



Bank of Communications Co., Ltd.
2020 CSR Report

March 26, 2021

About This Report

Reporting Scope

This report includes information on Bank of Communications Co., Ltd. (BoCom) and its domestic and international branches, subsidiaries and directly operating companies.

Information disclosure, if not specified, is applicable to the whole bank.

The report covers the period from January 1 to December 31, 2020. BoCom publishes its CSR report annually.

The *2020 CSR Report* was published on March 26, 2021.

References

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

Reporting Process

Based on its CSR practices, BoCom prepares this report in seven stages covering project approval, information collection, drafts and revisions, review by senior management, Social Responsibility (ESG) and Consumer Protection Committee and the Board of Directors, as well as printing and publishing. BoCom communicates frequently with its stakeholders for feedback on the structure and content of the report.

Assurance

The PricewaterhouseCoopers Zhong Tian CPAs Limited Company (special general partner) is entrusted 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.

Data Sources

Financial data from BoCom Financial Statements 2020 have been independently audited by PricewaterhouseCoopers Zhong Tian CPAs Limited Company (special general partner). Other data from previous years is included in this report.

All currency amounts are reported in RMB, unless otherwise stated.

Report Availability

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

Both Chinese and English versions are available. If discrepancies exist between the two versions, the Chinese version shall prevail.

References

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

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Message from Senior Management

2020 was an extraordinary year. Facing the severe impact brought by COVID-19, as well as a grim and complex business environment, BoCom upheld the spirit of perseverance, responsibility, innovation and pursuit of excellence. While coordinating COVID response with our business development, we have adhered to our founding mission of serving the real economy, made financial services more inclusive and adaptive, and deepened the transformation of Fintech. Working together to overcome difficulties with high morale and great spirit fighting against the pandemic, we have achieved hard-won performance.

In 2020, we maintained and consolidated a quality development while ensuring stability, and continued to strive toward our strategic vision of becoming a world-class bank with featured wealth management and global competitiveness. In this year, our net profits registered RMB78.274 billion, an increase of 1.28% year on year; return on average assets reached 0.77% and capital adequacy ratio 15.25%; Impaired loan ratio decreased to 1.67%, with social contribution per share sitting at RMB4.78. For twelve consecutive years, we have been listed among the *Fortune* Global 500 companies, ranking 162nd in terms of operating income. We have also been rated 11th in Tier 1 capital by *The Banker* for four years in a row among the world's top 1,000 banks.

Accomplishing Poverty Alleviation Tasks

The beginning of its work is simple, and its completion will be great. As 2020 was the final year of the poverty alleviation campaign, efforts to complete the mission was strenuous, and the COVID-19 pandemic only made it ever more demanding and difficult. Nonetheless, employees across BoCom gathered forces with people in poverty to overcome the difficulties, and a strong powerful force was formed to secure a decisive victory in the fight against poverty. In February 2020, all three designated poverty-stricken counties, Tianzhu County in Gansu Province, Litang County in Sichuan Province, and Hunyuan County in Shanxi Province, that BoCom was responsible for, got rid of poverty. We were able to complete this important task entrusted by the Party and the people.

As a large state-owned commercial bank, we have always taken poverty alleviation as our top political task and the “No.1 Project” in fulfilling social responsibilities. We’ve promoted poverty alleviation through Party building, and top leaders of Party committees at all levels were in front of the command. We established the “Poverty Alleviation and Corporate Culture Office” at the Head Office to coordinate relevant resources and 44 domestic branches in an effort to win the battle

against poverty by targeting areas of weakness. In 2020, we went beyond all six of our major targets specified in the statement of responsibility of central units for targeted poverty alleviation in advance, with poverty alleviation donations maintaining a positive growth for five years in a row. In addition, BoCom has been awarded "Good" for three consecutive years in the targeted poverty alleviation assessment by the State Council Leading Group Office of Poverty Alleviation and Development, and we were also commended by the Party Central Committee and State Council at the National Poverty Alleviation Summary and Commendation Conference. Our efforts and achievements in poverty alleviation were widely recognized by society.

Continuing to Serve the Real Economy

Only the toughest grass can stand in strong winds. In 2020, BoCom implemented the requirements and tasks of ensuring stability on six fronts and security in six areas, making every effort to ensure the stable development of enterprises and assist micro- to small businesses. We unwaveringly served national strategies, met the needs concerning people's livelihood in a flexible and appropriate way, and focused on defusing major financial risks to contribute to the formation of a new development pattern in finance.

By fully leveraging our advantages as an international bank, we have provided convenient financial services to enterprises involved in the "going global" and "welcoming in" strategies of the Belt and Road Initiative. The building of a "leading bank in the Yangtze River Delta" is a good opportunity to highlight BoCom's Shanghai base and its strength in inclusive finance. With this opportunity, we have focused on creating a model of integrated characteristic finance in the Yangtze River Delta, thereby meeting the extensive financial demands for a better life of the people. This is also expected to be replicated in regions with major development strategies in place, such as the Beijing-Tianjin-Hebei Region, Xiongan New Area, the Yangtze River Economic Belt and the Guangdong-Hong Kong-Macao Greater Bay Area. In 2020, our balance of customer loans reached RMB5.85 trillion, up by 10.26%.

Improving Efficiency and Consolidating Development Foundation through Technology

In this fast changing world, we have kept our pace with the tide of digitization. In 2020, we continued to advance digital transformation, refined the organizational structure of Fintech, increased resource input in Fintech, and picked up the speed to build a technology talent team. Being user- and demand-oriented, we integrated technology into the whole business chain to build a new digital BoCom.

During the Reporting Period, we actively joined Shanghai’s development of “two networks” and became the first to launch series projects that can better benefit the people, such as “One-stop Service for Medical Payment”, “One-stop Financing Service for Small and Micro Enterprises”, and “One-stop Mortgage Registration Service”. By bringing technologies from the labs to society, we truly served the people and strengthened the “BoCom E-Services” brand. The ranking of our mobile banking app in user experience evaluated by Sina went from eighth to third. We have transformed our technology strength into business strength, increased support for micro and small enterprises along the industrial chain, and optimized characteristic industrial chain products such as “Online Mortgage Loan” and “Shui Rong Tong”. Our balance of loans to inclusive micro and small enterprises grew by 59.04%.

Sharing Fruits with All

Spending a century to build a foundation for the future. Ecological conservation is a fundamental strategy concerning the sustainable development of China. BoCom has vigorously practiced the green development philosophy, guided financial resources to support green, low-carbon economy, and protected clear waters as well as green mountains with financial power. We have also helped employees achieve growth and gave back to communities, laying a solid foundation for the sustainable development of century-old BoCom.

In 2020, we actively responded to the “30-60” target (achieve CO₂ emissions peak before 2030 and carbon neutrality before 2060) proposed by General Secretary Xi Jinping. We defined the leadership responsibilities of the Board of Directors in ESG (Environmental, Social and Governance), enhanced environmental risk awareness, and actively addressed climate change. Our balance of outstanding green loans recorded RMB387.28 billion. Talents are important assets to BoCom. We continued to advance the young cadre training program “Hundreds-Thousands-Ten Thousands of Talents Program” as well as 10,000 Fintech Talents Program, strengthened democratic development at the primary level, and launched the “Jiaozi Platform”. The aim was to promote joint discussion and joint development with employees and achieve common prosperity. During the Reporting Period, the “BLUE” charity brand saw greater achievements as we held public benefit activities in student aid, special needs education, and care for elders and children, and actively shared development results with the people, winning widespread praise.

We went through hardships as grueling as “storming an iron-wall pass”. In 2021, standing at a new starting point with great changes, we will adhere to the general principle of seeking progress

while ensuring stability. We will adopt promoting high-quality development as our main theme, while reform and innovation will serve as our fundamental drive. We will conscientiously implement the new development philosophy, serve the new development pattern, and achieve a good start of the 14th Five-year Plan period with persistence and a noble mission. We will strive to achieve excellent performance to celebrate the 100th anniversary of the founding of the CPC, and make unremitting endeavor to embark on a new journey towards the Second Centenary Goal of fully building a modern socialist country.

Ren Deqi, Chairman of Bank of Communications

Liu Jun, President of Bank of Communications

March 26, 2021

1. About BoCom

1.1 Company Profile

Founded in 1908, BoCom is one of the note-issuing banks with the longest history in modern China. After restructuring, BoCom officially reopened on April 1, 1987, becoming the first state-owned joint-stock commercial bank in China, with its Head Office located in Shanghai. The Bank was listed on the Hong Kong Stock Exchange in June 2005 and on the Shanghai Stock Exchange in May 2007. In 2015, the State Council approved *the Deepening Reform Plan of Bank of Communications*. In 2020, the Bank deepened reforms in the integration of Party building and corporate governance, the development of distinctive advantages in line with national strategies, and the improvement of structural functions and institutional mechanisms, Fintech, credit at risk and anti-money laundering, institution management and incentives and restrictions, etc. This has helped the Bank to unleash the benefits of reform and stimulate the momentum of transformation.

BoCom provides customers with corporate banking, personal banking, interbank and financial market businesses. Corporate banking businesses provide various financial products and services to enterprises and government agencies, such as deposits and loans, supply chain finance, cash management, international settlement and trade finance, investment banking, asset custody, wealth management and all kinds of intermediary businesses. Personal banking businesses include services such as deposits and loans, wealth management, bank cards, private banking and all kinds of intermediary businesses for individual customers. Inter-bank and financial market businesses include cooperation with customers in the markets of interest rates, exchange rates, commodities, providing comprehensive services such as investment and financing, transactions, agency, settlement and liquidation. In addition, the Group is also involved in businesses such as fund, trust, financial leasing, insurance, overseas securities, debt-to-equity conversion and asset management through its wholly-owned or holding subsidiaries. During the Reporting Period, there were no major changes in the Group's operating mode, primary businesses and key performance drivers.

1.2 Key Performance

		2018	2019	2020
Economic	Total assets (RMB billion)	9,531.171	9,905.600	10,697.616
	Total loans (RMB billion)	4,854.228	5,304.275	5,848.424
	Net profits (RMB billion)	73.630	77.281	78.274
	Taxes (RMB billion)	31.655	30.025	32.894
	Dividend distribution (RMB billion)	N/A	23.393	23.541
	Dividend per share (RMB)	N/A	0.315	0.317
	Return on average assets	0.80%	0.80%	0.77%
	Return on average equity	11.36%	11.20%	10.35%
	Impaired loan ratio	1.49%	1.47%	1.67%
	Provision coverage	173.13%	171.77%	143.87%
	Capital adequacy	14.37%	14.83%	15.25%
	Tier-1 capital adequacy	12.21%	12.85%	12.88%
	Core Tier-1 capital adequacy	11.16%	11.22%	10.87%
	Total assets of branches outside Chinese mainland (RMB billion)	1,069.186	1,164.018	1,240.992
	Total profits from branches outside Chinese mainland (RMB billion)	5.507	6.363	6.109
	Total assets of 8 controlled non-bank subsidiaries (RMB billion)	322.208	389.718	483.712
	Total profits of 8 controlled non-bank subsidiaries (RMB billion)	4.319	5.379	8.024
Outstanding loans, central and	1,327.909	1,518.200	1,761.000	

	western China (RMB billion)			
	Outstanding loans, micro-, small- and mid-sized enterprises (RMB billion)	1,416.774	1,564.401	1,842.536
	Outstanding loans, agro-related (RMB billion)	581.147	607.782	631.313
	Low-income housing loans (RMB billion)	73.763	87.555	86.800
	Outstanding science, education, culture, and health loans (RMB billion)	89.436	96.875	112.961
	Outstanding personal loans (RMB billion)	1,635.627	1,754.765	1,980.882
	Bank-wide number of major innovation projects	N/A	8	9
	Share of successful transactions via UnionPay interbank system	99.99%	100.00%	99.99%
	Number of outlets in the Chinese mainland	3,241	3,079	2,929
Environmental	Share of green loan customers	99.61%	99.53%	99.34%
	Share of outstanding green loans	99.79%	99.76%	99.63%
	Share of loans to heavily polluting, energy-intensive, and overcapacity industries	3.18%	3.10%	2.60%
	Outstanding loans in support of energy conservation and emissions reduction (RMB billion)	283.054	328.352	387.280

	E-banking business share	96.59%	97.67%	98.04%
	Head Office water use (tons)	333,300	307,000	276,200
	Head Office electricity use (MWh)	99,646.7	96,710.6	102,395.7
	Head Office gas use (m ³)	1,232,500	1,573,200	1,182,600
	Head Office paper use (tons)	40.95	38.36	32.62
	Head Office carbon emissions (tons of CO ₂ e)	81,184.27	79,606.73	83,242.71
	Head Office energy consumption equivalent to standard coal (tons)	/	/	31,027
	Bank-wide video conferences	7,760	7,884	7,340
	Data center PUE	1.79	1.91	1.73
Social	SCVPS (RMB)	4.73	4.87	4.78
	Employees (domestic and overseas)	89,542	87,828	87,331
	Female middle and senior management	2,809	3,011	3,191
	Ethnic minorities	4,042	3,992	4,000
	Customer satisfaction with return visits	/	/	98.02%
	Charitable donations made (RMB million)	35.0662	43.3471	110.9675
	Anti-COVID-19 donations (RMB million)	/	/	66.5530
	Poverty alleviation donations (RMB million)	28.1579	32.9853	44.4145

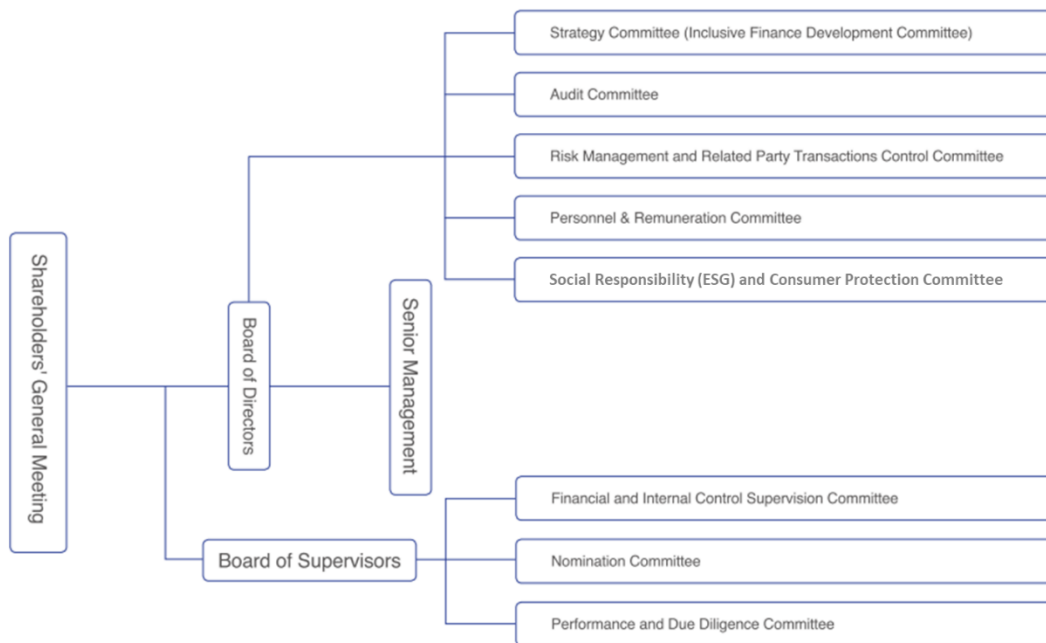
1.3 Corporate Governance

A well-convicted, stable and effective corporate governance system is an important mechanism for a commercial bank to refine its modern financial enterprise system with Chinese characteristics, serve the real economy, prevent financial risks, and deepen financial reform.

Upholding the vision of “building the best bank in corporate governance” , the Bank has strengthened its execution of corporate governance decisions, supervision, and evaluation, and steadily advanced the strategy of “developing into a world-class bank with broad wealth management characteristics and global competitiveness”.

1.3.1 Overview

During the Reporting Period, the Bank strictly followed the laws and regulations, rules for listed companies, regulatory provisions and the Articles of Association. While it learned from excellent governance practices overseas, it also combined the practices with the realities of China and the industry to perfect the corporate government mechanism with Chinese characteristics for large commercial banks, where “the Party committee takes comprehensive leadership, the Board of Directors makes strategic decisions, the Board of Supervisors supervise according to law, and Senior Management gets authorized for operations”. Centering on Party leadership and governance by shareholders, the Board of Directors, the Board of Supervisors and Senior Management, stakeholders and social responsibility, incentive and constraint mechanism, information disclosure, risk management and internal control, we strengthened institutional development and improved regulations. Balancing the COVID-19 response with reform and development, we went all out to complete the three tasks assigned by the central authorities: “serve the real economy, forestall and defuse financial risks, deepen the reform of the financial sector”. In serving the new development pattern, we achieved high-quality development to provide high-level value return to all shareholders and investors.



Governance structure of BoCom

As of the end of the Reporting Period, there were 14 members in the Board of Directors, including 2 executive directors and 6 independent non-executive directors. The Board of Directors actively performed its strategic decision-making function, and all directors followed the high-standard code of professional ethics. The number of independent non-executive directors accounts for 1/3 of all members in the Board of Directors, meeting regulatory regulations. During the Reporting Period, the Board of Directors held 3 Shareholders' General Meetings, reviewing and approving 25 proposals; 10 meetings of the Board of Directors, reviewing and approving 71 proposals; and 28 meetings of the five special committees under the Board of Directors, reviewing 115 proposals and reports. The attendance rate of all directors in the Board of Directors meetings exceeded the regulatory requirement by 2/3.

As of the end of the Reporting Period, there were 11 members in the Board of Supervisors, including 3 shareholder supervisors (1 Chairman of the Board of Supervisors), 4 external supervisors and 4 employee supervisors. During the Reporting Period, the Board of Supervisors carried out its work smoothly. Throughout the year, 7 meetings were held, reviewing 22 proposals and 7 special reports covering statutory significant matters. The attendance rate was 100%.

Highlights of Corporate Governance

Refining institutional	• Reviewed and approved the <i>Data Governance Regulations</i> , the <i>Internal</i>
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system	<p><i>Audit Charter and the Measures for Emergency Management, and approved revisions to the Outline of Internal Control, the Consumer Protection Policy, the Regulations for the Work of the Risk Management and Related Party Transactions Control Committee of the Board of Directors, and the Regulations for the Work of the Social Responsibility (ESG) and Consumer Protection Committee of the Board of Directors to continuously expand governance fields and refine the regulations concerning corporate governance.</i></p>
Promoting value for investment	<ul style="list-style-type: none"> • Held four periodical performance announcements for the market value management team to communicate with over 1,000 investors and analysts in various forms throughout the year. • The market value management team participated in 6 domestic and overseas investor forums on the site, received 2 visits, and held over 40 teleconferences. • Used online platforms such as SSE E Platform, Online Reception Day, Investor Hotline and Investor Email to maintain market activity. On the day of the event “Collective Reception Day of Listed Companies Under the Jurisdiction of Shanghai”, the Bank answered all questions raised by investors.
Safeguarding shareholders’ rights and interests	<ul style="list-style-type: none"> • Between July-August of 2020, paid around RMB23.393 billion in cash dividends (tax inclusive) in total to over 300,000 ordinary A and H shareholders registered that date, with a cash dividend ratio of 31.35%. It also paid USD122.5 million in dividends to overseas preferred shareholders, and completed redemption of overseas preference shares on the day of dividend distribution. • In September 2020, paid RMB1.755 billion in dividends to domestic preferred shareholders.

1.3.2 Strengthening Risk Control

Prudent operation is a solemn commitment we’ve made to every stakeholder. Under the

multiplying effect of the COVID-19 pandemic, potential risks were exposed faster and various risks were intertwined. As such, commercial banks faced an unprecedented challenge that tested their defusing capability of major risks. Facing severe risks, the Bank, adhering to the philosophy of conducting prudent operation and realizing long-term value, has further optimized and improved the risk control strategy. We've made good use of the "good bank, bad bank" mechanism, focused on defusing existing risks and preventing incremental risks, better balanced long-term and short-term benefits, and improved long-term, stable development capability.

According to the requirement of streamlining the Group's procedural coordinating institutions, the Comprehensive Risk Management and Internal Control Committee was established by the Bank's senior management. Two business review committees, Credit and Investment Review Committee and High-risk Asset Review Committee, were also established under the Comprehensive Risk Management and Internal Control Committee. Based on the same framework, provincial branches directly managed by the Head Office, overseas branches, subsidiaries, etc. have also established risk management and internal control committees accordingly to study the prevention and control of systematic regional risks, and to make decisions on major risk management issues.

In 2020, the Comprehensive Risk Management and Internal Control Committee held meetings quarterly. The Committee closely followed changes in the external environment, paid attention to the quality and efficiency of services for the real economy, and focused on fighting the pandemic as well as forestalling and defusing financial risks. It played a decisive role in the prevention of systematic regional risks, as well as early identification and prevention of major potential risks. The comprehensive efficiency of the Committee's working conferences, featuring time sensitivity, broad coverage, and a high overall stance, continued to improve.

As BoCom continues to invest in the comprehensive layout of the Fintech field, digital transformation is being empowered and risk control is being further enhanced.

Achievements in BoCom's "Intelligent Risk Control Early Warning Model"

Project topic	Honor
AI-based Comprehensive Risk Management Monitoring	Banking Technological Development Award of the People's Bank of China, Second Prize
Applying Multi-dimensional Knowledge Graph	Shanghai Financial Innovation Award, First

to Assist in Business Model Innovation and Intelligent Risk Control Transformation	Prize
Digital Internal Control	Leader Unit of the 2020 Special Task Group of the Fintech Committee of China Society for Finance and Banking

1.3.3 Operation in Accordance with Law and Regulations

Adhering to the idea of compliance comes first, active compliance, and compliant operation by all employees, the Bank has facilitated observance of laws, regulations and normative documents related to business management, and strengthened compliance guarantee of business management laws.

Combat Against Corruption, Bribery and Four Undesirable Work Styles

The Bank firmly promotes the coordinated planning and integration of financial anti-corruption and financial risk handling by combining the investigation and handling of corruption cases with risk preventions and regulation enhancements. By strengthening financial supervision and internal governance, it imposes severe punishment on financial corruption and effectively handles every corruption case to maintain financial security and promote a healthy development. Resolutely carrying out the CPC Central Committee's eight-point decision on improving work conduct, the Bank will target key nodes, give notice in advance, strictly and quickly punish those who knowingly violate regulations or repeat offences despite warnings, and promote a decent style of work.

Improving Supervisory Mechanism

Developing standard, rule-of-law-based, and targeted regulations	Formulated and issued over ten regulations, including <i>Measures for Work Concerning Public Complaints and Reporting</i> and <i>Measures for Work Concerning Inquiries through Talk</i> .
Ensuring seriousness, synergy and effectiveness	Held joint meetings on supervisory work to improve the clue transfer mechanism for routine audit, risk and case prevention, compliance, etc.
Strengthening supervision, regulation and governance	Strengthened management on supervisory punishment, supervisory circulation and handling of external inspection problems, severely

	punished 3 regulatory circulation problems, and adopted a combination of measures to urge Party organizations at all levels to fulfill their primary responsibilities.
Achieving joint discussion, sharing and co-governance	Enhanced coordination and corporation with the PBOC, CBIRC and the National Audit Office as well as inspection teams from brother companies, and participated in the establishment of communication mechanism between CBIRC (Large Commercial Bank Supervision Department) and discipline inspection institutions.

In terms of training, taking the opportunity of special-topic study sessions, consultations with the Party Committee, warning campaign, etc., the Bank uses cases to explain discipline, interpret laws, show examples as a warning, and promote rectification. During the Reporting Period, the Bank conducted a warning campaign at the bank-wide working conference on “Party construction & Improving the Party Working Style”. 15 online training sessions titled “Weekly Lecture on Discipline Inspection Business” were held among discipline inspection cadres across the Bank, as well as one special training session on the *Governmental Punishment Law*.

Key Performance

During the Reporting Period, the Bank

- filed 469 cases, imposed Party disciplinary acts on 568 people;
- handled 2,323 cases using “four forms”;
- issued 177 letters of discipline inspection recommendations;
- tried and closed 0 corruption cases

Anti-Money Laundering and Anti-Fraud

The Bank has gradually promoted the establishment and improvement of fraud risk management policy and procedures on the Group level, accelerated the transformation of relevant management to be “risk-based”, and improved the quality and efficiency in management.

Achievements in Establishing Anti-Money Laundering and Anti-Fraud Regulations

Anti-money laundering	A number of anti-money laundering management regulations, including <i>Anti-Money Laundering Risk Management Strategies, Policies and Procedures of Bank of Communications Co., Ltd. (2020 Version)</i> and the <i>Anti-Money Laundering Management Measures of Bank of Communications Co., Ltd. (2020 Version)</i>	The regulations reflect the latest regulatory requirements for anti-money laundering, meeting the actual needs of anti-money laundering management.
Anti-fraud	<i>Opinions of Bank of Communications on Preventing Criminal and Illegal Financial Activities by Employees (2020 Version)</i>	The regulations focus on major fields and key links, emphasize early case prevention, and enhance the awareness of honesty in practice for cadres and employees.
	<i>Trial Measures of Bank of Communications for Management of Criminal Cases (2020 Version)</i>	The Measures further standardizes and strengthens the Bank's criminal case management work, and defines case prevention responsibilities to control the risks.
	<i>Reward Measures of Bank of Communications for Reporting of Case Risk (2018 Version)</i>	The Measures encourages employees to report case risk in institutions at all levels, and refines the case prevention mechanism featuring early discovery, early warning and early handling.

In 2020, BoCom continued to refine the organizational structure for anti-money laundering,

streamlined the anti-money laundering workflow, and improved the anti-money laundering management system. It publicized knowledge on anti-money laundering compliance through videos, comics and Eqxiu, developed classified training on anti-money laundering, and enhanced anti-money laundering awareness across the Bank. It also went deep into communities, schools, enterprises and public institutions to carry out anti-money laundering campaigns, enhanced the public's awareness of the harm brought by money laundering crimes, and guided customers to actively fulfill anti-money laundering obligations.

In the fields of case prevention management and anti-fraud, the Bank conducted several rounds of training via the e-campus network platform, covering case prevention management personnel, corporate banking customer managers, small and micro enterprise customer managers, as well as technology management talent and new comers at all levels from the Head Office and branches, registering over 9,000 learners in total.

Protection of Intellectual Property Rights

BoCom attaches great importance to the protection and management of intellectual property rights. In 2020, the Bank revised the *Measures of Bank of Communications for Management of Intellectual Property Rights (2020 Version)*, applied for patents, trademarks and copyrights, and strengthened the protection of intellectual property rights of innovative products, major brands and literary works. In respect of third-party intellectual property rights, the Bank has obtained 104 registered trademarks during the Reporting Period.

2. CSR Management

Adhering to the idea of high-quality modern corporate governance, the Bank has further improved the stakeholder protection mechanism, refined its CSR management system, and fully disclosed its CSR fulfillment and achievements, thus promoting the spread of CSR ideas and integrating them into its corporate culture and development strategy, and creating common values with stakeholders.

CSR Declaration

Achieve more through harmony and credibility and grow with society.

CSR Vision

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

2.1 CSR Governance

The Board of Directors, as the highest decision-making body on the CSR work of the Bank, is responsible for approving the *CSR Policy of Bank of Communications Co., Ltd.* The Social Responsibility (ESG) and Consumer Protection Committee of the Board of Directors, is in charge of drafting the CSR strategy and policy for the Bank with authorization from the Board of Directors and in accordance with Committee Regulations. The Senior Management takes lead in executing the CSR strategy and policy approved by the Board of Directors, and periodically reports to the Board of Directors and the Committee.

In 2020, the Board of Directors actively referred to the sustainable development idea with environmental, social and governance at its core, and approved the *Proposal on Renaming the Social Responsibility and Consumer Protection Committee of the Board of Directors and Revising Its Work Regulation*. “Social Responsibility and Consumer Protection Committee of the Board of Directors” was renamed as the “Social Responsibility (ESG) and Consumer Protection Committee of the Board of Directors”. Additionally, the Committee regulations were revised to further define the responsibilities of the Board of Directors in areas like studying, developing and evaluating the Bank’s ESG performance and measures, as well as strengthening ESG information disclosure.

The Social Responsibility (ESG) and Consumer Protection Committee of the Board of Directors of BoCom (hereinafter referred to as the “Committee”) carries out the following work in accordance with work regulations and the authorization of the Board of Directors:

- drafts CSR strategy and policy suitable for the Bank, executes the plan and measures to fulfill CSR, periodically reviews CSR achievements, and submits an annual CSR report to the Board of Directors;
- studies, develops and evaluates measures to improve the Bank’s ESG performance, promoting ESG information disclosure;
- reviews the strategy, policy and goals of consumer protection work; submits reports (annual and others) on consumer protection work; conducts work following the authorization of the Board of Directors; studies key issues and important policies on consumer protection; and implements comprehensive, timely and effective supervision on the Senior Management and the consumer protection department;
- reviews credit policies involving environment and sustainable development;
- approves external donations according to the authorization of the Board of Directors;
- oversees, inspects and evaluates the Bank’s implementation of CSR, ESG and consumer protection strategies, policies, plans, measures and other related work; submits proposals to the Board of Directors; and
- completes other matters authorized by the Board of Directors.

In 2020, the Social Responsibility (ESG) and Consumer Protection Committee of the Board of Directors held a total of 5 meetings, in which it reviewed 14 proposals and reports including the annual CSR report, the annual report on green credit work, the renaming of the Committee and revision of its work regulations, and the request submitted to the Shareholders’ General Meeting to confirm material donations for combating the COVID-19 pandemic of 2020. It also reported deliberations to the Board of Directors.



A meeting of the Social Responsibility (ESG) and Consumer Protection Committee of the Board of Directors of BoCom

Key Performance

During the Reporting Period, the Bank was awarded “GoldenBee Leading Enterprise Award 2020 with an excellent CSR Report”.

Materiality Analysis

During the Reporting Period, BoCom identified, updated, adjusted and re-prioritized the material topics in 2019 following the materiality definition process and methods proposed in the *GRI Sustainability Reporting Standards*. It also determined the Bank’s key topics of management and information disclosure.



BoCom Matrix of Materiality Analysis 2020

1 Corporate culture building	2 Assistance to employees in difficulties	3 Voluntary services	4 Work-life balance
5 Occupational health and safety	6 Green Operations	7 Employee training and development	8 Green Services
9 Protecting the rights and interests of employees	10 Increasing returns to shareholders	11 Party building	12 High-quality development
13 Popularizing financial knowledge	14 Innovative financial products	15 Green Finance	16 Engagement in charity
17 Inclusive finance	18 Poverty alleviation	19 Following national strategies	20 Improving customers consumption experience
21 Serving the people's livelihood	22 Serving the real economy	23 Protecting the rights and interests of customers	24 Compliance
25 Forestalling financial risks	26 Deepening reform		

2.2 Stakeholder Communication and Engagement

Stakeholder	Description	Primary concern	Communication approach	Main response
Customers	Current and prospective customers	Convenient, efficient, and quality financial services	Product promotion; Customer service hotline; Online and offline activities	Providing efficient, quality services; Developing new financial products; Protecting customer information
Shareholders	Holders of the Bank's shares	Good return on investment Fair, impartial, transparent and timely information disclosure	Shareholders' general meetings; Investor activities; Company announcements	Stable operations; Effective investor relations
Government agencies	Government at all levels; People's Bank of China and its branches, China Banking and Insurance Regulatory Commission and its	Maintaining stability of financial system, facilitating the development of national economy, and improving the	Policy directives; Work reports; Day-to-day communication	Abiding by laws and regulations; Serving regional coordinated development; Serving the real economy; Focusing on inclusive finance;

	agencies, China Securities Regulatory Commission; administrative agencies for industry and commerce and taxation at all levels, etc.	people's well-being, etc.		Serving rural vitalization; Providing green credit
Employees	Bank staff, regardless of position or duration	Stable employment, proper benefits, satisfactory working conditions, growth opportunities	Employee congress; Personnel opinion solicitation; Counseling sessions	Protecting employee rights and interests; Growing together with employees
The environment	The ecological environment of areas covered by the Bank's business and other affected areas	Paying close attention to climate change, and supporting a low-carbon economy	Information disclosure; Pricing strategies	Promoting green credit; Green services; Green operations; Green procurement; Eco-friendly charity
Communities	General public and	Social harmony and	Financial service activities;	Engaging in charitable

	organizations in areas covered by the Bank's business and other affected areas	improved well-being	Public interest activities	activities; Organizing volunteer activities; Popularizing financial information
Partners	Suppliers, peers and other institutions in business with the Bank	Honesty, mutual benefit, fair procurement, and win-win cooperation	Purchasing by Invitation to Bid; Business exchanges and cooperation	Responsible procurement; Business cooperation
Social organizations	Industry associations (e.g., China Banking Association), and non-profit organizations (e.g., environmental or public interest)	Boosting development of the industry as well as social harmony	Information disclosure; Various related activities	Accepting supervision; Participating in industry activities

2.3 Honors

2020 Ranking/Honor	Sponsor/Granted by
Comprehensive Ranking	
Top 1,000 World Banks 2020 (No. 11)	<i>The Banker</i> (UK)
<i>Fortune</i> Global 500 – 2020 (No. 162)	<i>Fortune</i> (USA)
Brand Rewards	
A-rated Consumer Protection Bank of PBOC	PBOC
Achievement Award for Participating in the Belt and Road Initiative	CBA
Achievement Award for Helping to Win the Three Critical Battles	CBA
Best Green Finance Achievement Award	CBA
National Financial Pioneer	National Committee of Chinese Financial Workers' Union
People's CSR Awards – Poverty Alleviation Award of the Year, Case of the Year	people.cn
Outstanding CSR Enterprise Award 2020, Excellent Case Award	Xinhuanet
Vanguard Enterprise in Targeted Poverty Alleviation	China.org.cn
China CSR Rankings: Best Public Interest Practice Award	<i>CBN</i>
2020 Best Bank for Poverty Alleviation	<i>Financial Times</i>
Brand Image Bank of the Year	Sina
Innovative Fintech Bank of the Year	Sina
Business Awards	
The Second Prize of the Banking Technology Development Award	PBOC

2020 Excellence Award in Innovative Cooperation of CUP Cards	China UnionPay
The Gamma Award for Banking Fintech Innovation	<i>Securities Times</i>
The Second Prize of the Best Application Results Award at the Fintech Application Results Competition of the Chinese Banking Industry	<i>China Banking</i>
2020 IDC China Digital Transformation Awards - Technology Application Scenario Innovation Award in the Chinese Financial Sector	IDC
The Gold Medal Awards of Chinese Financial Institutions 2020 – Financial Leasing Company of the Year	<i>Financial Times</i>
China ESG Golden Awards 2020 – Best Asset Management Institution in Responsible Investment	Sina Finance
The Golden Amber Award – 2020 Selected Private Bank for Wealth Management	<i>China Business</i>
The Most Popular Custodian Bank of 2020	East Money
“Golden Wealth Management Awards” – Top Wealth Management Brand	<i>Shanghai Securities News</i>
Top Ten Star Fund Companies	<i>Securities Times</i>

3. Feature 1: Rationally Respond to and Assist in the Fight against the Pandemic through Finance

Responding to the Trend of Sustainable Development

Facing the severe and complex pandemic situation, BoCom, as always, has continued to fulfill its responsibilities as a state-owned commercial bank. From assisting in the prevention and control of the pandemic to supporting work and production resumption, the Bank has carried out its founding mission of serving the real economy with speedy, powerful and warm measures. At critical times, it has mobilized strong positive energy to overcome difficulties and went all out to fight the pandemic.

SDGs



Our Moves

Supporting pandemic prevention and control; assisting in resumption of work and production

Our Performance

- In the early days of the outbreak, BoCom was among the **first** financial institutions to donate money to Hubei Province

As of the end of the Reporting Period, the Bank has

- allocated RMB7.2 million special pandemic control funds
- donated money and materials totaling RMB29.3844 million to Hubei
- Anti-COVID-19 donations RMB66.5530 million
- granted nearly RMB400 billion in pandemic-related loans

3.1 Overcoming Difficulties and Providing a Strong Financial Back

After the outbreak of the pandemic, BoCom has been helping enterprises severely affected by

the pandemic through measures like strengthening credit support for enterprises on key lists and major areas, donating targeted funds and opening green channels, and building a strong financial back to fight the pandemic with precise and efficient service guarantee.

Upping the Financial Service Support

Assisting in pandemic prevention and control	<ul style="list-style-type: none"> • Waiving service charges for donations to special anti-pandemic accounts or transfers of special anti-pandemic funds • Opening green channels for credit review and approval • Improving personal credit services for customers participating in pandemic response • Providing quality insurance guarantee service to customers and frontline medical workers
Supporting work and production resumption	<ul style="list-style-type: none"> • Supporting enterprises affected by the pandemic to resume normal operations with the <i>2020 Manual of Bank of Communications for Comprehensive Reopening of Inclusive Business</i> • Strengthening outlet services

Case: “BoCom Speed” in the fight against the pandemic

Special re-lending serves as the “emergency money” or “life-saving money” for enterprises. During the pandemic, based on the national and local enterprise lists eligible for receiving special re-lending funds released by the People’s Bank of China, BoCom has comprehensively investigated the financing needs of pandemic control related enterprises, as well as micro-, small- and middle-sized enterprises. Special re-loan has pushed the docking of branches and sub-branches across China through head office-to-headquarter cooperation, and a full-service, efficient nationwide demand response mechanism has been established to provide customers with directional support such as special funds, exclusive offers, specially assigned personnel service, and exclusive service.

Sending strong fund support	Sinopharm Group Shenyang Co., Ltd., responsible for purchasing part of drugs and relevant pandemic prevention and control materials for Liaoning, faced a huge gap in working capital when there was a surge in orders. BoCom Liaoning
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<p>when pandemic prevention materials ran low</p>	<p>Branch was able to meet the company’s urgent fund needs in only one day, granting RMB15 million in loan to the company.</p>
<p>Reducing fees to help the special- purpose vehicle manufacturer overcome difficulties</p>	<p>Undertaking the arduous task of manufacturing negative pressure ambulances, Ningbo Careful Special-purpose Vehicles Co., Ltd. was under a tight budget with its original credit funds. BoCom Ningbo Branch visited the company to provide financing service. Following the principle of handling special cases with special methods, the branch was able to complete account opening, credit application and loan review & approval for the enterprise within two days.</p> <p style="text-align: center;">Stakeholder Testimonial</p> <p style="text-align: center;"><i>“Our production is currently still supersaturated. Thanks to BoCom’s efficient financial services, we were granted RMB10 million in credit loan in two days with a low interest rate. BoCom has solved our urgent need!”</i></p> <p style="text-align: center;"><i>Person in charge of Ningbo Careful Special-purpose Vehicles Co., Ltd.</i></p>
<p>Extending loan period to help small and micro enterprises who were under soaring financial pressure</p>	<p>For micro- and small enterprises (MSEs) and self-employed individuals, BoCom Qinghai Branch did not blindly call in loans, cut off loans, or suppress loans. Instead, it actively supported their normal operation by extending repayment period, reducing or waiving overdue interests, and implementing credit reorganization. During the Reporting Period, the branch extended repayment service for 144 MSEs covering a total of RMB23.98 million, helping them to overcome difficulties while ensuring that the practices are compliant and the risks are under control.</p>

Case: Launching the First Ultra-Short Financing Bonds for Pandemic Response of Power Enterprises in China

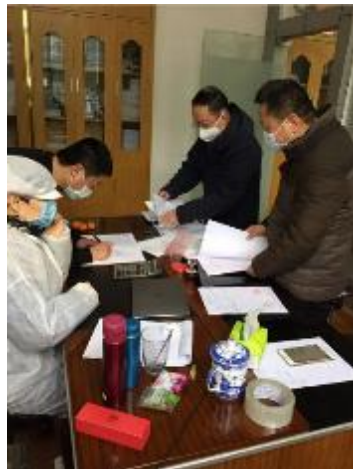
Pandemic control is not only a fight of the health and medical field, but also a comprehensive



BoCom Shanxi Branch visits community workers at the frontline of the fight against the pandemic



BoCom Anhui Branch donates anti-pandemic materials to poverty alleviation units



BoCom Hubei Branch visits pandemic prevention and control enterprises



BoCom Hunan Branch opens a green channel to alleviate the procurement pressure of protective supplies for local enterprises

3.2 Protecting Employees' Safety

Ensuring the health and safety of employees is the Bank's top priority. Only with a strong protective wall can the Bank better fight the pandemic. Facing the unexpected COVID-19 outbreak, the Bank has protected the health and safety of its employees to the greatest extent. After the outbreak, the Bank immediately developed a pandemic prevention and control plan with comprehensive and targeted measure, staying in line with strategy of implementing pandemic prevention and control while ensuring financial services.

Key Measures for Internal Pandemic Prevention and Control

<p>Acting fast to establish a leading group</p>	<p>In January 2020, the BoCom CPC Head Office Committee studied and arranged COVID-19 pandemic prevention and control work at the expanded meeting, and decided to establish the BoCom COVID-19 pandemic response leading group based on the previous emergency leading group. It also guided other units to set up their own leading groups for pandemic prevention and control.</p>
<p>Strengthening management guarantee</p>	<ul style="list-style-type: none"> The Head Office increased the quota of special funds to ensure that the expenditures of pandemic control measures across the Bank are sufficient and in place.

	<ul style="list-style-type: none"> • Provincial branches across the country adhered to the principle of “making overall planning for areas within the jurisdiction”, ensuring the overall planning and allocation of materials in areas within the jurisdiction. • Established pandemic response mechanisms, such as daily zero confirmed COVID-19 case reporting and public opinion monitoring, refined the emergency pandemic response plan, and constructed a strong “firewall” to secure against the pandemic. • Strengthened personnel, office space and meeting management.
<p>Providing warm care to employees</p>	<ul style="list-style-type: none"> • Comprehensively covered the health status of all employees, including staff on the regular payroll, labor dispatch personnel, personnel providing outsourcing service, and cleaning staff. • Ensured the distribution of protective supplies to all employees and that all employees are protected with protective measures.

Key Performance

- During the Reporting Period, the COVID-19 pandemic response leading group held a total of 14 meetings.
- A total of 90 internal pandemic response policies were developed and optimized.
- 6,147 person-times were granted the temporary mobile office permission across the Group to meet the need for working from home.
- As of the end of the Reporting Period, there were no cluster cases of COVID-19 across the Bank. Of the 56 total confirmed cases in the Bank, 49 were cured and discharged, and 7 (all of which are employees at overseas branches) are in stable condition.

Case: Providing Support for the Overseas Battle against the Pandemic

The pandemic will negatively impact overseas operation to an extent, especially in places like

Europe where the pandemic has hit hard, and branch business expansion will feel the impact for some time. BoCom Luxembourg Branch has carefully analyzed the decline in communication and operation efficiency caused by telecommuting, as well as the potential risks behind. The Branch has actively promoted the R&D of digital solutions, centrally deployed IT core physical facilities across the region within its jurisdiction, and established integrated IT architecture and management system to improve operation maintenance efficiency. In addition, the branch has paid great attention to humanistic care during the pandemic, always putting the health and safety of employees in the first place. Meanwhile, the real difficulties of employees have been included in the branches' plan of pandemic guarantee for the region within its jurisdiction.



Buying scarce protective supplies from various channels to ensure sufficient anti-pandemic supplies for every employee



Disinfecting office spaces to ensure safe resumption of work



The labor union of BoCom visits employees in need during the pandemic

4. Feature 2: Upholding its Mission in the Fight Against Poverty

Responding to the Trend of Sustainable Development

2020, the last year in the mission to build a moderately prosperous society in all respects and secure a decisive victory in the battle against poverty, BoCom focused on “two assurances and three guarantees” (ensuring the basic living needs of rural poor populations and access to compulsory education, basic medical services, and housing), and continuously consolidated achievements in poverty alleviation. It also firmly executed the requirements of poverty alleviation tasks of keeping poverty alleviation policies in force, provided assistance and prioritizing oversight to prevent the return to poverty, and ensured that the objectives, channels and intensity of poverty alleviation efforts remain unchanged, ultimately promoting the effective transition from poverty alleviation to rural revitalization.

SDGs:



Our Moves

Support targeted poverty-stricken areas; poverty alleviation through finance; partner assistance.

Our Performance

- Contributed RMB33.489 billion in outstanding loans for targeted poverty alleviation, a net increase of RMB7.842 billion (30.58%) from the beginning of the year.
- Bought and helped to sell RMB 26.24 million worth of agricultural products from poor areas.
- Across the three designated counties that the Head Office paired up with:

RMB24.88 million were invested

RMB7.6047 million were introduced

In 2020, the final year of the 13th Five-year Plan, China made historic achievements in building a moderately prosperous society in all respects, winning a decisive victory in the battle against poverty. Standing at this critical point as China embarks on the 14th Five-year Plan period, BoCom has reviewed its achievements in poverty alleviation during the 13th Five-year Plan period, and reorganized the ideas and models of poverty alleviation to lay a solid foundation for effective rural revitalization.

The Featured “Locomotive” Poverty Alleviation Model of BoCom

Dual-engine	Led by Party Building
	Financial Features
Dual-wheel	Continuous Drive
	Endogenous Power
Dual-light	“Blood Transfusion” Assistance
	“Blood Making” cultivation
Dual-track	Consolidating Poverty Alleviation Achievements
	Connecting to Rural Revitalization
Dual-whistle	Publicity and Promotion
	Supervision of Style of Work

4.1 Dual-engine: Assisting in National Strategies

As a central financial institution, BoCom has always prioritized poverty alleviation as its top political task and the “No.1 Project” in fulfilling social responsibilities. It has continued to refine its poverty alleviation management to contribute to the fight against poverty, aiming to achieve the first Centenary Goal of building a moderately prosperous society in all respects.

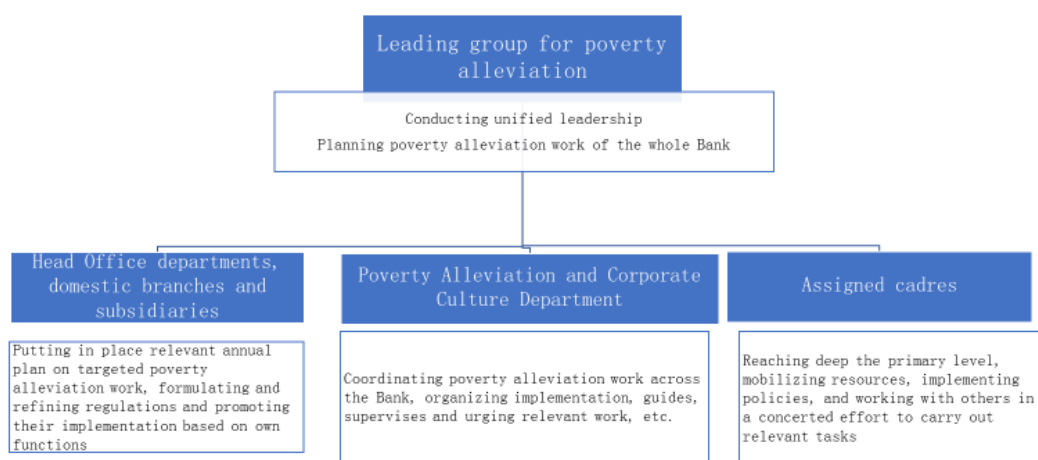
4.1.1 Led by Party Building

The Bank takes poverty alleviation as an important task promoted by Party building. It has

implemented the top leader responsibility system of Party committees at all levels of the Head Office and branches in poverty alleviation, and established the joint action mechanism between the Party committee at the Head Office and local Party committees. Combining the theme of "keeping the mission in mind", it has promoted the "double-win" theory of Party building in its efforts of poverty alleviation.

Organization and Leadership

BoCom has established a **leading group for poverty alleviation** and appointed the Secretary of the CPC BoCom Committee as the head of the group, while members of the CPC BoCom Committee responsible for poverty alleviation in targeted poor areas and inclusive finance serve as the group's deputy heads. It has also held meetings for the leading group for poverty alleviation and special guidance meeting periodically to study the latest instructions and guiding principles of the central government on poverty alleviation. This has helped to ensure that such instructions and guiding principles have been fully understood, that leadership and guidance have been effective, and that the measures have been put in place. The aim is to have plans developed at the beginning of the year, surveys conducted throughout the year, and summaries reported at the end of the year.



Organizational structure for poverty alleviation of BoCom

In September 2020, Ren Deqi, Party Secretary and Chairman of BoCom paid a survey visit to
Litang County, Sichuan Province



In September 2020, Liu Jun, Deputy Party Secretary and President of BoCom, paid a visit to
Hunyuan County in Shanxi Province to survey the poverty alleviation work

Gathering Forces

The Bank has earnestly studied the *13th Five-year Plan for Poverty Alleviation* issued by the State Council, and formulated the *2020 Poverty Alleviation Plan of Bank of Communications* (J.Y.B.F. [2020] No. 23) following the requirements specified in the *Central Unit's Responsibility Statement on Support for Targeted Poverty Alleviation Areas*. 44 domestic branches and sub-branches were mobilized to participate in the poverty alleviation work for the three designated counties that the Bank paired up with, gathering forces to win against poverty.





The Poverty Alleviation and Corporate Culture Department of BoCom was awarded the "National Advanced Collective for Poverty Alleviation" by the CPC Central Committee and the State Council

4.1.2 Financial Features

As a century-old national financial vanguard, BoCom has conscientiously implemented the general requirements of the CPC and the central government on poverty alleviation through finance. It has actively given play to its strengths in finance, emphasized financial means in poverty alleviation, and reflected the features of finance in poverty alleviation work, demonstrating the value of finance in the process.

<p>Developing new business models</p>	<p>Aiming to improve the production and living conditions in poor areas and increase the income of poor households, BoCom has been exploring diversified business models for poverty alleviation through finance, such as the “leading enterprise + cooperative + farmer household” financing model, the land increase/decrease linked loan model, the guarantee company (fund) cooperation model, the west and east region collaboration model, the interbank financial institution cooperation model, and the institution-organization-association cooperation model, etc. to improve financial functions and strengthen financial service availability in poor areas.</p>
<p>Establishing long-effect mechanisms</p>	<p>Not long after the policy was issued, BoCom started to get into poverty alleviation through finance in various aspects. By studying differentiated credit support policy, refining the evaluation</p>

	mechanism, and strengthening the coordination between the Head Office and branches, the Bank has established long-effect mechanisms to guide targeted poverty alleviation.
Strengthening risk prevention and control	While increasing input in financial resources, BoCom has placed heavy emphasis on the potential financial risks of poverty alleviation. It has continued to strengthen good faith education among poor people and post-lending management, as well as coordination with local governments. It has avoided stressing credit access ratio to poor people one-sidedly, stopping them from getting into excessive debt.



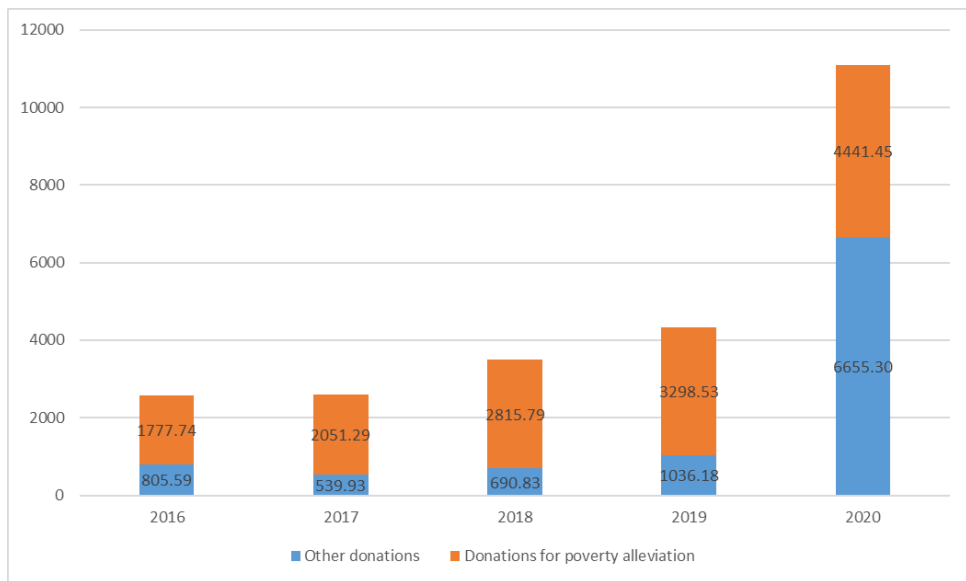
In May 2020, Guo Mang, member of the Party Committee and Vice President of BoCom, visited Gansu Jinnongshang Company to inspect the poverty alleviation project through industrial development

4.2 Dual-wheel: Working together to Break New Ground

To get rid of poverty and become better off, other than external push such as policies and funds, the will and determination of the people in poverty are equally important. BoCom has implemented various poverty alleviation policies to build up people’s will to fight poverty, stimulating their continuous drive to shake off poverty and become better off.

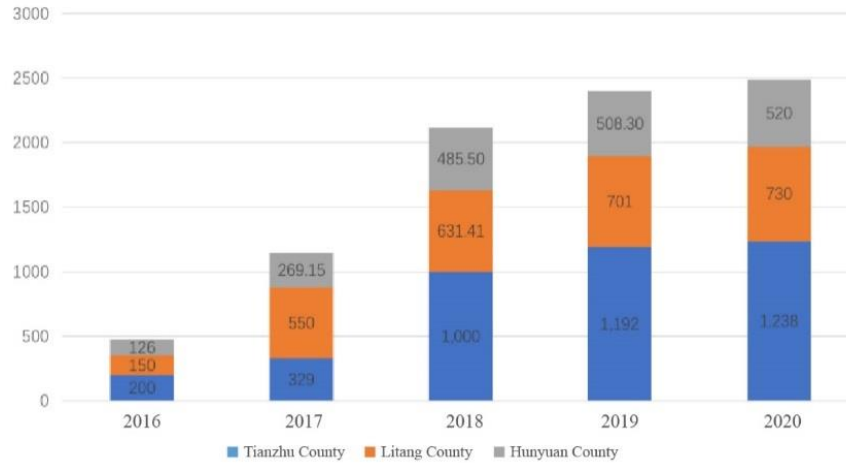
Continuous push	Leveraging its financial strengths, the Bank has cooperated with stakeholders such as local governments, targets of poverty alleviation and business partners to form the implementation path of targeted poverty
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	alleviation with finance, consumption, healthcare, education, industrial development, etc., at its core, thereby ensuring that all poverty alleviation measures were put in place.
Endogenous drive	By inviting people who got rid of poverty to share their experiences, the Bank has demonstrated the importance of “confidence and capacity building”. By organizing poor people to go out to expand their horizon, strengthen knowledge and skill training, the Bank has enabled poor people to gain experience and skills in industrial development.



Donations for poverty alleviation during the 13th Five-year Plan period (RMB10,000) by BoCom

Note: “Other donations” in 2020 are mainly donations for the fight against the pandemic



Amount of donated funds to the three designated poor counties during the 13th Five-year Plan period (RMB10,000) by BoCom

4.3 Dual-light: Seeking Development Together

BoCom adheres to the overall planning of development-based poverty alleviation and guarantee-based poverty alleviation, and regards development-based poverty alleviation as the fundamental approach to overcome poverty. In view of the poverty causes and the structure of the poverty-stricken population, the Bank has strengthened and refined guarantee-based poverty alleviation measures to give full play to the combined effect to the two approaches.

4.3.1 Implementing Poverty Alleviation through Healthcare to Ensure a Healthy Life

The Bank has steadily carried out aid work centering on the “basic medical services” of the “two assurances and three guarantees”. To address the difficulties of visiting a doctor and the problem of imbalanced health resources in remote areas, the Bank has increased fund investments, promoted popularization of basic medical services and infrastructure construction, actively provided special aid to plateau regions, prioritized the needs of anti-pandemic projects, and effectively improved medical services.



During the Spring Festival of 2020, after a COVID-19 case was confirmed in the designated poverty-stricken county, Hunyuan County of Shanxi Province, BoCom immediately equipped the county with negative pressure ambulances and Computed Tomography (CT) detection devices. After the devices were put into use, about 10,000 person-times went through CT examinations, of which 2,000 were from registered poor households; negative pressure ambulances transported over 160 person-times, including about 40 registered poverty-stricken households



In December 2020, the “BoCom Hope” Campaign to Help Children with Congenital Heart Disease at Litang County, Sichuan Province, launched its fourth batch of treatments. Pan Qi (BoCom cadre, first on the right), Deputy Party Secretary of Litang County, Sichuan Province, and the local young man Ding Zhen visited children with congenital heart disease

Key Performance

During the Reporting Period, the Bank invested RMB11.349 million in basic medical services and helped a total of 62,251 poor people.

4.3.2 Promoting Poverty Alleviation through Education by Attaching Importance to “Confidence and Capacity Building”

Upholding the idea of building confidence and capacity before poverty alleviation, the Bank has given great effort to prevent intergenerational transmission of poverty, and gathered the forces of the Group to help improve education facilities and quality, helping students to find jobs in poor areas.

Besides poverty alleviation through education, BoCom has built a poverty alleviation cadre and talent team for counties in need through education and training of primary-level cadres, industry leaders and technical personnel, helping farmers in poor counties to improve income-generating skills and build confidence.

Key Performance:

During the Reporting Period, the Bank invested RMB11.621 million in compulsory education, helping a total of 32,906 poor people. 1,988 county-level, town-level and village-level basic-level cadres, as well as 544 technical personnel in the three designated counties were also trained.



In September 2020, Ren Deqi, Party Secretary and Chairman of BoCom visited Litang County, located over 4,000m above the sea level, to survey poverty alleviation work and encourage Tibetan students to study hard



In October 2020, BoCom organized 2020 training class of leaders in becoming better off at designated counties

4.3.3 Gathering Strength from Various Parties to Assist in Poverty Alleviation through Consumption

Centering on the methods of “purchasing on our own” and “assisting in sales”, the Bank has developed a new partner assistance model between business units and the designated poverty-stricken counties to provide stable income-increasing channels for more poverty-stricken households. The “BoCom model” has been built for poverty alleviation through e-commerce, where “the bank provides the platform, the government offers assistance, and the enterprises earn profit”. With this model, quality local products in poverty-stricken areas could be sold nationwide and even overseas.

“Building canals to channel water” and developing innovative poverty alleviation models through consumption

<p>Arousing the Bank’s resource potential</p>	<ul style="list-style-type: none"> • A “Poverty Alleviation” section was included in the credit card app, displaying 43 agricultural and sideline products under six categories from designated counties. The Bank also launched the “Heated Poverty Alleviation Day” online sales campaign and developed innovative solutions to simulate consumption and assist in poverty alleviation. • Installed a “poverty alleviation counter” at the retail stores of employee canteens at the Head Office, branches at all levels and subsidiaries. Characteristic agricultural and sideline products from the designated counties are being sold to employees to stimulate internal consumption.
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<p>Promoting cooperation with external strengths</p>	<ul style="list-style-type: none"> • Developed cooperation with peers. Based on the “Poverty Alleviation Mall” on Agricultural Bank of China’s mobile banking, the Bank established “BoCom Help Farmers Hall” to sell all agricultural products from the three designated counties online. • Promoted cross-industry cooperation, explored ways to expand online sales of poverty alleviation products, and helped expand online sales channels of agricultural products from the designated counties.
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Key Performance:

During the Reporting Period, the Bank actively bought agricultural products totaling RMB7.6556 million from designated counties through canteen procurement and employee benefit procurement. The purchase amount increased by about 25% on average in each of the three counties. Mobilized by the Bank, employees of the Group and corporate customers bought RMB18.5796 million in agricultural products, an increase of 10%, benefitting more than 30,000 people in the poverty-stricken counties.



In January 2020, BoCom launched the “New Year Shopping Festival for Poverty Alleviation” campaign on its credit card app and mobile bank. Through the penetration of we media matrix combined with social media, it brings “new blood” into the cause of poverty alleviation. During the campaign, a total of 9,976 orders were placed, with a sales volume of RMB1.6563 million, 6 times more than the total sales throughout 2019



During the pandemic, BoCom Hubei Shiyan Branch carried out consumption-based poverty alleviation activities to support the development of characteristic industries in poverty-stricken counties

4.3.4 Integrating Advantaged Resources and Developing Poverty Alleviation through Industrial Development

The Bank has attached great importance to cultivating the designated counties to form an ecosystem for poverty alleviation through Industrial development integrating production and sales. Based on local resource endowment, the Bank has changed the poverty alleviation approach from the simple “Blood Transfusion” assistance to the “Blood Transfusion + Blood Making” approach. The approach aims to improve the designated counties’ own development capability, give them a leg up to get them going, and help them cultivate and expand industries that can help them shake off poverty with their characteristic resources.

Key Performance

During the Reporting Period, the Bank supported 4 leading enterprises and rural cooperatives in the three designated counties, introduced 86 enterprises, and helped 5,494 registered poor population get rid of poverty.



BoCom Guangdong Branch launched the “Jinfeng Rice” project. The selling price was raised three times, and monthly sales recorded 15,000kg continuously. Jinfeng Rice was included in the directory of the first batch of poverty alleviation products of Guangdong Province



Based on the advantaged natural environment of Yanghua Village in Liangcun Town, Xishui County, Guizhou Province, BoCom poverty alleviation cadres introduced golden lemons and built a 150mu golden lemon planting base in Yanghua Village. Through the cooperation model of “collective economy + poor households”, it engaged 65 poor households to participate in planting. Each household registered an annual income increase of about RMB4,000, making golden lemons the “income-generating fruits” for villagers

4.4 Dual-track: Working for a Better Life Together

BoCom has worked hard to fully understand the meaning of “targeted poverty alleviation”, determined to put quality before speed in poverty alleviation work, and developed rational poverty

alleviation plans to ensure the effectiveness of the work, so that the poor can truly get rid of poverty. The Bank has explored effective ways to comprehensively consolidate the achievements in poverty alleviation and promote the dynamic transition to rural revitalization.

<p>Consolidating achievements in poverty alleviation</p>	<p>Developed the “four-step” (“helping up, stand, walk and run”) assistance plan to solve the problems addressed in “two assurances and three guarantees” for poor counties. Provided cushion guarantee for poverty-stricken households by establishing poverty-returning prevention monitoring mechanism, etc., ensuring the “last mile” of poverty alleviation work to prevent the return to poverty. Worked to win the battle against poverty by dispatching cadres and investing in projects, teaching skills and expanding markets.</p>
<p>Transitioning to rural revitalization</p>	<p>Planned the transition work from poverty alleviation to rural revitalization in advance, and gradually adjusted the fund transfer approach aimed at absolute poverty to dynamism-creating assistance aimed at relative poverty through industrial development.</p>

At the end of June 2020, the Bank went beyond the six targets laid out in *Central Department’s Responsibility Statement on Support for Targeted Poor Areas* ahead of schedule. All three designated counties that the Bank paired up with were lifted out of poverty by February 2020. The per capita income of the poor population increased significantly from when they were registered as poor population. The per capita income of the poor population in Tianzhu County increased from RMB2,580 in 2014 to RMB8,210 in 2020, a growth of 218%. In Litang County, per capita income increased by 236% from RMB2,310 to RMB7,754. In Hunyuan County, this number increased by 153%, from RMB2,760 to RMB6,989.

Target	Performance	Growth Rate
Poverty alleviation funds from BoCom	RMB24.88 million	3.61%
Funds channeled by BoCom from other sources	RMB7.6047 million	14.6%

Training of basic-level cadres	1,988 persons	74.69%
Training of technicians	544 persons	28.3%
Procurement of agricultural products from impoverished areas	RMB7.6556 million	21.63%
Support in marketing agricultural products from impoverished areas	RMB18.5796 million	9.83%

4.5 Dual-whistle: Using Publicity to Support Poverty Alleviation

BoCom has actively used the power of publicity to provide strong support for poverty alleviation. It has gathered external forces and strictly implemented work style building in poverty alleviation within the Bank. In addition, it has continued to step up efforts in publicity, maintained the wave of publicity, and expanded the depth of publicity to gather consensus on winning fight against poverty.

Publicity and promotion	<ul style="list-style-type: none"> • During the 13th Five-year Plan period, BoCom published more than 1,000 reports related to poverty alleviation work on authoritative media such as people.cn, Xinhuanet, <i>China Poverty Alleviation</i>, <i>Banner</i> and <i>China Finance</i>, recording 6,800 reprints. • Two BoCom reports were published on the <i>Poverty Alleviation Briefing</i> of the State Council Leading Group Office of Poverty Alleviation and Development, and three BoCom reports were published on the <i>Poverty Alleviation Briefing of the Central financial institutions' targeted poverty alleviation work</i> of the Poverty Alleviation Office, People's Bank of China.
Work style supervision	<ul style="list-style-type: none"> • Strict organizational management: By standardizing poverty alleviation funds, stepping up accountability efforts, and adopting stricter cadre evaluation, the Bank has strengthened its work style management on the

	<p>institutional level to ensure that all poverty alleviation tasks are completed with high quality.</p> <ul style="list-style-type: none"> • Self-inspection and self-correction: The Bank has audited donations for poverty alleviation, and handled problems related to the style of work separately. While effectively cooperating with the national poverty census work, the Bank has realized “full coverage” of poverty alleviation work in designated counties (towns and villages) at all levels.
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In October 2020, *China Finance* published a signed article titled “Five Adheres” to Assist in Poverty Alleviation with High Quality by Ren Deqi, Party Secretary and Chairman of BoCom



BoCom has inspected the style of work in poverty alleviation across the Bank through material reference, interview with individuals, field visits, etc., and further created a clean, solid poverty alleviation work atmosphere to ensure the smooth implementation of poverty alleviation work

4.6 Highlights of Poverty Alleviation Initiatives at Provincial Branches and Subsidiaries in 2020

The Bank has carried out the important instructions of General Secretary Xi Jinping at the symposium on resolving the prominent problems addressed in “two assurances and three guarantees”. It takes the “two assurances and three guarantees” of the poverty-stricken population as the core indicator for evaluating the results of poverty alleviation work, aiming to improve the production and living conditions of the poor and enhance their sense of gain and happiness.

Provincial branches and subsidiaries conducted targeted and efficient poverty alleviation work with their own characteristics

“Two assurances and three guarantees”		
Fujian Branch	Shaanxi Branch	Guangxi Branch
The branch donated RMB120,000 to Yankou Village in Shuixi Town, Ninghua County, Sanming City for its Tongzu Road building project, RMB80,000 to Hengsuo Village in Chengnan Town for its tap water well digging and water channeling project, and RMB90,000 to Shangping Village in Chengnan Town for its canal repairing project. Once the projects conclude, 1,314 farmer households or 5,381 villagers will be	In recent years, the branch has injected RMB1.775 million funds for poverty alleviation into Ligou Village, the designated village that the provincial branch has paired up with. Funds have been used to build gravel roads and drinking water cisterns to solve difficulties in travel and drinking water for the villagers. It also donated a charity supermarket and built apple refrigeration houses as well as supporting PV power plant, greatly improving the	The branch actively communicated with the competent governmental department administering the designated village for poverty alleviation, raised funds through various channels, built hardened cement roads, completed the drinking water improvement project, and improved the well-being of the villagers. The branch donated a total of RMB600,000 to Pingliu Village to support its characteristic oil tea industry, built a 10,000mu oil tea

benefitted.	production and living conditions of the villagers.	planting demonstration area in Guangxi, and stimulated the development of the village's collective economy.
“Two assurances and three guarantees”		
Compulsory education		
<p>Beijing Branch</p> <p>The branch channeled RMB300,000 funds to help the “3+2” kindergarten-elementary integrated school building project of the No. 9 Migrant Settlement in Songshan Town, Tianzhu County, Gansu Province, effectively solving the difficulty of access to education for children of school age and realizing their dreams of going to school.</p>	<p>Dalian Branch</p> <p>The branch carried out the “Unite for a Better Future • Make Dreams Come True” student aid program to aid 13 poor students from 11 households. With “Farmers’ Library” as the carrier, the branch also established the “Rural Self-study Room” to donate school supplies such as schoolbags and water as well as daily necessities, improving their learning conditions and stimulating their enthusiasm to study.</p>	<p>Bank of Communications Schroder Fund Management Co., Ltd.</p> <p>Responding to the call of the Asset Management Association of China, Schroder participated in the “Fenxi County Dream Center Classroom Project” initiated by the Dream Center public service system for literacy education, donating a “dream classroom” worth RMB200,000 and necessities worth RMB100,000 to Tuanbai School in Fenxi County to promote poverty alleviation through education.</p>
Basic medical services		
<p>Shenzhen Branch</p> <p>For many years, the branch has invited experts from</p>	<p>Ningbo Branch</p> <p>The branch channeled RMB200,000 social funds</p>	<p>BoCommLife</p> <p>During the pandemic, BoCommLife, in cooperation</p>

<p>medical institutions, such as Shenzhen Baosheng Women’s and Children’s Hospital and Futian Hospital, to visit patients in poor households and conduct physical examination and diagnosis of common diseases, protecting the health and safety of impoverished villages.</p>	<p>into Hunyuan County to build hyperbaric oxygen chambers and supporting infrastructure, which effectively prevented and treated various diseases, met the medical needs of 360,000 residents of Hunyuan County, and benefited more than 55,000 impoverished individuals.</p>	<p>with Shanxi Branch, purchased one RMB400,000 CS-1200 Auto-Chemistry Analyzer for the isolation point at Hunyuan County Hospital of Traditional Chinese Medicine, serving a total of 8,486 patients across the county.</p>
<p>Safe housing</p>		
<p>Jiangxi Branch</p> <p>For the designated village, Longtang Village in Futan Town, Qingyuan District, Ji’an City, the branch established PV panels with installed capacity of 100kW, built 2.3km hardened roads, and installed 70 sets of solar street lamps to light up their “way home”, improving more than 2,700 people’s living conditions and fully covering the villagers with safe housing.</p>	<p>Ningxia Branch</p> <p>The branch assisted the village Party branch committee and villagers’ committee of Lijigou Village, Huamachi Town, Yanchi County in repairing 12 houses and renovating 12 dilapidated houses. The branch also verified the causes of poverty and house conditions of every registered poor household, established family records for 4 marginal households and 1 monitored household, and developed a one-to-one assistance plan to help</p>	<p>Gansu Branch</p> <p>The branch coordinated and invested RMB735,000 in funds, and implemented projects such as drainage channels, revetments, flush toilets, river embankments, submersible bridges, road shoulder repairing, etc. in 10 designated villages within its jurisdiction to improve areas with weak infrastructure in poor villages and provide living and travel convenience to the villagers.</p>

	villagers solve problems of income and housing, thereby improving their living conditions.	
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5. Driving Economic Development by Adapting to Changes of the Times

Responding to the Trend of Sustainable Development

Economic growth serves as the foundation for all-round development. In 2020, BoCom actively integrated into the blueprint of national development to promote regional economic development, enhance financial services to the real economy, address the needs concerning people's livelihood, and contribute to China's high-quality development.

SDGs



Our Moves

Respond to national strategies; support the real economy; improve people's livelihoods

Our Performance

Taxes: RMB32.894 billion; Total assets: RMB10,697.616 billion; Total loans: RMB5,848.424 billion.

5.1 Responding to National Strategies

National strategies guide the direction of economic development. The Bank follows national strategies closely to improve the overall competitiveness of China's financial sector as it promotes the development of international business, key regions, and the manufacturing industry.

5.1.1 Promoting the Development of International Business

The Bank continues to optimize its global network as it grasps opportunities brought by the opening-up policy and the market, dynamically meet the diverse needs of cross-border financial services, and continuously improve its cross-border, cross-industry and cross-market financial service capabilities, forming a comprehensive opening-up pattern.

- **Improving the Layout of Overseas Institutions**

As of the end of the Reporting Period, the Bank set up 23 overseas banking institutions and 69 overseas outlets in 18 countries and regions across five continents. Four of the overseas banking

institutions, including the Singapore Branch, Seoul Branch, Ho Chi Minh Branch and Prague Branch, are located in the countries and regions along the Belt and Road.

Key Performance

The total assets of overseas banking institutions have exceeded RMB1.2 trillion

In November 2020, the first BoCom branch in Africa, Johannesburg Branch, officially opened in South Africa

The Toronto and Dubai (International Financial Center) branches are underway

Case: Among the first batch of upgraded CIPS direct participant banks to serve cross-border RMB business

In recent years, the Cross-border Interbank Payment System (CIPS), as an important financial infrastructure of China, has played an important role in conforming to financial opening up and promoting RMB internationalization. It is now a fast channel for RMB payment around the world.

In October 2020, BoCom Seoul RMB Clearing Bank CIPS Direct Participant Bank officially launched its operation. It became one of the first banking institutions in the world that transformed from a CIPS indirect participant bank to a CIPS direct participant bank. BoCom Seoul Branch successfully attracted 14 out of all 15 Korean-funded commercial banks in South Korea to become its indirect participant banks, with a coverage rate of 93.3%. It also ranked top in indirect participant bank expansion that month among all domestic CIPS direct participant banks.

● **Serving the Belt and Road Initiative**

Focusing on the “going global” plans of Chinese-funded enterprises and relying on the Belt and Road Initiative, the Bank is actively providing financial services to enterprises with medium- and long-term export financing requirements and enhancing product innovation. During the Reporting Period, the Bank conducted cross-border RMB business contacts with 45 countries along the Belt and Road, with the total amount of RMB paid and received reaching 41.999 billion. In 13 countries along the Belt and Road, the Bank also implemented 18 medium- and long-term credit insurance financing projects.

Case: Meeting the Financial Needs of Quality Chinese-funded Enterprises in countries and regions along the Belt and Road

CGL Investment Holdings Corporation Limited (CGL), a joint venture established by CNIC Corporation Limited and Nanshan Group overseas, engages in warehouse asset investments in Eastern European countries along the Belt and Road. Since 2018, BoCom Luxembourg Branch has been serving CGL's fund needs. In 2020, BoCom Luxembourg Branch tightened CGL's M&A financing cooperation in the countries along the Belt and Road. The branch also declared and obtained three credit project approvals for the company throughout the year, with a credit line of about EUR200 million, providing continuous financial support for the company's development in the countries along the Belt and Road.



CGL's logistics warehouse park in Slovakia

Case: Implementing the Belt and Road Initiative by Supporting the Construction of Vientiane-Vang Vieng Expressway

The China-Laos Vientiane-Vang Vieng Expressway (Vientiane-Vang Vieng Expressway) is a landmark cooperation project that connects the "From Landlocked to Land-linked Initiative" of Laos' to China's Belt and Road Initiative. It is also a pilot project of Yunnan to actively respond to and implement the Belt and Road Initiative. This project, with its completion and official launch, ended the history of Laos without expressway. BoCom Yunnan Branch reviewed and approved RMB1 billion fixed-asset loan for the Vientiane-Vang Vieng Expressway within one week after approval from China Development Bank, the leading bank of the syndicated loan. It is the second lending bank to complete review and approval. The branch has given full play to its leading role and effectively supported the formation of the syndicated loan for the Vientiane-Vang Vieng Expressway.

● **Promoting Cross-border Product Development**

By strengthening international business product development, the Bank has facilitated better connection between the domestic market and the international market. It has also improved the cross-border, cross-industry and cross-market financial service level.

Measures to Strengthen the Infrastructure of Cross-border Products

Bringing services online	The “Easy” series of online international business products is developed to cover foreign currency deposit, trade financing, remittance, exchange trading and documents. The business processing time has been shortened from 3 to 5 days to as fast as 10 minutes. During the Reporting Period, the Bank handled over 150,000 transactions via the “Easy” series online products, covering a total of USD31.2 billion.
Providing convenience	By docking with local “Single Window” systems of Shenzhen, Shanghai, Sichuan, Jiangsu, Fujian and Xiamen, as well as the nationally standardized “Single Window” system, it now supports the processing of cross-border exchange purchase, trade financing, etc. via “Single Window” for enterprises to effectively improve trade convenience.
Cooperating with platforms	<ul style="list-style-type: none"> · Connected with the cross-border RMB trade finance trading platform of Shanghai Commercial Paper Exchange Corporation Ltd. to implement the first forfaiting asset transfer in China. · As one of the five major banks in preparation, the Bank connected to the China Trade Finance Union (CTFU) block chain platform of the China Banking Association (CBA). · Launched the “BoCom Cross-border e Finance” comprehensive financial service platform to provide customers with integrated cross-border financial services at home and abroad, including internal and external trade, investment and financing and onshore and offshore services.

5.1.2 Facilitating Regional Economic Development

To provide strong financial support to the rapid economic development of key regions, BoCom has actively responded to key national strategies such as the integrated development of the Yangtze River Delta, the development of the Guangdong-Hong Kong-Macao Greater Bay Area, and development of Hainan Free Trade Port and new free trade zones, facilitating the high-quality development of the regional economy and major branches.

- **Facilitating Integration of the Yangtze River Delta by Leveraging the Shanghai Base**

As the state-owned bank headquartered in Shanghai, the Bank strives to promote the integrated development of the Yangtze River Delta by providing featured financial products and services to the Yangtze River Delta as the “leading bank in the Yangtze River Delta”. In 2020, the Bank officially established the Yangtze River Delta Integration Management Headquarters, and it became the first head office-level management department in a commercial bank facing three provinces and one municipality in the industry.



BoCom Chairman Ren Deqi Unveils the Nameplate for the Yangtze River Delta Integration Management Headquarters

Measures of Serving the Integrated Development of the Yangtze River Delta

<p>Strengthening inclusive sci-tech innovation service</p>	<ul style="list-style-type: none"> • Formulated the <i>Interim Measures for Management of “BoCom Sci-Tech Innovation” Credit Business in the Yangtze River Delta</i>. • Launched an exclusive rating model for sci-tech innovation enterprises to reduce bank capital occupation and corporate financing costs. • Targeted at 2,000 key integration projects in the Yangtze River
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	Delta, the Bank adopted a list management system and provided follow-up services regularly.
Integrating regional internal services	<ul style="list-style-type: none"> BoCom took the lead in the industry to waive transfer charges within the regional bank network, providing support for cross-region capital flow. The Bank released the <i>Interim Measures for Coordination in Interprovincial Mortgage Business in the Yangtze River Delta</i> and the <i>Interim Measures for Coordination in Industrial Chain Business in the Yangtze River Delta</i> to support the coordination in interprovincial mortgage business.
Building a new bank-government cooperation model	Connected to government service platforms, embedded financial services in platform application, and acquired data assets from the government end to establish scenarios and build an ecosystem.
Supporting development of key regions	<ul style="list-style-type: none"> Continued to deploy the integration of demonstration area, new free trade zones and other key areas to form “Three Areas, One Corridor and One Platform”, becoming the first in the industry to get approval for establishing a model branch. In collaboration with BoCom Shanghai Branch, the Bank participated in and promoted the implementation of more than 20 first market orders in the new area. It also optimized and piloted offshore unified financing business model in the branches in the Yangtze River Delta.

Key Performance

As of the end of the Reporting Period,

the Bank launched 26 wealth management products with Yangtze River Delta theme, raising over RMB11 billion in regional funds

with the “one card for all” package, more than 130,000 Yangtze River Delta-themed credit cards have been issued to provide card holders with various consumer rights in all scenarios in the

Case: Facilitating the Construction of Shanghai International Shipping Center

Centering on the construction of Shanghai International Shipping Center, Bank of Communications Financial Leasing Co., Ltd. strives to improve its shipping financial service capabilities. It has established a sound shipping leasing business system, and developed healthy cooperation relationships with a number of world-renowned shipping enterprises, shipbuilding enterprises and shipping service agencies led by China State Shipbuilding Corporation Limited (CSSC).

In April 2020, Bank of Communications Financial Leasing Co., Ltd. and CSSC's Shanghai Waigaoqiao Shipbuilding Co., Ltd., Guangzhou Shipyard International Company Limited and China Shipbuilding Trading Co., Ltd. jointly signed the contract to build twelve 120,000-ton dual fuel oil tankers. With a total amount of over RMB4.5 billion, this project helps to promote the resumption of work and production of enterprises, boost the development of advanced manufacturing, and facilitate the development of Shanghai International Shipping Center.

Case: Customizing Financing Plan Templates to Achieve Integration of Inclusive Services

Through comprehensive utilization of various distributed energies such as distributed PV, Pufeng New Energy Group provides green energy solutions for low-carbon, environmentally-friendly logistic warehousing facilities. However, confined by industry characteristics, Pufeng New Energy Group faces three major challenges, including “dispersed projects”, “small financing amount”, and “repetitive reference check”. These challenges have posed great difficulty for Pufeng to obtain financial support from banks. To address the problems that Pufeng faces, BoCom has mobilized sub-branches in different cities and customized a cross-region inclusive project financing model. The model can be used as a template and copied in batches for the company to improve the efficiency of due diligence, capital collection and reporting.

Stakeholder Testimonial

“While achieving economy in project declaration, BoCom has solved our pain points. Our projects are currently advancing steadily. What’s more, against the backdrop of the Yangtze River

Delta strategy, we expect to develop more comprehensive and in-depth cooperation with BoCom focusing on the main themes of green development, energy conservation and environmental protection.”

Pufeng New Energy Group

- **Serving the Guangdong-Hong Kong-Macao Greater Bay Area**

The Guangdong-Hong Kong-Macao Greater Bay Area is an important driver of high-quality economic development in China. It is also a vibrant world-class city cluster and an international sci-tech innovation center with global influence. Seizing market and policy opportunities, the Bank continues to support the development of the Greater Bay Area by providing a series of high-quality financial services for enterprises in the area.

Case: Facilitating the Listing of Innovation-oriented Pharmaceutical Enterprises in Hong Kong

Akeso, Inc., a bio-pharmaceutical enterprise based in Guangdong Province, is committed to the research, development and manufacture of affordable innovative antibody drugs for patients around the world. Based on the company’s continuous financing needs in its development, BoCom International has provided an integrated service combining “equity investment + listing underwriting + bank credit + wealth management” for Akeso, helping it to get listed on The Stock Exchange of Hong Kong. By doing so, it has contributed to the development of the Guangdong-Hong Kong-Macao Greater Bay Area and high-quality development of strategic emerging industries.

Stakeholder Testimonial

“2020 was a crucial year for the development of Akeso, Inc. We’d like to thank BoCom International for its recognition of Akeso, Inc. With a series of capital operation support from BoCom International, such as participating in our Pre-Initial Public Offering (pre-IPO) financing, serving as our IPO global coordinator, coordinating credit support and providing capital operation support, 2020 was a meaningful year for Akeso, Inc.”

Dr. Xia Yu, Chairman of Akeso, Inc.

Case: Assisting the Issue of Overseas US dollar bonds for Guangzhou Metro

Guangzhou Metro Group Co., Ltd. (“Guangzhou Metro”), responsible for the important mission of building, running and managing the rail transit in Guangzhou and the Greater Bay Area, also engages in diversified industries centering on development of metro related resources. In September 2020, BoCom Hong Kong Branch, as one of its joint global coordinators and joint bookkeepers, successfully assisted Guangzhou Metro in the withdrawal and issuance of its USD3 billion medium-term note plan. The successful issuance of bonds can not only help improve Guangzhou Metro’s yield curve of US dollar bonds, but also expand bond stock and improve liquidity. In the meantime, it has set a new benchmark as a Chinese-funded sovereign issuer, which will facilitate the financing of Chinese-funded enterprises in international capital markets and benefit the long-term development of the Guangdong-Hong Kong-Macao Greater Bay Area.

Case: “Sci-tech Innovation Vanguard Loan”, Providing Credit Financing Service to Sci-tech Innovation Enterprises

As the first national innovation-oriented city, Shenzhen is abundant in sci-tech innovation enterprises. In May 2020, BoCom Shenzhen Branch established a Sci-Tech Innovation Center to explore professional product innovation, review and risk control system to improve its service capacity for sci-tech innovation enterprises. The “Sci-tech Innovation Vanguard Loan”, launched by the Sci-Tech Innovation Center, rationally calculates the capital loan needs of the enterprises and determines its line of credit using one of its nine credit line determination methods, including determination based on subsidy, value of intellectual property, investment, tax, settlement, order, payroll, guarantee, and credit enhancement with house property mortgage.

For the past seven months since it was established, the Sci-Tech Innovation Center has reviewed and approved 144 applications covering RMB674 million, and granted RMB420 million in total. By providing convenient and fast loan services to Shenzhen-based sci-tech innovation enterprises, it has solved the urgent financing needs of enterprises and earned itself a high market reputation.

● **Supporting the Development of Free Trade Zones**

As the frontier for innovation and reform as well as a test field for opening up, free trade zones are key development regions of the country and main stages of financial innovation and reform. The Bank, issuing opinions on supporting business development in free trade zones and free trade ports, has accelerated the cultivation of a financial service system with features of free trade zones and free trade ports.

Measures of Supporting the Development of Some Free Trade Zones

China (Guangxi) Pilot Free Trade Zone	<ul style="list-style-type: none"> Handled the first Non-Resident Account (NRA) RMB trade financing business in Nanning for enterprises in the free trade zone, with a business amount of RMB30 million.
China (Yunnan) Pilot Free Trade Zone	<ul style="list-style-type: none"> Successfully launched the first cross-border RMB facilitation pilot and foreign exchange NRA settlement business under the first capital account in Yunnan Province. Signed a strategic cooperation agreement, set up the joint laboratory for financial innovation with the free trade zone, and formulated the <i>Comprehensive Financial Service Solutions of Bank of Communications Yunnan Branch for China (Yunnan) Pilot Free Trade Zone</i>.
Hainan Free Trade Port	<ul style="list-style-type: none"> Issued opinions on supporting business development in Hainan Free Trade Port. Introduced the first Qualified Foreign Limited Partner (QFLP) fund to provide a convenient channel for overseas institutions to participate in equity investment in non-listed companies in China. This also became an important innovative measure of Hainan to promote cross-border investment and financing. Strengthened the capability of serving the real economy with financial resources, and launched the first inter-bank market debt financing instrument for non-financial enterprise in Free Trade Port.
China (Hebei) Pilot Free Trade Zone	<ul style="list-style-type: none"> The BoCom Caofeidian Free Trade Area Branch signed strategic cooperation agreements with a number of key enterprises in the free trade zone.

	<ul style="list-style-type: none"> Handled the first higher-standard trade investment facilitation pilot business for key enterprises in the free trade zone.
China (Jiangsu) Pilot Free Trade Zone	<ul style="list-style-type: none"> Launched comprehensive financial service solutions for the free trade zone, and highlighted the featured “offshore+” and “NRA+” financial brands. Implemented the first innovation pilot business under the new cross-border RMB policy of China (Jiangsu) Pilot Free Trade Zone, ranking first in scale among its kind in the industry with a business volume of RMB165 million.
China (Fujian) Pilot Free Trade Zone	<ul style="list-style-type: none"> As one of the first contracting banks, the Bank launched the Xiamen international trade “Single Window” financial block chain platform and officially placed the “foreign exchange transfer payment scenario of ocean freight” into operation.

5.1.3 Contributing to the Development of a Manufacturer of Quality

Manufacturing is the material foundation of the national economy and the main body of industries. The bank has actively responded to the national strategy of becoming “a manufacturer of quality”, supported the financial needs of manufacturing enterprises, and promoted high-quality development of the manufacturing industry. By the end of 2020, BoCom’s balance of loans to the manufacturing industry increased by 18.9% from the beginning of the year, of which medium- and long-term loans increased by 51.7%.

Measures to Support High-quality Development of Manufacturing Enterprises

Strengthening policy guidance	Issued the <i>Opinions on Continuously Promoting the High-quality Development of the Manufacturing Industry with Financial Support</i> , channeled more credit resources to the manufacturing industry, enhanced the credit supply capability in the manufacturing sector, and effectively strengthened NPL control to promote the high-quality development of the manufacturing industry.
Enhancing	Actively met the financing needs of leading players in the advanced

segmentation of the industry and customer groups	manufacturing industry and market segment leaders, cultivated and expanded customer groups with core competitiveness and growth potential, and continued to strengthen total management and structural adjustments for industries with overcapacity.
Facilitating work and production resumption in the manufacturing industry	Actively launched the special loan, met the financial needs of enterprises on the list of key enterprises concerning pandemic prevention and control, leveraged the preferential loan policy of the People’s Bank of China, and supported anti-pandemic enterprises, including manufacturing enterprises, through preferential interest rate loans.

Case: Channeling Financial Resources to Promote the Development of the High-end Manufacturing Industry

As an important research base of rare metal materials and industry technology development center in China, the Northwest Institute for Non-ferrous Metal Research has filled the many technological gaps in the research of new materials nationally. It plays a positive role in promoting the technology advancement of metal materials and the development of the industry. BoCom Shaanxi Branch, following the economic policies and industrial layout of Shaanxi and the state, has increased support and financial resources to Northwest Institute for Non-ferrous Metal Research with one-stop financial services. At the same time, for its small and medium-sized tech companies in the incubation stage, BoCom Shaanxi Branch has partnered with Xi’an Science and Technology Department to establish a three-way channel of “government-bank-enterprise” on site. Through means of government subsidies and preferential interest rates, the branch has continuously reduced the interest rates and burdens of small enterprises to assist them in achieving all-round development.

5.2 Supporting the Real Economy

The real economy is the foundation of the national economy and an important pillar for national prosperity. Adhering to the core mission of serving the real economy and fully carrying out the national strategies, the bank has combined the support of supply-side structural reform with business development and transformation to improve its service capability for the real economy, empowering high-quality financial development.

5.2.1 Using Technology to Empower Financial Development

With the development of information technology, the tide of digital transformation is sweeping across the whole society. The development of digital economy has been elevated to the grounds of national strategy. It will also become an important support for the transformation of industrial chain. 2020 served as the first year for the Bank to fully speed up digital transformation in all aspects. By increasing input of technology resources, it promoted the transformation of a digital bank and empowered high-quality business development to better serve the real economy.

Using Technology to Empower High-quality Business Development

Empowering customer service	<ul style="list-style-type: none"> • Mobile banking 4.0 kept up with its upgrade, and was awarded the “Best Mobile Banking User Experience Award” and “Best Open Bank Award” at the 16th Annual Conference of Electronic Banking of China. • The standard version of “BoCom e-Customs Clearance” for the General Administration of Customs, and local versions for Shenzhen, Shanghai, etc. were launched to provide enterprises with convenient one-stop financial services for international trade. • Set up an online interbank trading platform and realized a complete process of inter-bank financial products online.
Empowering ecosystem operation	<ul style="list-style-type: none"> • The Intelligent Financial Services Platform launched about 20 industry internet steward products in fields of elderly care, pharmaceuticals, tourism, religion and parking. It has over 46,000 signed customers, and processed over RMB27 billion in collection.
Empowering operation management	<ul style="list-style-type: none"> • Built a senior management cockpit to provide a visual of business performance for the management. • The Group credit risk penetration project realized the interface interconnection of multiple subsidiaries, strengthening a unified credit risk management.
Empowering basic-level burden	<ul style="list-style-type: none"> • Realized semi-automatic generation of pre-lending analysis reports for inclusive financial business, and the Optical Character

alleviation	<p>Recognition (OCR) identification function of value-added tax invoices was also launched to reduce the burden of deskwork.</p> <ul style="list-style-type: none"> Intelligent Voice was embedded in telephone banking, mobile banking, hand-held terminal, corporate mobile banking and Zhiyitong. The Intelligent Voice of telephone banking handled an average of 66,600 calls daily, accounting for over 30% of the total incoming calls.
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External Honors

The **Knowledge Graph** Project was awarded the “IDC China Digital Transformation Awards - Technology Application Scenario Innovation Award in the Chinese Financial Sector”

Innovation in New Technologies and New Architecture of Big Server Core Business won the “Third Prize of the Shanghai Financial Innovation Award in 2019”



BoCom is certified by the Testing Maturity Model integration (TMMi) Foundation as a Level 5 TMMi, becoming the first commercial bank in China to independently complete the assessment for the certification

5.2.2 Facilitating the Transformation and Upgrading of Enterprises

Industrial transformation and upgrading are key to improving the quality and competitiveness of economic development. The Bank, actively implementing national industrial policies and the plan to “cut overcapacity”, has accelerated its efforts to cut inefficient and outdated capacity by

transferring credit resources to moderately support the capacity upgrading of leading enterprises. It has also expanded the development opportunities in new fields and new business forms, thereby supporting the development of emerging industries.

Case: “Technological Transformation Loan” – Supporting Faster Development of Key Projects

BoCom Sichuan Branch and Sichuan Provincial Economic and Information Department jointly signed the *Special Cooperation Agreement on Providing Financial Support to “Resumption of Work and Production” and “5+1” Modern Industries* to expand effective investment in industrial and technological transformation. Focusing on the construction of the “5+1” modern industrial system, a three-year Technological Transformation Loan totaling RMB50 billion was set up. For eligible key enterprises and projects, the Technological Transformation Loan has set up differentiated preferential support policies in loan pricing, access threshold, review & approval process, scale security, etc., so that major projects with investment in industrial and technological transformation can speed up its construction progress.

Case: Vigorously Supporting Strategic Emerging Industries and the Digital Industry

BoCom Anhui Branch has looked into Anhui’s construction of the “emerging industry cluster district”. With a focus on supplementing, strengthening and expanding the innovation-oriented modern industrial chain, the Bank actively provided credit support customers in the two major fields of “Chip Screen Machine Integration” and “Big Intelligent Mobile Cloud” by integrating corporate, international, investment banking and credit resources, organizing syndicated loans for key projects, and supporting the M&A and listing of quality enterprises. In recent years, BoCom Anhui Branch has participated in syndicated loans for key industrial construction projects of Anhui, providing RMB1 billion to Visionox’s sixth generation Active-matrix organic light-emitting diode (AMOLED) production line and USD50 million to Reily Technology’s 12-inch 19-nanometer memory wafer project in syndicated loan. It also actively supported EFORT Intelligent Equipment to get listed on the Science and Technology Innovation Board, serving strategic emerging industries and the digital industry.

Case: Actively Meeting the Financing Demand of the Information Technology Industry

300mm semiconductor silicon wafers are key and core technology in the strategic development of semiconductor integrated circuit industry of China. Solutions are urgently needed in this field, as it is key to supporting the technological upgrading of the whole industry and has great industrialization potential. BoCom Zhejiang Branch and BoCom Shanghai Branch jointly provided a RMB1 billion credit line to Sino Crystal (Jiaxing) Semiconductor Co., Ltd., an enterprise mainly engaged in the manufacturing of large silicon wafers. This move is to support new generation IT industries in the strategic emerging industries in the Yangtze River Delta, and promote the transformation and upgrading of China’s information industry.

5.3 Improving People’s Livelihoods

The livelihood of the people serves as a foundation for a harmonious society. By intensifying support to key projects in fields related to people’s livelihoods, such as healthcare and education, and creating a number of brands to bring convenience to people, the Bank is able to improve enterprises and improve people’s well-being.

5.3.1 Building Brands of Services for the Convenience of the People and Enterprises

“Government Online-Offline Shanghai” in government service and “Integrated Network Management System” in city operation are two brands that Shanghai is currently vigorously building. These “two networks” not only provide rich government service scenarios for individuals and enterprises, but they are also the key for banks to innovate in scenario-based financial services. The Bank has actively implemented the State Council’s requirements for reforms of delegating power, and conformed to the digital transformation of government service platforms of Shanghai by setting up the “Big Data Application Office”. The Office takes charge of digital financial practices of the whole Bank and participates in the digital governance reform of the Shanghai government, building the star brand of services for the convenience of the people known as “BoCom e-Services”.

Five One-stop Services for the Convenience of the People

<p>One-stop Service for Medical Payment</p>	<p>Supported by the “Sui Shen Ban” platform of the Shanghai Big Data Center, the Bank became the first to launch innovative services such as credit cards for settling medical bills, mobile credit card applications, and convenient digital credit product for medical needs. It provides</p>
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	<p>“Credit No-barrier Payment” service for people participating in the medical insurance program of Shanghai, and prepays for individuals in their outpatient visits that can be paid back later, giving patients an opportunity to “see a doctor first and pay later”. As of the end of December 2020, the Bank had 159,100 contracting customers, the largest number in the industry, accounting for over 85% in the Shanghai market.</p>
<p>One-stop Financing Service for Small and Micro Enterprises</p>	<p>Launched the online financing product “Shui Rong Tong” (Enterprise). Using the tax data of the enterprise as the main basis to determine the loan amount, the Bank grants a credit loan to the enterprise for daily turnover of business entities.</p>
<p>One-stop Mortgage Registration Service</p>	<p>Cooperated with relevant authorities to allow customers to directly handle mortgage registration at the Bank, saving people’s time with data.</p>
<p>One-stop Electronic License Inspection Service</p>	<p>Actively worked with local regulators and data sources to strengthen the social application of “electronic licenses”, and added the “Electronic License Inspection” function for corporate and individual customers in the banking business process, providing one-stop financial services for customers.</p>
<p>One-stop Green Energy e Charging Service</p>	<p>Connected to “Sui Shen Ban” app, BoCom Shanghai Branch provides new energy vehicle owners with one-stop convenient services, including application for charging subsidy, issuance of subsidy, settlement of bills, query of fee payment history, etc., to meet the requirements of the Shanghai government on the use of new energy subsidy.</p>



BoCom opens the “Credit No-barrier Payment” service on the WeChat platform of “Internet Hospital of the Sixth People’s Hospital of Shanghai”, assisting the hospital to achieve full coverage of service channels, including service windows, machines, consulting rooms and the hospital’s WeChat account

5.3.2 Using Intelligent Technology to Empower Education Management

Upholding the idea of “serving education with financial resources”, the Bank has further leveraged its advantages and explored multi-level cooperation with education departments and schools of all types to contribute to the cultivation of elites that the society needs.



“Bank-University Connect” is an efficient fee management platform that BoCom provides to schools as well as education and training institutions. In June 2020, using BoCom Ningxia Branch’s “Bank-University Connect”, China University of Mining and Technology Yinchuan College successfully handled over 20,000 transactions in tuition and boarding fees from students, covering a total amount of RMB200 million. This in turn has significantly reduced costs for the university and effectively improved financial reconciliation efficiency

6. Accelerating the Development of Inclusive Finance in the Tide of Digital Transformation

Responding to the Trend of Sustainable Development

Inclusive finance is of great significance to creating jobs, eradicating poverty and promoting shared development. In 2020, taking inclusive finance as the “main battlefield” of the Group’s digital transformation, BoCom provided targeted services to micro and small enterprises (MSEs), as well as the three areas of agriculture, rural areas, and farmers. It expanded the scope, increased the supply, improved the quality and reduced the cost of inclusive finance, and continued to improve level of financial services, helping and vitalizing massive, small and medium-sized enterprises.

SDGs



Our Moves

Support MSEs; focus on agriculture, rural areas and farmers; improve financial services.

Our Performance

The balance of loans to inclusive MSEs recorded RMB260.753 billion, up 59.04%; the number of loan customers sat at 158,400, up 51.73%; the comprehensive financing cost of MSE customers went down by 0.96 percentage point; the average interest rate of loans to inclusive MSEs decreased by 0.5 percentage point; the balance of inclusive agriculture-related loans stood at RMB34.824 billion, up 21.97%. The Bank achieved the key regulatory indicators such as “two increases and two controls”, inclusive agriculture-related business, and targeted poverty alleviation through finance.

6.1 Supporting MSEs

MSEs serve as an important foundation for national economic and social development. To help MSEs overcome difficulties, financial institutions must act more proactively. Inclusive finance has been raised to a strategic height by BoCom. While improving the actual effect of services for inclusive MSEs in all aspects, the Bank has also served MSEs through digital inclusive finance and industrial chain finance to build core competitiveness in inclusive finance.

Improving Systems and Mechanisms for Inclusive Finance

Strengthening organization and leadership	<ul style="list-style-type: none"> • An Inclusive Finance Development Committee was set up on the Board of Directors level to review inclusive finance development plans and their implementation progress on a regular basis. • An Inclusive Finance Management Committee was set up on the Senior Management level to plan and coordinate inclusive finance business with different business lines and levels. • Inclusive finance departments were set up in the Head Office and provincial branches.
Refining regulations	The Bank issued guidance documents such as the <i>Opinions on Further Strengthening Financial Services for Micro and Small Enterprises (2020 Version)</i> and the <i>Opinions on Implementing Regulatory Requirements and Promoting Inclusive Financial Services 2020 (2020 Version)</i> .

6.1.1 All-round Inclusive Service System

To activate the Bank’s potential to serve MSEs, self-employed individuals and MSE owners, an all-round system from top to bottom consisting coordination of corporate business sectors, integration of retail business sectors, and comprehensive transformation of outlets has been established to serve inclusive customers.

Establishing an All-round Inclusive Service System

Measure	Content	Results
Strengthening coordination of corporate business sectors	<ul style="list-style-type: none"> • Continued to include inclusive business into its overall corporate business sector layout. With a focus on coordinating industrial chain finance, integrated services for the Group’s MSE members and major 	As of the end of the Reporting Period, MSEs loans of the Group recorded a net increase of RMB6.764 billion from the beginning of the year.

	<p>scenario platforms, the Bank gave play to the role of corporate business sectors to drive the synergy of inclusive business.</p>	
<p>Enhancing integration of retail business sectors</p>	<ul style="list-style-type: none"> • On the level of Head Office, the Bank established a day-to-day coordination mechanism between the Inclusive Finance Department and relevant departments related to retail business sectors, adding inclusive business indicators in the evaluation of retail business sectors. • Improved the duty performance capability of customer managers in inclusive business, putting teams in retail business sectors one of the main forces for expanding inclusive business. 	<p>As of the end of the Reporting Period, the coverage rate of customer managers for inclusive loans was 69%.</p>
<p>Promoting comprehensive transformation of outlets</p>	<ul style="list-style-type: none"> • Included increase in inclusive MSE customers into the performance evaluation of outlet operations. 	<p>As of the end of the Reporting Period, over 95% of outlets were able to provide quality financial services to MSEs, and the coverage rate of service managers qualified for</p>

	<ul style="list-style-type: none"> • Strengthened training and publicity to improve outlets' awareness and capability of providing inclusive services for MSEs. • Organized, from top to bottom, outlet staff to obtain certification of inclusive business and carry out business. 	<p>inclusive finance (simplified version) reached 57%.</p>
<p>Strengthening resource allocation</p>	<ul style="list-style-type: none"> • Established a separate credit quota for inclusive finance, and allocated special business budget to give out Funds Transfer Pricing awards. • Raised the assessment weight of inclusive financial business. • Introduced measures for Non-performing Loan tolerance and credit due diligence exemption system, and explored differentiated due diligence exemption mechanisms. 	<p>Returned all policy benefit obtained from Level 2 RRR cut to business units, gave extra subsidiaries to those who over-fulfilled planned targets. The assessment weight of inclusive financial business was raised to 11%.</p>

6.1.2 Serving MSEs with Technologies

While the Bank has continued to expand the scope of financial services for MSEs, it has also

continued to reduce enterprises' financing cost through innovation in product and business model.

Measures of Serving MSEs with Technologies

<p>Expanding scenarios to increase service coverage</p>	<ul style="list-style-type: none"> • Opened the “MSEs Loan Express” service channel in nearly 60 provincial and municipal government service platforms and online financial service platforms, embedding leading financing products dedicated to MSEs into various online scenario platforms. • Continued to serve MSEs according to national policy requirements, provided non-contact services, and developed inclusive finance outbound calls online to expand the reach of financial services to MSEs. A total of 614,000 calls were made.
<p>Making innovations in model to reduce financing cost</p>	<ul style="list-style-type: none"> • Branches across China actively connected with various platforms and used “credit empowerment” to assist enterprises develop and reduce financing cost. • Became one of the first banks to sign a contract with the National Financing Guarantee Fund and conduct “head office-to-headquarter” batch guarantee business.
<p>Employing technologies to develop knock-out products</p>	<ul style="list-style-type: none"> • Based on the idea of “customer-centered”, the Bank built a new generation of “Inclusive e-Loan” online financing product system, promoted the dual-wheel drive of standard products of the Head Office and customized products of the branches, and employed technologies to help improve customer experience and strengthen risk control capability building. • “Inclusive e-Loan” online standard financing products support flexible disassembly and combination of “corporate + personal” “online + offline” and “mortgage + credit + guarantee”, meeting the different requirements of various customer groups. Break the barriers of multiple single products offline with a one-time comprehensive credit, thereby realizing precise customer identification and intelligent risk control via digital means. • “Inclusive e-Loan” supports customized scenario financing products

	<p>based on customer information and operation mode of key scenarios, allows the whole credit process to be modularized and recombined, and builds scenario customization product capability.</p>
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Key Performance

During the Reporting Period,

the balance increment brought by inclusive standard online products accounted for **78%** of the increment of all-inclusive services.

Case: “MSEs Loan Express” Facilitating Online Financing for MSEs

To address the difficulties faced by MSEs under the pandemic and to continue expanding the coverage of financial services for MSEs, BoCom has actively connected with digital service platforms such as online local government service windows, industrial parks, communities and CBDs, and creatively launched the “MSEs Loan Express” with online inclusive products, supporting MSEs to conveniently conduct financing online throughout the process.

The “MSEs Loan Express” mainly provides two key financing products for MSEs:

Online Shui Rong Tong: Based on corporate tax data, and features accurate portrait, broad services, speedy review and approval, high line of credit and low pricing, as of the end of the Reporting Period, “Online Shui Rong Tong” issued RMB12.296 billion in loans and achieved business coverage in 36 branches.

Online Mortgage Loan: Allows real-time online self-help application. With speedy evaluation, low loan interest rates, and whole-process operation online, it meets the needs of “short-term, frequent and speedy” loans for MSEs. As of the end of the Reporting Period, the balance of the “Online Mortgage Loan” business increased by RMB73.704 billion from the beginning of the year.

Case: Launching “Easy Note Payment”, the First “Note+ Cash” Mixed Payment Method in China

When it comes to trade, MSEs are in a disadvantaged position as they face difficulties in the discounting and transfer of their note assets formed by the great number of notes they received. “Easy Note Payment” by BoCom provides online note payment service to customers via supply chain platforms and business to business (B2B) e-commerce platforms, supporting customers in paying electronic commercial drafts after placing an order on those platforms. The note locking function and one-stop payment experience of it allow MSEs and private enterprises to safely and easily make better use of their note assets, providing enterprises with a more convenient payment experience. This is the Bank’s new attempt to innovate in and upgrade the online note payment instruments.

Case: Cooperating with Platforms to Support the Development of Micro and Small Foreign Trade Companies

Be Better International (Langfang) Ltd. (“Be Better”) is the largest comprehensive foreign trade service provider in Hebei Province. With the whole-process recording service chain of its financial system, it provides foreign trade companies with one-stop services including receipt review, customs declaration and inspection, agency tax rebate, forex settlement, freight logistics, export insurance, overseas warehouses, etc. It currently serves some 300 small and medium-sized business entities. BoCom Hebei Branch, connecting with Be Better’s financial system, have realized real-time information exchange between the two systems involving collection message, amount confirmation, exchange query, independent settlement, batch receipt push, etc. It has provided visual, speedy and efficient export exchange settlement service for small and medium-sized enterprises on the platform and intensified financial services for micro and small trade companies.



BoCom Dalian Branch visits MSEs to learn more about the customers and provide credit service solutions

6.1.3 Supporting Industrial Chain Finance

The Bank has constantly explored new attempts in product innovation, channel connection, data application and resource guarantee to support the development of chain MSEs and improve the scale, quality and efficiency of industrial chain financial services. During the Reporting Period, the Bank organized various activities, including “Doing Well in Resumption of Work and Production and Coordinated Development”, the 2020 “Chain Finance” service campaign, and “The Month for Helping Enterprises, Stabilizing Employment and Tackling Problems in Inclusive Industrial Chain Business”.

Measures of Supporting Industrial Chain Finance

<p>Developing innovative business models</p>	<ul style="list-style-type: none"> • For upstream suppliers: Launched the online speedy factoring business, where the entire process of application submitting, contract signing and loan granting are made available online, providing speedy factoring financing service to the suppliers of core enterprises. • For downstream dealers: Established a speedy loan platform for industrial chain dealers, which allows customers to complete the whole process of application, review & approval, contract signing and loan granting online to speed up the business process.
<p>Connecting to third party platforms</p>	<ul style="list-style-type: none"> • Strengthened strategic cooperation with the Credit Reference Center of the People’s Bank of China regarding the operation of the receivables financing service platform as one of the first strategic cooperating banks • Developed cooperation with external institutions like CSCC and TravelSky to complement each other’s advantages. It has realized receivable funds for MSEs on the industrial chain and formed the “1+N+N” supply chain finance model.
<p>Improving service quality and efficiency</p>	<ul style="list-style-type: none"> • Provided supporting services for industrial chain finance to meet the fund demand of enterprises at different stages. • Integrated internal resource advantages and established a cross-

	<p>department task force to implement major tasks.</p> <ul style="list-style-type: none"> Continued to optimize chain products and business processes to improve customer experience and lending efficiency for chain MSEs.
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Case: Developing Financial Service Solutions Dedicated to the Construction Industry

Given that upstream suppliers in the building construction industry are large in number and are widely distributed, it's difficult to verify their trade background and the communication cost is high. To solve these issues, BoCom has connected with the system of China Construction Eighth Engineering Division Corp., Ltd. (China Construction Eighth Engineering Division) to carry out electronic supply chain factoring business, handle batch financing applications online for upstream suppliers, exchange electronic trade information through the linked system of bank-enterprise, and optimize offline receivables confirmation to improve business handling efficiency. As a result, the factoring business handling process for a single transaction has been greatly improved with its shift from offline to online.

The “China Construction Eighth Engineering Division Electronic Supply Chain” project has served over 300 suppliers across China and deepened the overall cooperation with core enterprises. It has also engaged in the practice of supporting the real economy development through finance, and assisting the industrial as well as supply chains of key industries to achieve stable development. The financial service solutions dedicated to the construction industry has been copied and promoted to other industries.

Case: “BoCom Industry Connect” Solving Difficulties in Industrial Chain Financing

To promote the in-depth integrated development of industrial chain and supply chain, BoCom Jiangxi Branch and the Department of Industry and Information Technology of Jiangxi Province have jointly released the “BoCom Industry Connect” 1+5 comprehensive financial service solutions. Through featured services of “1 comprehensive financial service solution + 5 financial service systems”, starting with links such as R&D, production, sales and procurement, “BoCom Industry Connect” puts forth effort to resolve the pain points, difficulties and bottlenecks in the development of industrial chain, putting financial resources into enterprise and ensuring the safety and stability of the industrial chain and supply chain.

As of the end of December 2020, “BoCom Industry Connect” realized full coverage of chain financial services for customers on 14 key industrial chains across Jiangxi, provided RMB17.742 billion financing (including over RMB2.7 billion for MSEs), and developed 4 custom products for customers on 3 industrial chains.



BoCom Guangdong Branch hosts the “Link Enterprises and Serve Micro and Small Enterprises” financing meeting to answer financing questions on the spot and promote the development of the industrial chain of the construction industry

6.2 Paying Close Attention to the Development of Agriculture, Rural Areas and Farmers

Issues related to agriculture, rural areas and farmers are crucial to the nation’s economic development. After winning the battle against poverty, the promotion of rural revitalization has become a new mission. The Bank has actively fulfilled its responsibilities as a large bank by increasing service support for tasks in fields of agriculture, rural areas and farmers. It has also continued to improve the scope and depth of financial services for agriculture, rural areas and farmers, and contributed to building a moderately prosperous society in all respects and promoting comprehensive rural revitalization.

Case: Extending Loans to Agriculture-related Industries Participating in Poverty Alleviation to Bring a Good Spring Festival to Farmers

Shanxi Kangyu Tianyuan Agriculture Co., Ltd. is a leading enterprise in Shanxi Province that produces and processes sweet-waxy maize. In 2018, the company was recognized as a provincial-level leading enterprise for poverty alleviation. In early January 2020, based on the company’s urgent need to pay for purchases, BoCom Shanxi Branch actively contacted a local guarantee company to address its problem of insufficient collaterals, and developed a special financing plan

for the company. The branch granted RMB5 million working capital loan to the company within five working days, effectively solving the problem of insufficient short-term working capital and ensuring that 1,943 farmer households (including 646 poor households) received payment for their goods.

Case: Supporting the Construction of “Countryside Complexes” and New Countryside to Promote Urbanization

“Countryside complex”, integrating circular agriculture, creative agriculture and farming experience, is a highlight measure laid out in the No. 1 Document of the Central Government for the Development of New Rural Industries. BoCom Gansu Branch supported the construction of Qiyun Countryside Town of Lijiazhuang Countryside Complex in Yuzhong County, Lanzhou City, Gansu Province. In 2020, the branch provided a total of RMB250 million in credit line to assist in the province’s urbanization and new rural construction projects. The project not only can mobilize villagers in Lijiazhuang Village, Huocha Village, Shangpujia Village, Zhujiawan Village, etc. to change their production mode, overcome poverty and become better off, but can also attract poor people from other towns and villages in the county to engage in the project, thus helping poor households in the entire county to get rid of poverty.

Case: Providing Financial Services to Agriculture, Rural Areas and Farmers to Boost Rural Revitalization

To increase financial service support for agriculture, rural areas and farmers, BoCom Hunan Branch, along with the Department of Agriculture and Rural Affairs of Hunan Province, have signed a strategic cooperation agreement to provide financial services for rural areas. Focusing on the rural revitalization strategy, the two parties will establish a long-term, stable communication platform to continuously improve the scope and depth of financial services for agriculture, rural areas and farmers. Moreover, BoCom Hunan Branch has also signed a bank-enterprise strategic cooperation agreement with 10 national- and provincial-level key leaders in agriculture industrialization to deepen its cooperation with leading players and assist in rural revitalization.

6.3 Improving Financial Services

Quality service is one of the core competitive edges of an enterprise. Guided by a “customer-centered” philosophy and aiming to build the best banking brand with an omni-channel system, the Bank has improved its service quality by continuously innovating in financial products and services, matching customer needs and more.

6.3.1 Accelerating Financial Innovation

For the convenience of customers, the Bank has continued to promote innovation in products and services and expanded intelligent service scenarios to better improve customer experience.

Case: Launching the First Fund Investment Consulting Service Platform to Provide Professional Wealth Management Services

In December 2020, BoCom became the first national commercial bank in China to launch a fund investment consulting service platform for individual customers. The platform aims to better solve the problems of “difficulty in allocation, selection and position adjustment” of investment funds for individual customers and provide professional choices for personal wealth management.

Wholehearted Service: Three institutions, which are among the first to obtain the qualification to pilot the business, will be providing professional and wholehearted fund investment consulting services.

Comprehensive Market Selection of Funds: Provides investors with multi-scenario asset allocation policies and selects the best funds from the market.

Full Authorization: Engages professional institutions to provide convenient services and make position adjustment an easy task.

Accompany Throughout the Way: After investment, the platform works with fund investment consulting pilot institutions to provide companion service for quality assurance.

Case: Realizing “Paperless” Corporate Account Opening

Normally, to open an account, corporate customers are required to bring their business licenses in paper copy and seals to an outlet. Not only is this process tedious for customers, there’s also a risk of fraudulent activities if the business license and seal are lost. In August 2020, BoCom initiated

the synchronous application of “e-business license + e-seal” in corporate account business. The corporate customer will only need to scan the QR code to pull up the electronic business license and its authorization information. The Bank also realized “Electronic License Inspection” and one-key signing, reducing the Bank’s processing time in account opening by more than 50%. In the meantime, “Electronic License Inspection” has effectively prevented the risk of forgery and replacement of paper business licenses and seals, greatly improving the quality and efficiency in account opening.



BoCom hosting the launch meeting of synchronous application of e-business licenses and e-seals in account services

6.3.2 Protecting Customer Rights and Interests

Fully aware of the importance of protecting customer rights and interests, the Bank has strengthened system building in all aspects, actively responded to customer opinions, enhanced the protection of personal information privacy and security, and adopted various measures to protect the rights and interests of customers.

Consumer Protection Measures

<p>Improving policies relating to consumer protection</p>	<ul style="list-style-type: none"> • Established the Consumer Protection Committee and the Leading Group for Service Improvement on the Senior Management level to take charge of the consumer protection and service improvement work of the Bank, revised policies and management measures related to consumer protection, and hosted Consumer Protection Committee meetings on a quarterly basis. • Updated ten policy documents including the <i>Consumer Protection</i>
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	<p><i>Policy of Bank of Communications Co., Ltd. (2020 Version)</i> and the <i>Management Measures of Bank of Communications for Consumer Protection (2020 Version)</i>.</p>
<p>Improving complaint management work</p>	<ul style="list-style-type: none"> • Revised and released the <i>Management Measures of Bank of Communications for Complaints (2020 Version)</i>, further optimized the complaint handling process, defined complaint handling timeliness, and established an express channel to handle complains. It refined the whole-process closed-loop management system for complaint work orders, established a traceability rectification mechanism and diversified dispute resolution mechanism, and actively worked with third parties such as the Financial Dispute Resolution Center to mediate and resolve financial consumption disputes. • In 2020, BoCom participated in the mediation of 3,506 cases, among which 1,512 cases were conducted at the Shanghai Financial Dispute Resolution Center. It ranked 1st in the number of cases submitted for mediation. BoCom participated in the mediation of 1,867 cases at the Shanghai Banking Dispute Resolution Center.
<p>Strengthening information security management</p>	<ul style="list-style-type: none"> • Formulated/revised 13 policies related to information security, covering the whole lifecycle of data including acquisition, transmission, storage, handling, use and destruction throughout 2020. • Defined the limits of acquisition authority, scope of use and security protection specification of personal customer information as specified in customer privacy protection policies such as the <i>Handling Process of Bank of Communications for Personal Customer Information Business</i> and the <i>Technical Specification of Bank of Communications for Personal Financial Information Security Protection</i>. Included relevant terms of agreement on information disclosure and confidentiality when customers open an account or other information acquisition business are involved,

	<p>ensuring that customer approval is obtained before acquiring information, and that the information is stored and used according to agreement.</p> <ul style="list-style-type: none"> Organized and implemented the self-inspection activities of “Governance of Data Information Security Fields” and “Screening of Fintech Application Risks”. Conducted data security and privacy risk management training for over 10,000 employees across the Bank.
Strengthening payment and settlement security	<ul style="list-style-type: none"> Actively worked with the Payment & Clearing Association of China, and served as a leader unit of the Task Force for Research and Coordination of Anti-fraud Policies for Payment and Clearing. Led 15 core units in the payment & clearing industry to formulate the <i>2019 White Paper on Fighting Payment & Clearing Fraud of China</i>.

Handling of Customer Complaints in 2020

Indicator	2020
Number of complaints handled	227,000
Proportion of complaints handled	100%
Customer satisfaction with return visits	98.02%
Processing time of complaints (95559 Hotline, Credit Card Center 400 Hotline)	7*24 manual service

Note: Customer satisfaction with return visits: a measure of how satisfied customers are with the results, obtained through follow-up interviews of all customers who have filed complaints.



In August 2020, BoCom held the first “multi-party secure computation” technology related seminar in China to actively solve the issue of safety in data sharing and strengthen the protection of customer privacy information



Following policy documents such as the *Specification of Bank of Communications for Security Protection Work of Integrated Bank Lobby Services (2019 Version)*, BoCom has actively carried out fire prevention publicity and education campaigns and held security drills. In the biennial joint security evaluation organized by the Public Security Department and CBIRC, all BoCom outlets have gone through six rounds of security evaluation and ended with top rankings

6.3.3 Conducting Public Education

The Bank held a series of diversified consumer protection publicity and education campaigns via various channels, and creatively launched the “Jiaojiao Explains Consumer Protection” characteristic IP missionary image to make publicity and education campaigns more lively.

Key Performance

Held a total of **9,010 campaign events**

distributed **10.767 million copies** of publicity materials online and offline

covered **156 million** person-times

External honors

Awarded “Excellent Organizational Unit” in the March 15 Education and Awareness Week 2020 held by CBIRC and “Excellent Organizational Unit” in the “Financial Knowledge for Every Family” campaign.

In the “Acquire Financial Knowledge to Protect Your Money” promotion video selection activity organized by the People’s Bank of China, five videos of BoCom were awarded, including *Identify Illegal Advertisements to Prevent Financial Traps*, *Learn Financial Knowledge to Protect Your Money*, *Use Deposit Insurance System to Protect Your Deposits*, *Spread Financial Knowledge and Optimize Financial Services to Assist in Pandemic Prevention and Control Publicity*, and *Protect Every Dream and Stop Illegal Financial Advertisements*.



To ensure the security of customer funds and prevent financial risks, BoCom carried out a series of anti-fraud campaigns including “Payment Security Week” “June 29 National Anti-fraud Awareness Day” and “Prevent Gambling and Protect Finance” in August



BoCom Qingdao Branch innovatively promoted the program *Jiaojiao Explains Consumer Protection: Financial Micro-class*. During the Reporting Period, the program held 12 lectures and attracted over 150,000 viewers, with the highest number of viewers for a single lecture reaching 60,000



BoCom Beijing Branch, Xidan Sub-branch built an interactive experience space around the financial and life scenarios of customers, creating a trendy check-in space featuring “finance + life”. The sub-branch became the first financial education demonstration base of its superior branch



Customer managers of BoCom Henan Branch live streaming consumer protection service

7. Facilitating Green Development

Responding to the Trend of Sustainable Development

Environmental protection will benefit future generations if it gets done today. It also serves as a fundamental requirement concerning the sustainable development of the Bank and even the society. In 2020, BoCom continued to practice the new development philosophy, took green development as the defining feature of its sustainable development, and pursued a win-win development path in economic development and ecological protection. Leveraging its strengths in main financial business to assist in ecological conservation and address climate change, the Bank transformed its operation mode to contribute to the battle against pollution and green development path to vitalize ecology and make people happier.

SDGs



Our Moves

Strength institutional guarantee; serve green economy; provide green services; adhere to green operations

Our performance

Outstanding green loans recorded RMB387.28 billion; the share of green loan customers stood at 99.34%; the share of outstanding green loans was 99.63%; and the E-banking business share was 98.04%.

7.1 Addressing Climate Change

Fully aware of the impact of climate change on business, BoCom conducted unified management of relevant topics by integrating them with the ESG governance architecture. The Social Responsibility (ESG) and Consumer Protection Committee of the Board of Directors would periodically hold in-depth discussions on environmental risks and climate change issues, guiding and supervising ways in which finance can help to combat climate change.

Response Strategy

Climate change, in the short term, will have a direct impact on the financial institution's post-lending asset quality and business operations. For example, entity risks such as extreme weather may cause borrowers to be unable to repay loans, which may increase NPL ratio. In the long run, transition risks such as technological innovation and change in consume behavior will bring opportunities and challenges to existing business. BoCom is continuously deepening research on the impact of climate change on its sustainable development, identifying potential risks and seizing development opportunities.

Risk Management

As climate change related risks become increasingly apparent, BoCom has strictly followed the policies and guidelines issued by regulators at all levels, actively responded to reaching CO₂ emissions peak before 2030 and achieving carbon neutrality before 2060, and continued to improve policy documents such as the *Outline of 2020 Credit and Risk Policies of Bank of Communications*. The Bank has also carefully planned green financial bonds to raise funds, provided special support to green industries, and injected financial vitality into fields of environmental protection & energy conservation, pollution control, resource saving & recycling, clean transport, and clean energy, boosting the green and low carbon transformation and upgrading of industries.

Future Plan

Next, the Bank will further improve policy support for climate change risk management, support key climate projects, and meet the investment and financing needs of fields that mitigate and adapt to climate change. The Bank will carry out environmental risk assessment, refine environmental risk management requirements, and effectively increase the contribution of green finance to climate change.

7.2 Green Finance

The Bank has actively carried through the country's decisions and plans on building a green financial system. It has supported quality energy conservation and environmental protection industries that conform to national policies and have clear control standards, compliant and feasible business model, as well as strong technical and market advantages. During the Reporting Period, the Bank was honored as an "Outstanding Organization for Overall Green Banking Performance of 2019".

7.2.1 Strengthening Green Finance Management

The Bank continuously strengthened the development of regulations on green finance, and upgraded the *Green Credit Policy of Bank of Communications Co., Ltd.* (J.Y.D. [2012] No. 20) to green finance. On February 2, 2021, the Bank officially issued the *Green Finance Policy of Bank of Communications Co., Ltd.* (J.Y.F. [2021] No. 5) to promote the development of green finance in depth, improve the management of environmental and social risks as a whole, and provide sufficient capacity for high-quality development of the industry in the new landscape.

Measures for Green Credit Management

Serving the new national energy security strategy	Implement the new energy security strategy featuring “Four Revolutions and One Cooperation”, support quality industrial projects in the field of new energy, and continue to adjust and optimize the asset structure in traditional energy fields such as coal and thermal power, assisting the country to improve its areas of weakness in infrastructure.
Strictly implementing the green credit access system	Include environmental and social risks into the project evaluation & review and contract approval process, and carry out the “one-vote veto” system for green credit to ensure targeted allocation of funds as well as safe and compliant use of credit loans.
Actively evaluating customers’ environmental and social performance	Closely track external information such as environment and production safety accidents, improve the accuracy of green credit classification identification, and adopt timely measures against enterprises that fail to meet environmental protection emission standards or that severely pollute the environment to help fight the battle against pollution.
Ensuring front offices fulfill green credit operation evaluation responsibilities	Follow through with the requirements specified in documents such as the <i>Green Credit Performance Evaluation Plan of Banking Deposit Financial Institutions (Trial)</i> (Y.F. [2018] No. 180), incorporate green credit into the business performance assessment of provincial branches, require the Bank as a whole to improve its stance, act proactively and continue to do well in green credit supply.
Intensifying	During the Reporting Period, 128 online courses were held on green credit,

<p>training on green credit</p>	<p>including <i>Guide on Credit Granting and Prevention of High-risk Industries</i> and <i>Green Finance</i>, with more than 153,000 people completing the courses. The courses helped credit personnel across the Bank to obtain full knowledge of green credit business, ensuring complaint and stable business operations.</p>
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Case: BoCom Zhejiang Branch Improving the Green Finance Management System to Assist in High-quality Development of the Local Economy

BoCom Zhejiang Branch firmly stands by the idea that lucid waters and lush mountains are invaluable assets. Following the long-term development plan and strategy for green finance of the Head Office, the branch has supported the building of a “Beautiful Zhejiang” with green finance, and fulfilled its responsibility of guiding and demonstrating green economic development and transformation. During the Reporting Period, Huzhou City and Quzhou City were listed among the first pilot zones for green finance reform and innovation nationwide. As of the end of the Reporting Period, the Branch’s balance of green loans stood at RMB20.644 billion, an increase of RMB4.211 billion, or 25.62%, from the beginning of the year, higher than the loan average growth rate of the whole Bank.

Measures for Building a Green Financial Service System by BoCom Zhejiang Branch

Strengthening organization and leadership: Established the leading group for green credit work headed by the vice president in charge of credit business and task force. Relevant business lines coordinated with each other and the person in charge of all business institutions carried out relevant work to ensure that all work requirements are met.

Strengthening institutional guarantee: Formulated the *Three-year Action Plan of BoCom Zhejiang Branch for Green Finance (2018-2020)*, established the short-term goals and long-term plans for green finance development, and set the goals of “preliminarily build a green financial service system, and realize an annual growth rate of green credit balance higher than the average growth rate of loans of the whole bank”.

Improving credit process: Embedded green credit requirements into closed-loop credit management, and required business institutions within jurisdiction to integrate green credit business management requirements through credit access, customer selection, credit review and post-lending

management, including the links in day-to-day credit management.

7.2.2 Supporting the Development of Green Economy

By formulating policy documents such as the *Outline of 2020 Credit and Risk Policies of Bank of Communications*, the Bank has further defined the core idea of developing green finance. By putting efforts in innovative green finance and products, and actively developing innovative green services such as pledge of carbon emission rights and pollution discharge rights, the Bank is working with enterprises to grasp opportunities in having CO₂ emissions peak before 2030 and achieving carbon neutrality before 2060, cope with climate change risks, and jointly build a sustainable ecological environment.

Requirements Related to Green Credit in Some Industries in 2020

Category	Requirements
Modern agriculture	<ul style="list-style-type: none"> • Cooperate with business entities that have advantages in resource endowment, scale operation or industrial chain integration, possess strong cost and quality control capabilities, as well as meeting environmental protection and production safety standards. • Accelerate withdrawal or reduce shares from companies that lack resource advantages or do not meet environmental protection or agricultural product safety standards.
Energy conservation and environmental protection	<ul style="list-style-type: none"> • Provide major support to environmental monitoring subdivisions that possess clear policy support, explicit management and control standards, as well as mature and stable business models, such as water pollution treatment, solid waste treatment, air pollution treatment, and provision of supporting services. • Give moderate support to industrial energy conservation segments where policy implementation continues to be strengthened and industrial standards are further refined, as well as segments of soil remediation, hazardous waste treatment and urban environmental sanitation that are vigorously supported by policy.

	<ul style="list-style-type: none"> • Give moderate support to energy conservation service providers set up by large industrial energy conservation equipment manufacturers, and energy conservation service providers affiliated to large corporate groups or public service institutions. • Give moderate support to energy conservation service providers that are able to provide comprehensive services covering system design, complete sets of equipment, construction, commissioning, operation and maintenance management, and have existing projects that meet the set targets for annual energy conservation.
<p style="text-align: center;">Metal and non-metal ore mining</p>	<ul style="list-style-type: none"> • Be cautious about sub-industries such as ferrous metal mining, dressing of common nonferrous metals in mining and dressing of black metal and nonferrous metals, and gravel exploration in non-metal mining and dressing. • With slowing downstream demand, stricter environmental protection and safety requirements issued, industry standards raised, as well as elimination and clearing accelerated, strengthen risk screening to identify customers with potential risks as early as possible, and adopt effective risk resolution measures to optimize the guarantee structure.
<p style="text-align: center;">Oil exploration and processing</p>	<ul style="list-style-type: none"> • Speed up withdrawal from companies whose main production installations do not comply with relevant national industrial policies, whose atmospheric and vacuum distillation units a total annual capacity of 2 million tons or below, and who undertake oil refinery and processing in the name of asphalt and heavy oil processing, refine oil using waste rubber and plastic, and produce asphalt from tar with batch processing. • Speed up withdrawal from companies with relatively unstable oil supply, unstable sales in the long run, weakening financial conditions, and uncertain prospects. • Speed up withdrawal from oil and natural gas extraction companies that do not comply with the <i>Policy on the Pollution Prevention and Control Technologies for Petroleum and Natural Gas Extraction Industry</i> and oil

	refining companies that do not comply with the <i>Emission Standard of Pollutants for Petroleum Refining Industry</i> .
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Case: BoCom Qingdao Branch Supporting the NEV charging Pile Project to Accelerate Transformation and Upgrading of Green Transportation

NEV charging piles, one of the key fields of “new infrastructure”, serve as an important infrastructure guarantee for the development of the NEV industry. Since 2016, BoCom Qingdao Branch has established credit cooperation with TGOOD to provide the company with fund support in its technology tackling and exploration stage, relieving its fund pressure during the development stage. In 2020, the branch provided a total of RMB935 million in green loans to the company.

After years of accompanied financial services, TGOOD’s subsidiary, TELD New Energy Co, Ltd., currently holds a 40% share in the domestic charging operation market. It has the largest share in the industry, and its charging pile system is appraised as the “first of its kind globally” with “world-leading technology”. It has played a positive role in upgrading the energy level of regional infrastructure and leading the new energy network that integrates charging network, Internet of Vehicles, and the internet.



BoCom Qingdao Branch serves the development of the nation’s new energy industry through green finance

Case: Green Credit Supporting the Construction of the 2022 Winter Olympics Renewable Energy Resources Demonstration Area in Beijing

Featuring cleanliness, high calorific value, and zero emission, hydrogen energy is called the future energy. One of the core ideas of Beijing 2022 is “green Olympics”, which coincides with the development of hydrogen fuel technology.

SinoHytec is a leading hydrogen energy R&D tech company in China. During the pandemic, the company was short in cash flow due to capacity expansion and difficulties in collecting payment. After learning about the company’s fund needs, BoCom Hebei Branch immediately opened a “green channel” and provided a RMB10 million working capital loan to help it tide over difficulties. It has also assisted in the preparation of Beijing 2022 and the construction of the Zhangjiakou renewable energy resources demonstration area, improved air quality, and played a positive role in promoting the development and utilization of hydrogen energy.

7.2.3 Participating in Industrial Development

On the basis of continuously strengthening the green financial service system, the Bank has actively participated in the development of the green finance industry, and coordinated domestic and overseas institutions in issuing green bonds. It has also invested in national green funds, submitted proposals on improving capital allocation efficiency, and guided capital to flow into low-carbon and environmentally-friendly fields to accelerate the formation of a mature green financing market system.

Supporting Green Development

	Moves
Supporting national policies and strategies	BoCom has actively developed plans for the national goals of having CO ₂ emissions peak before 2030 and achieving carbon neutrality before 2060, accelerated the transformation of energy structure, and made adjustments based on climate change. It issued the first green project yield notes in 2020 with a 2-year term and an amount of RMB1.2 billion for the Nanjing Financial City Construction and Development Co., Ltd.. They were the first green project yield notes in the market.
Working with partners for a better future	BoCom has actively participated in and led the establishment of National Green Development Fund as well as related capital contribution work. Through in-depth cooperation with the Fund, it grasped business opportunities including investment-loan integration, project recommendation and financial consulting, subscribing RMB7.5 billion and acquiring a director position at the Fund. Bank of Communications Financial Leasing Co., Ltd. and the Asian Development

	Bank successfully completed the financing of a new energy public transport project with an amount of USD80 million. As carriers of green economic development, green industries, such as new energy buses, are in line with people’s aspirations for a better life. They have a positive impact on resumption of work and production as well as recovery of the green economy.
	BoCom Hong Kong Branch successfully priced Beijing Capital Group’s USD300 million Tranche III US dollar senior bonds. It helped the Group to quickly obtain green finance certification from the Hong Kong Quality Assurance Agency (HKQAA), improve the issuer’s market recognition, and establish a good cooperation relationship with investors, thus laying a solid foundation for green financing.

7.3 Green Services


Taking energy conservation and environmental protection as its obligatory duties, the Bank has actively employed digital technology tools and built diversified online financial service channels to provide green, low-carbon, quality and convenient financial services to customers.

Environmental Benefits of Green Services

Customer Category	Customer/Transaction Scale	Annual Growth	Environmental benefits (equivalent)		
			Trees Planted	CO ₂ Emissions Reduction (tons)	Paper Use Reduction (tons)
Corporate online banking	1.596 million	26.97%	333,900	4,689.89	18,933
Personal online banking (mobile banking included)	7.137 billion transactions	11.60%	1.3068 million	18,336.78	73,801.49

Self-service automated machines	233 million	-7.54%	41,400	580.48	2,331.04
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Note: Paper use reduction is based on the average paper use for each account (corporate online banking) or transaction (personal online banking/self-service automated machines).

	<p>In 2020, the Bank upgraded its corporate WeChat account, “BoCom WeChat Bank”:</p> <ul style="list-style-type: none"> • Built new capability in customer group management • Enriched the push function of the official account and launched 35 types of message templates, including dynamic account change reminder, Electronic Toll Collection (ETC) message reminder, push of promotional activities, etc. • Connected to the mobile banking user system, reused mobile banking customer tags, conducted targeted marketing for specific customer groups, and improved the translation capability of the WeChat channel
	<p>As of the end of the Reporting Period, “BoCom WeChat Bank” had 13.3227 million followers, an increase of 1.0157 million from the beginning of the year, and 8.1887 million real-name users, an increase of 658,700 from the beginning of the year.</p>



In 2020, the Bank improved its man-machine collaborative service capability for the bank lobby, designed a model of “human-machine cooperation” integrating outlets with machines, promoted the integration of machine module design with business scenarios, and achieved seamless connection between different service unit processes

7.4 Green Operations

Strictly following the *Environmental Protection Law of the People’s Republic of China*, the *Energy Conservation Law of the People’s Republic of China* and other relevant laws and regulations, the Bank has carried out the following instructions and requirements laid out in the 19th National Congress of the Communist Party of China: “advocate a moderately simple, green and low-carbon lifestyle, stop extravagance, waste and unreasonable consumption, and build energy-saving public institutions, green families, green schools, green communities and green travel”. The Bank has adhered to responsible green procurement, deepened green office, focused on reducing its negative impact on the environment, and practiced green, low carbon and environmental protection ideas in all aspects.

7.4.1 Implementing Green Procurement

Strictly following the *Measures of Bank of Communications for Management of Suppliers (Tentative)*, the *Measures on Assessment of Suppliers Performance of Bank of Communications (Tentative) (J.Y.B. [2017] No. 142)* and the *Rules of the Head Office on Supplier Management (Tentative) (J.Y.B. [2017] No. 366)*, the Bank has carried out dedicated management for all suppliers as well as comprehensive identification, prevention and control of relevant environmental and social risks during the Reporting Period. For example, the Bank gave bonus points to suppliers using green materials in the bid grading; and placed suppliers with adverse social effects such as environmental damage, breach of contract lawsuits, forced labor, and child labor on the “list of banned suppliers”; required suppliers to provide ISO 9001 quality certificates and ISO 14001 environment certificates in the procurement of bulk commodities; gave full consideration to energy consumption indicators in equipment procurement, including power consumption, water consumption and noise; and adhered to green lighting principles in the procurement of lamps.

As of the end of the Reporting Period, the Head Office supplier pool had a total of 2,149

suppliers, which are classified by region as follows:

Region	Number
Circum-Bohai Sea Region	163
Yangtze River Delta	1,120
Pearl River Delta	342
Other regions	524

7.4.2 Adhering to Green Office

The Bank manages its impact on the environment with a prudent and responsible attitude. It has adopted practical measures to reduce energy consumption and emissions of pollutants in day-to-day operations, striving to create a good atmosphere of green office for all employees and actively serve green development.

Reducing the Adverse Impact of Day-to-Day Operations on the Environment

- Management of hazardous wastes: An “old for new” replacement requirement is included in all purchase contracts involving hazardous solid wastes (including computers, fluorescent tubes, toner cartridges, etc.). This requires suppliers to bring back replaced hazardous solid wastes and dispose them according to national regulations. The Bank has set up collection points of hazardous solid wastes with a clear sign and arranged special personnel to record the collected hazardous solid wastes.
- Pollution control: Professional institutions have been entrusted to conduct environment detection. The cooling water system and pipeline network of the central air conditioning system are cleaned regularly, while oil fume and waste gases discharged by the canteen must be filtered before being discharged. In maintaining and caring for the central air conditioning system, the Bank has standardized operation to reduce leakage of ozone depleting substances. BoCom has strictly regulated the daily operation of 8 boilers in the BoCom Building in Lujiazui and the Zhangjiang High-tech Park, to ensure that the emission of air pollutants from the boilers meets the emission standards of Shanghai, and regularly reported the air pollutant emissions from the boilers to the national pollution source monitoring information management and sharing platform.
- Energy consumption control: Through real-time monitoring of energy data via the “Intelligent Corporate Service” system platform, the Bank has recorded the data on water, electricity, gas,

etc. and generated an energy trend chart, laying a solid data foundation for energy data analysis and energy consumption forecast.

- **Water resources management:** The Bank has used the " Intelligent Corporate Service" information platform to monitor water consumption, timely disposed of fault points, and eliminated the waste of water resources. The application of water-saving technologies such as reclaimed water treatment and recycling of high-temperature wastewater from boilers has been promoted. The Bank has also promoted the application of air conditioning circulating water harmless treatment technology, and recycled water resources while avoiding hazardous wastewater discharge.

Case: Digital Transformation Breaking a New Path of Green Offices

Traditional offices involve storage of a lot of documents and data, so a large number of office consumables including paper are needed. This not only poses information security risk, but also increases the burden on environmental resources in the long run. By actively promoting the transformation to digital green offices, the Bank completed Phase II of the digital archives center project construction during the Reporting Period, bringing online important data and files of a number of departments. This laid a good foundation for reducing office consumables in the future. The project was awarded Innovation Class I Case in Digital Transformation from the National Archives Administration of China. In the meantime, the Bank has continued to promote the paperless meeting system at the Head Office and provincial branches. During the Reporting Period, the Bank held 452 meetings using the system, saved over 2 million pieces of paper, and further reduced the dependence on natural resources in day-to-day operations.



Case: Encouraging Employees to Participate in the “Clean Plate Campaign”

Waste of food runs counter to the idea of protecting resources. BoCom has firmly implemented General Secretary Xi Jinping's important instructions on stopping food waste, and issued the *Initiative of Taking the Lead in Stopping Food Waste and Developing the Habit of Thrift and Pursuing a Diligent and Thrifty Lifestyle*, requiring employees across the Bank to stop food waste. Through ten measures of policy learning, responsibility assignment, publicity and guidance, process management, etc., usage of raw materials at Head Office organizations have decreased steadily. Provincial branches have also achieved remarkable results by strengthening refined management. BoCom's “Clean Plate Campaign” has laid a solid foundation for cultivating the virtues of diligence and thrift among employees, and assisted in creating an atmosphere where wasting food is shameful and thrift is honored for the society.



Further reading: *BoCom Is Taking Actions to Firmly Stop Food Waste*

2020 Data on Green Offices at the Head Office and Business Parks

Indicator	Total	Per Capita (10,765 persons)
Head Office's buildings (parks)	Water use: 276,200 tons Electricity use: 102,395.7 MWh Natural gas use: 1,182,600 m ³	Water use: 25.65 tons per capita Electricity use: 9,511.91 kWh per capita

		Natural gas use: 109.85 m ³ per capita
Head Office greenhouse gas emissions	Direct emissions: 2,554.92 tons of CO ₂ equivalent Indirect emissions: 80,687.79 tons CO ₂ equivalent Total: 83,242.71 tons of CO ₂ equivalent	7.73 tons of CO ₂ e per capita
Head Office energy consumption equivalent to standard coal (parks) (equivalent to standard coal)	31,027 tons	
Head Office paper use	32.62 tons in total	Paper consumption: 0.00303 tons per capita
Video conference	7,340 sessions	

Note:

1. Coefficients used to calculate direct and indirect greenhouse gas emissions are obtained from *Measures of Shanghai for Computation and Reporting of Greenhouse Gas Emissions by Tourist Hotels, Malls, and Real Estate and Financial Office Buildings (Trial)*.
2. The statistical boundary of direct and indirect energy consumption is the same as that of greenhouse gases, adopting the energy statistical conversion method of the National Bureau of Statistics.

2020 Vehicle Use of the Head Office

Vehicle Type	Distance Traveled (kilometer)
Light vehicles (<= 2.5 tons)	543,936

Light vehicles (2.5-3.5 tons)	72,808
Light vehicles (3.5-5.5 tons)	33,730
Medium and heavy vehicles (5.5-15 tons)	30,326

Fuel Type	Consumption (liter)	Per Capita (liter/person) (10,765 persons)
Diesel	6,915	0.6424
Gasoline	81,335	7.5555

2020 Emissions at the Head Office

Type	Emission (ton)
NO _x	0.8131
SO _x	0.0131
PM	0.0908

Note:

1. Coefficients used come from the Environmental Key Performance Indicators Guidelines issued by Hong Kong Exchanges and Clearing Limited (HKEx)

2020 Electronic Waste Discharge from the Head Office (Non-Hazardous Waste)

Types of Electronic Waste	Quantity (piece)	Per Capita (piece/person) (10,765 persons)
Mainframe	24	0.00223
Display	24	0.00223

Laptop	736	0.06837
Printer	2	0.00019

2020 Hazardous Waste Discharge from the Head Office

Type of Waste	Quantity (piece)	Per Capita (piece/person) (10,765 persons)
Printing ink, dye, pigment, paint waste; discarded toner cartridge	400	0.03716
Fluorescent tube	7,375	0.68509
Discarded lead accumulator, nickel-cadmium cell, mercury oxide cell, mercury switch, fluorescent powder and cathode-ray tube	48	0.00446
Waste circuit board	217	0.02016

Note:

1. 10,765 = Headquarters staff in Shanghai (dispatched employees included)

8. Growing Together with Employees

Responding to the Trend of Sustainable Development

Employees are the most valuable assets and the inexhaustible driving force to achieving sustainable development of BoCom. In 2020, guided by the employee development philosophy of “joint creation, common prosperity, sharing, and co-development”, the Bank fully absorbed the opinions of employees, improved their development path, and spared no effort to help them gain growth and happiness in work, creating a better future together.

SDGs



Our Moves

Protect the basic rights and interests of employees; empower career development of employees; and care for the physical and psychological health of employees.

Our Performance

Domestic employee turnover rate: 2.85%

Proportion of female employees in senior management (domestic): 39.00%

8.1 Joint Efforts for Diversity

BoCom’s development is inseparable from the labor and creation of every employee. A diversified, inclusive working environment can give full play to employee creativity and further stimulate the internal vitality of BoCom. In 2020, by building a fair, impartial and diversified career development platform for employees, we grew together with employees on the development path.

8.1.1 Basic Employee Information

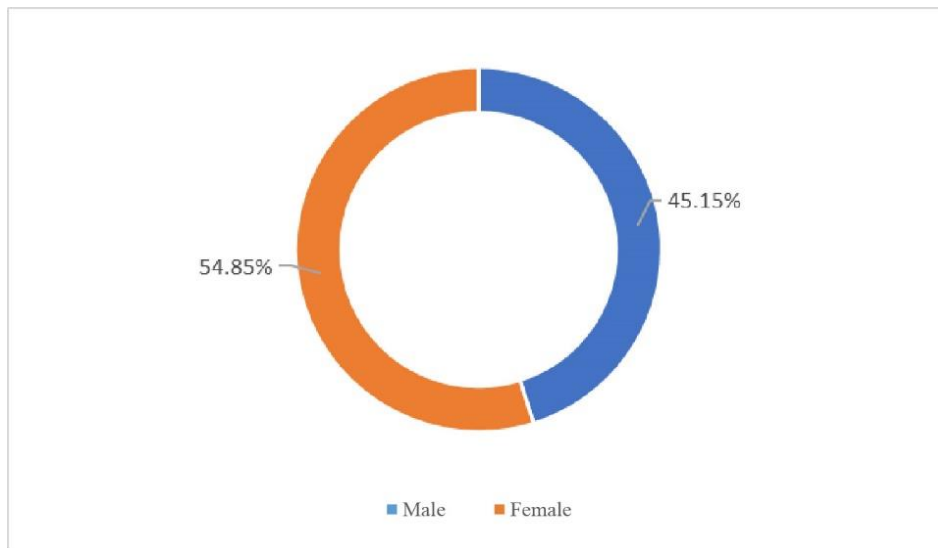
The Bank has strictly followed the relevant national and local laws and regulations such as the *Labor Law of the People’s Republic of China*, and based on the Bank’s regulations such as the *Measures of Bank of Communications for Labor Contract*, the *Measures of Bank of*

Communications for Recruitment of Employees and Management of Internal Transfer, the Measures for Stable Remuneration Management, the Interim Measures of Bank of Communications for Management of Overtime Compensation, the Regulations of Bank of Communications for Employee Leave and Holidays and the Measures for Management of Supplementary Medical Insurance of Domestic Branches, it has implemented strict management in the employee recruitment and promotion, remuneration, dismissal, working hours, holidays and other benefits. The Bank adheres to the principle of equal employment and equal pay for equal work, and prohibits any discrimination, child labor and forced labor from the source.

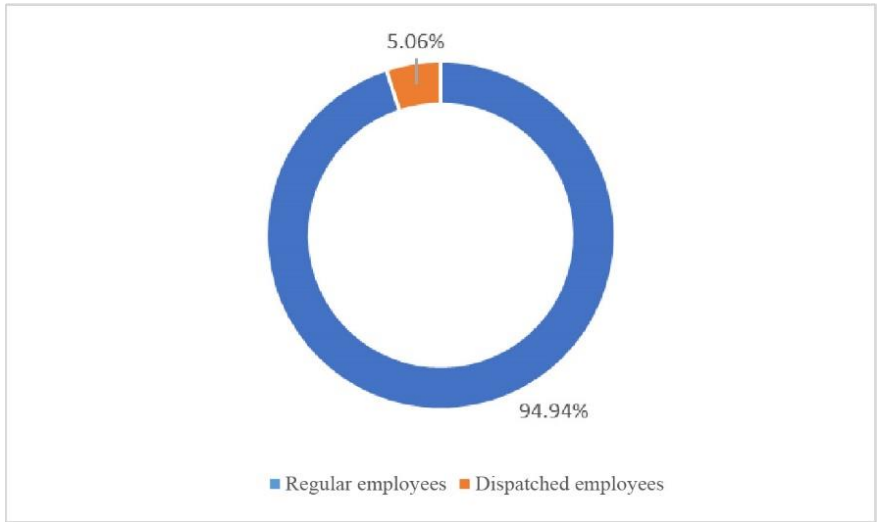
During the Reporting Period, the Bank signed a labor contract with all labor contract employees on duty. While ensuring the social insurance rights and interests of employees, the Bank also established benefits systems including enterprise annuity, supplementary medical insurance, employee checkup and parental leave, relieving social burdens and solving employees concerns.

Key Performance

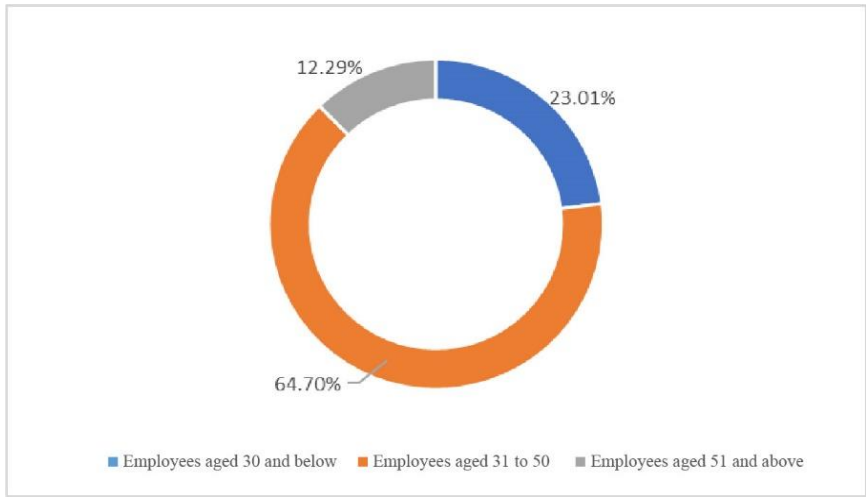
Total number of employees (domestic and overseas): 87,331 employees



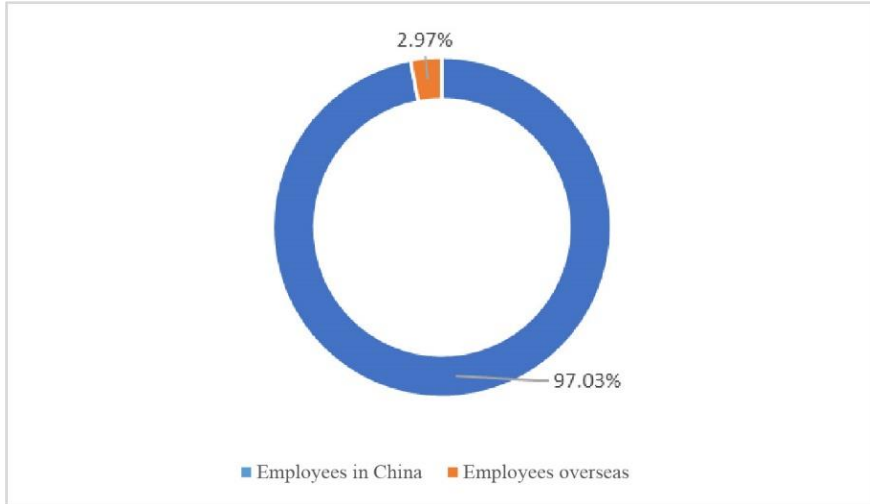
Employees by gender (in China)



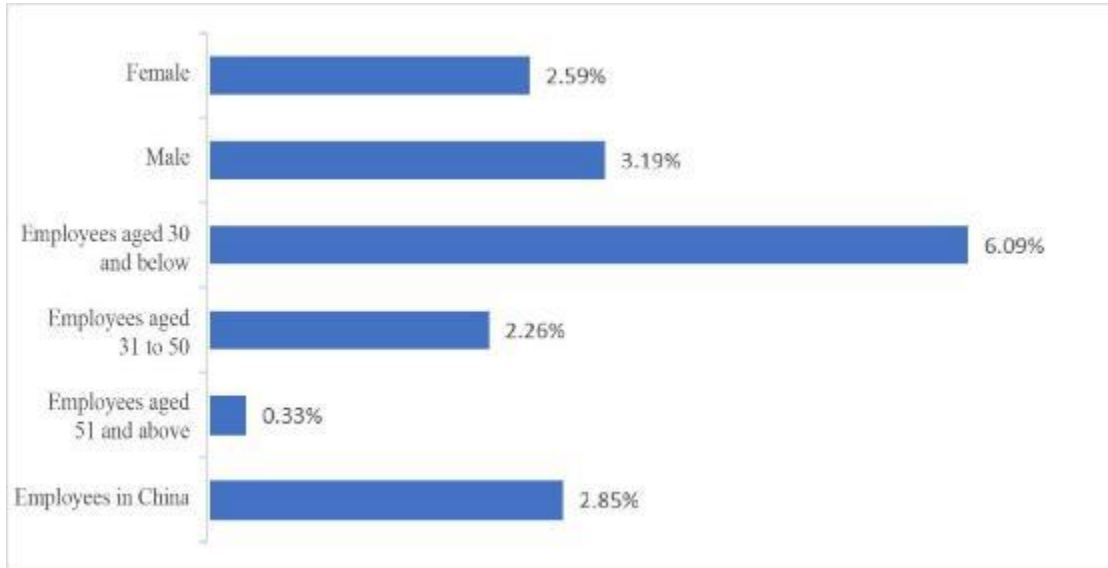
Employees by employment type (in China)



Employees by age (in China)



Employees by region



Employee turnover rate (in China)

Note: Leaving employees aged 30 and below are mostly marketing and operations personnel at business units, such as corporate customer managers, retail customer managers, interbank customer managers and customer service managers.

8.1.2 Strengthening Democratic Management

Workers' unions at all levels of the Bank have made continuous efforts to strengthen democratic management. With the workers' congress at the base, it has continued to improve the democratic

management system at the basic level and facilitated the establishment of harmonious labor relations.

In 2020, BoCom held the 13th and 14th workers' congress, reviewing and approving important regulations such as the *Report on Performance Remuneration of Head Office Officials and Business Expenditure Budget 2020*, the *Implementation Rules of the Enterprise Annuity Plan of Bank of Communications*, and the *Report on Declaration of Special Working Hours*. It effectively protected employees' rights to know, to participate, to review and to supervise, and realized fair dialogue between and shared development of the employer and employees.

In the case of disputes over the rights and interests of employees, the Bank has solved complaints in a lawful and timely manner by following the *Bank of Communications Regulations on Complaints* and the principles of localized management, responsibility by level, and those in charge are held accountable, and combining on site resolution and subsequent education. This has promoted the effective handling of employee complaints, safeguarding their legitimate rights and interests.

Case: Responding to Employee Demands via the “Jiaozi” Platform

The opinions, suggestions and even criticisms of employees should be encouraged and tolerated. To make communication even smoother, absorb more frontline requirements, and achieve non-barrier equal communication, BoCom launched the “Jiaozi” platform in 2020.

Through the platform, basic-level employees can directly talk to and instantly reach Head Office departments, and Head Office departments can interpret and give tutoring on policies. Through constructive interactions such as Q&A, criticism, questioning and explanation, the platform has made departmental management and operation more transparent and efficient, thus improving the Bank's capability in responding to basic-level employees, the market and customers.

8.2 Empowering Career Development

We believe that a sound institutional system is the “cornerstone” and “fixing star” for the sustainable development of officials and talent. During the Reporting Period, the Bank issued 13 plans, opinions, measures and implementation rules on the construction of leading bodies and official teams at directly affiliated institutions, duty performance avoidance and job rotation of officials and employees, as well as management training and education, consolidating the institutional basis for employee training and development.

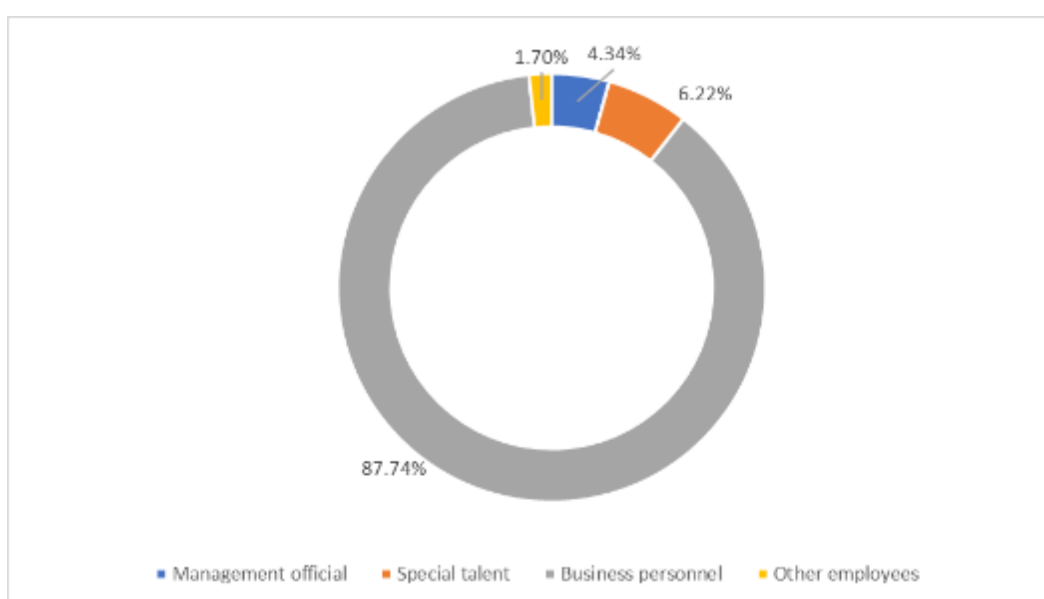
In addition, based on the development appeals of the Bank and employees in a new development stage, and under the context of the pandemic, the Bank has deepened employee training, improved career development channels, enriched training forms, and set up a platform for employees at different levels and positions to grow rapidly, accumulating strength and maintaining stable growth for the Bank as it seeks innovation in its path forward.

8.2.1 Promoting Employee Training

The Bank has focused on promoting the transformation and optimization of the talent team by continuously consolidating the institutional foundation of education and training, establishing a classified training program system by levels, and combining together dedicated talent training programs such as 10,000 Fintech Talents Project, Fintech Management Trainee Program, and Talent Empowerment and Transformation Project. In 2020, the Bank held a total of 9,201 training sessions, covering 1.336 million person-times.

Proportion of trained employees (by employee type)

Trained employee type	Proportion
Management official	100%
Special talent	100%
Business personnel	100%
Other employees	100%



Proportion of training hours of employees (by employee type)

Note:

Management official training mainly refers to the training of D- and C-level management personnel; special talent training mainly refers to the training of officials of comprehensive outlets in rotation, Fintech training, risk credit reform training, etc.; business training mainly refers to training on corporate business, retail business, interbank business and risks; and other training mainly refers to training related to new employees, poverty alleviation personnel, customers, etc.

Highlights of Measures for Talent Team Building

Encouraging position exchanges	Sent officials and employees to take a temporary (permanent) post at a branch or other institution outside the BoCom system, established and piloted the platform for resource sharing and communication of officials at directly affiliated institutions within the region, and encouraged talents to do a solid job, take responsibilities and produce results at the primary level.
Cultivating young officials	Launched the “Hundreds-Thousands-Ten Thousands of Talents Program” to cultivate excellent young officials, expand their horizons, and improve their areas of weakness.
Extending the span of expert positions	Revised the <i>Management Measures for the Appointment of Expert Positions</i> , extended the span of expert positions, and strengthened performance orientation and positive incentives.
Optimizing the management trainee cultivation mechanism	Improved the training and evaluation system that stays close to the basic level and attaches importance to practices, and implemented the promotion and exit mechanism. After the project was launched, over 400 management trainees were recruited, with 129 trainees taking a middle management position or above after training.

Case: 10,000 Fintech Talents Project: Accumulating Strength for Digital Transformation

The challenges of talent team construction brought by digital transformation are unprecedented. Leaders and professional talents of the Bank are thus required to have higher

digitization skills. In this context, the Bank has proposed the idea of building a technology-led force with over 10,000 forward-looking, agile and efficient individuals who can create value. It has also defined the three paths of external talent introduction, internal talent transformation, and incentive & empowerment, and advanced the 10,000 Fintech Talents Project.

During the Reporting Period, the Bank gradually mobilized employees across the Bank to apply Fintech in improving the quality and efficiency of operations, as well as the ability to serve customers. It established training, cultivation and certification systems targeting various Fintech talents, and held a total of 15 online training sessions on Fintech, training over 14,000 people. The examination and certification for the first group of in-house Fintech trainee were launched, and around 17,000 officials and employees across the Bank actively signed up.

Case: “e-Campus”: Improving Accessibility to Training Resources

Affected by the COVID-19 pandemic, traditional offline trainings faced challenges. To ensure normal, orderly launch of training work and expand the coverage of training resources, the Bank has actively changed its training method by speeding up the integration and development of online education resources, promoting deep integration of online and offline training, and adopting mixed training methods including face-to-face teaching, online training, video training and online-offline combined training.

During the Reporting Period, the Bank held 2,590 training sessions online, covering over 900,000 person-times; 2,052 mixed training sessions, covering about 166,000 person-times; 333 video training sessions, covering about 93,800 person-times; and 4,226 face-to-face training sessions, covering over 170,000 person-times.



The employer image of BoCom was fully recognized by the market, winning a number of prestigious awards in the industry, including “Top Graduate Employer of China” “Employer

Key Performance

During the Reporting Period, the Bank actively participated in Shanghai’s talent programs. 4 employees of the Bank were nominated as top leading talent and 7 were nominated as young talent, a record high.

8.2.2 Improving Development Paths

The Bank has focused on establishing a new position system with clear position rank definitions, explicit development rules and adequate incentives and constraints. It has enhanced positive compensation incentives, and worked to provide a broad development platform for employees to realize their dreams and show their value, building a community with a shared future with employees.

Establishing Employee Development Platforms

Reforming the Employee Promotion System	Optimizing the Salary Incentive Mechanism
<ul style="list-style-type: none"> • Systematically examined the current position system, studied and optimized the rank spans of positions at all levels, and improved the official and employee career development path integrating position promotion, rank promotion and profile promotion. • Defined the horizontal transfer channel for officials and experts, and strengthened negative constraint mechanisms linked with evaluation results, such as demotion, downgrading and position adjustment. • Carried out the pilot project of optimization of the position system at six 	<ul style="list-style-type: none"> • Closely linked the remuneration incentives of senior executives with the Bank’s medium- and long-term performance risk, giving play to the guiding role of remuneration in corporate governance and risk control. • Refined the tenure incentives of D-level officials, and strengthened the close connection between salary incentives and performance. • Refined the deferred merit pay payment system, covering all officials at secondary business units. • Explored unified pricing of fund and

provincial branches and the Head Office, and evaluated and summed up the results during the Reporting Period.	insurance products on consignment across the Bank to improve the transparency and timeliness of incentive.
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8.3 Building a Happy Home

A healthy and happy working environment is the foundation for employees to establish a sense of belonging to their employer. BoCom has always placed the occupational health and safety of employees in a prominent position, striving to create a harmonious and pleasant working atmosphere to enhance a sense of gain and happiness among employees.

8.3.1 Ensuring Occupational Health

Ensuring occupational health and safety is a prerequisite to maintaining efficient operation. BoCom has constantly improved its health guarantee system to ensure that all employees are working in a healthy state, both physically and mentally.

Employee Health Protection Measures

<ul style="list-style-type: none"> Formulated rules and regulations such as the <i>Measures of Bank of Communications for Management of Building Model Employees' (Small) Home (Interim)</i> and the <i>Measures of Bank of Communications for Management of the Mutual Help Association</i>, and improved employee health protection measures to provide a safe working environment for employees. Held various activities such as health lectures, medical examination report interpretations, health guidance services, and online micro-class expert Q&A. Provided customized physical examination packages for female employees to ensure the physical and psychological health of female employees. Allocated special funds to purchase anti-pandemic materials such as face masks, sanitizers, ethyl alcohol, etc. to protect the health of employees.

Work-Related Injury at the Head Office

Indicator	2020	2019	2018
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Job-related deaths	0	1	0
Job-related death rate (%)	0	0.012	0
Lost days due to work injury (day)	40.5	——	——

Note: Data covers the Head Office department (except card center).

Guided by the healthy ideas of being “positive, healthy, free and happy”, BoCom has continuously developed innovative cultural and sports activities to enrich the spare time of employees, striving to create a relaxed and healthy working atmosphere.



BoCom Hunan Branch hosted the “2020 Forge Ahead with One Heart” Healthy Running Event



BoCom Guangdong Branch organized the “Celebrate the Year of the Mouse and Embark on a New Journey” Spring Festival Garden Party

8.3.2 Care and Aid for Employees

Guided by the principle of “strengthening service awareness, integrating service resources, improving service mode, and promoting welfare policies”, BoCom has thoroughly practiced the

idea of “little, practical and specific things”, starting with things like distributing anti-pandemic materials and organizing health lectures. The Bank has worked to solve the actual problems that employees found to be the most pressing and urgent, thereby improving their senses of gain, happiness and security.

Key Performance

During the Reporting Period, the Bank granted RMB8.682 million to 2,498 employees with serious illnesses and difficulties, as well as poverty alleviation officials stationed in villages.

During the pandemic, the Bank granted RMB9.4445 million to employees diagnosed with COVID-19 and their families, families with medical workers, employee families unable to attend to their children due to the pandemic, etc.

Up to 71,900 employees voluntarily joined the Mutual Help Association, raising a total of RMB6.3827 million, of which RMB5.2236 million was granted to 478 employees in need.

9. Building a Happy Community Together

Responding to the Trend of Sustainable Development

Enterprises are both beneficiaries of and contributors to harmonious communities. Under the charity brand and philosophy of “uniting for love and lighting a better future”, the Bank has actively integrated into community construction to build a warm, harmonious and happy home.

SDGs



Our Moves

Build a charity brand; encourage employees to participate in volunteer activities

Our Performance

Charitable donations made: RMB110.9675 million; launched 295 public-welfare projects; and delivered 715,884 hours of volunteer services

9.1 Building a Charity Brand

The “BLUE” charity brand is gradually built by the Bank in the process of fulfilling its corporate social responsibilities and devoting itself to public welfare. Upholding the brand’s core ideas of “Bless, Love, Unite and Energy”, the Bank has continued to refine the *Measures of Bank of Communications for Management of External Donations*. It has actively carried out public welfare activities focused on targeted poverty alleviation, special education, services for the elderly, care for vulnerable groups, etc. to send warmth and blessings to those in need, give back to society, and help build a fairer, more harmonious inclusive community culture.

BoCom Focuses on Public Service Fields and Deepens the Connotation of “BLUE”

<p>Poverty alleviation</p>	<div data-bbox="480 264 1299 555" data-label="Image"> </div> <p>Since 2002, BoCom has been assigned to help Tianzhu County in Gansu Province to get rid of poverty. Since 2016, it has taken the responsibility to help the Litang County in Sichuan Province and Hunyuan County in Shanxi Province. For years, to improve the production and living conditions in poor areas and increase the income of poor households, BoCom has focused on the “two assurances and three guarantees”, actively leveraged its financial strengths, and continuously intensified its poverty alleviation efforts.</p> <p>Key Performance: By December 2020, BoCom’s donations for poverty alleviation reached RMB44.4145 million.</p>
<p>Student aid and support for special education</p>	<div data-bbox="689 1182 1091 1424" data-label="Image"> </div> <p>During the Reporting Period, BoCom, together with the China Disabled Persons’ Federation and the Ministry of Education, jointly held the award ceremony for the “2020 BoCom Special Education Teachers’ Award”, raising social awareness of education for the disabled and building a positive environment for those who need special education, so that they can go to school as normal students.</p> <p>Key Performance: Since it started to support special education in 2007, BoCom has donated RMB108 million to benefit over 37,300 students with</p>

	<p>disabilities and 126 special education schools.</p>
<p>Care for the elderly</p>	<div data-bbox="660 293 1118 551" data-label="Image"> </div> <p>To help the country actively respond to aging process, respond to the demands of the elderly, and improve the living experience for elders, BoCom, in cooperation with HSBC, has provided support to the renovation project aimed to create a more suitable environment for the elderly at the Dianji area in Shanghai Jiangchuan Road Neighborhood. This is a national demonstration project for the elderly, helping to form a good social atmosphere that respects and helps the elderly.</p> <p>Key Performance: In 2016, BoCom and HSBC jointly launched the “BoCom • HSBC Shanghai Elderly Happiness Action Plan”. The two parties contributed a total of RMB12 million to support 228 projects in 120 communities, and held 2,186 activities in 11 neighborhoods with a serious aging problem, benefitting over 140,000 elderly community residents.</p>
<p>Care for children</p>	<div data-bbox="550 1395 1230 1615" data-label="Image"> </div> <p>Autism is listed as the No. 1 children’s mental disorder by the World Health Organization (WHO). In China, there is one autistic patient in every 100 people. During the Reporting Period, BoCom held the “Love Creates a Colorful Tomorrow” BLUE Charity Auction of Paintings from Children of the Stars of Shanghai, and called on public welfare groups from all walks of life to extend</p>

	care for children with autism, thereby building Shanghai, where the Bank is headquartered, into an equal, inclusive and caring livable metropolis.
	<p style="text-align: center;">Key Performance: The auction adopted the way of on-site and online synchronous auction, successfully auctioned 11 paintings of autistic children, and raised a total of about RMB60,000 for charity, and all the proceeds were used for the cause of caring for autistic children.</p>

9.2 Giving Back to Communities

BoCom is highly dedicated to social well-being. While achieving business development, the Bank has continued to share its development achievements with the society, delivered care, and promoted social harmony by making donations, providing volunteer service, etc.

Key Performance

BoCom provided 715,884 hours of volunteer services, and BoCom volunteers delivered services for about 178,971 person-times.

Case: BoCom Jiangsu Branch Delivering Warmth to Hearing-impaired Children through the “Hear the World” Public Welfare Activity

The chirps of water and the croak of frogs are music to the ears of newborns. However, some were born into a silent world. They cannot hear the calls of their loved ones, learn the language, or communicate with others. To them, sound is a “wall” that separates them from happiness and a beautiful future.

Invested a total over RMB1.7 million in three years, BoCom Jiangsu Branch partnered with stakeholders to help 20 eligible hearing-impaired children implant an artificial cochlea, among whom the youngest one is only two and a half years old, while the oldest one is thirteen. Growing together with these children as the “charity ambassador”, BoCom Jiangsu Branch aspired employees to undertake social responsibilities and help those in need.



The “Hear the World” Public Welfare Activity Sponsored by BoCom Jiangsu Branch

Case: BoCom Xiamen Branch Building a “Charity Library” to Send Love

Books are the stepping stones to human progress, and reading is a window to the world. BoCom Xiamen Branch and Sina Little Dolphin Charity Library launched the “Hello Blue, Pass the Torch of Knowledge” public welfare activity to build a “charity library” for Quanzhou Nan’an Manshanhong Elementary School. The library, built to provide children with quality books and periodicals, lights the torch of knowledge for a better future. BoCom Xiamen Branch had set up a “charity library” in Fujian for two years in a row.



The “Hello Blue, Pass the Torch of Knowledge” public welfare activity held by BoCom Xiamen Branch



Since 2012, upholding the philosophy of “integrating into Macao and serving Macao”, BoCom Macao Branch has held the BoCom Cup Children’s Painting Competition every year, striving to provide a stage for children in Guangdong, Hong Kong and Macao to paint their dreams with a brush

Outlook for 2021

2021 is the first year of the 14th Five-year Plan period. Facing this new journey, BoCom will continue to follow Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, and thoroughly implement the guiding principles of central meetings. We will give play to our advantages of being headquartered in Shanghai, as well as our strengths in inclusive finance to promote high-quality development, actively building ourselves into a world-class bank with featured wealth management and global competitiveness.

Speeding up intelligent transformation and serving the real economy. BoCom will adhere to bottom line thinking and refine the risk prevention and control mechanism to guard against risks. We will comprehensively elevate our capability in serving the real economy, focus on developing technological finance, inclusive finance, trade finance and wealth finance with BoCom features, accelerate coordination and innovation in the Yangtze River Delta, and promote high-quality economic development. We will strengthen opportunity awareness, implement the new development philosophy, deeply integrate into the new development pattern, and accelerate digital transformation. Using technological innovation to empower business development, and following a customer-centered philosophy with the support of data, we will strive to achieve integrated services combining product design, platform connection, and customer support.

Pursuing low carbon development to protect the ecological environment. BoCom will thoroughly carry out the requirements of building an ecological conservation system specified in the 14th Five-year Plan, helping the economy and society to achieve comprehensive green transformation. By constantly perfecting green credit regulations and classified management, we will continue to increase support for green economy, low-carbon economy and circular economy, and strengthen the tracking and management of customers' environmental and social risks. While advancing green finance, we will continuously refine our environmental management system, practice green operations, and improve office energy efficiency. We will actively promote the idea of environmental protection among stakeholders, including employees and customers, to strengthen the capability in addressing and adapting to climate change, thereby helping to build a low carbon society.

Devoting ourselves to public welfare to build a happy home together. We will continue to uphold the development philosophy of "joint creation, common prosperity, sharing, and co-development". Starting with "little, practical and specific things", we will focus on addressing the

actual problems that employees find to be the most pressing and urgent, and improve their career development paths. We will continuously consolidate achievements in poverty alleviation, ensure that the objectives, channels and intensity of efforts in poverty alleviation work remain unchanged, and achieve effective transition from poverty alleviation to rural revitalization. On the basis of normalized pandemic prevention and control, we will devote ourselves to public welfare activities, expand the influence of the “BLUE” charity brand, and give full play to the brand effect to call on employees and the social public to support public welfare undertakings.

New development is expected in a new era. Standing at the starting point of the 14th Five-year Plan, we will continue to pursue the vision of “innovative, coordinated, green, open and shared development”. We will seize opportunities presented by the digital economy, leverage the advantages of our Shanghai headquarters, and build the BoCom inclusive finance flagship. Additionally, we will listen and respond to the expectations and appeals of stakeholders, continue to improve the quality and efficiency of financial services for sustainable development, and work with our investors, customers, employees, communities and other stakeholders to create common value for a beautiful future.

Independent Statement of Assurance



普华永道

2021/SH-0183
(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”）2020年度社会责任报告中选定的2020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

本报告或以下选定的2020年度交行社会责任报告关键数据（即2020年度交行社会责任报告第6-7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2020年度关键数据，企业社会责任报告中所披露的其他信息、2019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2020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96-97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2020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国际会计师职业道德守则（包括国际独立性标准）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质量控制体系，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2020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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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2020年度企业社会责任报告中选定的2020年度关键数据是否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2020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。

固有局限

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2020年度企业社会责任报告中选定的2020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)
中国上海市
2021年3月26日

Notes to Key Performance

1. “8 controlled non-bank subsidiaries” refers to eight non-bank subsidiaries, i.e. 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, plus BoCom Wealth Management Co., Ltd. The figures on profits from controlled subsidiaries indicate profits attributable to the parent company.
2. “Branches outside the Chinese Mainland” refers to the 23 overseas branches/subsidiaries and representative offices established in 18 countries and regions, including Hong Kong Branch/Bank of Communications (Hong Kong) Co., Ltd.; branches in New York, Tokyo, Singapore, Seoul, Frankfurt, Macao, Ho Chi Minh City, San Francisco, Sydney, Taipei, London, Bank of Communications (Luxembourg) Limited/Luxembourg Branch, Brisbane, Bank of Communications (Luxembourg) S.A. Paris Branch, Bank of Communications (Luxembourg) S.A. Rome Branch, Bank of Communications (Brazil) Co., Ltd., Melbourne, Prague, Johannesburg and the Toronto Representative Office.
3. “Central and western China” refers to the 17 provinces, autonomous regions and municipalities of 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 outstanding low-income housing loans were collected in accordance with the requirements laid down in the *Circular of CBRC General Administration Department on*

Submitting Statistics on Low-income Housing Loans.

7. The data on outstanding 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. The data on bank-wide number of major innovation projects refer to the number of those have been implemented and reported to the Fintech and Product Innovation Committee as prescribed by the *Management Measures for Major Innovation Projects of BoCom* and other relevant regulations.
9. The data on 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.
10. “Number of outlets in the Chinese mainland” refers to the number of all licensed outlets of BoCom in the Chinese mainland.
11. “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.
12. “Share of loans to heavily polluting, energy-intensive, and overcapacity industries” refers to the ratio of outstanding loans to eight industries (steel, coal, cement, plate glass, coal chemical/coking, polysilicon, electrolysis and shipping) to the total loans granted by domestic branches.
13. “Outstanding loans in support of energy conservation and emissions reduction” refers to Cat-I green loans not yet paid off and which are used to promote a low carbon economy, environmental protection, and utilization of integrated resources.
14. “E-banking business share” refers to the ratio of the volume of transactions conducted via e-channels to those conducted via electronic and non-electronic channels combined, and covers only domestic branches. Overseas branches and subsidiaries are excluded.
15. “Head Office” refers to the five office buildings in the Lujiazui (BoCom Financial Towers), Zhangjiang (excluding Phase III), Hongqiao (Jinming Building), Gaoke and Caohejing of

Shanghai. “Head Office carbon emissions” includes direct and indirect emissions produced by the Head Office. “Head Office energy consumption equivalent to standard coal” refers to the standard coal equivalent of natural gas consumption and electricity consumption.

16. The data on bank-wide video conferences refer to the number of meetings held using television and telephone to transmit sound and images in real time between users in two or more locations.
17. The data center PUE is the ratio of total facility power to total IT equipment power at the Bank’s Data Center.
18. SCVPS is based on the relevant requirements of the Shanghai Stock Exchange’s *Circular on Promoting the Social Responsibility of Listed Companies and Publishing Environmental Information Disclosure Guidelines for Companies Listed on the Shanghai Stock Exchange* issued on May 14, 2008, and taking into account the characteristics of the banking industry, and the calculation method is as follows: $SCVPS = \text{earnings per share} + (\text{taxes} + \text{staff cost} + \text{interest expense} + \text{total public welfare investment}) / \text{total share capital at the end of the period}$.
19. “Employees (domestic and overseas)” refers to the total number of regular employees and dispatched employees at its Chinese and overseas branches and subsidiaries of the Bank. “Female middle and senior management” means the number of female employees at the ninth level or above in mainland branches. “Ethnic minorities” refers to the total number of employees from ethnic minorities in all mainland branches, with both regular and dispatched employees included.
20. “Charitable donations made” refers to the donations made in the name of BoCom to public programs for pandemic control and poverty alleviation in accordance with the *BoCom’s Measures for Managing Donations to Other Organizations*.
21. “Customer satisfaction with return visits” refers to the percentage of customers who feel satisfied with how their complaints are handled as found in callbacks to the total complaints received throughout the year.

ESG Index

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

Environmental				
Aspect	Index number	Index content	Section	Exposure
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.	Green Operations	Disclosed
	A1.1	The types of emissions and respective emissions data.	Green Operations	Disclosed
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Green Operations	Disclosed
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Green Operations	Disclosed
	A1.4	Total non-hazardous waste produced (in tonnes) and,	Green Operations	Disclosed

		where appropriate, intensity (e.g. per unit of production volume, per facility).		
	A1.5	Description of emission target(s) set and steps taken to achieve them.	Green Operations	Targets to be disclosed in future
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Green Operations	Targets to be disclosed in future
Aspect A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Green Operations	Disclosed
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Green Operations	Disclosed
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Green Operations	Disclosed
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve	Green Operations	Targets to be disclosed

		them.		in future
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Green Operations	Targets to be disclosed in future
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable	
Aspect A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Facilitating Green Development	Disclosed
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Facilitating Green Development	Disclosed
Aspect A4: Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Addressing Climate Change	Disclosed
	A4.1	Description of the significant climate-related issues which have	Plan to be disclosed in the future	

		impacted, and those which may impact, the issuer, and the actions taken to manage them.		
Social				
Aspect	Index number	Index content	Section	Exposure
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.	Joint Efforts for Diversity	Disclosed
	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Joint Efforts for Diversity	Disclosed
	B1.2	Employee turnover rate by gender, age group and geographical region.	Joint Efforts for Diversity	Disclosed
Aspect B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and	Building a Happy Home	Disclosed

		regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.		
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Building a Happy Home	Disclosed
	B2.2	Lost days due to work injury.	Building a Happy Home	Disclosed
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Building a Happy Home	Disclosed
Aspect B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Empowering Career Development	Disclosed
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Empowering Career Development	Partially disclosed
	B3.2	The average training hours completed per employee	Plan to be disclosed in the future	

		by gender and employee category.		
Aspect B4: Labour 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 labour.	Joint Efforts for Diversity	Disclosed
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Joint Efforts for Diversity	Disclosed
	B4.2	Description of steps taken to eliminate such practices when discovered.	No child or forced labour	
Aspect B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Green Operations	Disclosed
	B5.1	Number of suppliers by geographical region.	Green Operations	Disclosed
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Green Operations	Disclosed

	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Green Operations	Partially disclosed
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Green Operations	Disclosed
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, labelling and privacy matters relating to products and services provided and methods of redress.	Improving Financial Services	Disclosed
	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.	Improving Financial Services	Disclosed
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	About BoCom	Disclosed
	B6.4	Description of quality assurance process and recall procedures.	Not applicable	
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Improving Financial Services	Disclosed
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.	About BoCom	Disclosed
	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.	About BoCom	Disclosed

	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	About BoCom	Disclosed
	B7.3	Description of anti-corruption training provided to directors and staff.	About BoCom	Disclosed
Aspect B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Upholding its Mission in the Fight Against Poverty Building a Charity Brand	Disclosed
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Building a Charity Brand	Disclosed
	B8.2	Resources contributed (e.g. money or time) to the focus area.	Upholding its Mission in the Fight Against Poverty Building a Happy Community Together	Disclosed

GRI Index

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

Disclosure Items		Section	Exposure
1. Organizational profile	Disclosure 102-1 Name of the organization	About BoCom	Disclosed
	Disclosure 102-2 Activities, brands, products, and services	About BoCom	Disclosed
	Disclosure 102-3 Location of headquarters	About BoCom	Disclosed
	Disclosure 102-4 Location of operations	About BoCom	Disclosed
	Disclosure 102-5 Ownership and legal form	About BoCom	Disclosed
	Disclosure 102-6 Markets served	About BoCom	Disclosed
	Disclosure 102-7 Scale of the organization	About BoCom	Disclosed
	Disclosure 102-8 Information on employees and other workers	Joint Efforts for Diversity	Disclosed
	Disclosure 102-9 Supply chain	Green Operations	Disclosed
	Disclosure 102-10 Significant	About BoCom Green Operations	Disclosed

	changes to the organization and its supply chain		
	Disclosure 102-11 Precautionary Principle or approach	About BoCom	Disclosed
	Disclosure 102-12 External initiatives	CSR Management	Disclosed
2. Strategy	Disclosure 102-14 Statement from senior decision-maker	Message from Senior Management	Disclosed
	Disclosure 102-15 Key impacts, risks, and opportunities	Message from Senior Management About BoCom	Disclosed
3. Ethics and integrity	Disclosure 102-16 Values, principles, standards, and norms of behavior	CSR Management	Disclosed
	Disclosure 102-17 Mechanisms for advice and concerns about ethics	CSR Management	Disclosed
4. Governance	Disclosure 102-18 Governance structure	About BoCom	Disclosed
	Disclosure 102-19 Delegating authority	About BoCom	Disclosed
	Disclosure 102-20	CSR Management	Disclosed

	Executive-level responsibility for economic, environmental, and social topics		
	Disclosure 102-21 Consulting stakeholders on economic, environmental, and social topics	CSR Management	Disclosed
	Disclosure 102-22 Composition of the highest governance body and its committees	About BoCom	Disclosed
	Disclosure 102-23 Chair of the highest governance body	Message from Senior Management About BoCom	Disclosed
	Disclosure 102-26 Role of highest governance body in setting purpose, values, and strategy	About BoCom CSR Management	Disclosed
	Disclosure 102-27 Collective knowledge of highest governance body	About BoCom	Disclosed
	Disclosure 102-29 Identifying and	CSR Management	Disclosed

	managing economic, environmental, and social impacts		
	Disclosure 102-30 Effectiveness of risk management processes	About BoCom	Disclosed
	Disclosure 102-31 Review of economic, environmental, and social topics	CSR Management	Disclosed
	Disclosure 102-32 Highest governance body's role in sustainability reporting	CSR Management	Disclosed
	Disclosure 102-33 Communicating critical concerns	CSR Management	Disclosed
	Disclosure 102-34 Nature and total number of critical concerns	CSR Management	Disclosed
5. Stakeholder engagement	Disclosure 102-40 List of stakeholder groups	CSR Management	Disclosed
	Disclosure 102-41 Collective bargaining agreements	Joint Efforts for Diversity	Disclosed

	Disclosure 102-42 Identifying and selecting stakeholders	CSR Management	Disclosed
	Disclosure 102-43 Approach to stakeholder engagement	CSR Management	Disclosed
	Disclosure 102-44 Key topics and concerns raised	CSR Management	Disclosed
6. Reporting practice	Disclosure 102-45 Entities included in the consolidated financial statements	About This Report	Disclosed
	Disclosure 102-46 Defining report content and topic Boundaries	CSR Management	Disclosed
	Disclosure 102-47 List of material topics	CSR Management	Disclosed
	Disclosure 102-48 Restatements of information	About This Report	Disclosed
	Disclosure 102-49 Changes in reporting	About This Report	Disclosed
	Disclosure 102-50 Reporting Period	About This Report	Disclosed
	Disclosure 102-51 Date of most	About This Report	Disclosed

		recent report		
		Disclosure 102-52 Reporting cycle	About This Report	Disclosed
		Disclosure 102-53 Contact point for questions regarding the report	About This Report	Disclosed
		Disclosure 102-54 Claims of reporting in accordance with the GRI Standards	GRI Index	Disclosed
		Disclosure 102-55 GRI content index	GRI Index	Disclosed
		Disclosure 102-56 External assurance	Independent Statement of Assurance	Disclosed
GRI 201: Economic Performance	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Driving Economic Development by Adapting to Changes of the Times Accelerating the Development of Inclusive Finance in the Tide of Digital Transformation	Disclosed
	Topic-specific disclosures	Disclosure 201-1 Direct economic value generated and distributed	About BoCom Driving Economic Development by Adapting to Changes of the Times Accelerating the Development of	Disclosed

			Inclusive Finance in the Tide of Digital Transformation	
		Disclosure 201-2 Financial implications and other risks and opportunities due to climate change	Addressing Climate Change	Disclosed
		Disclosure 201-3 Defined benefit plan obligations and other retirement plans	Joint Efforts for Diversity	Disclosed
GRI 202: Market Presence	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Growing Together with Employees	Disclosed
GRI 203: Indirect Economic Impacts	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Driving Economic Development by Adapting to Changes of the Times Accelerating the Development of Inclusive Finance in the Tide of Digital Transformation	Disclosed

	Topic-specific disclosures	Disclosure 203-1 Infrastructure investments and services supported	Driving Economic Development by Adapting to Changes of the Times	Disclosed
		Disclosure 203-2 Significant indirect economic impacts	Driving Economic Development by Adapting to Changes of the Times Accelerating the Development of Inclusive Finance in the Tide of Digital Transformation	Disclosed
GRI 204: Procurement Practices	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Green Operations	Disclosed
GRI 205: Anti-corruption	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	About BoCom	Disclosed
	Topic-specific	Disclosure 205-1 Operations	About BoCom	Disclosed

	disclosures	assessed for risks related to corruption		
		Disclosure 205-2 Communication and training about anti-corruption policies and procedures	About BoCom	Disclosed
		Disclosure 205-3 Confirmed incidents of corruption and actions taken	About BoCom	Disclosed
GRI 206: Anti-competitive Behavior	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	About BoCom	Disclosed
GRI 302: Energy	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Facilitating Green Development	Disclosed
	Topic-	Disclosure 302-1	Green Operations	Disclosed

	specific disclosures	Energy consumption within the organization		
		Disclosure 302-2 Energy consumption outside of the organization	Green Operations	Disclosed
		Disclosure 302-3 Energy intensity	Green Operations	Disclosed
		Disclosure 302-4 Reduction of energy consumption	Green Operations	Disclosed
		Disclosure 302-5 Reductions in energy requirements of products and services	Green Operations	Disclosed
GRI 305: Emissions	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Green Operations	Disclosed
	Topic-specific disclosures	Disclosure 305-1 Direct (Scope 1) GHG emissions	Green Operations	Disclosed

		Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	Green Operations	Disclosed
		Disclosure 305-4 GHG emissions intensity	Green Operations	Disclosed
		Disclosure 305-5 Reduction of GHG emissions	Green Services	Disclosed
		Disclosure 305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Green Operations	Disclosed
GRI 306: Effluents and Waste	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Green Operations	Disclosed
	Topic- specific disclosures	Disclosure 306-2 Waste by type and disposal method	Green Operations	Disclosed
GRI 307: Environmental Compliance	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its	Green Operations	Disclosed

		components; Evaluation of the management approach		
GRI 308: Supplier Environmental Assessment	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Green Operations	Disclosed
	Topic-specific disclosures	Disclosure 308-1 New suppliers that were screened using environmental criteria	Green Operations	Disclosed
GRI 401: Employment	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Growing Together with Employees	Disclosed
	Topic-specific disclosures	Disclosure 401-1 New employee hires and employee turnover	Joint Efforts for Diversity	Disclosed
		Disclosure 401-2	Joint Efforts for	Disclosed

		Benefits provided to full-time employees that are not provided to temporary or part-time employees	Diversity	
GRI 402: Labor/Management Relations	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Joint Efforts for Diversity	Disclosed
GRI 403: Occupational Health and Safety	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Building a Happy Home	Disclosed
	Topic-specific disclosures	Disclosure 403-3 Occupational health services	Building a Happy Home	Disclosed
		Disclosure 403-5 Worker training on occupational health and safety	Building a Happy Home	Disclosed
		Disclosure 403-6 Promotion of	Building a Happy Home	Disclosed

		worker health		
		Disclosure 403-9 Work-related injuries	Building a Happy Home	Disclosed
		Disclosure 403-10 Work-related ill health	Building a Happy Home	Disclosed
GRI 404: Training and Education	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Empowering Career Development	Disclosed
	Topic- specific disclosures	Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs	Empowering Career Development	Disclosed
GRI 405: Diversity and Equal Opportunity	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Joint Efforts for Diversity	Disclosed
	Topic-	Disclosure 405-1	Joint Efforts for	Disclosed

	specific disclosures	Diversity of governance bodies and employees	Diversity	
GRI 406: Non-discrimination	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Joint Efforts for Diversity	Disclosed
	Topic-specific disclosures	Disclosure 406-1 Incidents of discrimination and corrective actions taken	Joint Efforts for Diversity	Disclosed
GRI 407: Freedom of Association and Collective Bargaining	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Joint Efforts for Diversity	Disclosed
GRI 408: Child Labor	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the	Joint Efforts for Diversity	Disclosed

		management approach		
GRI 409: Forced or Compulsory Labor	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Joint Efforts for Diversity	Disclosed
GRI 410: Security Practices	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Improving Financial Services	Disclosed
GRI 411: Rights of Indigenous Peoples	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Joint Efforts for Diversity	Disclosed
GRI 412: Human Rights Assessment	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management	Joint Efforts for Diversity	Disclosed

		approach and its components; Evaluation of the management approach		
GRI 413: Local Communities	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Upholding its Mission in the Fight Against Poverty Building a Happy Community Together	Disclosed
	Topic-specific disclosures	Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs	Upholding its Mission in the Fight Against Poverty Building a Happy Community Together	Disclosed
		Disclosure 413-2 Operations with significant actual and potential negative impacts on local communities	Upholding its Mission in the Fight Against Poverty Building a Happy Community Together	Disclosed
GRI 414: Supplier Social Assessment	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management	Green Operations	Disclosed

		<p>approach and its components;</p> <p>Evaluation of the management approach</p>		
	Topic-specific disclosures	<p>Disclosure 414-1</p> <p>New suppliers that were screened using social criteria</p>	Green Operations	Disclosed
GRI 415: Public Policy	GRI 103: Management Approach	<p>Explanation of the material topic and its Boundary;</p> <p>The management approach and its components;</p> <p>Evaluation of the management approach</p>	Upholding its Mission in the Fight Against Poverty	Disclosed
GRI 416: Customer Health and Safety	GRI 103: Management Approach	<p>Explanation of the material topic and its Boundary;</p> <p>The management approach and its components;</p> <p>Evaluation of the management approach</p>	Improving Financial Services	Disclosed
GRI 417: Marketing and Labeling	GRI 103: Management Approach	<p>Explanation of the material topic and its Boundary;</p> <p>The management approach and its</p>	Improving Financial Services	Disclosed

		components; Evaluation of the management approach		
	Topic-specific disclosures	Disclosure 417-1 Requirements for product and service information and labeling	Improving Financial Services	Disclosed
GRI 418: Customer Privacy	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	Improving Financial Services	Disclosed
GRI 419: Socioeconomic Compliance	GRI 103: Management Approach	Explanation of the material topic and its Boundary; The management approach and its components; Evaluation of the management approach	About BoCom	Disclosed

Feedback Form

Dear Sir/Madam,

Thank you for reading BoCom CSR Report 2020. 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. What's your overall assessment of BoCom's social responsibility?

- Very good
- Good
- Fair
- Poor
- Very poor

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

- Very good
- Good
- Fair
- Poor
- Very poor

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

- Very good
- Good

-
- Fair
 - Poor
 - Very poor

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

- Very good
- Good
- Fair
- Poor
- Very poor

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

- Very good
- Good
- Fair
- Poor
- Very poor

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

- Very good
- Good
- Fair
- Poor

Very poor

7. What's your assessment of BoCom's performance in terms of responsibility to its employees?

Very good

Good

Fair

Poor

Very poor

8. What's your assessment of BoCom's 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 BoCom's social responsibility work and this report:

