy, help build a more conservation-minded society	Information disclosure, related activities, pricing strategies, etc.	Promote green credit, e-banking, green operations, green procurement, and green activities.
Communities	General public and institutions in areas where the Bank transacts business and other affected areas	Social harmony and improved well-being	Financial service activities, public interest activities, etc.	Engage in charitable activities, organize volunteer activities, and disseminate financial information.
Partners	Suppliers and other institutions in business with the Bank	Honesty, mutual benefit, and fair procurement	Invitations to bid, business exchanges and cooperation, etc.	Adhere to the principle of integrity, mutual benefit, and consultation on an equal footing; centralize procurement; develop long-term partnerships.
Social organizations	Industry organizations (e.g. CBA), nonprofits (e.g. environmental or public interest)	Boost development of the industry as well as social harmony	Information disclosure, various related activities	Cooperation with related parties in accordance with respective CSR strategies.

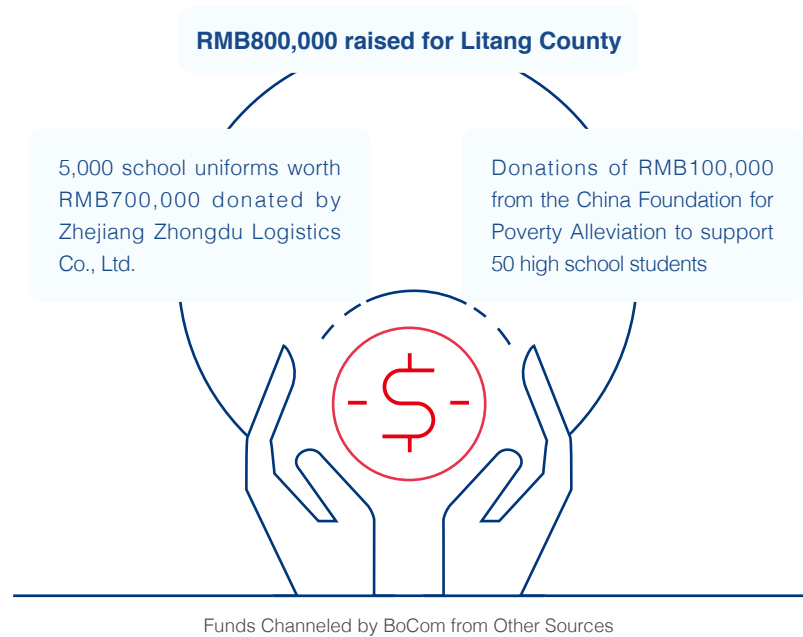
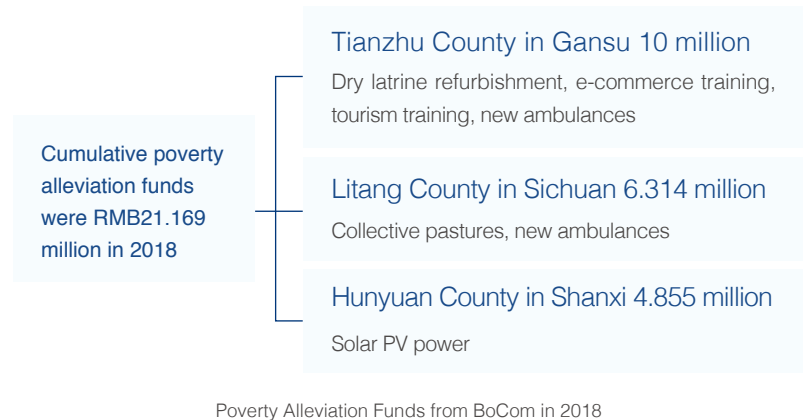
Honors

People Rewarded	2018 Ranking/Honor	Sponsor/Granted by
	<p>Banker of the Year – Peng Chun</p> <p>China's Top 100 Outstanding Secretary to the Board Award</p>	<p>CBN</p> <p>China Business Top 100</p>
<p>Comprehensive Ranking</p> 	<p>Top 1000 World Banks 2018 (ranked 11)</p> <p>Fortune Global 500 – 2018 (ranked 168)</p>	<p><i>The Banker (UK)</i></p> <p><i>Fortune (USA)</i></p>
<p>Brand Rewards</p> 	<p>Leading Bank in Assessment of Consumer Protection in the Banking Industry</p> <p>135 outlets named "Top 1000 Model Outlets," the most of any bank on the list; China's Most Socially Responsible Financial Institution</p> <p>Best Domestic Bank</p> <p>2018 Best Wealth Management Bank</p> <p>2018 "Jin Li Cai" TOP Award for Wealth Management Brand</p>	<p>CBIRC</p> <p>China Banking Association</p> <p><i>The Asset</i></p> <p><i>Financial Times</i></p> <p><i>Shanghai Securities News</i></p>
	<p>Best Integrated Bank; Most Innovative Bank</p> <p>Caixin ESG Excellent 50 Index Winner – Social Responsibility</p>	<p>eastmoney.com</p> <p><i>Caixin</i></p>

Business Awards	2018 Ranking/Honor	Sponsor/Granted by
	<p>2018 "Jun Ding" Award for Excellent Wealth Management Bank</p> <p>2018 Premier Platinum Credit Card</p> <p>2018 Premier Credit Card APP (Maidanba)</p> <p>Best Service Provider, Cash Management, China</p>	<p><i>Securities Times</i></p> <p>21st Century Media</p> <p>The Organizing Committee of the 21st Century Annual Finance Summit of Asia</p>
	<p>2018 Corporate Banking with Excellent Competitiveness</p> <p>Best Green Bond Bank</p> <p>2018 "Jin Li Cai" Award for Outstanding Private Bank</p> <p>Top 10 Financial Product Innovation Award for Credit Card Center Intelligent Robots</p> <p>Best Asset Securitization in China</p>	<p><i>The Asset</i></p> <p><i>China Business Journal</i></p> <p><i>Asiamoney</i></p> <p><i>Shanghai Securities News</i></p> <p><i>The Banker</i></p> <p><i>The Asset</i></p>
		

Supporting Designated Counties

BoCom was entrusted by the State Council Leading Group Office of Poverty Alleviation and Development to help three poor counties, including Tianzhu County in Gansu, Hunyuan County in Shanxi, and Litang County in Sichuan, of which Tianzhu and Litang Counties are national-level impoverished counties. BoCom and the State Council Leading Group Office of Poverty Alleviation and Development signed the Poverty Alleviation Responsibility Statement 2018, specifying the responsibilities and targets for poverty alleviation in these three designated counties. BoCom also completed poverty alleviation tasks entrusted by provincial and municipal governments. BoCom increased efforts to improve the living and production conditions in poor areas and increase the income of poor households according to the local situations, and achieved good results in poverty alleviation through strong leadership, effective guidance, proper measures and sufficient funding.



During the Reporting Period,

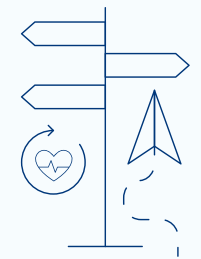
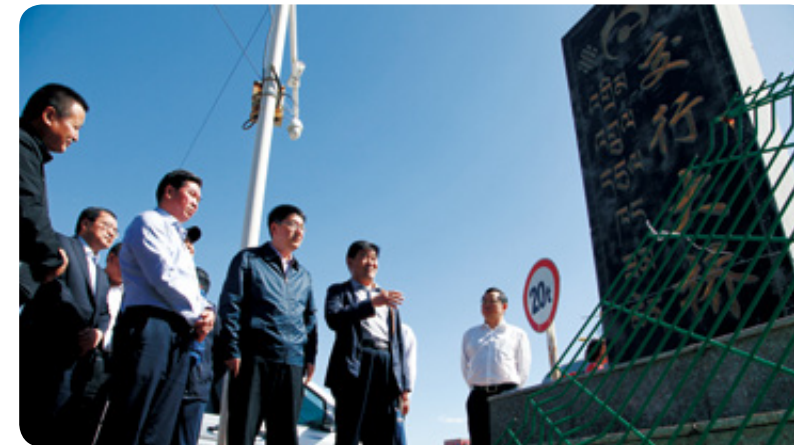
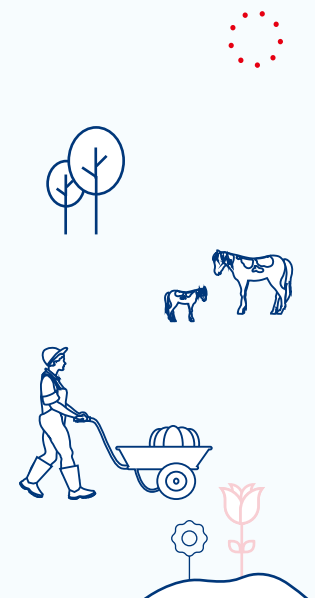
BoCom had RMB **15.85** million in outstanding loans for supporting the three counties, and helped lift

252 registered poor people out of poverty.

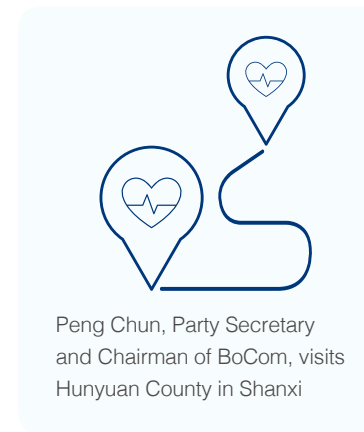
Training in the Three Counties in 2018

1,068 Basic-level officials

380 Technicians



Peng Chun, Party Secretary and Chairman of BoCom, inspects the construction of BoCom Bridge in Gansu's Tianzhu County



Peng Chun, Party Secretary and Chairman of BoCom, visits Hunyuan County in Shanxi



Peng Chun, Party Secretary and Chairman of BoCom, visits needy households in Sichuan's Litang County



Xu Min, Chief of the BoCom Discipline Inspection Team of the Central Commission for Discipline Inspection and member of the BoCom Party Committee, visits poor households in Shanxi's Hunyuan County

Poverty Alleviation Efforts in the Three Counties

Supporting dry latrine refurbishment to improve rural living conditions.

BoCom provided RMB1 million and RMB1.6 million to help the towns of Danma and Dachaigou in Tianzhu County refurbish dry latrines. In 2018, 580 dry latrines in Danma and 353 in Dachaigou were refurbished, benefiting 495 registered poor households.



Organizing tourist service training to promote tourism development.

BoCom spent RMB200,000 providing tourism training for 150 unemployed graduates from technical secondary schools in registered poor families to meet the shortage of tour guides, improve the capacity of practitioners, and promote the development of the tourism industry.



Holding e-commerce training to cultivate e-commerce talent.

BoCom spent RMB200,000 on e-commerce training for 200 officials in charge of e-commerce, chiefs of e-commerce companies and e-commerce practitioners from registered poor villages or non-poverty villages with registered poor people in 19 towns in Tianzhu County to cultivate competent e-commerce teams and strengthen the role of e-commerce in poverty alleviation.



Purchasing educational supplies to support the development of education.

BoCom donated RMB4 million to the No. 7 Settlement kindergarten and primary school in the town of Songshan in Tianzhu County to help them purchase educational supplies.



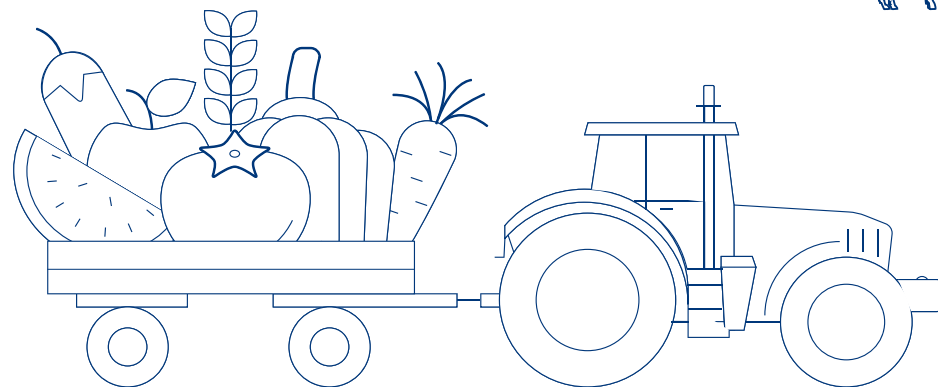
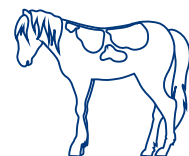
Purchasing medical vehicles to make medical services more accessible at the basic level.

BoCom spent RMB1.3 million to purchase three medical vehicles for Tianzhu County Hospital, Tianzhu County Tibetan Hospital and Tianzhu County No. 2 Hospital in an effort to make medical services more accessible and health resources more balanced in remote areas.



Purchasing ambulances to help raise the level of medical services.

BoCom spent RMB900,000 to buy eight ambulances for eight township clinics in Litang County to meet their needs and improve ambulance services.



Building collective pastures and tourist service points to help reduce poverty.

BoCom provided RMB1.5 million to support the construction of collective pastures and tourist service points in Gehe Village of Qudeng Town, Xueshuo Village of Gemu Town and Cunge Village of Cunge Town in Quatang County to promote industrial development with local features.

Developing a plateau specialty project to increase farmers' income.

BoCom provided RMB500,000 to build an agricultural product and specialty factory in Qudeng Town to promote the development of a local collective economy.

Establishing "benevolence stores" to meet the basic needs of poor households.

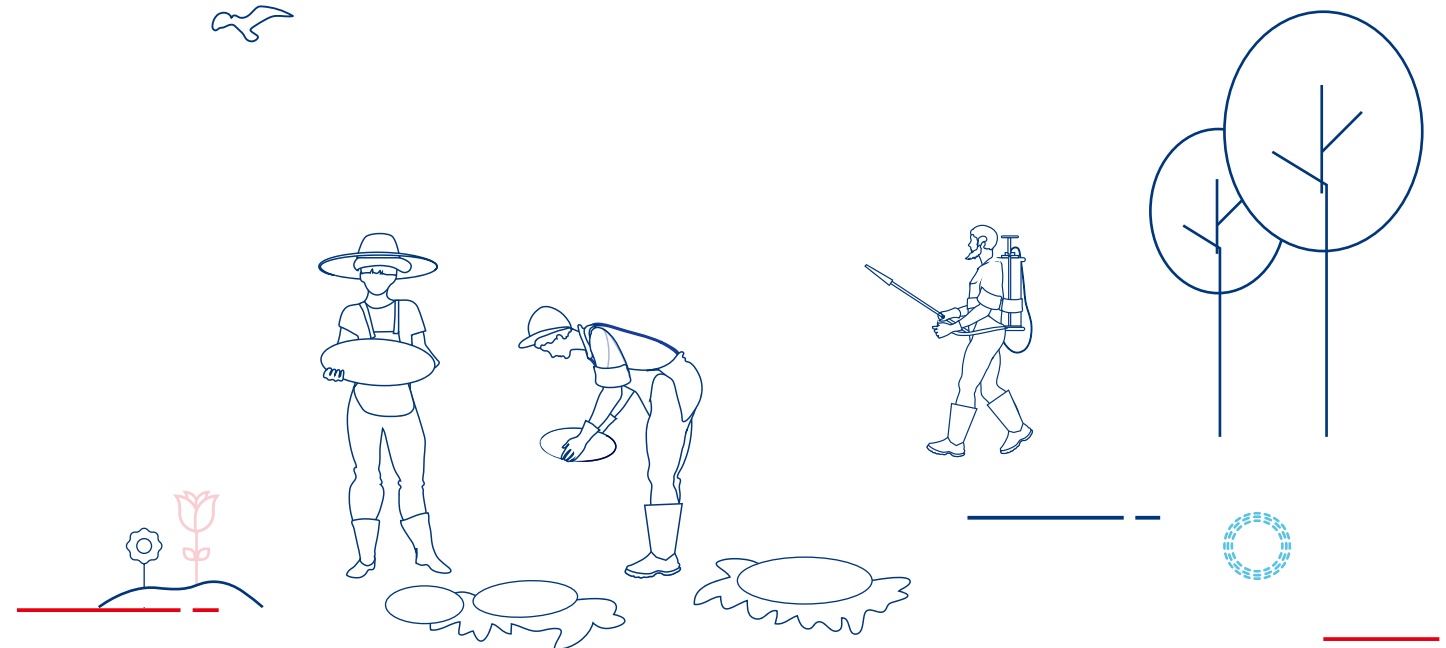
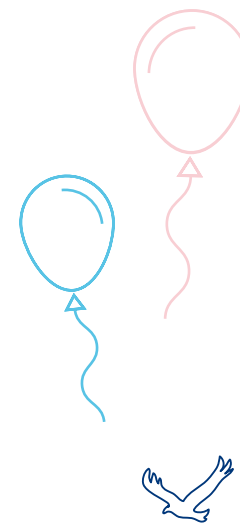
BoCom invested RMB650,000 in the construction of "benevolence stores." The "benevolence stores" help poor households solve problems in their daily lives, and provide a new platform and mechanism for lifting them out of poverty.

Providing e-commerce training to open up development channels.

BoCom spent RMB350,000 to provide e-commerce training for young people in Litang County to open up new channels for local economic development.

Carrying out employee giving campaigns to support poverty alleviation projects.

BoCom raised more than RMB1.19 million in donations from employees. RMB510,000 was used to purchase an ambulance and vehicle-mounted medical equipment for Tianzhu County Health Bureau, and RMB340,000 to purchase the same for Hunyuan County Medical Group to give the geographically dispersed residents better access to ambulance services. RMB344,000 was donated to Litang Education and Sport Bureau to help build a bilingual kindergarten to promote the development of local basic education and offset the shortage of local education funds.



Poverty Alleviation through Finance

BoCom closely follows the overarching requirements of the country for poverty alleviation through finance, fully capitalizes on its advantages, develops credit plans and directs capital toward poverty alleviation to advance poverty alleviation through finance. During the Reporting Period, BoCom implemented relevant policy from the Decisions of the State Council on Winning the Fight Against Poverty, focused on meeting diverse financing needs in such fields as poverty alleviation through industrial development, student loans, and infrastructure construction in impoverished areas, and met the requirement that “the growth rate of poverty alleviation loans should be no less than the average growth rate of all loans.” The outstanding loans for targeted poverty alleviation reached RMB27.743 billion, an increase of RMB11.687 billion compared to the beginning of the year.

Poverty Alleviation through Development of Distinct Industries

Developing industry is the fundamental solution to poverty. BoCom promotes the development of distinct industries in the process of poverty alleviation by integrating local resources and exploring new modes of poverty alleviation, so as to enhance the self-development capacity of poor areas. BoCom provides credit support for local leading enterprises and industries, and encourages enterprises to employ or purchase from poverty-stricken people to help them rise out of poverty. As at the end of the Reporting Period, the Bank had RMB8.642 billion in outstanding loans for poverty alleviation through industrial development, a net increase of RMB6.855 billion.

Poverty Alleviation through Culture and Education

BoCom always attaches importance to poverty alleviation through education. It grants student loans and helps improve educational resources to prevent intergenerational poverty. During the Reporting Period, BoCom developed the Student Loan Scheme for Targeted Poverty Alleviation Areas to provide targeted assistance for college students in impoverished areas to prevent college attrition due to poverty.



BoCom donates educational supplies to Tianzhu County

Credit-Backed Infrastructure Construction Projects in Poor Areas:

- Chuxiong (Lianwangba) -- Nanhua County Level-I Highway Project (Yunnan Branch)
- Chuxiong Rural Infrastructure Construction Project
- Yan'an Baota District Nangoumen Water Control Project (Shaanxi Branch)




Infrastructure Construction in Impoverished Areas

During the Reporting Period, BoCom formulated such policies as the Outline of BoCom's 2018 Credit and Risk Policies and the Guidelines on BoCom's 2018 Industrial and Regional Policies and Credit Destinations and the Opinions on Supporting Poverty Alleviation Efforts in High-Poverty Areas with Finance. It met the diverse financial service needs of high-poverty areas in a targeted manner, provided strong support for their infrastructure construction, and under the premise of effective risk prevention and control, gave priority to poverty alleviation projects included in government plans with well-defined poverty alleviation targets and stable sources of funding, including transportation, water, electricity, energy and ecological conservation projects, and cultural, healthcare and other public service projects, so as to help impoverished areas build capacity for sustainable development.



During its poverty alleviation in Hunyuan County, BoCom focused on the most urgent needs of poor households. Knowing that they had difficulties obtaining drinking water, BoCom donated more than RMB1.3 million after research to help dig a 189m well in Shenjian Village, Tuofeng Town, Hunyuan County, giving local people better access to safe drinking water and thus winning their trust. Pictured: A well in Shenjian Village dug with the support of BoCom.

2018 Highlighting Poverty Alleviation Initiatives at Provincial Branches

The Xinjiang Branch supports the fight against poverty. BoCom's Xinjiang Branch sent officials, including two first secretaries, to villages, and donated RMB658,200 to targeted poverty alleviation villages in support of infrastructure construction. The Aksu Branch donated RMB200,000 to install 36 new street lights.

The Chongqing Branch supports infrastructure construction. The branch donated RMB633,000 to Jinyan Village of Jiming Town in Chengkou County, including RMB300,000 to build two rural roads with a total length of 3.6km and RMB333,000 to build a village service center.

The Guizhou Branch is advancing targeted poverty alleviation. The branch helped village cooperatives raise over 80 cattle and grow more than 20 mu of edible fungus, benefiting more than 30 poor households. It worked with the local government and provided RMB1.0645 million in poverty alleviation funds to help registered poor households grow 204.5 mu of fruit and raise 152 cattle and 72 pigs.

The Hunan Branch continues to support poverty alleviation through industrial development. BoCom's Hunan Branch promotes the development of rural tourism, and plans to introduce quality homestay operators, tourist self-service stations and mountain bikeway projects to create business and job opportunities and attract farmers back to their hometown to start businesses. The Yueyang Branch donated RMB50,000 to advance the high-standard farmland construction project in Pingjiang County, which built 280 mu of high-standard farmland and 4,600m of irrigation and drainage canals.

The Guangxi Branch supports tea seed oil production. The branch spent RMB200,000 to buy camellia seedlings and fertilizers for 86 people in 20 poor households.

The Shenzhen Branch promotes the development of collective industries. The branch provided RMB900,000 to the Jingxing grape growing base in Likeng Village, Zijin County, and helped the village complete the construction of a 50 mu aquafarm and poultry sheds, and advance the construction of a 200 mu tea base there.

The Guangdong Branch helps to reduce poverty in diverse ways. The branch formulated the poverty alleviation and development plan, guided poor households in growing passion fruit, and donated RMB310,000 to improve the environment in Daposhan Village and RMB158,000 to install street lights.

The Hainan Branch continues with poverty alleviation projects. The branch contributed RMB366,400 to poverty alleviation projects, including RMB123,500 to build katuk greenhouses, RMB134,860 to grow betel nut palms, RMB38,060 to grow sharp-leaf galangal fruit, and RMB70,000 to build freezers.



The Heilongjiang Branch supports the development of a collective economy. The branch spent RMB250,000 to buy 36 donkeys and donated them to the village economy in the name of poor households. The donkey breeding project, with RMB500,000 in funds from the provincial government, brought dividends of RMB110,000 in 2018.

The Liaoning Branch promotes sustainable methods for growing rice. The branch expanded the area of sustainable rice cultivation in natural villages surrounding the Aiqing River of Dexing Town, brought rice farmers in other villages who use sustainable methods into the cooperative, and implemented unified management of rice production and sales. In 2018, the area of sustainable rice cultivation reached 886 mu, and the cooperative was expected to generate profits of more than RMB600,000.

The Tianjin Branch supports the development of a collective economy. BoCom's Tianjin Branch established a rural cooperative and donated RMB297,000 to village collectives to buy agricultural drones that spray pesticides within Baodi District.

The Hebei Branch supports infrastructure construction. The branch donated RMB132,900 to support the potato warehouse project in Dongwayao Village, and RMB116,700 to the rural wall renovation project for registered poor households in Xiaoxiliang Village.

The Beijing Branch extends assistance to Yangyuan County of Hebei. BoCom's Beijing Branch donated RMB15,000 to Nankou Village of Gaoqiang Town in Yangyuan County, and RMB34,260 to No. 4 Middle School to help build a Party member activity room.

The Anhui Branch supports poverty alleviation through industrial development. The branch donated RMB100,000 to build a local water service cooperative, and the funds will generate annual yields of RMB10,000 within three years.

The Shanghai Branch cares for child development. The branch carried out employee drives, charity sales, and other activities to help impoverished children, raising nearly RMB30,000.

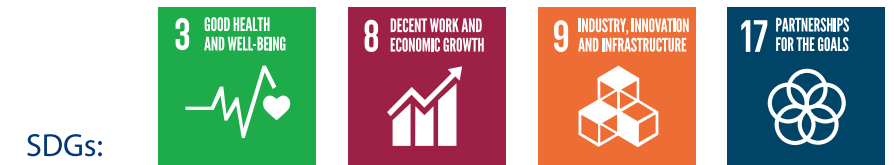
The Jiangsu Branch takes various measures to reduce poverty. The branch made three field trips to Yinyang Village, Weifeng Town in Guanyun County, Lianyungang City, and provided RMB4.1 million in support of plant construction, service center renovation, street lighting, and student aid projects.

The Fujian Branch funds a bridge repair project. The branch donated RMB240,000 to the bridge repair project in Shuikou Village of Chengnan Town in Ninghua County, benefiting 66 people in 18 registered poor households.

The Jiangxi Branch supports poverty alleviation projects. The branch donated RMB510,000 to help eight poor villages construct Party building activity areas and Party member activity areas, and develop industry.

The Hubei Branch funds Chinese a herbal medicine base. The branch provided RMB490,000 to a Chinese herbal medicine base. Relying on the advantages of Hubei Runkang Yaogushan TCM Co., Ltd. founded by local farmers, Hubei Runkang Huyan Village Herbal Medicine Co., Ltd. was established (with a contribution of RMB510,000). The mode of "company + cooperative + base + poor households" brought stable returns on equity to the village, and created jobs for poor farmers, benefiting more than 40 people.

Deepening Reform to Serve High-Quality Development

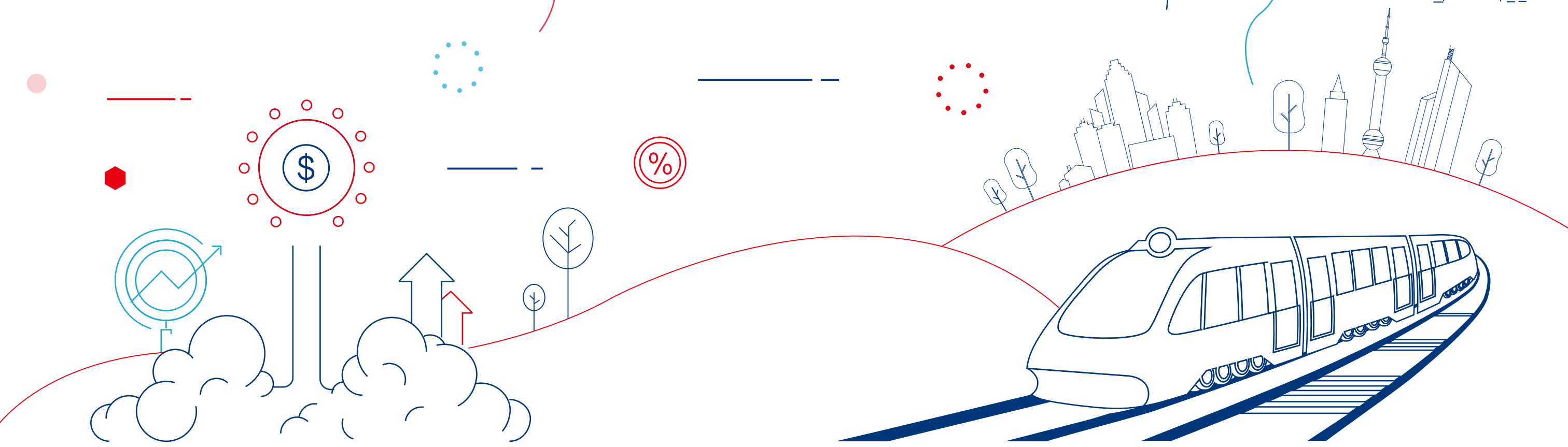


Responding to sustainable development trends:

Into the new era, China's economy has been transitioning from a phase of rapid growth to a stage of high-quality development, bringing forth new demands for commercial banks to accelerate transformation and upgrades. At this new historic point, BoCom is resolutely implementing macro-regulation policies, continuously improving its capacity to serve the real economy, safeguarding the bottom line for preventing systematic risks, and pressing forward with reform and innovation to underpin its growth momentum in service of high-quality economic development.

Our Actions:

Respond to national strategies; support the real economy and private enterprise; boost innovations in intelligent finance; propel supply-side structural reform; improve people's lives with financial resources.



Responding to National Strategies

BoCom aligns its business operations with national strategies and increases support for the implementation of national strategies by using its core financial advantages.

Making New Ground by Opening Up on All Fronts

Following the strategy of "becoming a first class listed comprehensive banking group focused on international expansion and specializing in wealth management," BoCom gives priority to efficiency and emphasizes the importance of scale. It is also expanding business worldwide by concentrating on operations in the Asian Pacific, Europe and America. BoCom continuously optimizes its asset structure, and is dedicated to serving Chinese enterprises "Going Global," and meeting the infrastructure, trade and cross-border finance needs of countries, regions and enterprises along the Belt and Road by making improvements to operations and services across borders, industries and markets.

Improving the Global Network

BoCom has set up 22 branches outside the Chinese mainland with 66 outlets (excluding representative offices) in Hong Kong, New York, Tokyo, Singapore, Seoul, Frankfurt, Macao, Ho Chi Minh City, Sydney, Brisbane, Melbourne, Taipei, London, Luxemburg, Paris, Rome, Rio de Janeiro and Toronto.

Servicing the Belt and Road Initiative

During the Reporting Period, BoCom cooperated with 422 correspondent banks in 51 of the 64 countries along the Belt and Road, established local currency accounts at banks in ten countries (including accounts in Vietnamese Dong, Thai Baht, Singapore Dollars, Malaysia Ringgit, Polish Zloty, Hungarian Forint, United Arab Emirates Dirham, Saudi Arabian Riyal, Cambodian Riel, and Turkish Lira), opened cross-border RMB accounts for 38 banks in 13 countries, set interbank credit lines for 16 banks in 5 countries (Vietnam, Thailand, Malaysia, India and Singapore), and signed 61 cooperation agreements with 57 banks in 17 countries.

During the Reporting Period,

total assets of overseas branches reached RMB

1,069.186 billion,

the profit of overseas banking institutions reached

5.507 billion.

Opened:

Bank of Communications (Hong Kong) Limited, Melbourne Branch

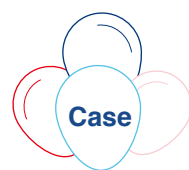
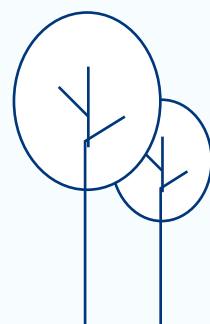
Approved:

Prague Branch

Under Preparation:

Toronto Branch, Johannesburg Branch

Update on Overseas Institutions



BoCom supports a key project in the China-Pakistan Economic Corridor

The CPHGC 2X66MW Coal-fired Power Plant project in Pakistan, undertaken by China Power International Development Limited, has an installed capacity of 132MW, a total investment of USD1.995 billion, and is a priority project of China-Pakistan Economic Corridor. BoCom participated in the syndicated loans led by China Development Bank in support of the project, and granted loans as scheduled in 2018.

Supporting the Going Global Initiative

Relying on its advantages in financial resources, BoCom provides a full range of financial services to Chinese enterprises "Going Global," by granting loans to key overseas projects and making innovations in financial products. At the end of the Reporting Period, international trade financing of domestic branches amounted to RMB129.157 billion, an increase of 35.97% year on year.

Integrating Domestic and Overseas Operations

Domestic and international integrated operations have shifted from traditional trade financing to comprehensive cross-border services. On the basis of pushing forward collaboration on trade financing and other products, BoCom consolidates synergy through credit division and sharing for group customers.

As at the end of the Reporting Period, the volume of domestic and overseas integrated operations (including offshore operations) reached RMB54.157 billion, up 8.08% year on year, and loans granted through domestic and overseas operations accounted for more than 40% of the total of overseas branches (including offshore operations).

Contributing to the development of FTZs

Relying on its strong capacity for comprehensive services across borders and its Leadway Fortune brand, across industries and across markets, BoCom aligns its operations with the policies of the Free Trade Zones (FTZs), strengthens cooperation with Chinese enterprises "Going Global" and foreign enterprises operating in China, and provides a full range of financial services for customers in the FTZs. During the Reporting Period, BoCom had 75 institutions in 12 FTZs across the country.

Promoting innovative business in FTZs.

Shanghai Branch

made progress in free trade accounts and crude oil futures business, and became one of the first banks to manage deposits of overseas customers of Shanghai International Energy Exchange.

Shenzhen Branch

handled the first operation of the pilot program to facilitate payment verification of capital account income.

Hubei Branch

promoted innovation in Fintech, signed the *Cooperation Agreement on Loan Guarantee and Insurance for Technology Companies in East Lake National Innovation Demonstration Zone*, and made innovation in granting loans to small and medium-sized technology companies through the pledge of intellectual property rights.

Zhejiang Branch

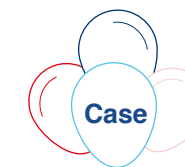
provided comprehensive financial services for bonded fuel oil filling enterprises based on the capital account settlement facilitation policy, and organized a number of financial knowledge lectures for the FTZ management committee.

Strengthening customer development and marketing.

BoCom conducts marketing campaigns in the FTZs in accordance with their policies and regulatory requirements. In 2018, which marked its 110th anniversary, BoCom held promotional events in the FTZs in Hubei, Guangdong and Chongqing, and strengthened bank-enterprise cooperation and supported the development of the FTZs on the basis of its business operations in the FTZs.

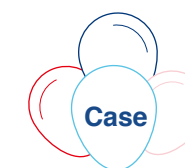
Serving national strategies for FTZ development.

According to the overall plan and regulatory requirements for Hainan Free Trade Zone (Port), BoCom actively participated in the development of the FTZ, and made improvements to the Free-Trade Accounting Unit (FTU) system.



Cross-border salary payment products are meeting the needs of enterprises

"Xin Zhi Hui," a cross-border salary payment product launched by BoCom, features functions such as salary payment by overseas branches, quick remittance batches, and centralized settlement by domestic branches. The product, the first of its kind, can meet the salary payment needs of enterprises. By the end of the Reporting Period, "Xin Zhi Hui" was available at the Ho Chi Minh and Ningbo Branches, and cumulatively completed more than 2,000 salary payments at the Ho Chi Minh Branch, with daily deposits of about USD30 million.



Increasing available currencies and making remittances more convenient

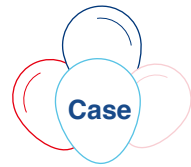
During the Reporting Period, BoCom provided a wide range of cross-border remittance products including SWIFT remittance, Kuai Hui Tong, Tong Hui Jie, global multi-currency remittance, full-amount remittance, and Su Hui Jin. Remittance services are available through various channels such as counters, mobile banking, online banking, smart machines, bank-enterprise direct links, and the SWIFT platform. 17 currencies are available, covering the world's major economies and facilitating overseas operations of enterprises.

Facilitating Regional Economic Development

BoCom actively responds to national strategies such as the integrated development of the Beijing-Tianjin-Hebei region, the Yangtze River Economic Belt, Xiongan New Area, and the Guangdong-Hong Kong-Macao Greater Bay Area; promotes regional collaboration, improves collaboration mechanisms and resource allocation, and enhances effectiveness in implementing major projects to support regional development.

Outstanding loans for the central and western regions were

13,279.09 RMB100 million



Case

BoCom sets up the Xiongan Branch to serve the Xiongan New Area

During the Reporting Period, BoCom established the Xiongan Branch, and signed strategic cooperation agreements with a number of enterprises in the Xiongan New Area. Moreover, in coordination with the "Digital Xiongan" initiative, BoCom became the first company in China to launch an online chain bill transaction mode, allowing enterprises to handle billing online with deposit payments, acceptance, invoice audits, discounts, and rediscounts. BoCom will continue to play a part in the development of the Xiongan New Area, and capitalize on its advantages in global and diverse operations and enhance its capacity for innovation to serve the real economy.

In accordance with the *Framework Agreement on Deepening Guangdong-Hong Kong-Macao Cooperation in the Development of the Bay Area*, BoCom established mechanisms that support the development of the Greater Bay Area to help shape it into a more dynamic economic region.

Establishing work mechanisms

BoCom established sound regional business collaboration and service support mechanisms between the branches of Guangdong, Shenzhen, Hong Kong and Macao, including those for multi-level interbank information exchange and project and marketing communication.

Diverting quality resources

BoCom diverted quality resources to provide targeted services for key projects in the Greater Bay Area, and the quality projects of key enterprises.

Supporting domestic and overseas integrated operations

BoCom reduced costs for enterprises and supported their cross-border operations through customer/business recommendations, cross-border financing, overseas bond issuance and syndicated loans. It facilitated cross-border investment and financing for a number of enterprises.



Serving the Guangdong-Hong Kong-Macao Greater Bay Area

Supporting China's Initiative to Become a Superior Manufacturer

Under the guidance of the *National Plan for Development of Strategic Emerging Industries During the Period of the Thirteenth Five-Year Plan*, BoCom will focus on supporting key strategic manufacturing industries such as railway, rail transit and aerospace equipment, and advanced manufacturing segments such as high-end CNC machine tools, industrial robots, nuclear power equipment, high-end power transmission and distribution, biomedicine,

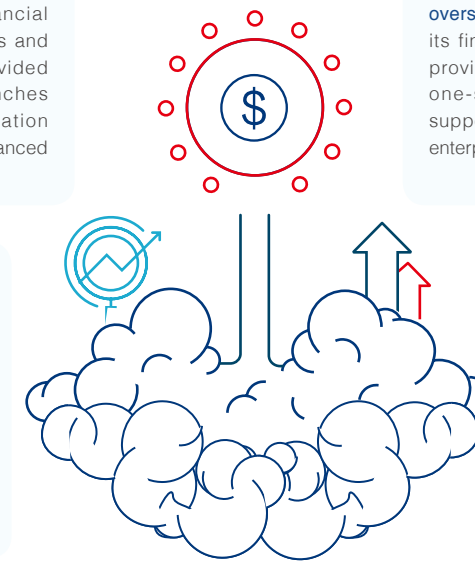
communications systems and equipment, and high-performance medical equipment, and give preference to leading enterprises with clear strategic positioning, strong independent R&D capacity, solid capital strength, scale or brand advantages, and commercially sustainable projects backed by core technologies and established products, in order to support China's initiative to become a superior manufacturer.

Improving the quality of services for enterprises. BoCom further improves responsiveness to the financial needs of leading enterprises and the quality of services provided to them by giving its branches special financing authorization over several outstanding advanced manufacturing enterprises.

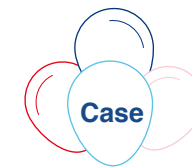
Giving full play to domestic and overseas collaboration. Relying on its financial advantages, BoCom provides domestic and overseas one-stop financial services to support advanced manufacturing enterprises in going global.

Integrating financial resources. BoCom integrates the resources of BoCom International Holdings Co., Ltd., Bank of Communications International Trust Co., Ltd., Bank of Communications Financial Leasing Co., Ltd., and BoCom International Global Investment Limited to provide credit, debt-to-equity swaps, financial consulting and other financial services to customers in order to meet their needs via multiple channels.

Facilitating financing. Based on the credit of high-quality manufacturing enterprises, BoCom provides Express Receivable Collector and Express Pay services for SMEs along the industry chain to solve their financing difficulties.



Supporting China's Initiative to Become a Superior Manufacturer



Case

The Shanghai Branch supports SAIC Motor in Building Up its Brand

Catering to the needs of SAIC Motor for electric transformation and upgrades and upgrades to the spare parts sector, BoCom supported Huayu Automotive Electric Drive System Co., Ltd. and HASCO Magna Electric Drive System Co. Ltd., two core enterprises under SAIC Motor, in launching automotive and electric drive system transformation projects. The projects will lay a solid foundation for the supply of core components in the transition of SAIC Motor toward electric vehicles over the next five years. Meanwhile, it will help SAIC Motor optimize core technologies for electric vehicles, enhance capacity for R&D and application of key new technologies, acquire intellectual property rights, and thereby build itself into a prestigious Shanghai brand.

Serving the Real Economy

BoCom is steadfastly implementing the decisions of the central government and fulfilling its role as a state-owned major bank to serve the real economy and support economic transformation and upgrades.

Supporting Private Enterprises

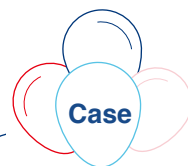
BoCom is earnestly implementing the requirements of the central government for supporting private enterprises, and considers private enterprises key customers. It issued the *Guiding Opinions on Strengthening Financial Services for Private Enterprises*, optimized business procedures, developed dedicated service solutions and set up professional teams to serve the financial needs of private enterprises.



The seminar on "Serving Private Enterprises" and signing ceremony of the bank-enterprise cooperation



Improving Services for Private Enterprises



The Shanghai Branch supports issuance of bonds by private enterprises

During the Reporting Period, the Shanghai Branch helped private enterprises issue more than RMB5 billion in bonds. It successfully issued the "18 BoCom CRMW002 (Yonda SCP004)," the first credit risk mitigation warrant (CRMW) for AA-level private enterprises by BoCom branches. The CRMW will help the company reduce financing costs and promote its sustainable development.



Stakeholder Testimonial

BoCom has adopted 22 new measures to support the development of private companies. It is improving mechanisms and expanding channels to serve the real economy in a targeted way, giving impetus to the development of private companies like us.

Zhang Jindong, chairman of Sunning Corporation

We have been cooperating with BoCom for decades. BoCom provides professional, considerate services, and is responsive to our needs.

Li Jianjun, Co-founder of Kingfa Sci & Tech Co., Ltd.

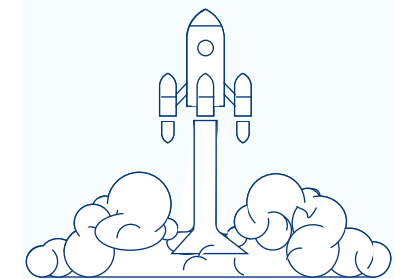


Making Innovations in Smart Finance

Launching the First Blockchain Asset Securitization Platform

BoCom pays close attention to blockchain technology and its applications to finance. It has found that letter of credit (LC) transactions at home involve several banks in charge of issuance, notification, presentation and payment, as well as couriers. They keep records independently in their own accounting systems and the data are isolated and non-transparent, resulting in such problems as difficulty in verification, low efficiency, delays, and loss. In response to these problems, BoCom launched "Ju Cai Lian," the first blockchain asset securitization platform in China's banking industry. This platform achieves end-to-end transmission of information and documents, without having to mail the LCs, greatly improves transaction efficiency and reduces transaction costs. By the end of the Reporting Period, BoCom had handled more than 20 blockchain LC transactions totaling over RMB150 million.

"Ju Cai Lian" given "Outstanding Contribution Award for Innovation" by *Financial Computerizing*



Launching the New-Generation Intelligent Information System Project

BoCom initiated the new-generation intelligent information system project ("New 531 Project") aimed at underpinning an advanced IT framework and improving the Bank's service capacity, management capacity and comprehensive competitiveness, so as to build a digital and intelligent bank. By the end of the Reporting Period, 27 projects were proceeding as scheduled.

Serving Industrial Transformation and Upgrading

BoCom has responded to supply-side structural reforms by cutting overcapacity, reducing excess inventory, deleveraging, and lowering costs. It formulated the *BoCom's 2018 Outline of Credit and Risk Policies and the Guidelines on BoCom's 2018 Industrial and Regional Policies and Credit Destinations* to navigate credit according to macro-economic policy and the Bank's actual conditions.

Traditional Industries

On the basis of total scale management of industries with serious overcapacity, BoCom offers credit to high-quality enterprises with the resources, scale, cost and technical advantages, cross-cycle operation capabilities and which meet environmental protection, safety and technical standards. By managing quotas and scaling down lending, the Bank effectively carries out structure optimization and risk control in the area of overcapacity. It has established a mechanism for customers with major risks and excess capacity in order to timely conduct inspections and risk reviews.



The Inner Mongolia Branch supports SOE reform

In response to national policies on SOE reform, the Inner Mongolia Branch granted RMB559 million in loans to support Baotou Yingda Gas Co., Ltd. in acquiring the 5.5 million-ton rare earth and steel plate project of Baogang Group. The acquisition has made Yingde Gas Group an industrial gas supplier of Baogang Group and its most important upstream partner, which will bring stable revenue to the gas supplier.

Supporting Emerging Industries

BoCom serves seven strategic emerging industries across the energy conservation and environmental protection, new-generation information technology, high-end equipment manufacturing and new energy sectors. It focuses on supporting key industries and enterprises to ensure their alignment with national policies.



Case

The Henan Branch supports strategic emerging industries

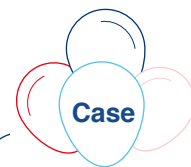
The Henan Branch of BoCom is focused on supporting strategic emerging industries and energy-saving environmental protection industries to promote economic transformation and upgrading. At the end of the Reporting Period, the branch's outstanding loans in support of strategic emerging industries totaled RMB3.066 billion, with a focus on the bio-tech industry, high-end equipment manufacturing, and next-generation information technology.

Improving People's Livelihoods

Actively responding to national policies on guaranteeing and improving people's livelihoods, BoCom has built internet-based financial service platforms to improve its products and services for healthcare, food, housing and transportation, and is making people's lives more convenient through cross-sector cooperation and the integration of the internet, industry and finance.

Better Access to Healthcare

BoCom continuously improves "banking for health" products, and increases coverage over community hospitals with the support of local government departments to make services based on community hospitals and those that feature payment by scanning QR codes more readily available.



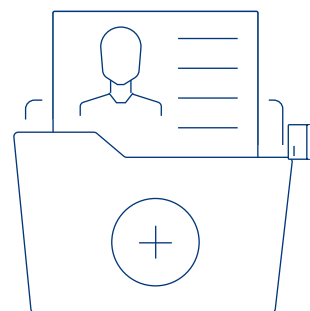
Case

The Heilongjiang Branch is exploring smart healthcare

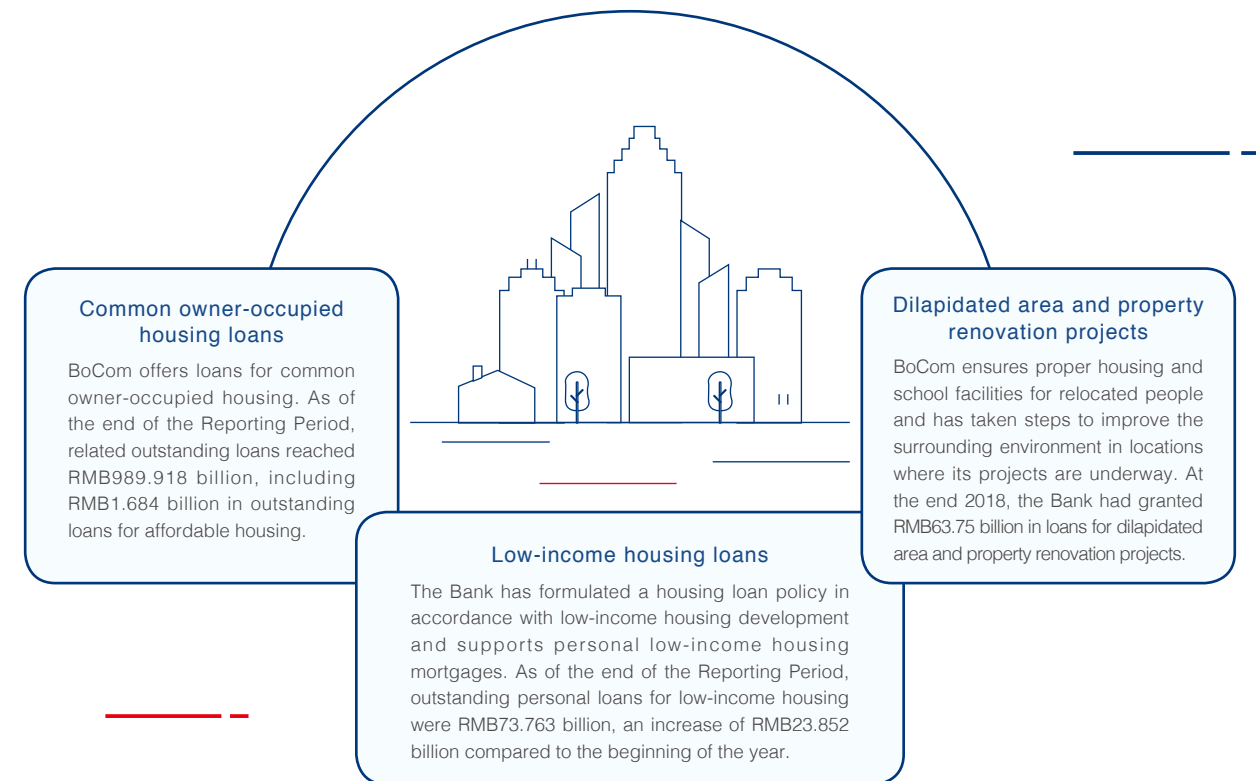
BoCom's Heilongjiang Branch supports the application of new payment methods in the healthcare sector, and is expanding financial services to make healthcare more convenient. It has customized a "banking for health" app for the No. 2 Hospital Affiliated of Harbin Medical University. The app features more than 20 functions, including online registration, payment, queuing, and off-line payments made by scanning QR codes or at sales counters, helping patients to save time, providing a better experience, and improving service efficiency. The app has made the hospital the first 3A hospital in Heilongjiang to achieve online and offline integration across all its medical services.



The Heilongjiang Branch launches "banking for health" services for smart healthcare



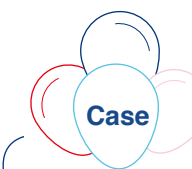
More Affordable Housing



BoCom Meets Diverse Housing Loan Needs

More Convenient School Management

BoCom has developed the "Intelligent Services for Campus" brand to provide online and offline payment, financial management and fund supervision services for public and private schools and training institutions at all levels. The main products include the "Bank-School Link" online tuition payment platform and the "Smart Campus" app, which facilitate financial management by schools.



Case

The Tianjin Branch is advancing bank-school cooperation

To support Tianjin's smart campus initiative, BoCom's Tianjin Branch cooperates with a number of colleges and universities including Nankai University, Tianjin University, Tianjin Normal University and Tianjin Sino-German University of Applied Sciences on "all-in-one campus cards," and provides a full range of established and innovative service solutions for teachers and students. It has become a leader in bank-school cooperation in Tianjin. During the Reporting Period, the branch's tuition payment app "Xue Fu Bao" went live at Tianjin Normal University. From September to December 2018, the app transacted 5,085 tuition payments amounting to more than RMB1.93 million.

Driving Development with Innovation to Create a Blueprint for Inclusive Finance

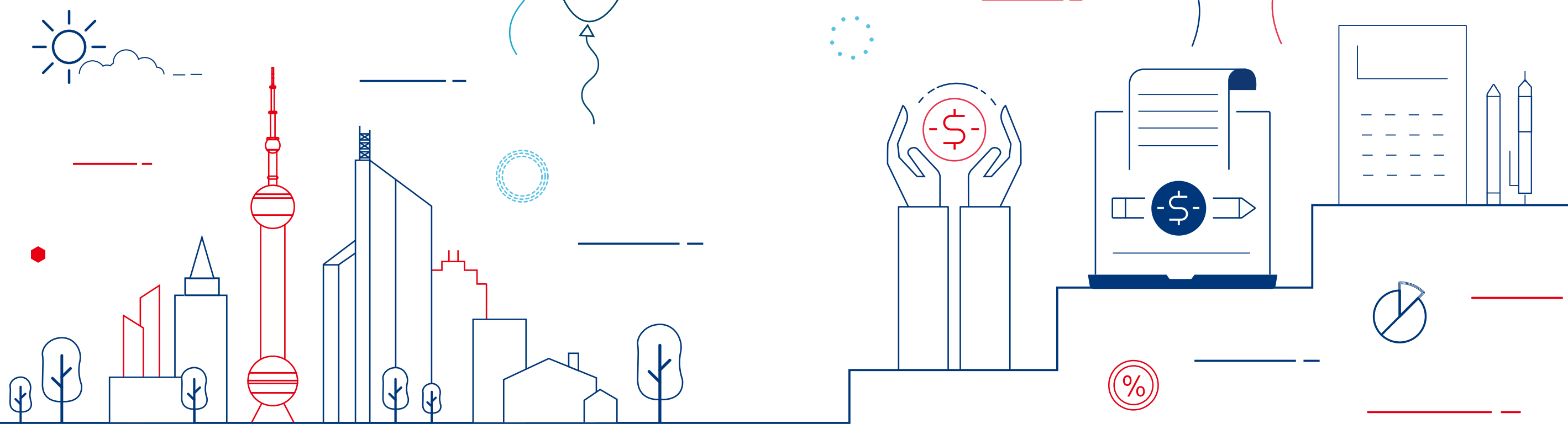
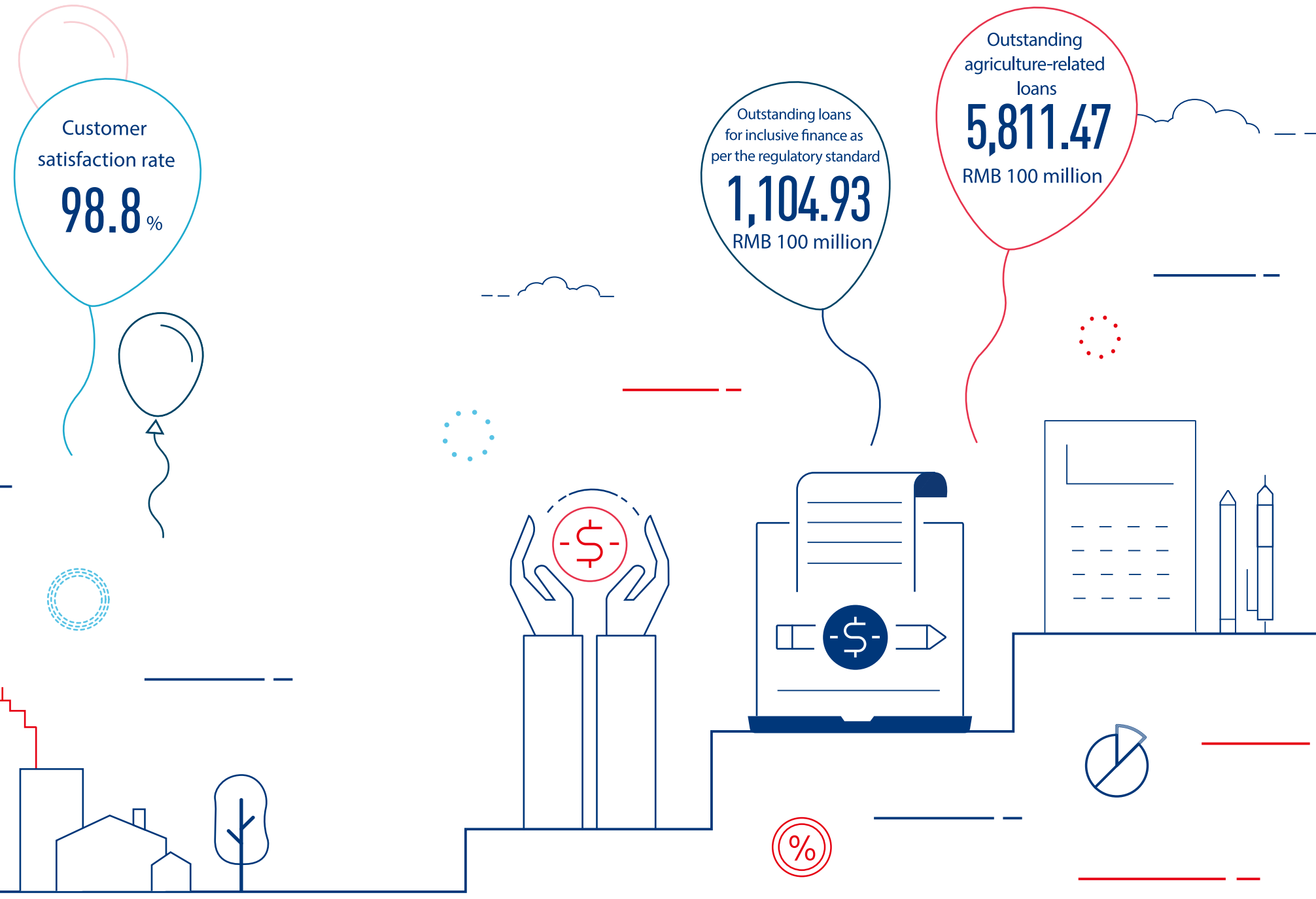


Responding to sustainable development trends:

The development of inclusive finance has a bearing on the public's access to financial services, as well as the role of finance in poverty alleviation and building a well-off society overall. BoCom is conscientiously implementing national policies, and strives to expand coverage of financial services, so that more convenient, faster, more affordable and safer financial services can reach ordinary people and residents in remote mountain villages, small and micro enterprises (MSEs), as well as agriculture, rural areas and farmers.

Our actions:

Continuously refine the inclusive finance system; support MSEs, agriculture, rural areas and farmers; continue to improve consumer protection measures; enhance the quality of financial services.



Supporting MSEs

Small and micro enterprises are an important foundation for national economic and social development, and an important channel for entrepreneurship and the wellbeing of the public. They play an important role in expanding employment, increasing income, improving people's livelihoods, and promoting stability. During the Reporting Period, the Bank formulated and issued the Notice on Implementing Supervision Requirements to Further Strengthen Inclusive Finance Services and Notice on Further Strengthening Financial Services for Small and Micro Enterprises, clarifying targeted measures in business development, product innovation, channel construction and resource matching to reduce financing costs for MSEs, innovate products and service models, actively reduce fees to increase profits, streamline procedures, and facilitate the flow of "last mile" financial resources to MSEs.

Supervising outstanding loans for inclusive finance as per the regulatory standard

1,104.93 RMB100 million

a net increase of 217.92 RMB100 million from the beginning of the year

Supervising

77,338 customers

granted loans under inclusive finance as per the regulatory standard, a net increase of 14,523 compared with the beginning of the year

The loan growth rate of supervising inclusive finance as per the regulatory standard was

24.57%,

15.52 percentage points higher than the average loan increase at domestic banks

The average price of loans for inclusive finance as per the regulatory standard issued in 2018 was

5.21%,

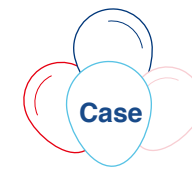
and the price in the fourth quarter fell by 1.1 percentage points from the first quarter.

Enhancing Inclusive Financial Services

The Bank has continued to refine its inclusive finance system. Inclusive finance departments have been established at the Head Office and provincial branches. At present, the Bank has 1,749 customer managers dedicated to MSEs and 156 special teams. Positions have been added to the Head Office and branches to effectively support the development of inclusive finance.



On order to continuously implement national policies on supporting the real economy and the development of MSEs, BoCom has provided greater support for inclusive finance in key areas such as MSEs, mass innovation and entrepreneurship, agriculture, rural areas and farmers, and poverty alleviation. For three consecutive years since 2016, the Bank has held a competition on service solutions for small and micro-enterprise customers to build a bank-wide display and exchange platform. The picture shows Ren Zhiqi, President of BoCom, presenting awards to winning employees at the 3rd service solutions for MSE customers competition, entitled "Serving Agriculture, Rural Areas and Farmers, Entrepreneurship, and MSEs".

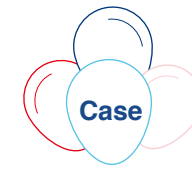


Conducting training for MSE team leaders to deliver better services

During the Reporting Period, the Bank held its first training course for MSE teams, which was attended by 50 team leaders, leaders of sub-branches focused on MSEs, and leaders of small and micro-business start-up activities from 37 provincial branches. The training covers aspects of MSE team planning and management, key MSE customer development, MSE product systems and key products, MSE credit policies, risk management and control, MSE team marketing process control and efficiency improvement, and obtaining MSE customer information in the big data era. The training deepened participants' understanding of the Bank's MSE services development planning, customer development, key products, risk management and control, etc., and improved relevant services.

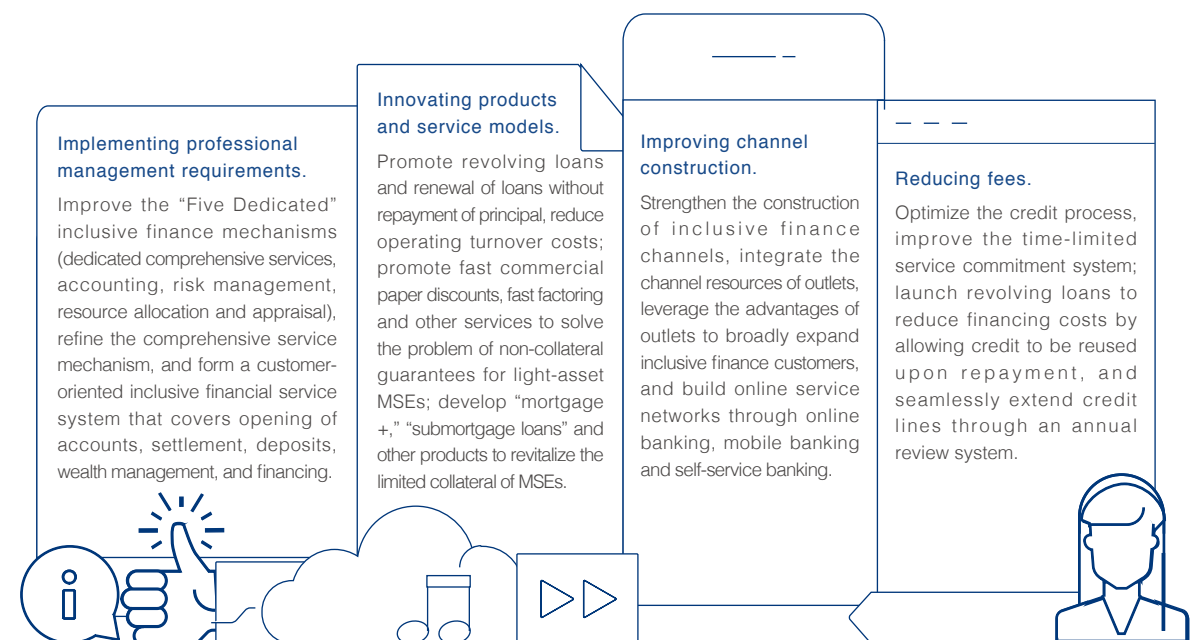


The training course for MSE team leaders held by the Bank



Launching corporate mobile banking to provide mobile financial services to corporate customers

During the Reporting Period, the Bank launched corporate mobile banking, taking into account the small staff group, high mobility, high capital turnover rate, and the small settlement scale of MSE customers. It has made innovations and breakthroughs in contract signing channels, user management and payment settlement in corporate mobile banking to provide a full range of convenient services. As of the end of the Reporting Period, BoCom corporate mobile banking had launched more than 10 functional modules, including account inquiry, electronic receipt, bank-corporate reconciliation, transfer and remittance, deposit and withdrawal, cash deposits, QR code payments, third-party depository, financial calendars, and price information.



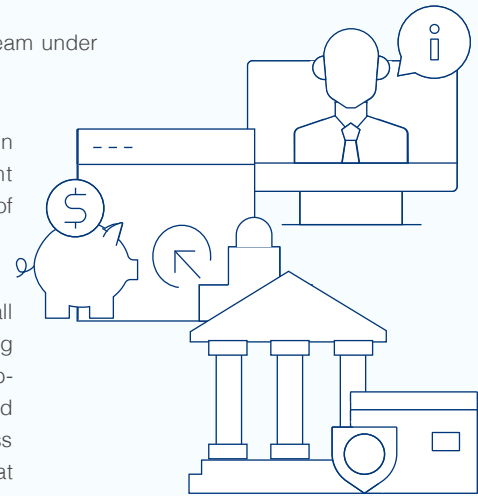
Focusing on Small and Micro Technology Companies

In 2018, BoCom supported financial innovation, took the lead among large banks in proposing “establishment of special institutions to serve small and micro technology enterprises,” and increased its efforts to push forward innovation in policies, institutions, and products and services. As of the end of the Reporting Period, BoCom had 3,349 small and micro technology enterprise customers, with outstanding loans of RMB10.181 billion.

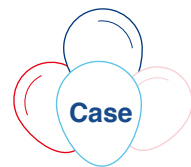
For the Head Office. Establish a technology finance promotion team under the Inclusive Finance Development Committee of the Head Office.

For branches. Specify the person responsible for the promotion of technology finance in the Inclusive Finance Development Committee, and the person in charge of the review and approval of technology finance loans in the Retail Loan Department.

For operating institutions. Set up special institutions to serve small and micro technology enterprises in key sub-branches. During the Reporting Period, the Bank has established a total of 16 sub-branches featuring technology in Beijing, Jiangsu, Shanghai and other places, each with a team of 5 employees engaged in business with MSEs. Special approval positions have also been set up at branches to improve the efficiency of loan review and approval.



Measures to improve small and micro technology enterprise services



Case BoCom's Beijing Branch released a new version of “Zhi Rong Tong” to promote the innovation and development of small and micro technology enterprises

In 2006, BoCom's Beijing Branch was the first to launch IP pledge loans in China. In 2018, with the strong support of the National Intellectual Property Administration, the Beijing Branch released a new version of the “Zhi Rong Tong” IP pledge loan, which incorporated a patent value and risk evaluation system and reverse licensing. It cooperated with Beijing SMEs Credit Re-guarantee Co., Ltd. in serving light-asset technology enterprises and innovative enterprises, and strove to solve financing difficulties for small and micro technology enterprises with core intellectual property rights. In this way, it made itself an example for building an MSE IP financial service system and integrating technology with finance.



BoCom's Beijing Branch releases a new version of “Zhi Rong Tong” to help the development of small and micro technology enterprises

Backing Agriculture, Rural Areas and Farmers

Agriculture is key to national development. Better financial services for agriculture, rural areas and farmers are important for promoting economic development in rural areas and narrowing the gap between the rich and the poor. BoCom is actively innovating agricultural financial products, promoting the development of rural financial markets, supporting the development of characteristic agricultural industries, and improving coverage of financial resources in rural areas. As of the end of the Reporting Period, the Bank's outstanding loans to agriculture, rural areas and farmers were RMB581.147 billion.

Strict review of agricultural loans

Implement regulatory requirements, incorporate the continuous growth of agriculture-related loans into branch assessments, and urge branches to deliver better financial services to agriculture, rural areas and farmers.

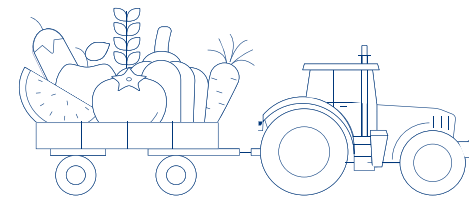
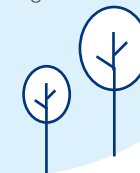


As of the end of the Reporting Period, the Bank's outstanding loans to agriculture, rural areas and farmers were

5,811.47 RMB 100 million

Keeping up with national policies

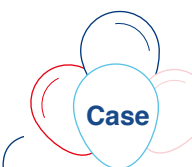
Promote orderly urbanization and rural construction under the guidance of national policies, and guide branches to increase support for high-quality agriculture-related enterprises by refining access standards and classification strategies.



Supporting Agriculture, Rural Areas and Farmers

Innovative Services for Agriculture, Rural Areas and Farmers

Following the principle of “system first, active piloting, and steady advancement,” BoCom granted mortgage loans by accepting the management rights of contracted rural land and farmers' housing property rights as partial guarantee under the premise of controllable risk and commercial sustainability. On this basis, it continues to innovate services for agriculture, rural areas and farmers according to local conditions.

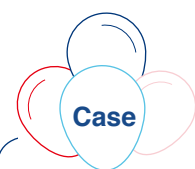


Case BoCom's Heilongjiang Branch implemented innovative service models for agriculture, rural areas and farmers

The Heilongjiang Branch actively promotes the revitalization of agricultural modernization and follows the national food security development strategy. Innovative implementation of the “food service providers + food storage companies + financial institutions + guarantee companies” service model for agriculture, rural areas and farmers has eased farmers' problems with selling food, reduced the cost of food transportation for farmers, alleviated financial pressure on grain storage dealers and achieved the win-win goal of supporting and benefiting agriculture, rural areas and farmers. The Heilongjiang Branch's outstanding loans to agriculture, rural areas and farmers for the whole year were RMB15.494 billion, accounting for 36.4% of total loans.

Supporting Characteristic Agricultural Industries

BoCom actively supports the development of advantageous agricultural industries in various regions and promotes the strategic adjustment of China's agricultural structure. It has been committed to promoting business cooperation with planting (breeding) enterprises in reclamation areas and large-scale planting (breeding) enterprises that are dominant in agricultural producing areas, and given reasonable support to large-scale agricultural and sideline product processing enterprises with good operating and scale efficiency in order to promote the development of China's agricultural modernization.

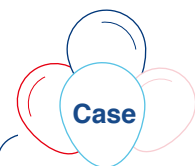


The Inner Mongolia Autonomous Region Branch supports the development of characteristic agricultural industries

Livestock breeding is a characteristic industry in Inner Mongolia. To support the construction of new pastoral areas, and solve herders' problems with loan qualification, lack of valid and legitimate collateral, and inaccessibility to third-party guarantees, personnel from the Inner Mongolia Autonomous Region Branch came to the famous breeding area, Xilin Gol League to conduct research and determined guidelines for supporting local livestock slaughtering and meat processing industries in order to promote the animal husbandry industry. The Branch actively cooperated with various local government work platforms, meat processing industry associations and other third-party public platforms to provide loan support for local livestock and meat processing enterprises in order to help farmers and herdsmen develop their industries. As of the end of the Reporting Period, the Inner Mongolia Autonomous Region Branch had provided RMB77.3 million in credit support to various livestock slaughtering and meat processing enterprises, and continues to pay out the loans in installments.

Supporting Rural Banks

The establishment of rural banks can effectively fill gaps in financial services and increase financial support in rural areas. BoCom continues to increase its support of and provide quality financial services to rural households, rural operating institutions, small and medium-sized enterprises and individually-owned businesses.



Supporting re-employment of laid-off workers

Shihezi BoCom Rural Bank actively carries out lending focused on people's livelihoods, such as re-employment of laid-off workers and entrepreneurship of women and college students with strict access approval, by selecting laid-off workers with good credit profiles and strong entrepreneurial ability as loan recipients. As of the end of the Reporting Period, a total of 117 laid-off workers had received re-employment soft loans, totaling RMB10.74 million.



Staff from Shihezi BoCom Rural Bank visit start-up merchants to conduct pre-loan investigations



Innovating loan varieties according to local conditions

Dayi BoCom Xingmin Rural Bank strives to realize the shift from "passive" support to "efficient" support for agriculture, innovating "Yousui loans" for rice and wheat grown by more than 1,000 professional managers, namely by providing unsecured loans for amounts less than RMB10,000, secured loans for between RMB100,000 and RMB300,000, and mortgage loans for more than RMB300,000, and continues to improve rural financial services.

Optimizing Financial Services

BoCom is committed to providing the best financial services of any bank. It adheres to a customer-centered approach, continuously improves its service management system, and connects customers to financial resources through reform and innovation in order to enhance the accessibility of convenient financial resources.

Product Innovation

BoCom is able to connect with retail banking channels such as mobile banking, personal online banking, "Smart Communication," ATMs, and telephone banking through its omni-channel marketing deployment platform, forming an initial marketing information mechanism that unites promotions and personalized display.

Building a Omni-Channel System

BoCom's "Smart Communication" teller machines cover all outlets, further freeing up counter service resources, strengthening the marketing capabilities of physical locations, and promoting the overall service capacity of the outlets. At the same time, advanced technologies and services such as bio-identification, integrated marketing strategies and online and offline collaboration have been introduced to further enhance intelligent services. During the Reporting Period, the ratio of self-service banks and all-inclusive outlets to traditional outlets was 1.81:1, while the ratio of fully automated self-service banks to traditional outlets was 0.83:1; the success rate of robot services exceeded 99%, being able to handle 40,000 customer problems every day.

Indicator	2018
Outlets	3,241
All-inclusive outlets	637
Self-service banks	11,175
Fully automated self-service banks	2,621
Self-service kiosks	5,033
Self-service areas at outlets	3,205
Self-service automated machines	20,618
Outlets in central and western regions	1,571

Note: There were 316 self-service kiosks at outlets in 2018.

In the "2018 Top 1000 Model Outlets of China's Banking Industry" organized by the China Banking Association, 135 BoCom outlets were listed among the Top 1000 Model Outlets, topping the industry

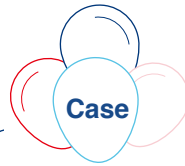


96.59%

of operations handled through e-banking

12,537,700

multi-channel customers (108.85% of the target)



Pilot program of light intelligent outlets at BoCom's Henan Branch

During the Reporting Period, BoCom's first light intelligent pilot outlet at the Shangding Road sub-branch in Zhengzhou officially opened, with an area of 389 square meters.

Equal services. The sub-branch broke the traditional barriers of high cash counters by changing communication methods, improving integrated service capabilities, and providing customers with amiable services.

Intelligent experience. Intelligent guiding robots, VIP face recognition, QR code walls, smart financial experience machines (sales machines), AR precious metal experience, a smart lobby system and intelligent interactive screens have been launched at Shangding Road sub-branch in Zhengzhou, bringing customers an optimal service experience.

Convenient communication. Smart financial experience machines and the smart business lobby system were placed in the customer interaction area of the outlet to provide exchanges and interaction space for customers in the lobby, so as to customize online scenario entrances according to customers' differing needs. Credit card applications increased by 35% in outlets with smart finance machines compared with traditional outlets, while the credit card activation rate increased by 30% and the telephone banking usage rate increased by 41.7%.



The smart service area at Shangding Road sub-branch in Zhengzhou can handle 90% of personal businesses

Innovating Wealth Management Services

BoCom launched the mobile apps, "OTO WM Advisor" and "OTO Financial Index". OTO WM Advisor uses big data to intelligently diagnose and assess customers' existing asset allocations, while OTO Financial Index quantitatively analyzes customers' personal wealth management capabilities. The back-end algorithm strictly eliminates artificial performance, focuses on customers' entire life cycle wealth management, proposes personalized wealth allocation with resilience and forward-looking principles, keeps track of and reminds customers about the allocations, and assists customers in dynamically adjusting their assets allocation

During the Reporting Period,

there were

8,761

"Smart Communication" machines

"OTO Financial Index" and "OTO Pension Plan" have

10.82 million users

with a transaction conversion

rate of **39.02%**

Nearly 10,000 groups have been established for the industry's first marketing of "group financial management," with sales of

RMB **7.696** billion in group products, accounting

for **82.4%** of external funds



"OTO Smart WM Advisor" won the "Fintech Innovation Application Excellence" award and the "Outstanding Intelligent Investment System" award.



Focusing on the wealth management needs of regional banks and their end customers, BoCom strategically combined financial licenses, product resources, settlement channels, asset management capabilities, investment research systems, and the integrated resources of the Group to promote comprehensive, inter-bank platform wealth management solutions for cooperative banks and their end customers through Fintech innovation. The Bank's complete wealth management products and service systems have been integrated into the inter-bank platform to promote complementary resources with banking institutions. Meanwhile, the building of various channels has been continuously improved, and the comprehensive "counter + web + mobile APP + small program" channel has been enhanced for efficient cooperation with other banks. As of the end of the Reporting Period, the inter-bank platform had 884 legal entities, 11,886 outlets were connected to the "Counter Link," and the number of contracted end customers reached 153,200.

Enhancing the Customer Experience

Less Queuing Time

BoCom strives to save customers' online and offline queuing time through efforts like the regulations, systems, processes, equipment and personnel. The average waiting time for customers of BoCom was 7.45 minutes, decreased by 46.9% from the end of last year, which greatly improved customer experience.

More Considerate Services

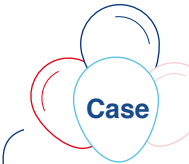
In order to promote employees' service awareness and raise the level of accessible services, the Bank has formulated and is implementing the *Notice on Further Improving Financial Services for Groups with Special Needs and the Notice on Serving Groups with Special Needs* to protect customers' rights and interests. It establishes convenient service areas at all outlets which provide braille services, sign language services, passages for people with disabilities, keyboards for the blind, reading glasses and other facilities.

In order to support salary cards, card payment and other needs of the People's Liberation Army of China, BoCom launched the Pacific Military Security Card in January 2018. In addition to the functions of ordinary debit cards, the Pacific Military Security Card provides three types of exclusive services: cardholder services, card security, and financial management.



In response to common problems at traditional bank outlets such as "waiting for too long," "excessive forms" and "complicated procedures," BoCom took the lead in developing smart devices and smart outlets and got good results.

-- Labor Daily



BoCom's Beijing Branch promotes service mode transformation at outlets

BoCom's Beijing Branch promotes the application of "Smart Communication" machines and has achieved coverage of all outlets, with 48 machines at 17 outlets in remote suburban areas. These machines integrate multiple functions and can effectively meet the needs of most customers coming to outlets, which significantly improves business efficiency and greatly reduces waiting times for customers. As of the end of the Reporting Period, the number of customers who queued for more than 25 minutes at outlets of the Branch fell from approximately 14.8 in January to approximately 1.3.



Mobile counters provide considerate service

The intelligent mobile service hand-held terminal project independently developed by BoCom has introduced intelligent sensor technology such as fingerprint authentication, and simplified login security by improving the authentication system in order to effectively improve the user operating experience. More than 6,000 terminals have been put into use, allowing banking staff to go leave outlets and provide more than 200 kinds of services, such as account opening and contract signing to customers at the homes. This has greatly helped people with impaired mobility and created a considerate atmosphere around delivering financial services.



All-in-one machine for people with disabilities at BoCom's Shanghai Branch

Professional Services

Improving Customer Complaint Management

Clarifying responsibilities. Formulate and issue the *Notice on Work during the 2018 National "Two Sessions" and Notice on Work during the 2018 Mid-Autumn Festival and National Day*.

Implementing the duty management system. Refine the emergency plan, strictly implement the major emergency reporting process, and improve emergency response; optimize the process of effectively managing customer complaints. BoCom has officially launched a new work order flow system based on a unified office GUOP platform to further improve work efficiency.

Introducing a three-party dispute mediation approach. Consumer protection departments of 16 Branches directly under the Head Office have held signing ceremonies with Shanghai Financial Consumer Dispute Mediation Center, opening up new channels for disputes resolution and effectively supplementing customer complaint management.

Strengthening employee awareness training. Improve employees' ability to accept and process customer opinions. In order to summarize the opinions of customers, BoCom analyzed the work orders for complaints where the Bank was accountable each quarter and conducted bank-wide employee training through online classes, summarizing typical complaints in order to strengthen guidance on services and improve employees' ability to handle customer complaints.

The customer satisfaction rate for the "95559" hotline was above **98%** an industry leading figure.

Indicator	Unit	2018
Number of employees at customer service center	—	970
Ratio of complaints handled	—	100%
Ratio of complaints handled on time	—	100%
Time needed for handling complaints	Hours	24
Customer satisfaction with handling of results	—	99.97%
Customer satisfaction	—	98.8%

Handling of Customer Complaints

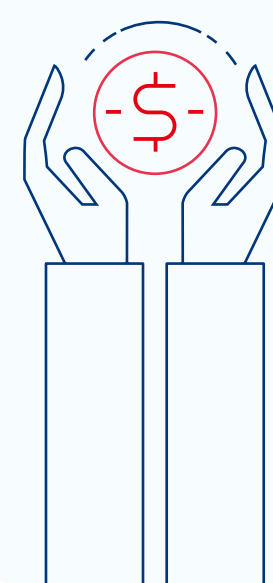
Protecting Customers' Rights and Interests

Starting from regulations and procedures, BoCom standardized the rights and behaviors involved in customer service operations and management in order to protect the legitimate rights and interests of financial consumers.

Formulating Policies Related to Consumer Protection

The Bank formulated the *Managerial Measures for the Management of Sales Area Audio and Video Recordings at Bank of Communications and the Contingency Plan for Wealth Management Product Sales Audio and Video Recordings at Bank of Communications* in order to improve BoCom's overall dual-recording system.

The Bank formulated the *Management Measures of Intellectual Property Rights at BoCom, Notice on Regulating the Management of Advertising and Publicity Copyrights, Measures for the Evaluation of Advertising and Publicity Copyright Management of the Personal Finance Business Department (Consumer Protection Department) and Managerial Measures for Open-Source Software at Bank of Communications (2018)* to improve the intellectual property rights management system.



Strengthening Customer Information Security Management

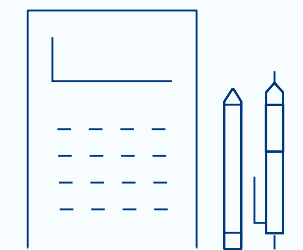
On the basis of the original *Managerial Measures for Collecting and Updating Retail Customer Information at Bank of Communications, Emergency Plan for Individual Customer Information Disclosure at Bank of Communications and Information Security Manual for Bank of Communications Staff*, BoCom further emphasized personal information management and issued the *Notice on Printing and Distributing the Managerial Measures for Personal Asset Information Security at Bank of Communications (2018) and the Notice on Printing and Distributing the Determination and Handling of Liability for Violations by BoCom's Credit Investigation Personnel*.

Establish a regular self-audit and reporting system for personal credit information security, and realize a paperless and desensitized system to effectively prevent disclosure risk to customer credit information and improve the level of privacy protection.



Strengthening Publication of Information Platform and Service Charges

Formulate the *Notice on Printing and Distributing BoCom's Administrative Rules for the Personal Banking Information Inquiry Platform (2018)* to clarify the responsibilities of departments and strengthen product information management. According to changes in its business, BoCom revised and released the *Management Measures for Service Charges at BoCom (2018) and the List of BoCom Service Charges (July 2018)* to ensure the consistency of fees.



Measures to Improve Consumer Protection

Financial Education for the Public

BoCom has successively formulated the Management Measures for Popularizing Financial Knowledge and the Key Points of 2018 Consumer Protection Service at BoCom for planning financial knowledge education. During the Reporting Period, BoCom organized 15,000 educational activities for 6.93 million consumers, distributed 11 million promotional materials and sent about 16,000 messages via Weibo and WeChat.

Promotion at outlets

Set up a consultation desk at all outlets to guide consumer protection; set up a "Consumer Protection Zone" at all outlets to carry out educational activities, namely for displaying consumer protection promotional materials and showing consumer protection knowledge videos.

Online promotion

BoCom first launched the consumer protection live broadcast lecture to realize real-time consumer protection education via its mobile banking app, which increased real-time interaction with consumers and received a good social response.

Regulatory cooperation

BoCom actively cooperates with regulators and banking associations in carrying out the 2018 "Promoting Financial Knowledge to Guarantee Wealth Security," "Promoting Financial Knowledge for All," "Financial Literacy Popularizing Month & National Financial Education" and "Good Online Financial Service Users with Stronger Financial Qualities" campaigns, as well as other financial education activities.

Business combination

BoCom has integrated its "Neighborhood Banking," "On Campus Banking," "Advanced Wealth Management for Start-Ups" and "Young Financiers" campaigns with financial knowledge education to bring financial knowledge to enterprises, communities, rural areas and campuses. Drawing examples from typical risk cases, BoCom organizes targeted financial education activities by means of risk red flags and risk signs.

Self-promotion

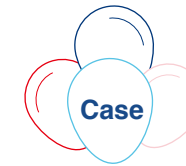
Through consumer protection service special labor competitions, BoCom has carried out "Step into BoCom for Considerate Services" activities in order to select excellent outlets, outstanding employees and exemplary consumer protection cases, and to encourage consumers to learn about the everyday consumer protections of BoCom through online and offline voting.

Financial knowledge promotion and education initiatives



BoCom was named Model Organization of 2018 in the "Financial Knowledge for Every Family" campaign by the CBIRC, PBOC and Cyberspace Administration of China.

BoCom was granted the 2018 Best Achievement Award at the China Banking Association's "Financial Knowledge for All" activity.



Case BoCom's Xinjiang Branch established "Financial Knowledge Promotion Stations" in villages

During the Reporting Period, BoCom's Xinjiang Branch established "Financial Knowledge Promotion Stations" in villages and organized financial knowledge popularization campaigns at Yingyuerike Township in Aksu City, explaining basic financial knowledge about card security, identification and prevention of telecommunication and network fraud, anti-counterfeit RMB banknotes, etc. to farmers and herdsman, which was a precise response to their production and living needs. In the future, the Xinjiang Branch will regularly carry out financial knowledge promotion activities and provide convenient financial services to farmers and herdsman from these village stations.



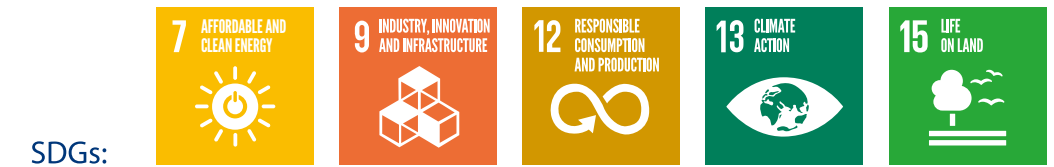
Staff from BoCom's Xiamen Branch visits communities to popularize financial knowledge



Staff from BoCom's Inner Mongolia Branch visits pastoral areas to promote financial knowledge



Green Finance and Ecological Progress

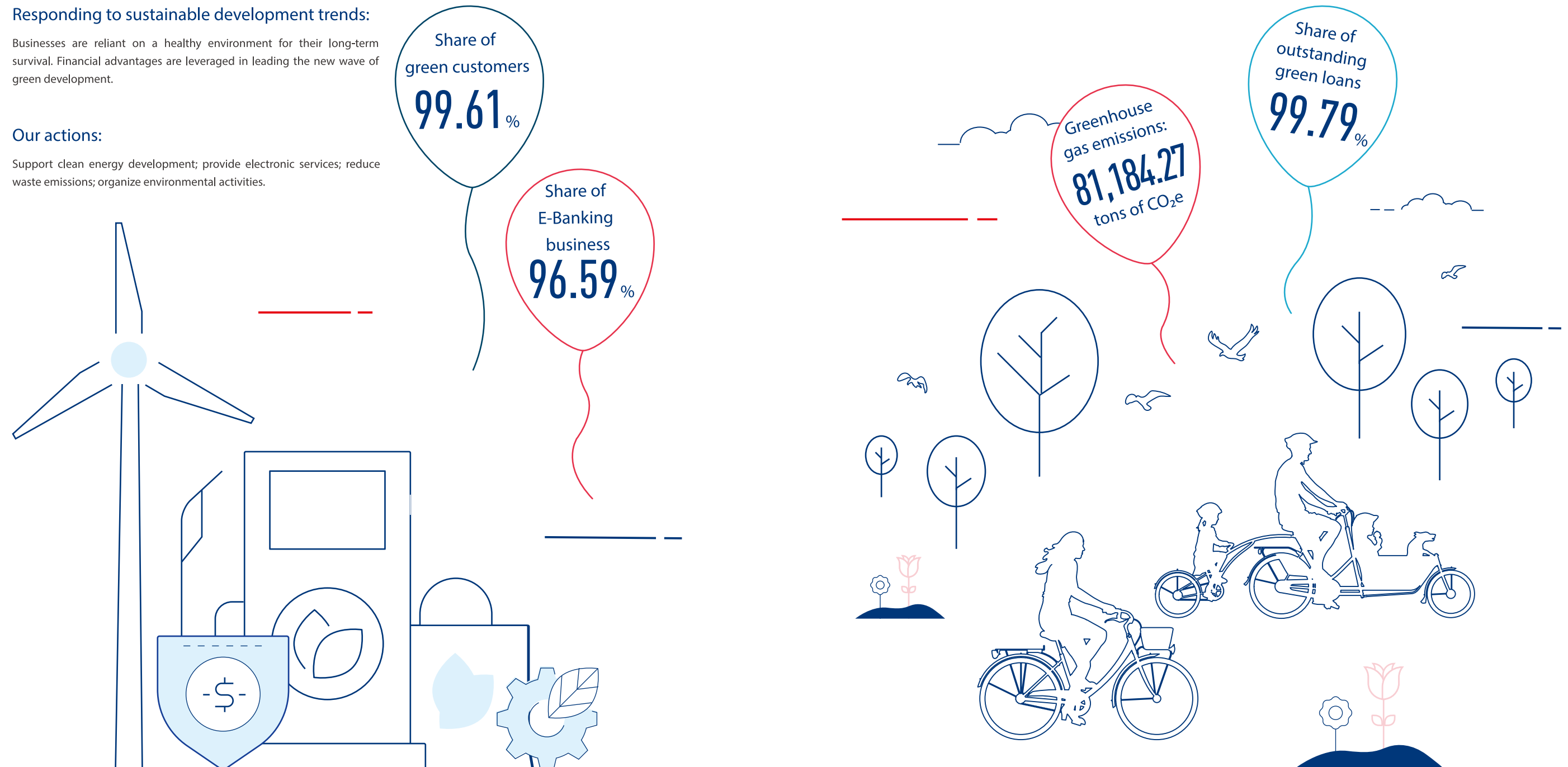


Responding to sustainable development trends:

Businesses are reliant on a healthy environment for their long-term survival. Financial advantages are leveraged in leading the new wave of green development.

Our actions:

Support clean energy development; provide electronic services; reduce waste emissions; organize environmental activities.



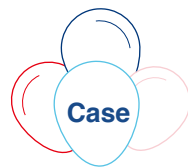
Green Finance

Green finance plays a significant role in China's economic development and ecological progress. BoCom closely follows the national green finance development policy to continuously strengthen green credit, support clean energy and other green industries, and actively enhance the influence of green finance in the industry.

Managing Environmental Risks

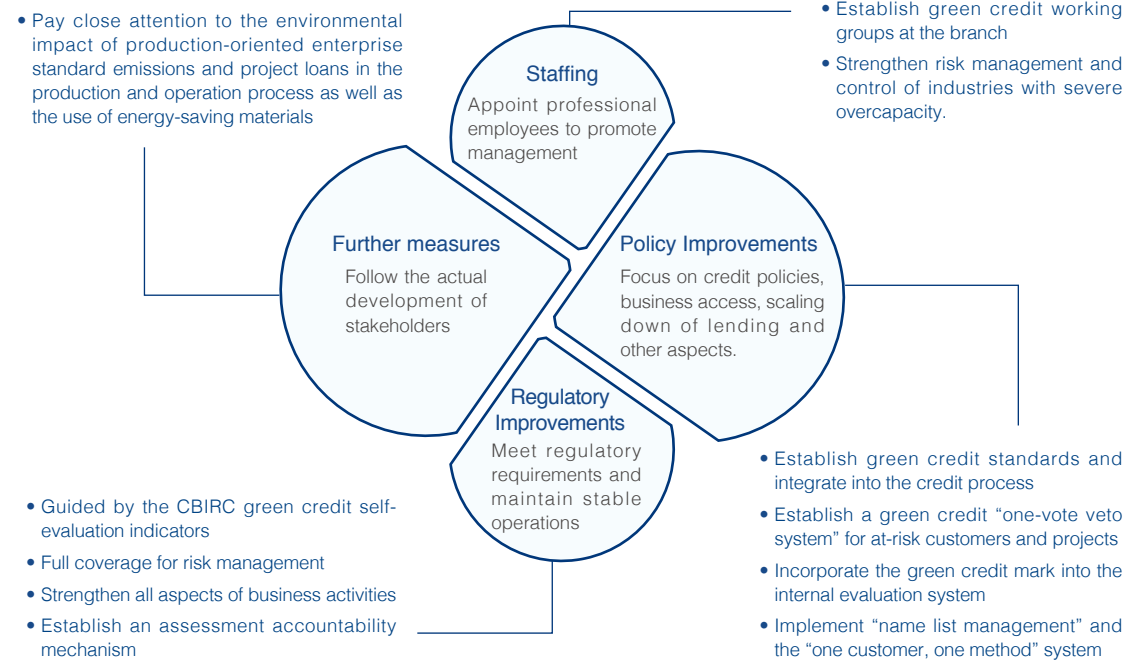
During the Reporting Period, BoCom actively followed a green credit development strategy, monitoring green credit indicators in accordance with relevant policies, regulations and procedures. It provided credit and support to crucial state energy conservation and emissions reduction projects, enterprise upgrades and technological transformation, pollution management, use and recycling of resources, and other environmentally friendly projects under the premise of controlling risks. As regards credit management of green loans, BoCom formulated the *Notice on Implementing*

Regulatory Requirements on Continuing Green Credit (J.Y.B.F. [2018] No. 109). It classified management of loan customers regarding environmental and social risks using the "three-color and seven-category" environmental label classification method, and implemented the "one-vote veto system" for environmental and social risks, which denies support to environmentally and socially non-compliant customers and projects that violate national environmental protections, safety supervision, quality inspections, land, or immigration policies.



BoCom's Hainan Branch is strengthening green credit management to support green development

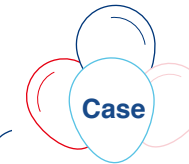
BoCom's Hainan Branch executed risk and credit line control over energy-intensive, highly-polluting and overcapacity industries. It closely integrated green credit requirements with actual access, management and control to deepen green credit management. As of the end of the Reporting Period, the balance of green credit was RMB224 million, accounting for 1.16% of total corporate loans, of which RMB70 million was granted in 2018.



Major Management Measures for Green Credit at BoCom's Hainan Branch

Supporting Green Industries

Green industries are a pillar of the green economy and play a pivotal role in driving sustainable development. During the Reporting Period, BoCom adhered to all national green credit policies, supported the development of green industries, and increased credit to energy saving and environmentally friendly industries and emerging strategic industries. During the Reporting Period, BoCom also strengthened its credit line management of energy-intensive, highly-polluting and overcapacity industries. It has reduced the total number of loans granted to industries with overcapacity and stabilized asset quality. Through credit line management and balance reduction, the Bank promoted the structural optimization and risk management of industries with "overcapacity." It also listed "key at-risk customers with overcapacity" for better management.



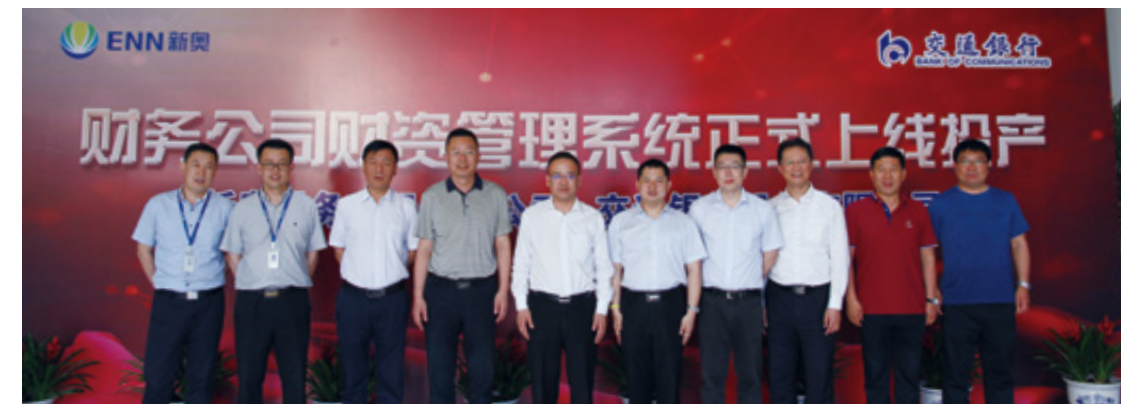
BoCom's Jilin Branch promotes green infrastructure to improve the transformation of urban sewage into resources

"Strengthening treatment of urban pollution, accelerating the construction of urban sewage treatment facilities, upgrading existing treatment facilities according to local conditions, and making sure that urban sewage meets corresponding emissions standards or recycling requirements before the end of 2020" are specific requirements of the "Ten articles" proposed in China.

BoCom's Jilin Branch actively participated in green infrastructure that assisted the Lüyuan District government in water ecology restoration. It granted RMB200 million in fixed asset loans to Changchun Sangde Lyuxin Water Co., Ltd. for the construction of the sewage treatment PPP project in Xixin Industrial Concentration Zone of Changchun Green Park. The project will greatly alleviate the emission of sewage in the Lüyuan district and Changchun City, and play an important role in further improving urban infrastructure and realizing the transformation of urban sewage into resources.



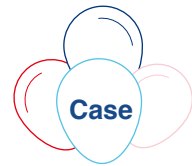
Supporting key energy companies in building a "Beautiful Hebei Province"



BoCom's Hebei Branch launches the on-line finance management system for ENN Finance Co., Ltd. (ENN Gas and ENN Finance are both subsidiaries of ENN Group)

To further implement the strategy of the Hebei Provincial Government for building "Beautiful China and Beautiful Hebei Province," accelerate the development of the natural gas industry in Hebei Province, and alleviate gas resource supply and pipe operation pressures based on the air pollution prevention and treatment action plan and drastic reduction of total coal consumption, BoCom's Hebei Branch kept in active close contact with enterprises to formulate service plans. It successively granted RMB200 million in low-cost loans to Hebei Provincial Natural Gas Co., Ltd., the largest natural gas supplier in Hebei Province, and RMB300 million in low-cost loans to Shijiazhuang ENN Gas Co., Ltd., the largest natural gas supplier in Shijiazhuang, to enhance natural gas supply and support air pollution control in Hebei Province.

BoCom pays attention to the development of green agriculture. Based on rural banks, BoCom is actively exploring and promoting various agriculture-related green finance products including "Homestay Loans," "Farm Loans" and "PV Loans."



Supporting home-stays in Yu Village, Anji County to realize "Green Development and Green Transformation" according to local conditions

Anji County, Huzhou City, Zhejiang Province is where President Xi put forth his conviction that "Clear waters and green mountains are as good as mountains of gold and silver," and a place that boasts broad prospects for rural construction, rural economy and "green finance." Divided into three areas for ecological tourism, residences, and rural sightseeing respectively, Yu Village in Anji County has vigorously developed tourism and has gradually formed a tourism industry chain covering sightseeing, river rafting, outdoor entertainment, business meeting, mountaineering, fishing, fruit and vegetable picking, and farming experiences. It welcomes more than 300,000 visitors a year.

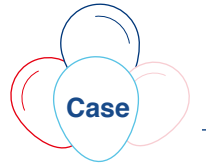
Home-stays in Yu Village are generally hampered by worn electrical equipment and outdated furnishings. BoCom's Anji Rural Bank granted credit to home-stays with good credit status in Yu Village and issued certificates for micro loans to farmers via innovating financial products and services and the power of green finance. As of the end of the Reporting Period, more than 30 customers had received credit worth more than RMB5 million and 13 customers had received actual loans worth RMB2.16 million, which to some extent filled the gap in funds for the transformation and upgrading of home-stays, provided financial support for their future development and injected new impetus into the green development of Anji County.



BoCom's Anji Rural Bank helps the county taking a green development in its regional finance

Extending Influence over the Industry

Cooperation and exchanges with other industries are important ways to extend influence. During the Reporting Period, BoCom promoted healthy industry-wide development and extended its influence in the field of green credit with industry peers, both domestic and international.



BoCom Yunnan Branch offered support in "three fields" to help green industry development in Yunnan province

Yunnan Province boasts rich biodiversity and ecological resources. The Yunnan Provincial Government needs to mobilize financial resources and exploit ecological advantages to embark on a path of high-quality ecological development.

During the Reporting Period, to help Yunnan Province achieve high-quality ecological development, BoCom's Yunnan Branch and Yunnan Provincial Government signed a financial service agreement on investing financial resources in the three fields of green energy, green food and liveable areas to boost the development of green industries in Yunnan Province. Green credit projects supported by Yunnan Branch achieved energy conservation and emissions reduction equivalent to over 2.1979 million tons of standard coal, carbon dioxide emissions reduction equivalent to over 1.563 million tons, reduction of chemical oxygen and ammonia nitrogen needed for water pollution chemistry equivalent to over 733.42 tons and 125.99 tons respectively, sulfur dioxide reduction equivalent to over 366 tons, nitrogen oxides reduction equivalent to over 42 tons, and water resources conserved equivalent to over 25.7027



A financial service cooperation agreement between the Yunnan Provincial Government and Bank of Communications was signed by Zong Guoying, Standing Deputy Governor of Yunnan Province, and Guo Mang, Executive Vice President of BoCom. Chen Hao, Yunnan Provincial Party Committee Secretary, Ruan Chengfa, Governor of Yunnan Province, and Peng Chun, BoCom Party Secretary and Chairman, were witnesses to the signing ceremony.

million tons, all of which made a large contribution to the protection of local ecological environment and sustainable economic and social development, and helped generate sound economic, environmental and social benefits.



BoCom's Hong Kong Branch assisted Agricultural Development Bank of China in successfully issuing the first green Euro bond

During the Reporting Period, BoCom's Hong Kong Branch assisted Agricultural Development Bank of China in successfully issuing the first green Euro bond, which is a three-year floating-rate green bond with a rate of 3mE+48bps (three-month Europe inter-bank offered rate plus 48 basis points) and a scale of EUR500 million. The bond successfully attracted high-quality overseas investors including central banks, sovereign funds, banks, brokers, funds and asset management companies of many countries, and was more than 3.4 times oversubscribed.

As the third largest bond issuer in China and the largest issuer of "agriculture, rural areas and farmers-related" bonds, Agricultural Development Bank of China ranks among the top domestic green bond issuers. Since its first appearance in the overseas bond market in 2012, BoCom's Hong Kong Branch has participated in many occasions in bond issuance as a global coordinator, a leading underwriter or a bookkeeping manager, actively provided high quality and high-level investment products to the international market, promoted green credit, and introduced domestic and international funds to support green development, agriculture, rural areas and farmers.



The ceremony celebrating BoCom's Hong Kong Branch assisting the Agricultural Development Bank of China in successfully issuing the first green Euro bond

Green Services

BoCom is committed to reducing the negative environmental impact of its services by developing electronic service products. The Bank has taken steps to introduce innovative green products, improve its service quality and cut waste resources. During the Reporting Period, BoCom's e-banking business share grew to 96.59%, reducing CO₂ emissions by nearly 19,238.88 tons, a 2.17% increase from the previous year.

Environmental Benefits of E-Banking Services

Customer Service	Companies/ Transactions	Annual Growth	Environmental effect (equivalent)		
			Planted Trees	Reduced CO ₂ Emissions (tons)	Reduced Use of Paper (tons)
Corporate Online Banking	859,500 companies	18.54%	180,000	2,525.49	10,195.44
Personal Online Banking (including mobile banking)	6.395 billion transactions	29.93%	1.132 million	15,888.76	63,948.70
Self-Service Automated Machines	331 million transactions	-26.61%	58,900	824.63	3,311.47

Note: Reduced paper use is based on the average use of paper by each account (corporate online banking) or transaction (personal online banking/self-service automated machines).

As of the end of the Reporting Period, the ratio of self-service banks and inclusive-finance outlets to traditional outlets was 1.80 : 1, while the ratio of fully automated self-service banks to traditional outlets was 1.02 : 1; the proportion of transactions handled by machines and through new service models has further increased, while at the end of the year, the share of transactions handled by "Smart Communication" machines reached 48.3%, up 13.3% from the beginning of the year.



BoCom won the 2018 China Financial Certification Authority's "Best Personal Mobile Banking" and "Best Online Banking Security" awards.



Bank of Communications (Hong Kong) Co., Ltd. was awarded the 2018 Hongkong Outstanding Digital Brand "Outstanding Personal Banking Securities Trading App for Finance" by Metro Radio and the Hong Kong Computer Chamber of Commerce for the first time.



Bank of Communications (Hong Kong) Co., Ltd. was awarded the "Best Online Trading Platform" by the E-Brand awards for the fifth consecutive year by e-zone, a best-selling magazine on electronic products.

Green Operations

The report of the 19th National Congress of the Communist Party proposed "encouraging simple, moderate, green, and low-carbon ways of life, opposing extravagance and excessive consumption and launching initiatives to make Party and government offices do better when it comes to conservation, as well as develop eco-friendly families, schools, communities, and transport services." BoCom incorporates the green development concept into management and operation, adheres to responsible green procurement, focuses on resource conservation and sustainable use in business operations, and makes unremitting efforts to pursue green development and a better life for stakeholders.

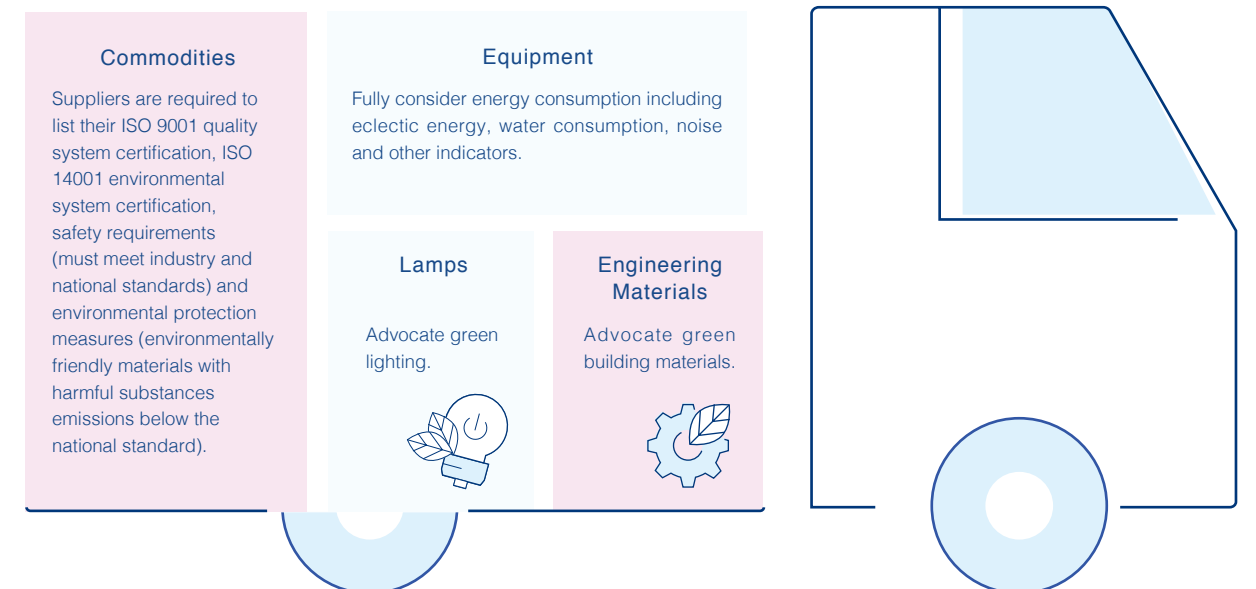
Green Procurement

BoCom adheres to green procurement and strictly abides by relevant policies and regulations to reduce negative environmental impact during the procurement process. During the Reporting Period, it updated the *Measures of Management on Collective Procurement for Bank of Communications (2018)*, giving priority to energy conservation and environmentally friendly products and suppliers with environmental management system certification and whose products have environmental protection labels. Meanwhile, bidding documents include energy conservation and environmental protection requirements for suppliers and set corresponding scores to encourage support of environmental protection. In addition, the procurement documents are available electronically, and bidding documents are required to avoid deluxe packaging to reduce the waste of resources and energy.

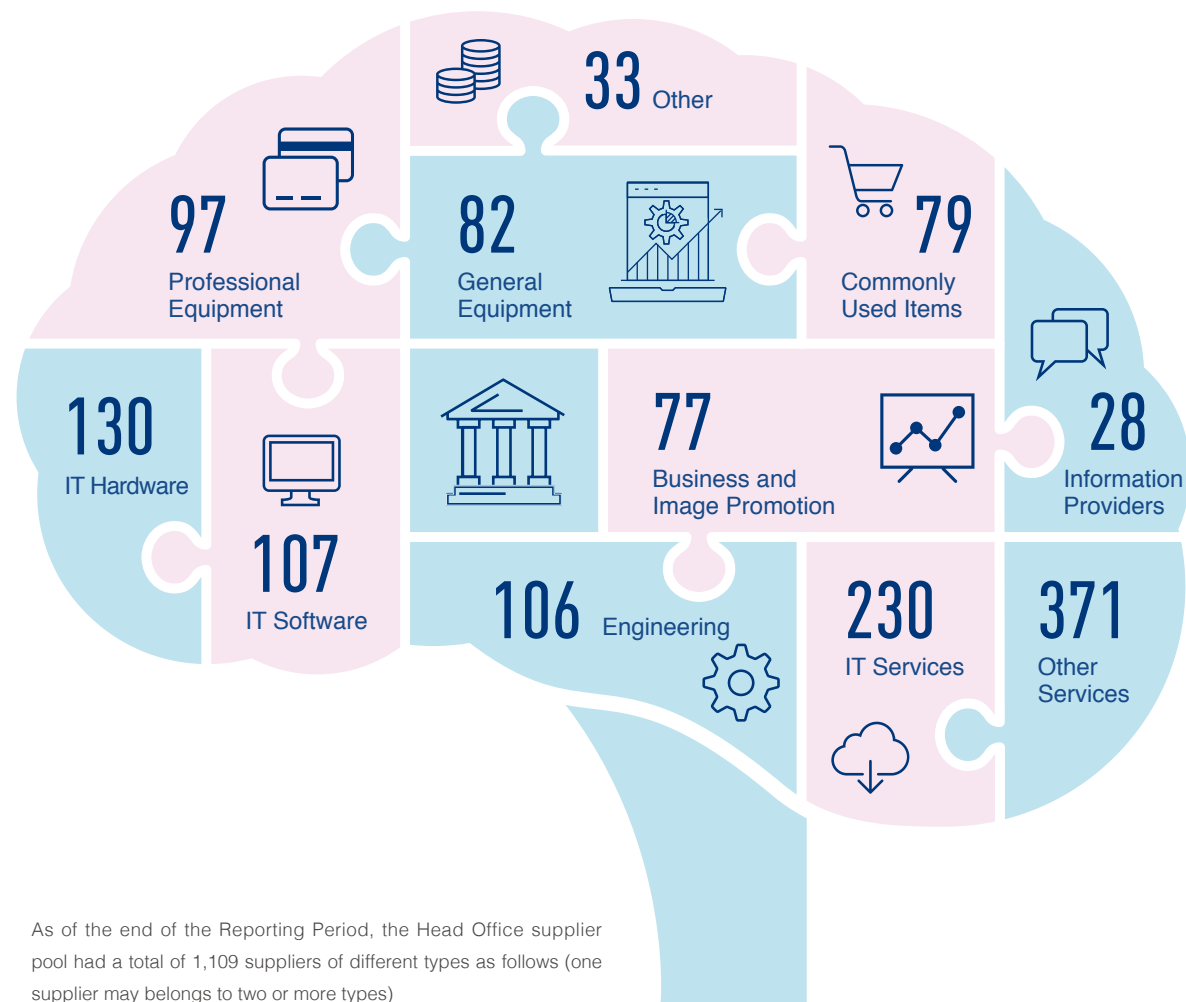
During the Reporting Period, BoCom followed the *Measures on Supplier Management of the Bank of Communications (tentative) (J.Y.B. [2017] No. 141)*, *Measures on Assessment of Suppliers Performance of the Bank of Communications*

(tentative) (J.Y.B. [2017] No. 142) and *Rules of the Head Office on Supplier Management (tentative) (J.Y.B. [2017] No. 366)* in regulating suppliers. The Bank has a total of 1,109 suppliers, 32% of which are technology and environmental protection suppliers. None of them have any serious violations in the aspects of freedom of association, collective bargaining, or use of child or forced labor.

BoCom actively cooperates with suppliers to manage waste discharge. In addition to setting up hazardous solid waste collection stations with explicit signs according to management regulations, it also logs the collection of hazardous solid waste. BoCom and its suppliers have agreed on replacement requirements regarding dangerous solid waste (computers, fluorescent tubes, toner cartridges, etc.) in the procurement contract, and asked suppliers to retrieve and treat replaced dangerous solid waste according to relevant regulations. As of the end of the Reporting Period, suppliers had collected 2,290 fluorescent lamps, 222 cartridges and toner cartridges, and 120 used circuit boards of various types.



BoCom Procurement Practices



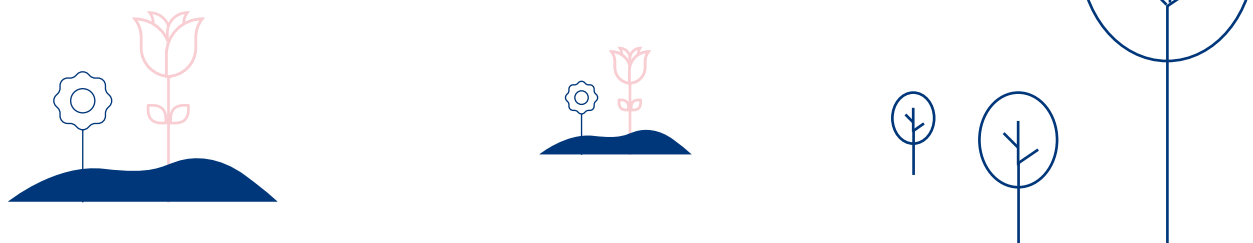
As of the end of the Reporting Period, the Head Office supplier pool had a total of 1,109 suppliers of different types as follows (one supplier may belong to two or more types)

Green Offices

During the Reporting Period, BoCom earnestly promoted energy conservation, emission reduction, cost reduction, efficiency enhancement, and gradually implemented green property management to build low carbon green parks. As of the end of the Reporting Period, the total energy consumption of all buildings (parks) was equivalent to 30,300.08 tons of standard coal, meeting the annual energy conservation target.

Stakeholders' demands:

The Shanghai Financial Services Office set the 2018 energy conservation goal of BoCom's Head Office according to the requirements of the Notice on Accelerating the Realization of the 2018 Energy Conservation Goal for Heavy Energy-consuming Institutions issued by the Shanghai Municipal Government: total energy consumption should be less than 32,210 tons of standard coal, and the energy consumption per unit building area should fall by 11.26% from that of 2015, the last year of the 12th "Five-Year period."



Strengthening the Internal Management System

Build property management information system and strengthen intelligent management

- Promote the use of the property management information platform;
- Real-time monitoring of energy data on water, electricity and gas;
- Collect, analyze, and forecast the annual energy consumption.

Enhancing Waste Management

Improve waste sorting and treatment and emissions reduction

- Strictly follow the policy requirements of the *Implementation Plan for Establishing and Improving the Domestic Waste Sorting System in Shanghai* issued by the Shanghai Municipal Government;
- Set up professional sorting stations to effectively recycle waste of different types, such as hazardous waste, recyclables, dry garbage, etc.
- Reasonably dispose of hazardous waste like abandoned electronic products, batteries, fluorescent tubes and mercury thermometers according to relevant national laws and regulations;
- Domestic garbage, kitchen waste, and kitchen waste oil are treated by contracted professional institutions to ensure that waste is treated within a day.

Improving Pollution Prevention and Control Capabilities

<h4>Efficiently implement environmentally friendly greenification</h4> <ul style="list-style-type: none"> Adopt water-saving irrigation methods, adopt ecological fertilizer, apply fertilizer reasonably, guarantee clean gardens and avoid applying odor-producing fertilizer. Adopt physical control methods for pests. If chemical controls must be used, apply high-efficiency, low-toxicity, non-polluting and safe agents. 	<h4>Environmental indicators should meet requirements</h4> <ul style="list-style-type: none"> Entrust environmental inspections to professional institutions every year that cover lampblack emissions, noise, sewage discharge, air quality, domestic waste water (pH, chemical oxygen demand, five-day biochemical oxygen demand, ammonia nitrogen, sulfide, animal and vegetable oil, total phosphorus), centralized air conditioning (new air systems, units, terminal devices) and other indicators 	<h4>Implement environmental assessments and make improvements based on demand</h4> <ul style="list-style-type: none"> Identify major environmental factors and formulate appropriate management plans; Physically treat recycled water to reduce water pollution; Lampblack and exhaust are filtered before being discharged to prevent gas pollution.
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Improve E-Offices

Optimize mobile office app platforms

Build and continue to optimize the paperless online service lobby "BoCom e-platform", which is used by more than 70,000 employees.

Promote the development of the administrative seal management platform

A total of 247 branches, subsidiaries, and rural banks completed full application of the administrative seal management platform.

Improve the Group's unified office platform

Update the OA office system

Optimize Paperless Offices

Upgrade traditional publications

Important press releases in the industry are first released on the intranet.

Information technology application training of official documents and information

Organize information technology application training and strengthen training on the skills and abilities of video conference managers.

Reduce Energy Consumption in Business Operations

Vehicle management

Minimize vehicles driving distances with no passengers by carpooling and other means.

Strengthen Management and Recycling of Physical Assets

Recycling

During the Reporting Period, 1,503 pieces of scrapped equipment were recycled and 135 pieces of reusable equipment were put into use according to relevant provisions of the *Notice on Strengthening the Recycling Management of Computers and other Equipment at the Head Office of BoCom*.

Auction of waste assets

In auctions held by the designated auction company, 8 auctions were organized throughout the year and 1,904 pieces of scrapped equipment and accessories were disposed of, generating RMB53,300.

Concept

Promote training and create a strong atmosphere of energy conservation

- Launch a series of "saving energy and reducing consumption to protect the blue skies" themed activities for energy-saving promotion week to promote energy conservation and environmental protection.

Encourage employees to participate in energy conservation activities

- Carry out the "energy-saving and green office" initiative to guide green offices;
- Carry out the energy-saving walking activities to promote green travel.

Organization

Improve the level of environmental management and strengthen the role of regulations in environmental protection

- Incorporate environmental protection requirements into employee performance appraisals;
- Encourage employees of engineering lines to improve energy conservation and emissions reduction through technological innovation and equipment upgrades to fully mobilize employees;
- Focus on on-site management, and give instant responses to any problems found in order to realize energy-saving goals.

Technologies

Upgrade technologies

- Apply various energy-saving technologies to reduce energy consumption by air-conditioning systems. It is estimated that in this way, 1.1 million kW·h of electricity worth over RMB900,000 can be saved per year.
- Collected rainwater and domestic water from BoCom's Financial Institute (Wuxi) reclaimed after treatment by sewage treatment stations will be put into use for the park's greenification and fish ponds. In this way, about 15,000 tons of tap water worth about RMB75,000 will be saved.
- Piloting the use of solar energy to supply hot water for the third phase building in Zhangjiang Park will save about 10,000 cubic meters of natural gas worth about RMB40,000.

Improve equipment

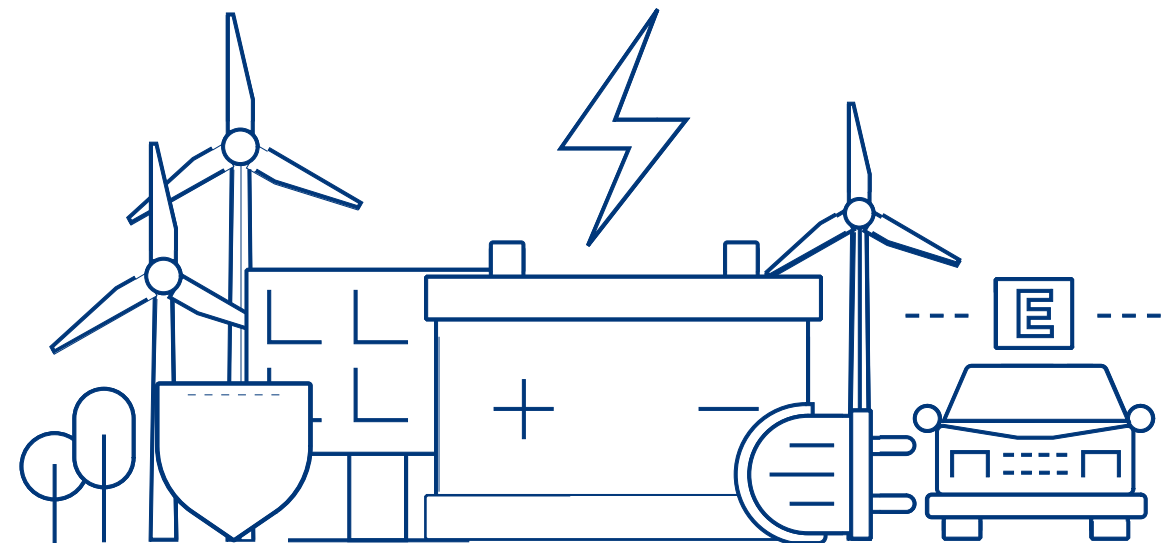
- Promote the use of intelligent lights that automatically control the lighting based on the brightness of the environment. The lighting renovation project could save about 600,000 kW·h of electric energy worth about RMB500,000 per year.
- Promote the use of low-energy LED lamps to eliminate high-energy incandescent lamps and metal halide lamps. At present, more than 2,400 sets of high energy-consuming lamps have been transformed.
- Air-conditioning condensate water recovery units can save more than 9,000 tons of water per year. The recycling can generate more than 450 million kilo-calories of thermal energy, and is expected to save more than RMB200,000 per year.

2018 Cost Reduction and Efficiency Enhancement Measures



During the Reporting Period, the Bank launched the "Energy Conservation Week" campaign, aiming for clean water and blue skies through energy conservation and emissions reduction activities. The Bank has taken measures to enhance awareness via publicity, improve systems via learning and reinforce practices via actions, with a view toward strengthening the entire staff's awareness of and capability for energy conservation. Furthermore, it organized an "Contributing an Idea to Energy Saving and Emission Reduction" themed initiative to bring into full play the wisdom of all personnel. As a result, over 10 pieces of effective advice were collected and adopted.

During the Reporting Period, BoCom organized an initiative to "Take the Lead in Energy Saving and Green Offices." It has taken measures such as publicity, system improvement, and staff training on environment protection and energy conservation, to guide and encourage employees to maintain a green office with wisdom, develop conservation habits with perseverance, spread the concept of ecological civilization with enthusiasm, and prevent energy waste with courage, striving to be the volunteers, pioneers and innovators of green office practices.

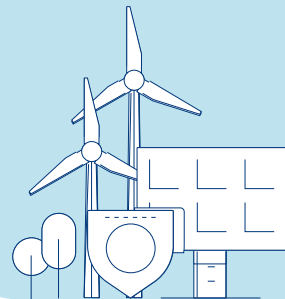


2018 Energy Conservation and Emissions Reduction Measures

Energy Consumption at the Head Office

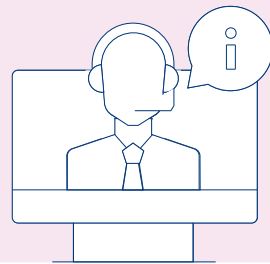
333,300 tons of water
99,646,700 units of electricity
1,232,500 m³ of gas

29.3 tons of water per capita
(11,374 persons)
8,760.9 units of electricity per capita
(11,374 persons)
108.4 m³ of gas per capita
(11,374 persons)



Number of Video Conferences

7,760



As of the end of the Reporting Period, BoCom recorded stable, or even slight decreases in, electricity, water and gas consumption per capita, and the number of video conferences rose by

418

over the same period during the previous year.

As of the end of the Reporting Period, total energy consumption expenses of all buildings (campuses) of the Head Office stood at RMB

82.093 million,

down by RMB

7.39 million

or nearly

8.26 %

during the same period of the previous year.

During the Reporting Period, various business vehicles made

9,596 trips,

covering

1,482,400 kilometers,

slightly less than during the same period of the previous year.

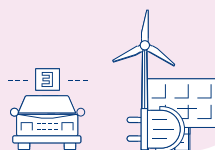
In 2018, the average fuel consumption was

11.46 liters/100 km.

Greenhouse Gas Emissions by the Head Office

2,662.69 tons of direct CO₂e
78,521.58 tons of indirect CO₂e
81,184.27 tons of total CO₂e

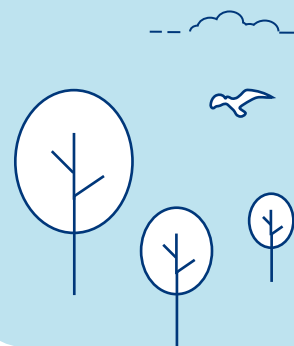
7.138 tons of CO₂e per capita
(11,374 persons)



Paper Consumption at the Head Office

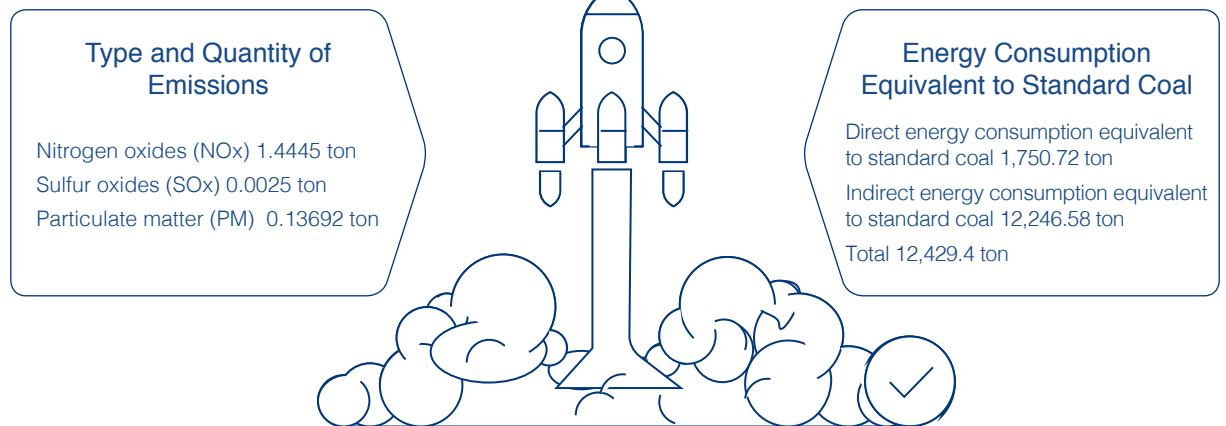
70 bales of A5 paper,
13,379 bales of A4 paper
and 1,502 bales of A3
paper; 500 pieces per
bale, 40.95 tons in total

0.005 tons per capita
(8,090 persons)



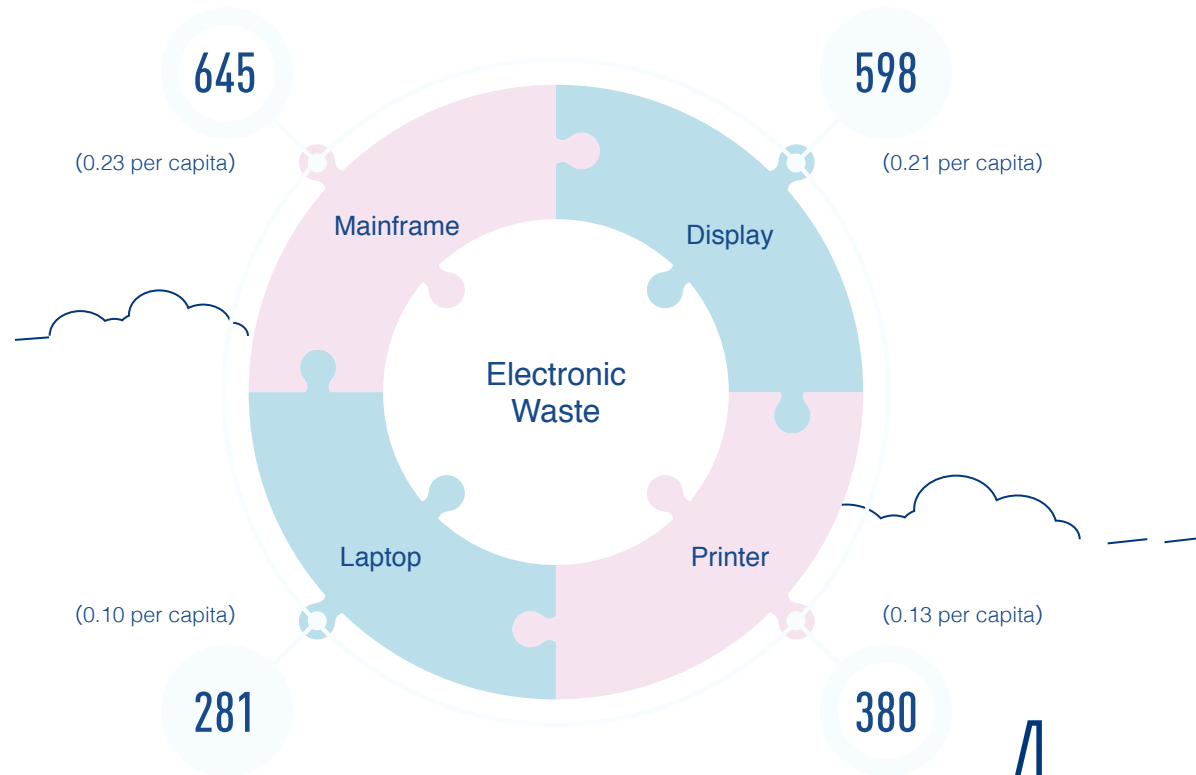
Emissions from Gas Fuel Consumption	Type of Fuel	Consumption
	Natural gas	1,232,459.58m ³
Emissions from Vehicles	Type of Vehicle	Mileage
	Light Vehicles (<= 2.5 tons)	1,381,887 Kilometers
	Light Vehicles (2.5-3.5 tons)	41,826 Kilometers
	Light Vehicles (3.5-5.5 tons)	15,137 Kilometers
	Medium and Heavy Vehicles (5.5-15 tons)	43,589 Kilometers
	Type of Fuel	Consumption
	Diesel	1,601 Liters
	Gasoline	168,409 Liters

Energy and Sources of Emissions (Note: This data covers only the Head Office)



Notes:

- This data covers only the Head Office.
- Emissions data is calculated based on statistics on energy and sources of emissions. Calculating coefficients refer to the *Environmental Key Performance Indicators Guidelines* of HKEx. According to energy experts, there is little difference in energy quality and emissions between the Chinese Mainland and Hong Kong. Therefore, the emissions coefficients of Hong Kong are adopted.
- The statistical boundary of direct and indirect energy consumption is consistent with that of greenhouse gases; in particular, direct energy consumption refers to energy consumed by operational sites owned or controlled by an enterprise while indirect energy consumption refers to emissions resulting from assets purchased or acquired by an enterprise for internal supply of electricity for heating, cooling or steam production, with coefficients sourced from the *General Principles for Calculation of the Comprehensive Energy Consumption (GB/T2589-2008)*.

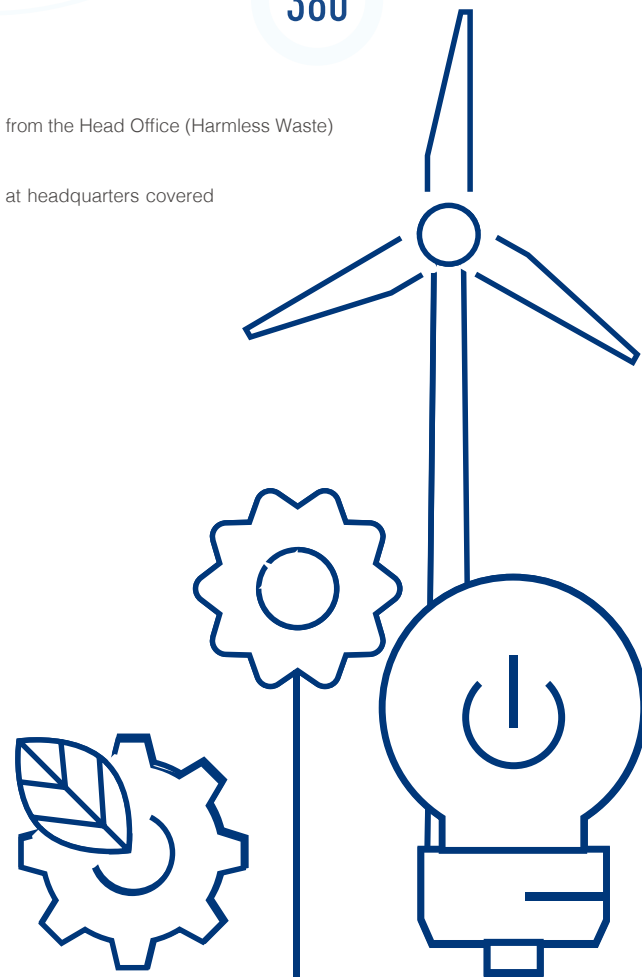


2018 Electronic Waste Discharge from the Head Office (Harmless Waste)

Note: In 2018, the waste emission of electronic information products at headquarters covered 2,844 employees of the head office (dispatched employees involved).



During the Reporting Period, Bank of Communications Tower, where the operating center of BoCom's Hong Kong Branch is located, was awarded the *Hong Kong Green Organization Certification* by the Environmental Campaign Committee, and honored with an "Excellence Level" (Highest) Wastewise Certificate.



Green Public Welfare Activities

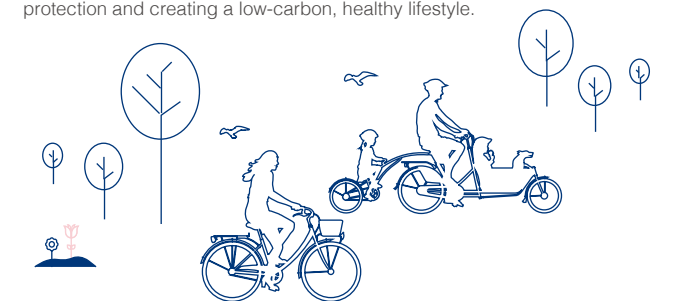
During the Reporting Period, in line with green principles, BoCom encouraged all personnel to participate in green public welfare activities. It not only organized diversified environmental protection activities to enhance the entire staff's awareness of and capability for environmental protection, but also worked together with stakeholders to continuously engage in mother river protection activities. While giving full play to the role of financial services in resource allocation, the Bank took exploratory steps toward biodiversity conservation and other public welfare activities.

BoCom has proactively organized environmental protection campaigns among its employees and encouraged them to participate in extensive energy saving and environmental protection activities, enhance their awareness and capability in this regard and join forces in building a green homeland.

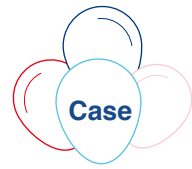


Tree-Planting Activities

BoCom organized green cycling tours to promote low-carbon transport and green life among employees, enhance their awareness of environmental protection and creating a low-carbon, healthy lifestyle.



BoCom organized, brisk walking activities geared toward energy conservation to enhance employee awareness and self-consciousness on the topic and call for environment protection through green transportation.



Protecting the mother river and building a green and harmonious homeland together

During the Reporting Period, the Yichang Branch, together with Shengli Silu Community and the area's civility-minded companies, carried out volunteer service activities for "Protecting the Mother River and Building a Green and Harmonious Homeland" along the river banks of Heping Park, in which more than 30 volunteers participated. Volunteers divided up the areas to be covered, and carefully cleaned up the litter and cigarette butts scattered on the paths of Heping Park along its river banks. They also distributed public service flyers to passers-by to call for environment protection action. After these activities, volunteers expressed their heart-felt joy at having personally embodied the spirit of the hero Leifeng in their readiness to help others.

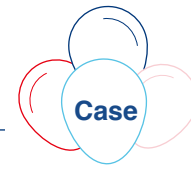
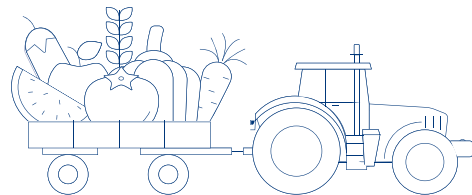


Volunteers carefully clean up litter and cigarette butts scattered on paths alongside the river banks at Heping Park.



Volunteers distribute public service flyers along the river banks of Heping Park to call to action for "Mother River Protection."

Volunteer testimonials: "This activity not only carried on Lei Feng's spirit, but also helped to promote citizens' awareness and actions toward a more civilized life. In the future, we will carry forward the volunteer spirit of "contribution, love, mutual help and progress," try to make volunteer services routine, pay more attention to ecological civilization and strive to be civilized citizens."



BoCom organizes biodiversity conservation activities

Following General Secretary Xi Jinping's indication that "clean water and green mountains are as valuable as gold and silver," BoCom embarked on a series of step by step ecological protection programs beginning in early 2018, including the "BoCom Youth Forest," coral breeding and island restoration on Yongxing Island and the surrounding Qilianyu islands, making them an established base for patriotism education. The Bank fulfilled its solemn undertaking of "A Century of BoCom Responsibly Doing Business" by contributing to Sansha's social development and environment protection and planted the seeds of a vision of "Happy BoCom in a Beautiful China" to take root in our heart.



As of part of the plaque presenting event, BoCom denoted RMB1 million to the Sansha Municipal Government to fund the "Youth Forest Development and Island Protection Project.". The pictures show the activity site



Working Together to Build a Happy Home at BoCom

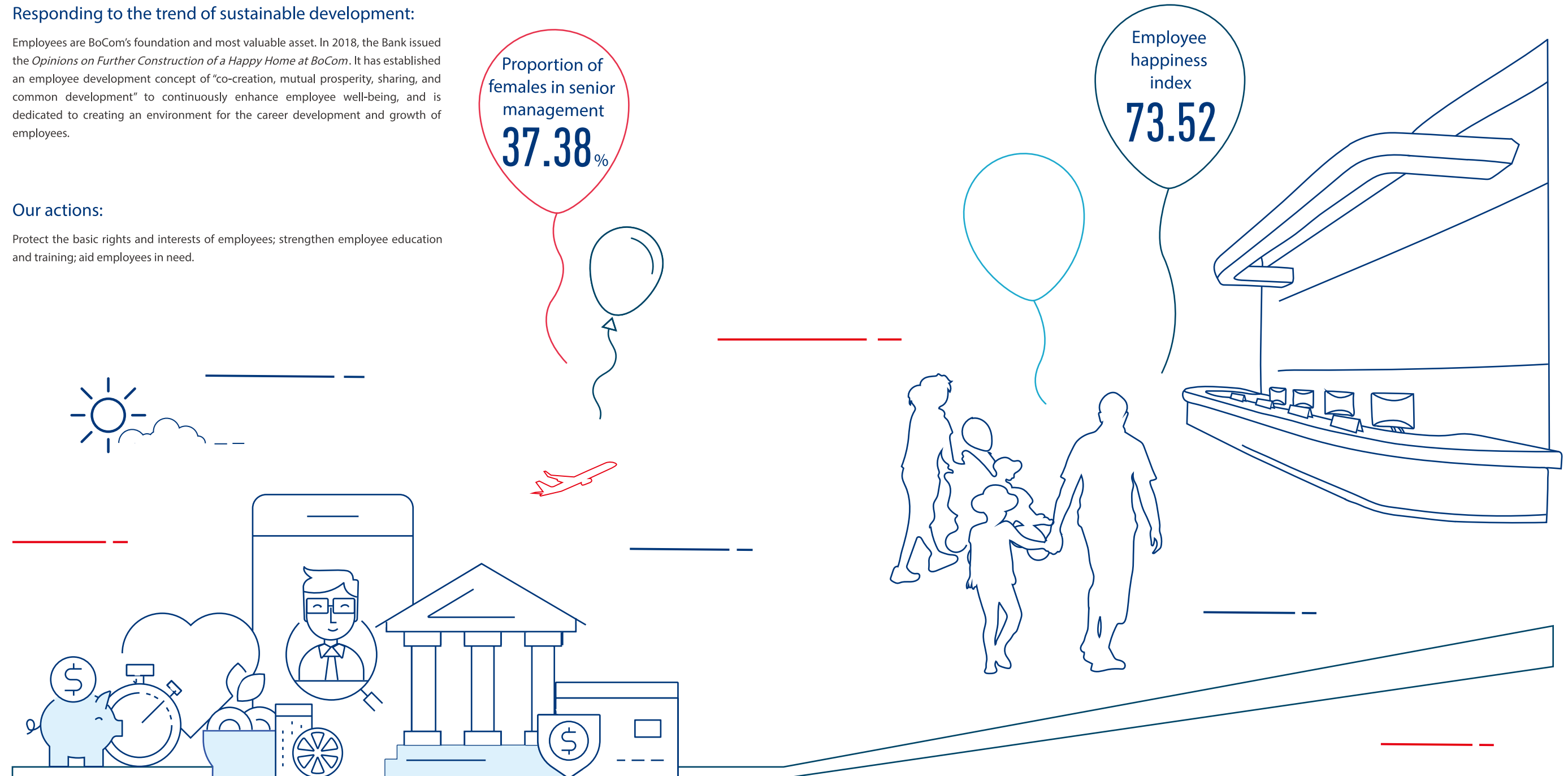


Responding to the trend of sustainable development:

Employees are BoCom's foundation and most valuable asset. In 2018, the Bank issued the *Opinions on Further Construction of a Happy Home at BoCom*. It has established an employee development concept of "co-creation, mutual prosperity, sharing, and common development" to continuously enhance employee well-being, and is dedicated to creating an environment for the career development and growth of employees.

Our actions:

Protect the basic rights and interests of employees; strengthen employee education and training; aid employees in need.

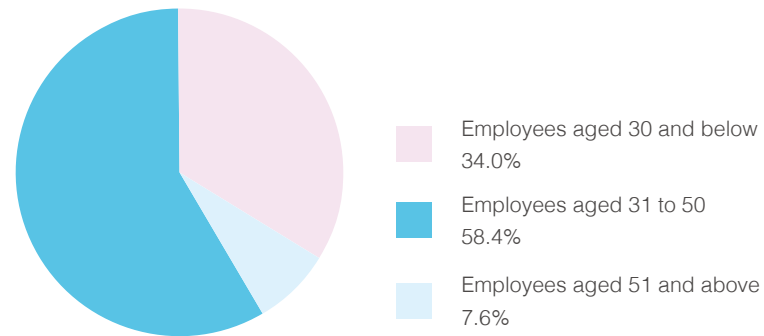


Creating a Diverse Environment

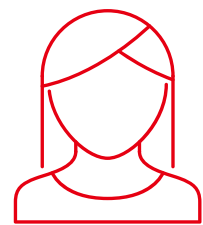
The Bank has created a diversified and non-discriminatory work environment as well as a fair and equitable development platform for employees to pursue common growth.

Basic Employee Information

As of the end of the Reporting Period, the Bank had 89,542 domestic and overseas employees, of which 53.28% were female, 2.73% from overseas, 4.64% ethnic minorities, and 0.14% domestic employees with disabilities. Employee turnover rate was 4.67%, down 0.8% from the previous year.



Employee Structure by Age (Domestic and Overseas)



53.28%



46.72%

Employee Structure by Gender (Domestic and Overseas)



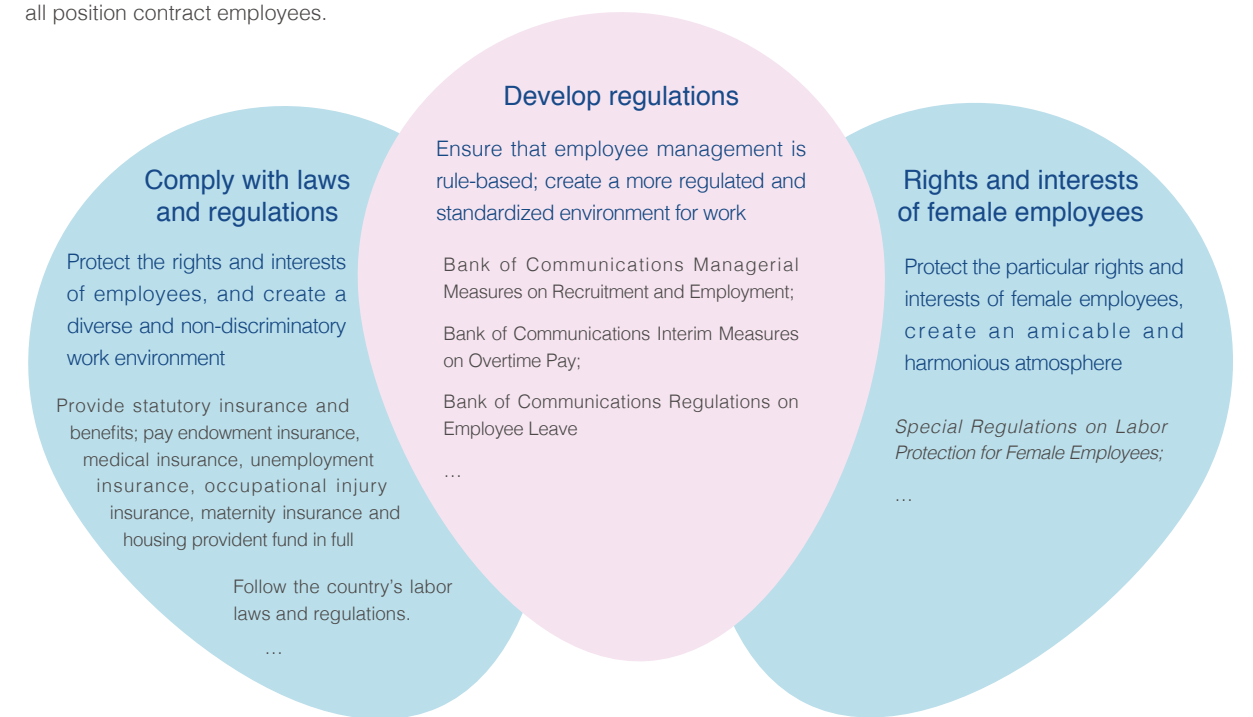
Turnover Rate

Protecting the Rights and Interests of Employees

BoCom strictly complies with national laws and regulations on labor management, and has formulated the *Bank of Communications Managerial Measures on Labor Contracts*, *Bank of Communications Managerial Measures on Recruitment and Employment*, *Bank of Communications Regulations on Employee Leave* and *Bank of Communications Interim Measures on Overtime Pay* based on its actual situation in accordance with laws and regulations, including the *Labor Law of the People's Republic of China*, *Labor Contract Law of the People's Republic of China* and *Regulations on the Paid Annual Leave of Employees*. The Bank never engages in child or forced labor. It never discriminates against employees regardless of gender, religion or ethnic group. It provides equal and suitable job opportunities and benefits to all employees, and ensures equal pay for equal work. As of the end of the Reporting Period, the Bank had signed labor contracts with all position contract employees.



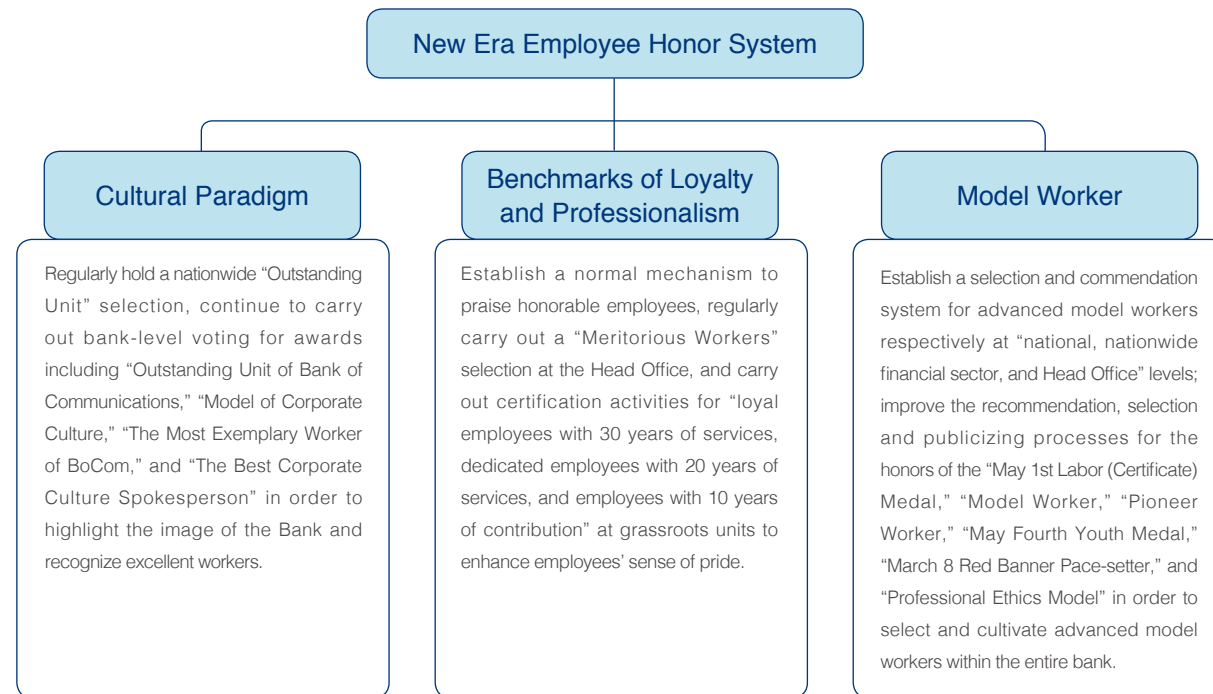
All labor unions of the Bank have established a workers' congress and a disclosure system for bank affairs, forming a democratic management layout, wherein "the party committee serves as the leader, the administration takes charge, trade unions organize, and employees participate," in order to fully guarantee right of employees to know, express, participate and supervise. This picture shows the awarding of the honorary title "National Advanced Bank for Open and Democratic Management of Bank Affairs" to BoCom by All-China Federation of Trade Unions.



Actions and Measures to Protect Employees' Rights and Interests

Building an Honor System

The Bank established a new era employee honor system to enhance employees' sense of pride and honor by encouraging them to participate in various appraisal activities, thereby striving to create an atmosphere focused on steadfast work.



Emphasis on Career Development

The Bank has an efficient career growth system, provides employees with a fast-growing development platform, and builds a community with a shared future in the interest of the mutual growth of employees and BoCom. According to business development needs and job performance requirements, BoCom implements a full process employee training system covering on-board training, pre-hire training, continuous training, certificate training, and so forth, creating a favorable environment for continuous employee growth and development.

Promoting the Development of Talent Teams

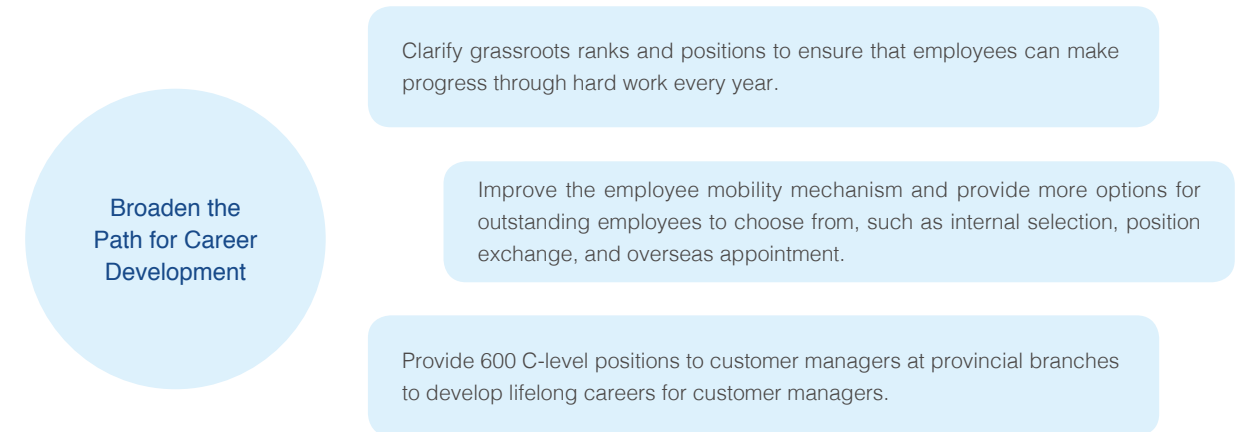
Vigorously promote the development of expert-level teams, accelerate the cultivation of professionals born in the 1970's, 80's, and 90's and adhere to the principle of high-quality professional development.

Continue to strengthen key talent programs such as managerial training, pilot programs, talent programs, personnel reserves for the Head Office, and overseas exchange personnel; strengthen grassroots-oriented and practice-oriented training, and encourage outstanding young employees to learn and practice at grassroots units.

Implement professional skills-based training projects, and strive to cultivate skilled professionals who pursue excellence.

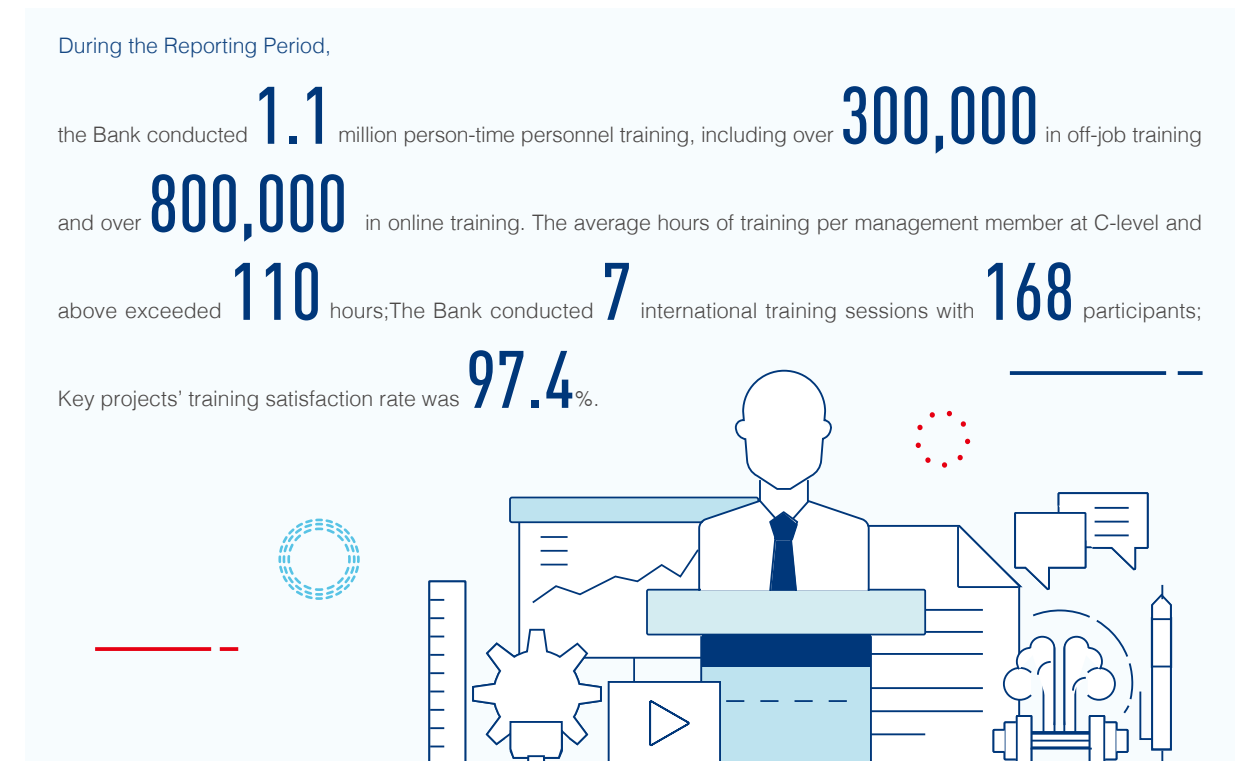
Clear Career Development Path

During the Reporting Period, the Bank improved the "management + professional" dual career ladder, extended the professional and expert ranks, and took various measures such as "vertical promotion, horizontal conversion, and cross-appointment" to ensure high-quality career development for employees in well-suited positions.



Improving the Training System

Following the growth pattern of management personnel and according to the business development needs and job requirements, BoCom has built a management personnel training system with a careful classification, reasonable layout and clear order in four categories, namely, management personnel, professionals, A and B-level employees and new employees. It implements full-process management of "market demand research, planning, organization and implementation, and effect evaluation," explores and cultivates outstanding personnel at basic positions, and creates a favorable environment for their continuous growth.



Improve classified training

- Create a special training brand covering the four levels of "senior, middle, junior and novice" for management personnel, professionals, A- and B-level employees and new employees.

Focus on key groups

- Focus on the key groups of the heads of directly-owned business institutions, heads of Tier-2 institutions, customer managers at the grassroots level and various important professionals. Improve the curriculum in areas such as leadership, team management, marketing, corporate business, personal finance and risk management, focusing on solving difficult key problems in business development, risk control, market expansion, and grassroots management.

Expand training coverage

- Enrich online training resources and promote mobile learning.
- Innovate and develop video training and expand training coverage.
- Provide more quality training resources to employees at the grassroots level by holding training sessions at local workplaces and increasing training opportunities at the Head Office.
- Scale up participants from overseas branches and subsidiaries and continue domestic training for local employees at overseas institutions to help them understand the history and culture of BoCom.

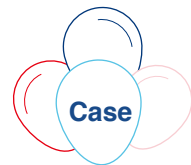
Consolidate training foundation

- Build an educational organization and encourage employees to use their spare time to carry out self-study.
- Conduct training of part-time trainers to improve the professionalism of trainers.
- Enhance learning activities for retired workers.
- Promote the development of e-learning platforms and the education and training management system.

Special training at the grassroots level

- Organize special training, enrich training channels and resources for grassroots employees, and select a grassroots backbone using performance appraisal, bank-wide standardized examinations, honor scores, etc.

BoCom's Employee Training and Cultivation System



Targeted and Classified Training with Innovative and Featured Programs

During the Reporting Period, the Bank built a special training brand covering the four levels of "senior, middle, junior and novice" employees, i.e., management personnel, professionals, employees at the grassroots level and new employees based on their development needs, in order to enhance training effectiveness and the overall capabilities of employees.

For "seniors" (Silver Pine Plan): During the Reporting Period, the Bank held the first "Silver Pine Plan" training session for retired management personnel to improve their political accomplishments and strengthen the building of the Party branch for retired workers.



BoCom's first "Silver Pine Plan" training session in 2018



Special training on operation management for D-level management personnel at HSBC's headquarters in London

For the "middle" (D-level management personnel): the Bank cooperated with well-known universities at home and abroad, industry peers, and strategic partner HSBC to select and assign D-level management personnel for study of or advanced experience in political theory, leadership, operation management, and risk management.

For "juniors" (Talent Project): in order to cultivate the manager reserve for the next 5-10 years and train employees with potential, the Bank selects 40 senior managers with outstanding overall capacity every year to attend various forums, interactive teaching sessions and simulation exercises.

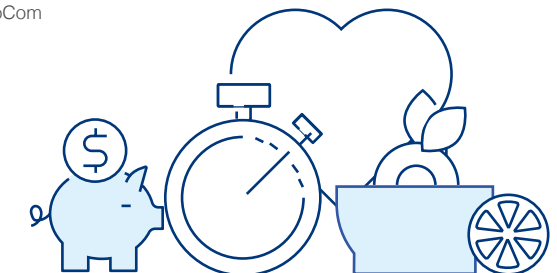


Visiting Industry Peers



The 2018 "Elite Project," providing comprehensive training for outstanding young employees at the grassroots level of BoCom

For "novices" (Elite Project): a four-week special training focused on political theory, corporate culture and professionalism and professional knowledge has been carried out for 100 outstanding young employees selected from grassroots units, which has received an enthusiastic response from employees at the grassroots level.

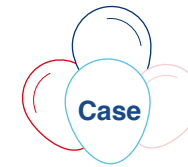
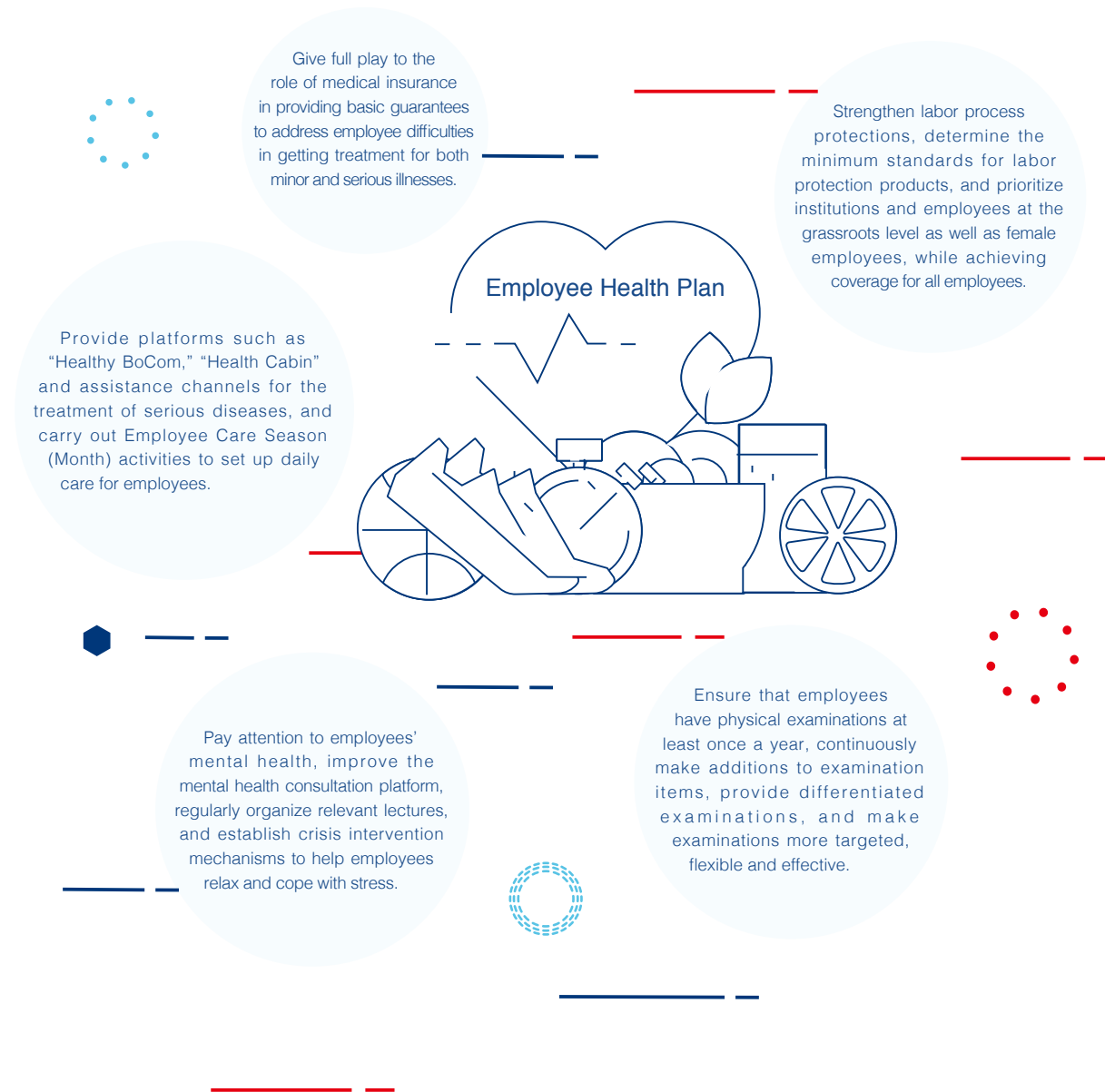


Employee Wellbeing

The Bank regards cultivating a home-like atmosphere as a cultural strategy, to build a new-era employee welfare system, care for employees' physical and mental health, maintain a work-life balance, and enhance their sense of happiness.

Employee Health

The Bank attaches great importance to the occupational health and safety of employees, and is constantly improving the employee health plan of "prevention, caring for the sick, and protection upon recovery" in order to provide employees with comprehensive safeguards.



Upgrading the Online Employee Health Management System

During the Reporting Period, the Bank upgraded its "Healthy BoCom" APP to "Happy BoCom," which has now been upgraded more than 100 times. Stable, convenient and safe, the APP has Healthy Trip, Point Redemption, Happiness Index, Health Cabin, Group Car Purchase, Car Insurance, Click-through Rate (legal services), BoCom Life Insurance and other functional modules, which aim to provide online health management, medical assistance, group rate insurance, preferential car purchase, legal advice and other one-stop services for employees. As of the end of the Reporting Period, Happy BoCom had saved employees about RMB50 million in various costs.



The Happy BoCom Logo

Caring for the Elderly

The Bank has strengthened the dual guarantee of "endowment insurance + enterprise annuity," improved enterprise annuity management, refined asset allocation, and strengthened risk prevention and control on the basis of the full payment of endowment insurance according to the law. It improved returns on annuity assets by ensuring their high security in order to guarantee a nest egg for the retirement aged.

Guaranteeing Basic Necessities of Life

The Bank incorporates employees' basic necessities of life into the company's unified management system to provide them better working and living conditions.



Improving the quality of uniforms and BoCom's service image. This picture shows the new employee uniforms for 2018



Balancing Work and Life

The Bank attaches great importance to the balance of life and work for employees, focuses on improving the working environment, and actively organizes cultural and physical activities to create a comfortable working environment.



The "Symphony" Reading Campaign



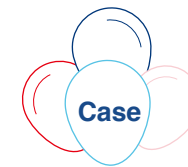
With the theme of "shared aspiration and health," the "Home Carnival" has been held for 3 consecutive years and consists of cultural, artistic and physical activities, signifying the joint creation of an environment conducive to career development and growth with employees. The above picture shows the closing ceremony of the carnival in 2018.



"Hearing is Seeing," Bocom's Reader Selection Campaign

Assisting Employees in Need

The Bank actively assists employees in solving practical problems, grants timely assistance to employees who need support, and cares deeply about its employees. During the Reporting Period, the Bank granted RMB7.99 million to 2,500 employees with serious illnesses.



Bank of Communications' Mutual Help Association

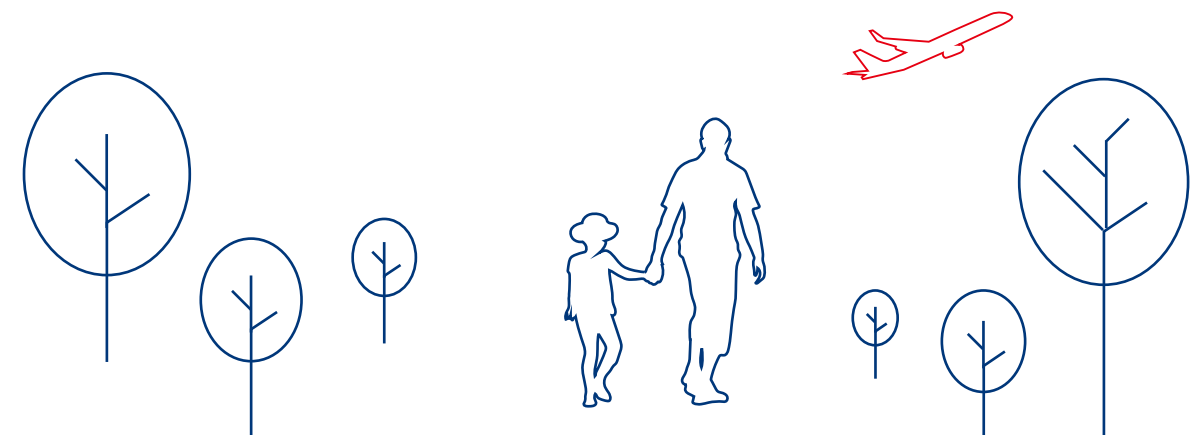
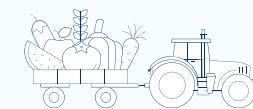
In 2012, the Bank established the Mutual Help Association to advocate the spirit of mutual aid, assist employees with serious illnesses and create a harmonious atmosphere. During the Reporting Period, the Bank revised the Measures for the Management of the Mutual Help Association to refine its management mechanism and realize a rule-based assistance program. By improving services, standardizing operational procedures, expanding coverage and enhancing security, BoCom Mutual Help Association has become an important supplement for trade unions in offering tangible benefits for employees, and has formed a unique system for mutual aid in the initial stages.

During the Reporting Period,

a total of **73,300** employees voluntarily joined the Mutual Help Association and raised RMB

6,631,100 in funds.

Mutual help funds of RMB **982,900** were granted.



Contributing to a Harmonious Society

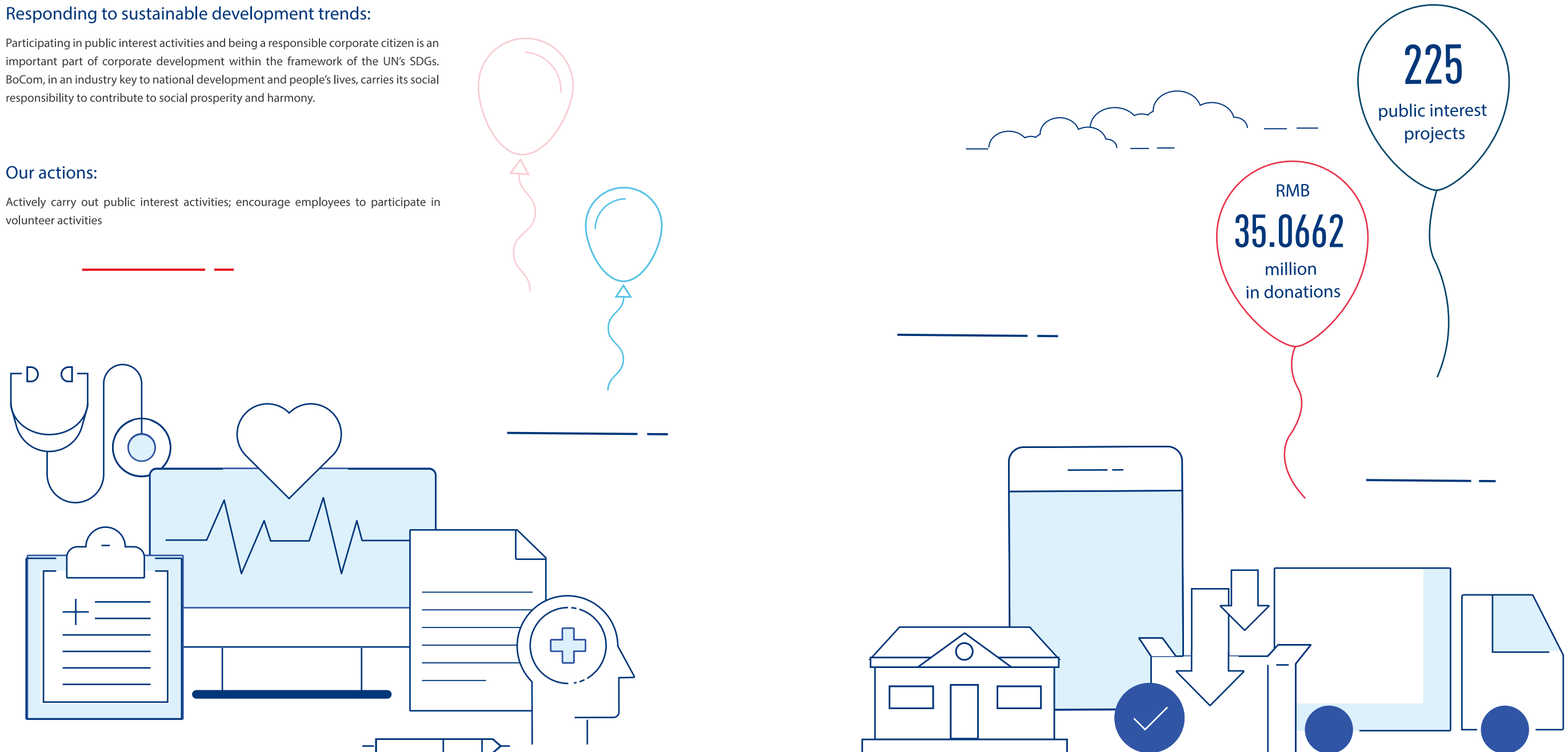


Responding to sustainable development trends:

Participating in public interest activities and being a responsible corporate citizen is an important part of corporate development within the framework of the UN's SDGs. BoCom, in an industry key to national development and people's lives, carries its social responsibility to contribute to social prosperity and harmony.

Our actions:

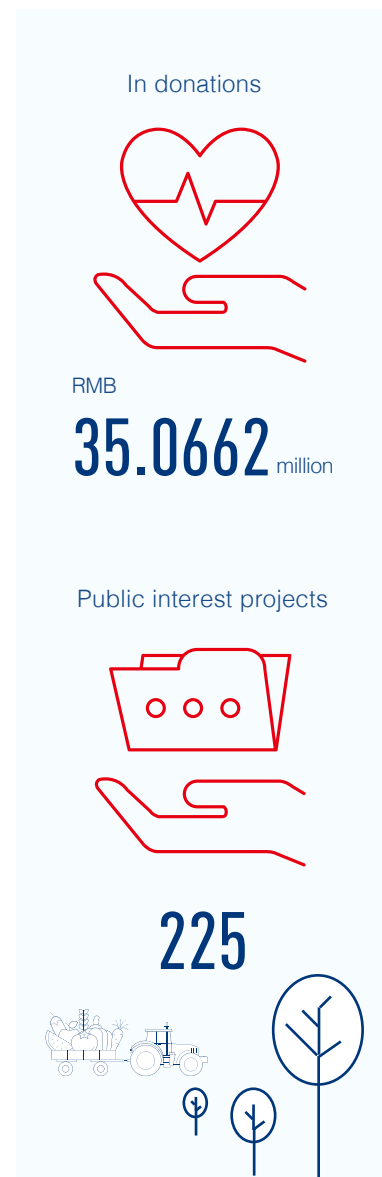
Actively carry out public interest activities; encourage employees to participate in volunteer activities



Establishing a Charity Brand

During the Reporting Period, BoCom took further steps to standardize its charity management. In celebration of its 110th anniversary, BoCom launched the “Blue” charity brand for poverty alleviation, support for rural areas, the elderly and people with disabilities, as well as for education, disaster relief, and volunteer services, in order to regularly promote public interest activities in a unified, project-based, and institutionalized manner.

The brand features blue balloons as a visual symbol. “Blue” represents blessings, love, unity and energy, which together convey the meaning of “uniting to pass on love and positive energy.” Relying on its brand influence, BoCom combines its own energy with that of other sectors of society to build a better society and shape a better future.



A “Blue” Poster



Wang Naikun, Vice Chairman of China Disabled Persons' Federation and Chairman of the China Foundation for Disabled Persons, unveils the “Blue” charity brand with Song Shuguang, then Deputy Party Secretary and Chairman of the Board of Supervisors of BoCom.

Caring for Seniors

The “BoCom-HSBC Shanghai Senior Care Action Plan” launched in 2016 represents a new model in which governments at all levels, enterprises, social organizations, community organizations and residents participate in community-based services for the elderly. By establishing community funds, setting up volunteer teams and fostering stable eldercare forces (neighborhood committees, social organizations and community organizations), the program aims to create favorable conditions for the elderly to achieve self-organization, services and care, as well as access to eldercare, medical services, further study, happy lives, and enhance their sense of worthiness.



Children write greeting cards to elderly people in retirement homes



“Blue” volunteers participate in the “BoCom-HSBC Shanghai Senior Care Action Plan”

During the Reporting Period, the “BoCom-HSBC Shanghai Senior Care Action Plan” set up eldercare funds in 10 aging communities, covering 165 neighborhood committees. The program received RMB **1.2389** million in government subsidies and RMB **1.49** million in service funds, and organized **2,543** activities that benefited **79,000** people.

Program categories include caring for senior citizens with special needs, providing psychological support for the elderly, resolving community affairs, ensuring elder health, preventing fraud, and providing financial education for the elderly.

Special Education

During the Reporting Period, BoCom followed the guidance of the National Long- and Medium-Term Plan for Education (2017-2020), and continued to implement the "For Tomorrow-BoCom Education Support for Youth with Disabilities" program with the China Disabled Persons' Federation and the China Foundation for Disabled Persons in an effort to help step up the development of special education, strengthen team building and improve the quality of special education.

Over the past 11 years, BoCom has contributed RMB104 million to the program, which has given subsidies to more than 36,000 students with disabilities and 126 special education schools, rewarded 1,600 special education teachers and 223 outstanding students with disabilities, and supported training for 5,280 special education teachers.

During the Reporting Period, BoCom donated RMB

2 million

to the program, including:

RMB

525,000

toward the "BoCom Special Education Teacher Award," which rewarded

105

outstanding teachers,

RMB

200,000

toward sponsoring the "BoCom Motivation Award for College Students with Disabilities," and

RMB

1.275 million

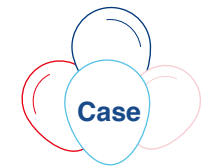
to East China Normal University for carrying out special education teacher training, and supporting the building of a further study and development center for special education teachers at East China Normal University.



Awards ceremony of the "BoCom Special Education Teacher Award"

Contributing to a Harmonious Community

BoCom is a large bank with global operations and is committed to contributing to local development needs in communities where it operates. The Bank regularly organizes tailored community activities and implements initiatives that foster harmonious development of and among local institutions.



The Singapore Branch promotes traditional Chinese culture

During the Reporting Period, BoCom's Singapore Branch donated SGD20,000 (about RMB100,000) to the Singapore Chinese Orchestra (SCO) to support its performances at communities, hospitals and business districts and its initiatives to promote traditional Chinese music and Chinese folk culture.



The government of Singapore presents a trophy to BoCom's Singapore Branch recognizing its donations to the Singapore Chinese Orchestra (From left: Singapore's Prime Minister Lee Hsien Loong, General Manager of BoCom's Singapore Branch Qu Zhongqing, SCO Honorary Chairman Patrick Lee Kwok Kie)



The Macao Branch supports community development

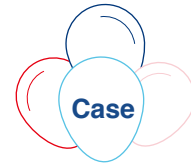


Macao Branch employees participating in the "Walk for Millions"

BoCom's Macao Branch actively participates in public interest activities and contributes to community development. During the Reporting Period, it raised MOP50,000 for the "Walk for Millions" campaign organized by the Charity Fund from Readers of Macao Daily News; supported the "Peng On Tung" Tele-Assistance service, and organized visits by employees and their family members to elderly people living alone and other users of the service, and other care for disadvantaged groups. Through these actions, the branch has honored its commitment to serving Macao.

Volunteer Services

BoCom encourages employees to participate in volunteer activities and contribute to social progress. During the Reporting Period, CYL organizations at all levels and volunteer associations organized a number of volunteer activities and carried out distinctive activities, relying on BoCom's financial advantages such as "Special Olympics integration support stations," "Connecting with a Xinjiang summer camp" and "financial services on campus" to increase the children's financial knowledge and support their growth and development.



"Connecting with a Xinjiang summer camp"

During the Reporting Period, BoCom held the "Connecting with a Xinjiang summer camp" themed "Let Dreams Fly" in Guangzhou. More than 30 children from Urumchi, Kizilsu Kirghiz Autonomous Prefecture and construction corps in Xinjiang were invited to the summer camp to live with volunteers for a week. Activities such as "Family Day," a reading session of Xi Jinping's memoirs on his seven years in rural China and "Small Financer" were organized to increase the children's understanding of the customs and economic development in other parts of China, expand their knowledge about finance, and inspire them to love and contribute to the country.



A performance by children at the summer camp



BoCom volunteers participate in the Shanghai Special Olympics Sunshine Race

During the Reporting Period,

BoCom had
10,000 participants
in volunteer activities,
who provided
2,000 hours
of volunteer services

Outlook

The year 2019 is a crucial year for achieving the first centennial goal of securing a decisive victory in building a moderately prosperous society in all respects. Following the guidance of Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, putting into action the guiding principles from the 19th National Congress and the Central Economic Work Conference, and acting upon the new development philosophy, the Bank will conscientiously implement various regulatory requirements, grasp new implications of the development strategy, focus on improving the ability of serving the real economy, and raise its high-quality development to a new level.

Consolidating the foundation of responsibility management and improving corporate governance. The Bank will continue to improve its corporate governance system, take effective measures against money laundering and for managing the risk of key areas of business under regulatory supervision, and strictly adhere to the compliance bottom line. It will continuously improve the social responsibility management system, integrate the concept of corporate social responsibility into its corporate governance structure, promote policy formulation for responsibility areas, and drive the integration of social responsibility into daily business management. Moreover, it will persistently strengthen internal training on and communication about social responsibility to popularize the concept of social responsibility and actively participate in external social responsibility exchanges and evaluations to promote its image as a responsible enterprise.

Give full play to the advantages of financial resources to vigorously serve economic development. The Bank will strictly follow the policies and plans of the CPC Central Committee and the State Council for making the financial sector better serve the real economy, and deepen reforms to serve the high-quality development of the economy. It will promote the transformation and development of international businesses and overseas institutions, so as to align with the Belt and Road Initiative, the internationalization of the RMB, China's requirements for stable foreign investment, steady investment and sound foreign trade, and national plans, including the development of free trade zones and the Guangdong-Hong Kong-Macao Greater Bay Area. The Bank will offer favorable policies to key areas such as "agriculture, rural areas and farmers," small and micro enterprises and people's everyday consumption, and steadily improve the efficiency of financial services to create common value for finance and customers.

Deepen the promotion of green credit and practice energy conservation and environmental protection across the board. The Bank will continue to deepen green credit, explore higher-quality and more efficient green finance, improve green credit policies and operational practices, and support energy conservation and environmental protection industries and a low-carbon economy, in a bid to drive the country's ecological advancement. It will further promote e-banking and the application of financial technology and internet finance to provide customers with greener services. Furthermore, it will adhere to green operations and green procurement, improve energy conservation and environmental protection measures in various parks, and actively organize volunteer participation in environmentally friendly public welfare activities, thereby enhancing the Bank's green awareness and environmental protection capabilities.

Push forward poverty alleviation and build a culture of a happy homeland. Adhering to an employee development philosophy of "Joint Innovation, Common Prosperity, Sharing and Mutual Development," the Bank fosters a diversified and inclusive environment, provides a smooth path for career development, and promotes the all-round development of its employees. Moreover, it will further enhance the wellbeing of employees and strengthen the building of a happy homeland. It will continue to promoting the "Blue" public welfare brand to support charity undertakings, and step up efforts in poverty alleviation by fighting against poverty in targeted poverty-alleviation areas.

Independent Statement of Assurance



普华永道

2019/SH-0170
(第一页, 共二页)

注册会计师独立鉴证报告

致：交通银行股份有限公司董事会

我们接受委托，对交通银行股份有限公司（“交行”或“交通银行”）2018年度社会责任报告中选定的2018年度关键数据（以下简称“关键数据”）执行了有限保证的鉴证业务。

关键数据

本报告就以下选定的2018年度交行社会责任报告关键数据（即2018年度交行社会责任报告第8和第9页关键绩效）实施了有限保证鉴证工作程序。

我们的鉴证工作仅限于企业社会责任报告中选定的2018年度关键数据，企业社会责任报告中所披露的其他信息、2017年及以前年度信息均不在我们的工作范围内。

标准

交通银行股份有限公司编制2018年度社会责任报告关键数据所采用的标准列示于社会责任报告中第98和第99页的关键绩效数据编报说明（以下简称“编报基础”）中。

管理层的责任

按照编报基础编制2018年度社会责任报告关键数据是交通银行股份有限公司管理层的责任。这种责任包括设计、执行和维护与编制社会责任报告关键数据有关的内部控制，以使该等数据不存在由于舞弊或错误而导致的重大错报。

我们的独立性与质量控制

我们遵守了国际会计师职业道德准则理事会颁布的执业会计师道德守则中的独立性及其他职业道德要求。该职业道德守则以诚信、客观、专业胜任能力及应有的关注、保密和良好职业行为为基本原则。

本事务所遵循国际质量控制准则第1号，据此维护全面系统的内部控制体系，包括与遵守职业道德要求、专业标准和适用的法律和法规要求相关的书面政策与程序。

注册会计师的责任

我们的责任是在执行鉴证工作的基础上对2018年度社会责任报告关键数据发表结论。

我们根据《国际鉴证业务准则第3000号(修订版)--历史财务信息审计或审阅以外的鉴证业务》的规定执行了鉴证工作。该准则要求我们计划和实施工作，以形成鉴证结论。

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普华永道

2019/SH-0170
(第二页, 共二页)

有限保证鉴证业务所实施程序的性质和时间较合理保证鉴证业务有所不同，且范围较小。因此，有限保证鉴证业务的保证程度远低于合理保证鉴证业务。因此，我们不会就2018年度企业社会责任报告中选定的2018年度关键数据在所有重大方面按照编报基础编制，发表合理保证意见。我们的鉴证工作包括评估2018年度企业社会责任报告关键数据是否存在由于舞弊或错误导致的重大错报风险，以及应对评估出的风险。选择的鉴证程序取决于我们的判断及对项目风险的评估。在我们的工作范围内，我们仅在贵公司总行层面开展工作。我们没有对除贵公司总行外的其他分支机构实施鉴证工作。我们所实施的工作包括：

- 1) 与贵公司参与提供企业社会责任报告中所选定的关键数据的相关部门员工进行访谈；
- 2) 实施分析程序；
- 3) 对选定的企业社会责任报告中关键数据实施抽样检查；
- 4) 重新计算；
- 5) 我们认为必要的其他程序。

固有限制

我们提请使用者注意，针对非财务数据，尚无公认的评估和计量标准体系，因此存在不统一的计量方法，这将会影响公司间数据的可比性。

结论

基于已实施的程序及获取的证据，我们没有注意到任何事项使我们相信2018年度社会责任报告中选定的2018年度关键数据未能在所有重大方面按照编报基础编制。

使用限制

本报告仅向交通银行股份有限公司董事会出具，而无其他目的。我们不会就本报告的内容向任何其他人士承担任何责任。

普华永道中天会计师事务所(特殊普通合伙)

普华永道中天会计师事务所(特殊普通合伙)

中国上海市

2019年3月29日

ESG Index

This report has complied with the "non-compliance and interpretation" provisions set out in the *Environmental, Social and Governance Reporting Guidelines*.

Indicator	Exposure	Section	Page
Aspect A1 Emissions			
General Disclosure	Information on: (a) the policies and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. Relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Disclosed	Green Finance and Ecological Progress P60-63
A1.1	The types of emissions and respective emissions data	Disclosed	Green Finance and Ecological Progress P65
A1.2	Greenhouse gas emissions in total (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Disclosed	Green Finance and Ecological Progress P64
A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Disclosed	Green Finance and Ecological Progress P59 <small>Hazardous are not the main environmental impact factor for banking enterprises, and the density statistics are very minute, so only the overall statistics are collected for comparison and overall control.</small>
A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Disclosed	Green Finance and Ecological Progress P66
A1.5	Description of measures to mitigate emissions and results achieved	Disclosed	Green Finance and Ecological Progress P59
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Disclosed	Green Finance and Ecological Progress P61
Aspect A2 Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Disclosed	Green Finance and Ecological Progress P60-63
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kW-h in '000s) and intensity (e.g. per unit of production volume, per facility)	Disclosed	Green Finance and Ecological Progress P65
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Disclosed	Green Finance and Ecological Progress P64
A2.3	Description of energy use efficiency initiatives and results achieved	Disclosed	Green Finance and Ecological Progress P63
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Disclosed	Green Finance and Ecological Progress P61 <small>In 2018, BoCom did not encounter problems with obtaining water in its daily business operations.</small>
A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced	Not applicable to the banking sector	
Aspect A3 The Environment and Natural Resources			
General Disclosure	Policies on minimizing the operation's significant impact on the environment and natural resources	Disclosed	Green Finance and Ecological Progress P54-56
A3.1	Description of the significant impact of activities on the environment and natural resources and the actions taken to manage them	Disclosed	Green Finance and Ecological Progress P54-58
Aspect B1 Employment			
General Disclosure	Information on:(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Disclosed	Working Together to Build a Happy Home at BoCom P72-73
B1.1	Total workforce by employment type, age group and geographical region	Disclosed	Working Together to Build a Happy Home at BoCom P72
B1.2	Employee turnover rate by age group and geographical region	Disclosed	Working Together to Build a Happy Home at BoCom P72
Aspect B2 Health and Safety			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	Disclosed	Working Together to Build a Happy Home at BoCom P76

Indicator	Exposure	Section	Page
B2.1	Number and rate of work-related fatalities	Plan to be disclosed in the future	
B2.2	Lost days due to work injury	Plan to be disclosed in the future	
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Disclosed	Working Together to Build a Happy Home at BoCom P78
Aspect B3 Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Disclosed	Working Together to Build a Happy Home at BoCom P74-77
B3.1	The percentage of employees trained by employee category (e.g. senior management, middle management)	Disclosed	Working Together to Build a Happy Home at BoCom P75
B3.2	The average training hours completed per employee by employee category	Disclosed	Working Together to Build a Happy Home at BoCom P75
Aspect B4 Labor Standards			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor	Disclosed	Working Together to Build a Happy Home at BoCom P73
B4.1	Description of measures to review employment practices to avoid child and forced labor	Disclosed	Working Together to Build a Happy Home at BoCom P73
B4.2	Description of steps taken to eliminate such practices when discovered	Disclosed	Working Together to Build a Happy Home at BoCom P73
Aspect B5 Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain	Disclosed	Green Finance and Ecological Progress P59
B5.1	Number of suppliers by geographical region	Partially disclosed	Green Finance and Ecological Progress P60 <small>BoCom classifies suppliers by category for the convenience of management and business activities.</small>
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Disclosed	Green Finance and Ecological Progress P59
Aspect B6 Product Responsibility			
General Disclosure	Information on:(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress	Disclosed	Driving Development with Innovation to Create a Blueprint for Inclusive Finance P45-51
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable	
B6.2	Number of products and service related complaints received and how they are dealt with	Partially disclosed	Driving Development with Innovation to Create a Blueprint for Inclusive Finance P48
B6.3	Description of practices relating to observing and protecting intellectual property rights	Disclosed	Driving Development with Innovation to Create a Blueprint for Inclusive Finance P49
B6.4	Description of quality assurance process and recall procedures.	Not applicable	
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Disclosed	Driving Development with Innovation to Create a Blueprint for Inclusive Finance P49
Aspect B7 Anti-Corruption			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	Disclosed	About BoCom P11-12
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Disclosed	About BoCom P11-12
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Disclosed	About BoCom P11-12
Aspect B8 Community Investment			
General Disclosure	Policies on community engagement to understand the communities' needs where it operates and to ensure its activities take into consideration communities' interests	Disclosed	Feature: Giving Top Priority to Targeted Poverty Alleviation P18-27, P83-88
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport)	Disclosed	Contributing to a Harmonious Society P83-88
B8.2	Resources contributed (e.g. money or time) to the focus area	Disclosed	Contributing to a Harmonious Society P83-88

GRI Index

This report has been prepared in accordance with the GRI Standards: Core option.

Disclosure Items	Section	Page	Note
Disclosure 102-1 Name of the organization	About BoCom	P6	
Disclosure 102-2 Activities, brands, products, and services	About BoCom	P6	
Disclosure 102-3 Location of headquarters	About BoCom	P6	
Disclosure 102-4 Location of operations	About BoCom	P6	
Disclosure 102-5 Ownership and legal form	About BoCom	P6	
Disclosure 102-6 Markets served	About BoCom	P6	
Disclosure 102-7 Scale of the organization	About BoCom Working Together to Build a Happy Home at BoCom	P6, P9, P72	
Disclosure 102-8 Information on employees and other workers	Working Together to Build a Happy Home at BoCom	P72	
Disclosure 102-9 Supply chain	Green Finance and Ecological Progress	P59-60	
Disclosure 102-10 Significant changes to the organization and its supply chain	GRI Index	P94	No significant change
Disclosure 102-11 Precautionary principle or approach	About BoCom	P6	
Disclosure 102-12 External initiatives	About BoCom	P6	
Disclosure 102-14 Statement from senior decision-maker	Message from the Chairman, Report from the President	P2-5	
Disclosure 102-16 Values, principles, standards, and norms of behavior	About BoCom	P6	
Disclosure 102-17 Mechanisms for advice and ethical concerns	About BoCom	P6	
Disclosure 102-18 Governance structure	About BoCom	P6	
Disclosure 102-40 List of stakeholder groups	Managing Responsibility	P13-15	
Disclosure 102-42 Identifying and selecting stakeholders	Managing Responsibility	P13-15	
Disclosure 102-43 Approach to stakeholder engagement	Managing Responsibility	P13-15	
Disclosure 102-44 Key topics and concerns raised	Managing Responsibility	P13-15	
Disclosure 102-45 Entities included in consolidated financial statements	About This Report	Inside front cover	Inside front cover
Disclosure 102-46 Defining report content and topic boundaries	Managing Responsibility	P13-15	
Disclosure 102-47 List of material topics	Managing Responsibility	P14	
Disclosure 102-48 Restatements of information	Notes to Key Performance	P99	
Disclosure 102-49 Changes in reporting	GRI Index	P94	No significant change
Disclosure 102-50 Reporting period	About This Report	Inside front cover	
Disclosure 102-51 Date of most recent report	About This Report	Inside front cover	
Disclosure 102-52 Reporting cycle	About This Report	Inside front cover	
Disclosure 102-53 Contact point for questions regarding the report	About This Report	Inside front cover	
Disclosure 102-54 Statement of reporting in accordance with GRI Standards	GRI Index	P94	
Disclosure 102-55 GRI content index	GRI Index	P94	
Disclosure 102-56 External assurance	Independent Statement of Assurance	P90	

Disclosure Items	Section	Page	Note
GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	About This Report, About BoCom, Managing Responsibility, Deepening Reform to Serve High-Quality Development, Driving Development with Innovation to Create a Blueprint for Inclusive Finance	Inside front cover, P6, P14, P38-P51
GRI 201: Economic Performance	Disclosure 201-1 Direct economic value generated and distributed	About BoCom	P6-8
Topic-Specific Disclosures	Disclosure 201-2 Financial implications and other risks and opportunities due to climate change	Annual Report, Green Finance and Ecological Progress	Annual report, P54-57
	Disclosure 201-3 Defined benefit plan obligations and other retirement plans	Working Together to Build a Happy Home at BoCom	P73, P78-81
GRI 202: Market Presence	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	About This Report, Managing Responsibility, Deepening Reform to Serve High-Quality Development
Topic-Specific Disclosures	Proportion of senior management hired from the local community	Working Together to Build a Happy Home at BoCom	P72
	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	About This Report, Managing Responsibility, Deepening Reform to Serve High-Quality Development
GRI 203: Indirect Economic Impact	Topic-Specific Disclosures	Disclosure 203-1 Infrastructure investments and services supported	Deepening Reform to Serve High-Quality Development
	Topic-Specific Disclosures	Disclosure 203-2 Significant indirect economic impact	Feature: Giving Top Priority to Targeted Poverty Alleviation
GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	About BoCom	P11-12
GRI 205: Anti-Corruption	Topic-Specific Disclosures	Disclosure 205-2 Communication and training about anti-corruption policies and procedures	About BoCom
	Topic-Specific Disclosures	Disclosure 205-3 Confirmed incidents of corruption and actions taken	About BoCom
GRI 206: Anti-Competitive Behavior	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	About BoCom Managing Responsibility
Topic-Specific Disclosures	Disclosure 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	About BoCom	P6, P14
	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	Green Finance and Ecological Progress
GRI 302: Energy	Topic-Specific Disclosures	Disclosure 302-1 Energy consumption within the organization	Green Finance and Ecological Progress
		Disclosure 302-3 Energy intensity	Green Finance and Ecological Progress
		Disclosure 302-4 Reduction of energy consumption	Green Finance and Ecological Progress
		Disclosure 302-5 Reductions in energy requirements of products and services	Green Finance and Ecological Progress
GRI 303: Water	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	Green Finance and Ecological Progress
Topic-Specific Disclosures	Disclosure 303-3 Water recycled and reused	Green Finance and Ecological Progress	P54, P61
	Disclosure 303-3 Water recycled and reused	Green Finance and Ecological Progress	P63
GRI 305: Emissions	Topic-Specific Disclosures	Disclosure 305-1 Direct (Scope 1) GHG emissions	Green Finance and Ecological Progress
		Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	Green Finance and Ecological Progress
		Disclosure 305-5 Reduction of GHG emissions	Green Finance and Ecological Progress
		Disclosure 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Green Finance and Ecological Progress

Disclosure Items		Section	Page	Note
GRI 306: Effluents and Waste	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	Green Finance and Ecological Progress	P61
	Topic-Specific Disclosures	Disclosure 306-2 Waste by type and disposal method	Green Finance and Ecological Progress	P59-61, P66
GRI 401: Employment	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	Managing responsibility, Working Together to Build a Happy Home at BoCom	P15, P72-73
	Topic-Specific Disclosures	Disclosure 401-1 New employee hires and employee turnover Disclosure 401-2 Full-time employee benefits not provided to temporary or part-time employees	Working Together to Build a Happy Home at BoCom Working Together to Build a Happy Home at BoCom	P72 P78-81
GRI 403: Occupational Health and Safety	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	Working Together to Build a Happy Home at BoCom	P78
	Topic-Specific Disclosures	Disclosure 403-4 Health and safety topics covered in formal agreements with trade unions	Working Together to Build a Happy Home at BoCom	P78
GRI 404: Training and Education	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	Working Together to Build a Happy Home at BoCom	P74-77
	Topic-Specific Disclosures	Disclosure 404-1 Average hours of training per year per employee Disclosure 404-3 Percentage of employees receiving regular performance and career development reviews	Working Together to Build a Happy Home at BoCom Working Together to Build a Happy Home at BoCom	P75 P75
GRI 405: Diversity and Equal Opportunity	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	Working Together to Build a Happy Home at BoCom	P72-73
	Topic-Specific Disclosures	Disclosure 405-1 Diversity of governance bodies and employees Disclosure 405-2 Ratio of women's basic salary and remuneration to that of men	Working Together to Build a Happy Home at BoCom Working Together to Build a Happy Home at BoCom	P72 P73
GRI 406: Non-Discrimination	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	Working Together to Build a Happy Home at BoCom	P73
	Topic-Specific Disclosures	Disclosure 406-1 Incidents of discrimination and corrective actions taken	Working Together to Build a Happy Home at BoCom	P73
GRI 407: Freedom of Association and Collective Bargaining	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	Working Together to Build a Happy Home at BoCom	P73
	Topic-Specific Disclosures	Disclosure 407-1 Operations and suppliers for which the rights to freedom of association and collective bargaining may be at risk	Working Together to Build a Happy Home at BoCom	P73
GRI 408: Child Labor	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	Working Together to Build a Happy Home at BoCom	P73
	Topic-Specific Disclosures	Disclosure 408-1 Operations and suppliers at significant risk for incidents of child labor	Working Together to Build a Happy Home at BoCom	P73
GRI 409: Forced or Compulsory Labor	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	Managing Responsibility, Working Together to Build a Happy Home at BoCom	P15, P73
	Topic-Specific Disclosures	Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Working Together to Build a Happy Home at BoCom	P73
GRI 413: Local Communities	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	Managing Responsibility, Contributing to a Harmonious Society	P15, P18, P82
	Topic-Specific Disclosures	Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs	Feature: Giving Top Priority to Targeted Poverty Alleviation, Contributing to a Harmonious Society	P18-27, P83-88

Disclosure Items		Section	Page	Note
GRI 414: Supplier Social Assessment	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	Green Finance and Ecological Progress	P59
	Topic-Specific Disclosures	Disclosure 414-1 New suppliers screened using social criteria Disclosure 414-2 Negative social impact on the supply chain and actions taken	Green Finance and Ecological Progress Green Finance and Ecological Progress	P59 P59
GRI 416: Customer Health and Safety	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	Managing Responsibility, Driving Development with Innovation to Create a Blueprint for Inclusive Finance	P15, P47-51
GRI 417: Marketing and Labeling	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	Driving Development with Innovation to Create a Blueprint for Inclusive Finance	P38-51
	Topic-Specific Disclosures	Disclosure 417-1 Requirements for product and service information and labeling	Driving Development with Innovation to Create a Blueprint for Inclusive Finance	P49
GRI 418: Customer Privacy	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	Managing Responsibility, Driving Development with Innovation to Create a Blueprint for Inclusive Finance	P15, P49
GRI 419: Socioeconomic Compliance	GRI 103: Management Approach	Explanation of the material topic and its boundaries; management approach and its components; evaluation of the management approach	About BoCom, Managing Responsibility	P11-12, P15
GRI Index for Finance Industry		FS1 Policies with specific environmental and social components applied to business lines	Green Finance and Ecological Progress	P54-58
		FS2 Procedures for assessing and screening environmental and social risks in business lines		P54
		FS3 Process(es) for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions		P54
		FS4 Process(es) for improving staff competency in implementing the environmental and social policies and procedures as applied to business lines		P62, P67
		FS5 Interactions with clients/investees/business partners regarding environmental and social risks and opportunities		P55-58
		FS7 Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	Feature: Giving Top Priority to Targeted Poverty Alleviation, Driving Development with Innovation to Create a Blueprint for Inclusive Finance	P18-27, P38-51
		FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	Green Finance and Ecological Progress	P55-58
		FS13 Access points in sparsely populated or economically disadvantaged areas by type	Feature: Giving Top Priority to Targeted Poverty Alleviation, Driving Development with Innovation to Create a Blueprint for Inclusive Finance	P18-27, P38-51
		FS14 Initiatives to improve access to financial services for disadvantaged people	Feature: Giving Top Priority to Targeted Poverty Alleviation, Driving Development with Innovation to Create a Blueprint for Inclusive Finance	P38-51
		FS15 Policies for the fair design and sale of financial products and services	Feature: Giving Top Priority to Targeted Poverty Alleviation, Driving Development with Innovation to Create a Blueprint for Inclusive Finance	P38-51
		FS16 Initiatives to enhance financial literacy by type of beneficiary	Feature: Giving Top Priority to Targeted Poverty Alleviation, Driving Development with Innovation to Create a Blueprint for Inclusive Finance	P18-27, P38-51

Notes to Key Performance

1. "Seven controlled non-bank subsidiaries" refers to Bank of Communications Financial Leasing Co., Ltd., China BoCom Insurance Co., Ltd., BoCom Financial Asset Investment Co., Ltd., Bank of Communications Schroder Fund Management Co., Ltd., Bank of Communications International Trust Co., Ltd., BoCommLife Insurance Co., Ltd. and BoCom International Holdings Company Limited. The figures on profits from controlled subsidiaries indicate profits attributable to the parent company.
2. "Branches outside the Chinese Mainland" refers to the 22 overseas branches/subsidiaries and representative offices established in 16 countries and regions, including the Hong Kong Branch and Bank of Communications (Hong Kong) Co., Ltd., New York Branch, Tokyo Branch, Singapore Branch, Seoul Branch, Frankfurt Branch, Macao Branch, Ho Chi Minh City Branch, San Francisco Branch, Sydney Branch, Taipei Branch, London Branch and Bank of Communications (England) Co., Ltd., Bank of Communications (Luxembourg) S.A and Luxembourg Branch, Brisbane Branch, Bank of Communications (Luxembourg) S.A. Paris Branch, Bank of Communications (Luxembourg) S.A. Rome Branch, Banco Bocom BBM S.A., Melbourne Branch and the Toronto Representative Office.
3. "Central and western China" refers to Shanxi Province, Inner Mongolia Autonomous Region, Anhui Province, Jiangxi Province, Henan Province, Hubei Province, Hunan Province, Guangxi Zhuang Autonomous Region, Chongqing Municipality, Sichuan Province, Guizhou Province, Yunnan Province, Shaanxi Province, Gansu Province, Ningxia Hui Autonomous Region, Xinjiang Uyghur Autonomous Region and Qinghai Province.
4. "Outstanding loans, micro-, small and mid-sized enterprises" is the sum of outstanding loans to small and micro-enterprises and those to mid-sized enterprises as reported to the People's Bank of China.
5. "Outstanding loans, agro-related" refers to the sum of outstanding agro-related loans reported to the People's Bank of China, including agro-related loans to enterprises and organizations in cities, farm loans, loans to enterprises and organizations in rural areas, and non-farm loans concerning agriculture, forestry, animal husbandry, and fisheries.
6. The data on low-income housing loans were collected in accordance with the requirements laid down in the *Notice of CBRC General Administration Department on Submitting Statistics on Low-income Housing Loans*.
7. The data on science, education, culture, and health loans were obtained based on the 2011 classification of sectors in the national economy, including "scientific research and technology services," "education," "health and social work," and "culture, sports and entertainment".
8. "Share of green loan customers" means the proportion of Cat-I to Cat-IV green loan customers among the Bank's total loan customers. "Share of outstanding green loans" refers to the proportion of Cat-I to Cat-IV green loans not yet paid off among the Bank's total outstanding loans.
9. "Share of loans to heavily polluting, energy-intensive, and overcapacity industries" refers to the ratio of outstanding loans to eight industries (including steel, coal, cement, plate glass, coal chemical, polysilicon, electrolysis and shipping) to the total loans granted by domestic branches.
10. "Outstanding loans to energy saving and emissions reduction" refers to Cat-1 green loans not yet paid off and which are used to promote a low carbon economy, environmental protection, and utilization of integrated resources.
11. "Head Office" refers to the five office buildings in the Lujiazui (BoCom Financial Towers), Zhangjiang (excluding Phase III), Hongqiao (Jinming Building), Gaoke and Caohejing districts of Shanghai. "Head Office carbon emissions" includes direct emissions and indirect emissions produced by the Head Office.
12. "E-banking business share" refers to the ratio of the volume of transactions conducted via e-channels to those conducted via e-channels and non-electronic channels combined, and covers only domestic branches. Overseas branches and subsidiaries are excluded.
13. The data center PUE is the ratio of total facility power to total IT equipment power at the Bank's Data Center.
14. The figures for the "number of product innovation plans implemented" refer to the number of product innovation plans that have been implemented and reported to the Committee of Innovation Promotion under the Chinese Association of Productivity Science as prescribed by the *Outline of BoCom Product Innovation Plan for 2016-2020 and the 2018 Action Plan for BoCom Product Innovation*.
15. The figures for the "share of successful transactions via UnionPay interbank system" refer to the success rate of transactions by BoCom cards in other banks through the UnionPay interbank system
16. China's Top 1000 Model Outlets in the banking sector are selected every two years.
17. "Employees" refers to the total number of contracted employees across the Bank. "Female middle and senior management" means the number of female employees at the ninth level or above in mainland branches. "Members of ethnic minorities" refers to the total number of employees who are not members of the Han race in mainland branches.
18. "Charitable donations made" refers to the donations made in the name of BoCom to public programs for disaster relief, assistance for the disabled, poverty alleviation, etc. in accordance with the *BoCom's Measures for Managing Donations to Other Organizations*.
19. Figures for the "employee happiness index" are quantified data used to promote the building of a "Happy BoCom" according to the *Interim Measures for the Management of Happiness Index*. The index serves as a management tool and decision-making basis for objectively and accurately reflecting, measuring and evaluating employees' sense of happiness.
20. Because the method of key performance data items presentation changes, the comparison of key performance data has been restated by the current method of presentation.

Feedback Form

Thank you for reading Bank of Communications' 2018 CSR Report.

In order to enable our reports to more systematically and scientifically offer you meaningful information, facilitate monitoring of the CSR work and improve the Company's management and practice of social responsibility, we sincerely welcome your opinions and suggestions.

1. You are one of our _____

- Passengers Shareholders Representative of government
 Representative of Community Partners Media Social group Other

2. What's your overall assessment of this Report?

- Very good Good Fair Poor Very poor

3. What's your assessment of Bank of Communications' performance in terms of communication with stakeholders?

- Very good Good Fair Poor Very poor

4. What's your assessment of Bank of Communications' performance in terms of economic responsibility?

- Very good Good Fair Poor Very poor

5. What's your assessment of Bank of Communications' performance in terms of customer service?

- Very good Good Fair Poor Very poor

6. What's your assessment of Bank of Communications' performance in terms of environmental responsibility?

- Very good Good Fair Poor Very poor

7. What's your assessment of Bank of Communications' performance on terms of responsibility to its employees?

- Very good Good Fair Poor Very poor

8. What's your assessment of Bank of Communications' performance in terms of social responsibility?

- Very good Good Fair Poor Very poor

9. Do you think the content and layout of this report are acceptable?

- Yes No

10. Your comments and suggestions for Bank of Communications' social responsibility work and this report:

Thank you for your attention!



Gathering for Love, Brightening the Future

BLESS

for Forever Warmth

LOVE

Show Selfless Dedication

UNITE

for Collective Strength

ENERGY

Deliver Positive Energy





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