

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



中國銀行股份有限公司
BANK OF CHINA LIMITED

(a joint stock company incorporated in the People's Republic of China with limited liability)
(the "Bank")
(Stock Code: 3988 and 4619 (Preference Shares))

ANNOUNCEMENT
Corporate Social Responsibility Report of
Bank of China Limited for 2020

In accordance with the Chinese mainland and Hong Kong regulatory requirements, the meeting of the Board of Directors of the Bank held on 30 March 2021 considered and approved the *Corporate Social Responsibility Report of Bank of China Limited for 2020*. Set out below is a complete version of the report.

The Board of Directors of
Bank of China Limited

Beijing, PRC
30 March 2021

As at the date of this announcement, the directors of the Bank are: Liu Liange, Wang Wei, Lin Jingzhen, Zhao Jie, Xiao Lihong*, Wang Xiaoya*, Zhang Jiangang*, Chen Jianbo*, Wang Changyun#, Angela Chao#, Jiang Guohua#, Martin Cheung Kong Liao#, Chen Chunhua# and Chui Sai Peng Jose#.*

* *Non-executive Directors*

Independent Non-executive Directors

**Corporate Social Responsibility Report of
Bank of China Limited for 2020**

March 2021

Preface

In 2020, a year unseen before, Bank of China upheld its missions as a large state-owned financial enterprise and leveraged its advantages of globalisation and integration to contribute to the people's well-being and serve the social development.

Confronted with the overwhelming COVID-19, Bank of China waited no moment to develop pandemic containment plan to ensure the safety and health of employees and the smooth provision of financial services. We purchased pandemic prevention supplies around the globe to continuously contribute to the fight against COVID-19, and took several measures to meet the funding needs for the pandemic prevention in an effort to support the work and production resumption of enterprises. During the critical year of winning the fight against poverty, Bank of China kept playing the roles of finance, market and platform, providing financial support to the poverty alleviation industries. We stepped up efforts to undergird targeted poverty alleviation, helping four poverty-stricken counties in Xianyang of Shaanxi Province and 1,034 impoverished villages nationwide shake off poverty.

Bank of China integrated the environmental, social and governance (ESG) concept into all aspects of business operation and management, continued to improve the management structure of social responsibility, and unremittingly deepened responsibility. We took solid step to ensure stability on six key fronts and security in six key areas while improving the quality and efficiency of finance serving the real economy. We created excellent services through technology, in a bid to provide customers with high-quality and handy financial service. We deepened transformation and innovation and drove value creation, bringing more values and benefits to our shareholders. We promoted green finance and addressed climate change, providing financial momentum for green development. We upheld the people-oriented idea, attached importance to talent cultivation and devoted to realizing growth of both the Bank and the employees.

Looking forward to the future, Bank of China will take on the mission of "Bridge China and the World for the Common Good". Centering on the vision of "Build a First-Class Global Banking Group", Bank of China will speed up the formation of a strategic development pattern where domestic commercial banking serves as the main body flanked by the two wings of globalised and integrated operations, and create more value for the nation, customers, shareholders, employees, environment and society.

Contents

Preface	2
Message from the Chairman.....	5
About Bank of China	7
Awards and Honours	8
Strategy and Management	10
[Social Responsibility Focus].....	14
Feature: Responsibility and professionalism against COVID-19 pandemic.....	14
Service continuity, business continuity	14
Full-heartedly supporting key areas	18
Financing to fight against the pandemic and secure resumption of production ..	22
Witness: Act of Responsibility.....	27
Feature: Persistence & dedication to win the fight against poverty	32
Strengthening financial poverty alleviation to realise the goal of	
all-round poverty alleviation	32
Increasing targeted poverty alleviation to ensure eradication of poverty.....	35
Witness: Act of Responsibility.....	40
[Social Responsibility Practice]	43
1 Implementing National Strategies and Serving the Real Economy.....	43
Feature: Fulfilling responsibilities to ensure stability on	
six key fronts and security in six key areas.....	43
1.1 Financial force serving “dual circulation”	49
1.2 Integrating resources to boost “new infrastructure”	63
1.3 Activating the “new driving force” for industrial development	66
1.4 Supporting remediation of shortcomings in the fields of	
people’s livelihood	68
2 Providing Excellent Services Empowered by Technology	70
Feature: Opening up and sharing, creating ecological services of scenarios....	70
2.1 High-quality service within reach.....	79
2.2 Technology boosts inclusive finance	81
2.3 Promoting intelligent transformation of outlets	83
2.4 Sincerely safeguarding customers’ rights and interests	87
3 Driving Value Creation by Deepening Transformation and Innovation	96
Feature: Seeking innovation and change to push forward with	
the all-around reform at a faster pace	96
3.1 Adhering to the leadership of Party building	102
3.2 Optimising corporate governance.....	103
3.3 Reinforcing risk control	108
3.4 Guaranteeing operational compliance.....	111
4 Promoting Green Finance and Coping with Climate Change	113
Feature: Green bonds, promoting low-carbon transformation and development.	113
4.1 Promoting the green finance strategy	115
4.2 Improving the allocation of green assets	118
4.3 Making every effort to reduce environmental footprint	120

Contents

5	Being Committed to the Public Welfare Undertaking and Jointly Building a Beautiful Home	127
	Feature: Developing new model for mutual aid elderly care.	127
5.1	Jointly building a financial philanthropy ecosystem	129
5.2	Participating in volunteer activities with employees	136
5.3	Participating in disaster emergency relief.	138
5.4	Spreading financial knowledge.	142
6	Securing Future Development Through Talent Cultivation	147
	Feature: BOC University, starting a new chapter for staff growth	147
6.1	Empowering talents and guiding staff growth	152
6.2	Respecting talents and ensuring health and safety	156
6.3	Caring about talents and creating a harmonious work environment jointly.	158
	[Social Responsibility Performance]	162
	Corporate Governance	162
	Economic Performance	168
	Environmental Performance	171
	Social Performance	173
	Outlook.	179
	About the Report	181
	Index.	182
	Assurance Report	191
	Readers' feedback	195

Message from the Chairman

The year 2020 was an extraordinary year. Facing the sudden outbreak of COVID-19 and the challenges against the backdrop of complex environments both at home and abroad, Bank of China remained fully committed to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, showed profound love for our country, and forged ahead with the spirit of solidarity. We were dedicated to COVID-19 prevention and control, and provided assistance in winning the fight against poverty. We ensured stability on six key fronts and maintained security in six key areas, and leveraged the role of finance to foster new prospects for development, so as to promote financial integration, unimpeded trade and people-to-people bonds between China and the world, improve people's wellbeing, and drive social progress.

We rose to the challenges in COVID-19 containment. After the outbreak of COVID-19, we immediately took measures for bank-wide pandemic prevention and control. We strictly implemented the local governments' requirements for pandemic containment, and developed relevant emergency plans to ensure uninterrupted operations of our business and vigorously support the fight against the virus. In 2020, we granted RMB21.2 billion of preferential loans to 834 national key enterprises involved in pandemic prevention and control, and RMB11.693 billion to 485 local key enterprises involved in pandemic prevention and control. We set up a special corporate credit programme of RMB200 billion, and granted a special credit line of RMB50 billion to Hubei. The repayment of more than RMB140 billion of loan principal was temporarily deferred through extension, loan renewal and other means, involving more than 23,000 micro, small and medium-sized enterprises. Our domestic and overseas institutions contributed to the fight against the pandemic by ways of donating goods and funds, mobilising supplies, or joining volunteer programmes to help build a strong line of defense against the virus. We accumulatively provided more than 10 million pieces of anti-pandemic materials to 57 countries and regions at home and abroad.

We provided support to secure a decisive victory in poverty alleviation. We took solid steps to combat poverty. By providing credit sources and financial support, boosting the consumption of rural products and organising training, the Head Office fully lifted four poverty-stricken counties of Xianyang City, Shaanxi Province, out of poverty, and BOC institutions at all levels provided assistance for 1,034 targeted poor villages across China. As of the end of 2020, we helped all the impoverished people in the targeted areas get rid of poverty as scheduled. We strengthened poverty alleviation support through financial services, and provided diversified fund sources to promote the development of poverty-stricken areas. As of the end of 2020, the balance of poverty alleviation loans stood at RMB148.491 billion, an increase of 26.61% year on year. In 2020, we assigned a total of 1,184 employees to serve as poverty alleviation officials in poverty-stricken villages, and input or introduced a total of RMB243 million of gratuitous anti-poverty funds to targeted poor areas, helping these areas to expand industrial projects and carry out livelihood programmes. Relying on the "Bank of China Philanthropy" platform, we boosted the consumption of rural products, purchased a total of RMB110 million of agricultural products from poverty-stricken areas and assisted them in selling RMB135 million of such products.

We served the development of real economy. We implemented the decisions and plans of the CPC Central Committee and the State Council to ensure stability on six key fronts and maintain security in six key areas, put into practice the policy of differentiated credits and took well-focused measures to proactively integrate our development into China’s overall development. As of the end of 2020, the balance of loans for inclusive finance under the target of “two no-less-than and two control” amounted to RMB611.662 billion, an increase of RMB198.714 billion from the end of the prior year. We set up a credit programme of RMB100 billion for supporting private enterprises. We made RMB51 billion worth of credit growth plan for the manufacturing industry. We issued 13 measures to ensure stable foreign trade, and introduced dedicated service plans to ensure stable foreign trade and foreign funds in over 30 provinces and cities throughout China to strengthen our financial services for foreign trade enterprises. We have provided comprehensive services to the CIIE for three consecutive years, and organised online and offline trade and investment matchmaking conferences to meet domestic and overseas enterprises’ needs to communicate with each other. We deeply advanced the building of four major strategic eco-scenarios: cross-border activities, education, sports and silver economy, continued to make our services accessible to the primary level, improved customers’ financial service experience and intensified efforts to provide more convenient and beneficial financial services.

We made innovations and raised the quality of development in an all-around manner. We proactively adapted to the new demands and new changes in the economy and society. Centering on the new development concepts of “innovation, coordination, green development, opening up and sharing”, we continued to deepen reform and improve systems and mechanisms to optimise the governance system and enhance governance capacity. We continued with technological innovation and accelerated digital transformation to provide better experience for customers and improve our comprehensive competitiveness. We stepped up the building of a comprehensive risk management system, strengthened risk control capability, further refined risk management and improved the professional standards. We fully implemented green financial plans, made innovations in green financial products and services, and built a multi-tiered and three-dimensional green financial business system to provide vigorous support for green and eco-friendly industries. Leveraging Zhongyi Shanyuan, BOC Charity Foundation and other platforms, we built a “public welfare + internet + finance” ecosystem to promote the development of public welfare.

The year 2021 is the inaugural year of China’s 14th Five-Year Plan, and also a crucial year for China to embark on the journey toward the second centenary goal of fully building a modern socialist country. Bank of China will resolutely implement the decisions and plans of the CPC Central Committee and the State Council, remain committed to the underlying principle of making progress while keeping performance stable, and set on a new journey of building a first-class global banking group from all aspects. We will strengthen our responsibilities and promote high-quality development, create values for stakeholders, shoulder social responsibilities and make greater contributions to the economic and social development and environmental protection.

Liu Liange, Chairman of Bank of China

About Bank of China

Bank of China is the Bank with the longest continuous operation among Chinese banks. The Bank was formally established in February 1912 following the approval of Dr. Sun Yat-sen. From 1912 to 1949, the Bank served consecutively as the country's central bank, international exchange bank and specialised international trade bank. Fulfilling its commitment to serving the public and developing China's financial services sector, the Bank rose to a leading position in the Chinese financial industry and developed a good standing in the international financial community, despite many hardships and setbacks. After 1949, drawing on its long history as the state-designated specialised foreign exchange and trade bank, the Bank became responsible for managing China's foreign exchange operations and provided vital support to the nation's foreign trade development and economic infrastructure through its offering of international trade settlement, overseas fund transfer and other non-trade foreign exchange services. During China's reform and opening up period, the Bank seized the historic opportunity presented by the government's strategy of capitalising on foreign funds and advanced technologies to boost economic development, and became the country's key foreign financing channel by building up its competitive advantages in foreign exchange business. In 1994, the Bank was transformed into a wholly state-owned commercial bank. In August 2004, Bank of China Limited was incorporated. The Bank was listed on The Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange in June and July 2006 respectively, becoming the first Chinese commercial bank to launch an A-Share and H-Share initial public offering and achieve a dual listing in both markets. Having served the Beijing 2008 Olympic Games, the Bank became the official banking partner of the Beijing 2022 Winter Olympic and Paralympic Winter Games in 2017, thus making it the only bank in China to serve two Olympic Games. In 2020, Bank of China was again designated as a Global Systemically Important Bank, thus becoming the sole financial institution from an emerging economy to be designated as a Global Systemically Important Bank for ten consecutive years.

BOC is the most globalised and integrated bank in China. As of the end of 2020, it had a well-established global service network with institutions set up across the Chinese mainland as well as in 61 countries and regions. It has established an integrated service platform based on the pillars of its corporate banking, personal banking, financial markets and other commercial banking business, which covers investment banking, direct investment, securities, insurance, funds, leasing, asset management, financial technology and other areas, thus providing its customers with a comprehensive range of financial services. In addition, BOCHK and the Macau Branch serve as local note-issuing banks in their respective markets.

Bank of China has upheld the spirit of "pursuing excellence" throughout its history of over one century. With adoration of the nation in its soul, integrity as its backbone, reform and innovation as its path forward and "people first" as its guiding principle, the Bank has built up an excellent brand image that is widely recognised within the industry and by its customers. Standing at a point where the timeframes of the two centenary goals converge, the Bank will unswervingly continue to follow Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, assume the responsibility of a large state-owned bank, and forge ahead on a new journey towards the goal of fully building a modern socialist country.

Awards and Honours

Comprehensive Awards/Honours	
Award/Honour	Presented/Ranked by
Global Systemically Important Bank	Financial Stability Board (FSB)
Ranked 4th in Top 1,000 World Banks	The Banker
Ranked 4th in Top 500 Global Banking Brands	
Ranked 43rd in Global 500 (2020)	<i>FORTUNE</i>
Ranked 10th in Global 2000	<i>Forbes</i>
Best Transaction Bank for Trade Finance	Asiamoney
Best Transaction Bank of the Year 2020	
Best Artificial Intelligence Application in China	The Asian Banker
2020 Cross-border Wealth Management Service in China	
First Prize for Technological Development of Banks	PBOC
Best Comprehensive Market-making Institution	China Foreign Exchange Trade System
Best Digitalised Bank	<i>CBN</i>
Highest rating of “A” for information disclosure	Shanghai Stock Exchange
Ranked 12th in China’s 500 Most Valuable Brands	World Brand Lab
Ranked 2nd in the Hurun List of Brands with Most Historical and Cultural Heritage in 2020	Hurun Research Institute

CSR Awards/Honours	
Award/Honour	Presented/Ranked by
Award of Best Socially Responsible Manager	China Banking Association
Award for Achievements in Supporting the Three Critical Battles	
Award for Achievements in Pursuing Belt and Road Initiative	
Top 100 Village Banks with Integrated Service Capabilities, Top 10 Village Banks in Targeted Poverty Alleviation	
Most Socially Responsible Outlet with Special Contributions in China's Banking Industry	
Top 100 Employers in the Opinion of Chinese University Students for 2020	ChinaHR.com
Honourable Medal of Silver Lotus Flower (SLM)	Macao SAR Government
Top Donors and Benefactors of the Year Award	The Community Chest
2020 Bank with Best Inclusive Finance Services	Financial News
Asiamoney China Green Finance Awards 2020	Asiamoney
Best Bank with Responsible Investment	Sina
Solar Deal of the Year 2020 — Middle East and Africa	Project Finance International (PFI)
Special Contribution Award for Market Stabiliser during the Pandemic in 2020	Shanghai Gold Exchange (SGE)
Award for Best Anti-Covid-19 Bond	The Asset
Friend of the Arts Award	National Arts Council (Singapore)

Strategy and Management

Corporate Culture Concept System

Our Mission

Bridge China and the World for the Common Good	Inheriting the fine tradition of serving the people, we will leverage our characteristic advantages in globalised services, and respond to the calling of the Chinese Dream of national rejuvenation. Through financial services, we will help build a new development paradigm featuring a “dual circulation”, and boost financing connectivity, smooth trade and mutual understanding between China and the rest of the world. Moreover, we will dedicate ourselves to people’s well-being, facilitate social progress and make contributions to the building of a community with a shared future for mankind.
---	--

Our Vision

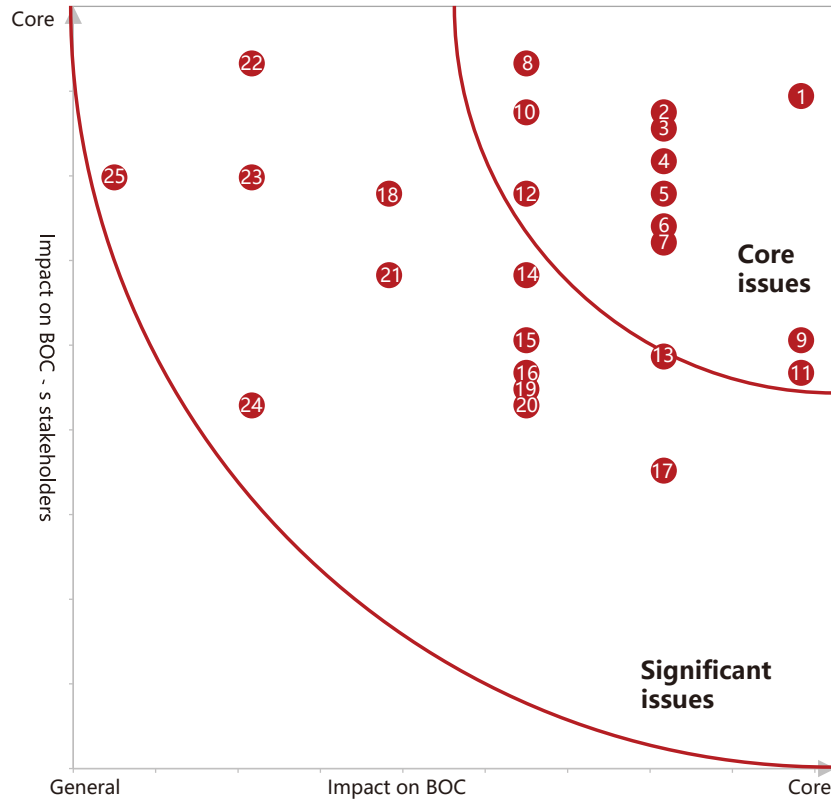
Build a First-Class Global Banking Group	We aim to build a banking group with better integrated services, stronger global competitiveness, better governance capabilities, more efficient operation, better risk control, greater brand impact and more energetic employees.
---	---

Our Values

Provide Excellent Service	With in-depth insights into customer demands, agile response to market changes and efficient coordination, the Head Office serves branches, the back line serves the front line and the Bank serves its customers as we believe that sincere attitude and excellent services will help us win more customers.
Innovate with Prudence	Holding fast to the philosophy of prudent operation, the principle of encouraging exploration and innovation and the orientation for value creation, we keep creating values for the country, customers, shareholders, the Bank and its employees.
Uphold Openness and Inclusiveness	We always seek for openness, cooperation and inclusiveness, learn widely from the strengths of others and take the initiative to integrate into society and people’s livelihood, the new development paradigm and community with a shared future for mankind.
Collaborate for Mutual Growth	We adhere to the principle of joint development, creation and sharing, and boost cooperation inside and outside the Bank at all levels to create a community of shared cause. In this way, we aim to unify the values of the Bank and its customers and employees and achieve joint growth and flourishing.

Materiality analysis

Based on the trends in the industry, the corporate development strategy and the requirements for sustained development, we determined, through streamlining, 25 social responsibility issues with the greatest impact on the Bank and its stakeholders, and invited CSR experts and employee representatives to assess the impact of these issues on the Bank and its stakeholders. By doing so, we obtained two-dimensional assessment results of these issues, and built a substantive analysis matrix on top of the results, which have been reviewed by the Board of Directors of the Bank along with the report.



Core issues	1. Human capital development	7. Globalised layout and development
	2. Response to COVID-19	8. Deepen digital transformation
	3. Compliance and internal control management	9. Optimise corporate governance
	4. Support coordinated regional development	10. Create new products and services
	5. Promote inclusive finance	11. Consumer protection
	6. Comprehensive risk management	12. Improve customer experience
Significant issues	13. Develop green finance	20. Contribute to poverty alleviation
	14. Support development of people's livelihood	21. Provide cross-border financial services
	15. Support public welfare undertakings	22. Employee rights and welfare
	16. Popularise financial knowledge	23. Support innovative industries
	17. Tackle climate change	24. Implement green operation
	18. Stakeholder engagement	25. Build ecosystem of scenarios
	19. Advocate for volunteer service	

Stakeholder Engagement

Stakeholders	Expectation	Communication channel
Country	<ul style="list-style-type: none"> • Support the real economy • Deepen transformation and reform • Facilitate the Belt and Road Initiative • Participate in poverty alleviation • Promote inclusive finance • Strengthen risk control 	<ul style="list-style-type: none"> • Routine communication and reporting • Project approval and supervision • Major project cooperation
Customers	<ul style="list-style-type: none"> • Provide new products and services • Protect consumer rights and interests • Improve customer experience • Serve enterprises in cross-border business • Facilitate innovation and entrepreneurship 	<ul style="list-style-type: none"> • Daily communication on services • Customer satisfactory survey • Customer complaint handling • 95566 call centre • Web portal, WeChat official account, microblog etc.
Shareholders	<ul style="list-style-type: none"> • Constantly create value • Operate with honesty and prudence • Strengthen risk control • Improve cooperate governance • Lead industrial development 	<ul style="list-style-type: none"> • Regular reports and ad hoc reports • Shareholders' Meeting • Investor survey • Business result presentation
Environment	<ul style="list-style-type: none"> • Develop green finance • Improve credit structure • Practice green operation 	<ul style="list-style-type: none"> • Project environmental risk assessment • Environmental performance collection and disclosure • Green public welfare activity
Communities	<ul style="list-style-type: none"> • Improve people's wellbeing • Support public welfare undertakings • Popularise financial knowledge 	<ul style="list-style-type: none"> • Charitable activity • Field study • Community exchange activity • Media exchange
Employees	<ul style="list-style-type: none"> • Help with personal development of staff • Strengthen staff training • Improve staff wellbeing • Secure staff's rights and interests 	<ul style="list-style-type: none"> • Awards ceremony • Regular training • Corporate culture activity • Web portal, WeChat official account, microblog etc.

[Social Responsibility Focus]

Feature: Responsibility and professionalism against COVID-19 pandemic

The COVID-19 pandemic has been the world’s gravest infectious disease in the past century. It is a major public health emergency featuring the fastest transmission, the widest spread and the largest difficulty in prevention and control since the founding of People’s Republic of China (PRC). Confronting the menacing situation, the CPC Central Committee and the State Council insisted that the people and life be paramount, when a fight against the COVID-19 pandemic was quickly in progress, containing the spread in just a few months. Significant strategic results were achieved. More acts were taken for pandemic control and economic and social development in a coordinated manner, making China the first major economy recovering growth since the coronavirus outbreak.

BOC firmly implemented the major policies and plans of the CPC Central Committee and the State Council. Keenly aware of how important and pressing of containing the COVID-19 pandemic, we moved so quickly in organising an emergency team and developed emergency prevention and control plans for the pandemic. The life, health and safety of employees and their families have always been our top priority. A scientific, flexible function mechanism was adopted, with a set of policies and protective measures of caring for employees taken. On the basis of effective staff protection, customer needs were timely responded and our financial services uninterrupted; green channels were open supporting emergency funds of related departments, as well as enterprises offering pandemic prevention and control supplies; work and production were resumed; with strengths of globalisation and integration, domestic and overseas institutions joined hands donating for affected areas, purchasing and delivering pandemic control supplies across the globe. We made full-round efforts to this big fight against the COVID-19 pandemic and continued to make contributions by fulfilling responsibilities as a state-owned bank of China.

Service continuity, business continuity

BOC set up an emergency function mechanism and perfected its business continuity emergency scheme. Over containing the COVID-19 pandemic, domestic and overseas businesses have been stably operated, guaranteeing financial services for pandemic prevention and control, as well as for the financial needs of customers and the public.

<p>People-oriented business</p> <p>Best care for our employees with a strong shield against COVID-19 pandemic</p>	<ul style="list-style-type: none">• We put the life safety and health of employees and customers first, with an integrated scheme for pandemic control, employee health protection, flexible office work, etc. We continued to offer protective supplies to our employees and timely expressed our sympathy for those diagnosed with infection, suspected of infection and quarantined for observation, giving them the best care we can.• Confronting the global pandemic spread, we timely coordinated the dispatch of supplies to help overseas employees and their families through the “one-to-one” support mechanism between domestic and overseas branches.
--	---

<p style="text-align: center;">Business outlets</p> <p>Safe operation under unremitting efforts against COVID-19 pandemic</p>	<ul style="list-style-type: none"> • We promptly developed and issued such documents as the <i>Points on COVID-19 Prevention and Control of Business Outlets</i>, <i>Notice on COVID-19 Prevention and Control of Business Outlets under Jurisdiction</i>, <i>Tips on COVID-19 Prevention and Control of Business Outlets</i>, and <i>Notice on Strengthening Business Outlets Services in the Period of Resumption of Work and Production</i>. We took swift action to build a fully safe protection network with systematised and institutionalised management of business hours and protection of premises and employees, and customer services and complaint of business outlets under each jurisdiction. Under guidance, our branches increased the allocation of pandemic supplies at business outlets, specified disinfection points for business premises and facilities and equipment, plus necessary protection and quarantine measures, and had less aggregation events at business outlets for the life, health and safety of customers, employees and relevant personnel. • Our branches strictly assumed their responsibilities for management, with close monitoring of daily businesses for timely transmission of information. They properly addressed the gathering at peak hours and emergencies of all kinds, and watched on both services and pandemic control for efficient and smooth services throughout during emergency periods. For COVID-19 control, overseas branches were organised to set up emergency function teams, make emergency schemes based on their own conditions, take effective measures and well handle emergencies.
<p style="text-align: center;">Online services</p> <p>Online business to reduce exposure and contacts</p>	<ul style="list-style-type: none"> • One-stop financial service was rolled out for Yangtze River Delta enterprises to open accounts, through which enterprises opened accounts remotely via mobile intelligent counters. The corporate online banking and the integrated service platform iGTB for transaction banking have been promoted as online service channels. • Businesses including BOC Bill E-discount, online supply chain financing, online settlement and sale of foreign exchange, online documents, and online letter of guarantee have been promoted to save legwork for customers, largely reducing the risk of pandemic spread. • Our technological strength and online services have been strengthened to guide customers to operate their business through corporate online banking and mobile banking channels, with functions such as Quick Donation, Real-Time Pandemic Dynamics and COVID-19 Prevention Guide launched on corporate mobile banking. As of the end of 2020, the number of corporate online banking customers reached 5,435,100, up 17.74% over the same period of 2019; corporate online banking transactions amounted to RMB232.17 trillion, up 13.62% over the same period of 2019.

<p style="text-align: center;">Headquarters operations</p> <p>Post rotation and business transfer to unblock our service system</p>	<ul style="list-style-type: none"> • Our online office and mobile office systems have been improved for business continuity through telecommuting and post rotation. • For pandemic-stricken areas where business development was seriously affected, relevant businesses were transferred timely to the Head Office and other branches.
--	--

To be the financial guardian of Jinyintan Hospital

Jinyintan Hospital was among the first designated hospitals in Wuhan to admit confirmed COVID-19 patients, and it was also the place where this hard pandemic fight first began. As the basic account opening bank and the capital agency sponsor bank of the hospital, our Wuhan Jiangnan Sub-branch in Hubei Province quickly set up the Financial Services Emergency Response Team of Jinyintan Hospital for any pressing business needs of the hospital. From January 23 to March 10, against the pandemic situation, our employees of Jiangnan Sub-branch handled a total of 18,436 transactions for the hospital in a timely manner, including central emergency fund allocation for pandemic control, donation accounting, payroll, pandemic subsidies, etc., with a total amount of RMB304 million, to ensure the smooth flow of financial services throughout the period. On February 13, 2020, Jinyintan Hospital sent a special thank-you letter to Jiangnan Sub-branch, extending its recognition of our employees' dedication and professionalism with "together we stand, my armors thine" from an ancient Chinese poem.



中国银行武汉江汉支行：
新型冠状病毒感染肺炎疫情发生以来，贵行积极响应省行党委的号召，克服种种困难，积极支持保障了我院各项财务工作正常顺利开展，彰显了中国银行的百年底蕴和责任担当。在此，对贵行的专业素养和大力支持表示感谢！
希望在今后的工作中，与子同袍，与子偕作，与子偕行！



Bank of China Wuhan Jiangnan Sub-branch:

Since the COVID-19 pandemic outbreak, your branch responded to the call of the provincial party committee and actively supported the normal and smooth development of the financial work of our hospital through all the difficulties, which demonstrated the century-old details and responsibilities of Bank of China. Your professionalism and support have been highly appreciated!

It is hoped that we may share and join hands in our future work, just as the ancient Chinese poem goes:

"Let's share the plate for breast. Your job is mine. We'll march your hand in mine".

Wuhan Jinyintan Hospital

Seal: Jinyintan Hospital of Wuhan City

February 13, 2020

*Note: Jinyintan Hospital Financial Services Emergency Response Team
fully guarantees the hospital's financial services*

Full-heartedly supporting key areas

Confronting the sudden COVID-19 pandemic, medical supplies including masks, protective clothing and respirators were extremely short. BOC paid close attention to the pandemic dynamics at home and abroad. It started the emergency donation mechanism immediately and called for domestic and overseas branches and all employees to actively purchase, allocate and deliver pandemic prevention and living supplies of all kinds supporting severely-affected areas, and spared no efforts for those in need.

Supporting Hubei Province

Hubei was the first and most seriously affected region in the COVID-19 pandemic, and once touched the hearts of the whole nation. BOC integrated its full strengths and collaborated with employees, customers and other stakeholders to contain the pandemic situation in Hubei.

Head Office, branches and subsidiaries	<ul style="list-style-type: none">• On January 26, an emergency donation of RMB30 million was made to Hubei.• A quick call to overseas branches to purchase pandemic supplies was made. 32 overseas institutions purchased millions of masks, protective clothing, goggles, gloves, etc., most of which were for containing the pandemic spread of Hubei. The recipients included about 60 medical institutions, two charitable organisations and two universities.• 36 branches in collaboration with BOC Insurance and BOC-SAMSUNG LIFE launched the “BOC Guardian Angel of Security” campaign that offered insurance to a total of 143,100 medical and disease control personnel from 924 medical institutions, of which nearly 21,600 were those supporting Hubei.• BOCI donated 800 boxes (12 tons) of apples to medical workers of four hospitals, namely, Renmin Hospital of Wuhan University, Wuhan Jinyintan Hospital, General Hospital of the Yangtze River Shipping and The Eighth Hospital of Wuhan.• At the beginning of 2020, BOCGI launched a joint action initiative with 17 logistics companies to build a logistics information sharing platform for integrating logistics resources. It started the logistics fight against the COVID-19 pandemic and guaranteed the logistics and transportation in the special period.• BOCIM urgently donated RMB2 million to Xiaogan Charity Federation for pandemic prevention and control, and organised its employees to raise anti-pandemic funds and donate RMB226,500 to Hongan County Charity Federation in Hubei Province.
--	--

<p>Employees, customers and the public</p>	<ul style="list-style-type: none"> • Relying on the BOC Charity platform, charitable organisations raised funds and the public donated for pandemic control. As of the end of 2020, the platform had released a total of 15 related projects against the COVID-19 pandemic, raising over RMB19 million, with a total of 151,400 donations. • A fund-raising campaign of “Support Hubei Against COVID-19” was initiated online. Along with China Charity Federation, our employees were called to donate, with a total of RMB18.02 million raised from 135,445 donations. • BOC and China Siyuan Foundation for Poverty Alleviation jointly launched the donation campaign of “Raising Supplies Against COVID-19” as a charitable donation channel for BOC mobile banking customers. A total of 9,655 donations were made, with RMB830,700 raised and 5,000 sets of protective clothing and 56 monitors donated for Hubei Province and other areas where emergency supplies and equipment were in short supply.
--	---

<ul style="list-style-type: none"> • Global action to help against COVID-19 pandemic <p>Medical supplies are the lifeline of taking the hard fight against the COVID-19 pandemic. Since its outbreak, BOC’s overseas branches have been concerned with the motherland. Despite all the difficulties, they donated funds and supplies and raced against the clock purchasing supplies in shortage to support Hubei and other key areas.</p> <ul style="list-style-type: none"> • Tokyo Branch successfully purchased 25,000 medical surgical masks, 3,500 sets of medical protective clothing and 2,000 pairs of medical goggles over the difficulty of out-of-stock medical supplies in the local market, and worked out an express scheme that immediately transported medical supplies to domestic pandemic-containing frontlines such as Wuhan and Beijing, and was commended by the Chinese Embassy in Japan and the Chinese Enterprises Association in Japan. • BOC (New Zealand) Limited, in collaboration with the China Chamber of Commerce in New Zealand, called on its members and overseas Chinese to donate money and supplies for the motherland. It successively purchased and mailed four batches of 57,700 medical supplies to frontline hospitals in Wuhan, registering a total expenditure of NZD82,147.13, or approximately RMB366,000. • Even with all employees being quarantined, Dubai Branch searched the entire territory of the United Arab Emirates for medical supplies of COVID-19 protection standards, and finally raised and purchased 100,000 pairs of medical gloves.

- Singapore Branch purchased emergency supplies worth USD126,000, including 525,000 pairs of protective gloves, 2,660 pairs of goggles and 1,000 sets of protective clothing, and donated them to Hubei Charity Federation and General Hospital of the Yangtze River Shipping, and SGD12,000 to Renmin Hospital of Wuhan University. Also, its employees were mobilised to donate to the China Charity Federation, with a total of about RMB120,000 raised.
- Luxembourg Branch sought medical suppliers and logistics carriers and donated 30,000 FFP2 medical masks to Zhejiang Red Cross Society on February 8, and donated 3,360 FFP3 medical masks to BOC Charity Foundation on February 9.
- New York Branch first purchased 11,520 N95 masks and other medical supplies to send to China. Subsequently, it donated more than 70,000 N95 masks, protective clothing, goggles and other medical supplies in need. In the United States, New York Branch also fulfilled its social responsibility with a donation of 130,000 medical masks, gloves, etc. to frontline workers in hospitals, and funds to relevant charitable organisations and non-governmental organisations to alleviate the plight of the poor and small business owners.
- BOCHK organised its Southeast Asian branches to purchase nearly HKD1 million worth of medical supplies to support the fight against the COVID-19 pandemic in the Chinese mainland, and donated a total of nearly HKD350,000 to it. Meanwhile, it took the lead in donating funds for COVID-19 containment in Hong Kong, with total donation of HKD15 million, including HKD13 million donated to the Community Chest of Hong Kong and HKD1 million to Tung Wah Group of Hospitals and Po Leung Kuk each. It has benefited about 90,000 frontline medical workers and about 70,000 elderly persons and other vulnerable groups.



Supporting overseas regions

Since mid-March 2020, facing the favourable situation in China and the accelerated COVID-19 spread abroad, BOC timely arranged overseas branches to assess local shortage and demand of medical supplies. With the recovery of domestic productivity, BOC mobilised domestic branches to purchase medical supplies and donated them to needy countries and regions through its overseas institutions, thus fulfilling the concept of a community of shared future for mankind.

Global action to COVID-19 pandemic governance

- London Branch donated 65 tons (nearly 4,000 boxes) of charitable supplies to the Lord Mayor's Appeal, including 20 invasive respirators, 722,000 disposable medical masks, 100,000 N95 masks, 19,000 sets of medical protective clothing, 19,000 goggles and one million pairs of medical latex gloves.
- Lisbon Branch donated a total of 216,000 medical supplies to the Portuguese government, including professional medical masks, goggles, protective clothing, medical gloves, etc.
- BOC (Canada) donated more than 700 boxes of 8.5 tons of medical supplies to Bethune Medical Development Association of Canada, including 30,000 N95 masks, 30,000 medical masks, 50,000 pairs of medical gloves, 10,000 goggles and 10,000 sets of protective clothing.
- Hungarian Branch donated a total of 136,000 medical masks and 300 sets of protective clothing to the Hungarian government, the Hungarian-Chinese Bilingual School and the Corvinus University of Budapest.
- Vienna Branch raised 100,000 disposable protective masks and other supplies for the Austrian Red Cross designated by the Austrian Federal Ministry of Health.
- Seoul Branch donated 20,000 masks to Chinese students studying in South Korea through the Chinese Embassy in South Korea, and successively donated a total of 70,000 masks to the Seoul City Hall, Daegu Metropolitan City Hall, Ansan City Hall and Seoul Jongno-gu Hall.
- Singapore Branch donated 17,500 medical masks to the Chinese Embassy in Singapore and SGD10,000 to the Migrant Workers' Assistance Fund in Singapore.
- Banco da China Brasil S.A. donated 50,000 disposable medical masks and 1,000 sets of protective clothing to the government of São Paulo.
- Johannesburg Branch donated 100,000 disposable medical masks, 600 sets of protective clothing and five respirators to South Africa's Department of Health to relieve the shortage of medical supplies in South Africa.

Financing to fight against the pandemic and secure resumption of production

BOC responded quickly to financing needs under the COVID-19 pandemic. With credit policies for pandemic control and key industries, it went all out to support the production and supply of key medical supplies and moved forward pandemic prevention and resumption of production in a coordinated way. At different stages when the pandemic control has continued to improve and the production and living order has turned better quickly, BOC offered targeted, appropriate financial services in light of the characteristics of various market players.

<p>Providing target support for enterprises fighting against the pandemic</p>	<p>We contacted key enterprises for pandemic control and offered credit support to eligible enterprises in a timely manner through opening green channels, expanding the authorisation of loan interest rates and streamlining procedures. In 2020, a total of RMB21.2 billion of new preferential loans were granted to 834 key enterprises for pandemic control and RMB11.693 billion of new preferential loans to 485 key local enterprises of such kind.</p>
<p>Ensuring smooth payment and settlement</p>	<p>The preferential policy of “donation, transfer and remittance free of charge” was implemented and the green channel of corporate online banking and corporate mobile banking for donations launched to guarantee the fund collection, payment and remittance and cash withdrawal business of key enterprises and public institutions for pandemic control, including hospitals, charitable organisations and pharmaceutical companies. During the Spring Festival in 2020, 30 domestic branches handled 201 remittances related to purchase of medical supplies, equivalent to about USD41 million, involving 13 currencies.</p>
<p>Broadening financing channels for pandemic control</p>	<p>BOC issued the first coronavirus-themed bond in overseas market, assisted international development institutions in issuing the first super-sovereign coronavirus-themed Panda bond, and underwrote and issued bonds for enterprises providing basic support to pandemic prevention and control, covering public utilities, transportation, medical equipment, energy and other industries.</p>
<p>Fully assisting resumption of production and work</p>	<p>A corporate credit line of RMB200 billion was set up for areas including health and pandemic control, transportation, production of important supplies, improvement of infrastructure, and quality development of the manufacturing industry. It promoted the leading role of core enterprises, leading enterprises and major engineering projects in the industrial chain.</p>

Providing targeted support for Hubei

BOC allocated RMB50 billion of special credit and formulated 30 special measures to support the pandemic control in Hubei Province and the resumption of work and production by region, category, level and time. The actions taken include the implementation of a temporary moratorium on the repayment of principal and interest for enterprises severely affected, the launch of inclusive finance's exclusive product "Work Resumption Loan" to support enterprises in financing debt instruments, and special credit products with a total size of RMB2.5 billion, a term of up to 10 years and interest rates as low as 2.75% for small, medium and micro enterprises.



Note: BOC Hubei Branch launches "Work Resumption Loan" to support industries related to pandemic control and people's livelihood

Supporting Hubei and Wuhan in accelerating post-pandemic recovery

In August 2020, BOC successively signed strategic cooperation agreements with the Health Commission of Hubei Province and Wuhan Municipal People's Government. It will provide comprehensive financial services for Hubei's public health and Wuhan's economic and social development in the next five years.

- BOC provides an intentional credit line with a total amount of not less than RMB50 billion to support public health projects and medical and health industry development in Hubei Province in the next five years. At the same time, it donates RMB20 million to the Sunshine Mental Health Service Programme for the psychological counseling and comprehensive rehabilitation of cured patients and frontline medical workers in COVID-19 pandemic in Hubei.
- BOC provides integrated financing support of not less than RMB300 billion to carry out multi-level, cross-field and all-round financial cooperation with Wuhan and advance the city's urban construction and upgrading, development of public health emergency service system, construction of modern industrial system, two-way openness to the outside world, financial innovation and development, and social and livelihood services.



Note: BOC signs the strategic cooperation agreement with the Health Commission of Hubei Province

Innovating “COVID-19-Control Talent Loan” to support outstanding enterprises in pandemic control

BOC Guangdong Branch, Shenzhen Branch and the Talents Task Comprehensive Management Platform of Guangdong Province jointly launched the exclusive financing service of “COVID-19-Control Talent Loan”, focusing on supporting Guangdong-registered enterprises and scientific research institutions with candidates from major talent projects at the national, Guangdong provincial and local levels as actual controllers, shareholders or major R&D personnel, to contribute to the fight against the COVID-19 pandemic. The first customer of “COVID-19-Control Talent Loan” was a Guangdong-based technology enterprise, which works mainly on nucleic acid testing and whole-genome analysis and sequencing research. It participated in the sample nucleic acid testing of the first patients with COVID-19 in Wuhan and novel coronavirus gene research. After determining the technical level and financing needs of the enterprise, BOC quickly released a loan fund of RMB10 million for its R&D and production of pandemic-control products.



Note: BOC Guangdong Branch releases a loan to a manufacturer of rapid COVID-19 test kit

Responding to enterprise needs for pandemic control and ensuring production of negative-pressure ambulances

An enterprise in Jiangbei District, Ningbo that worked on the integrated manufacturing, installation and sales of special medical vehicles, has been included in the national list of key enterprises for pandemic control. On January 25, the enterprise received a letter from the Ministry of Industry and Information Technology, requesting that the production of negative-pressure ambulances be in progress quickly. After that, it successively received orders from Zhejiang, Jiangsu and other places for delivery of about 100 negative-pressure ambulances within a short period of time. The financial pressure suddenly mounted. Informed of the situation, BOC Ningbo Branch acted to communicate with the enterprise and quickly reported for its much-needed procurement funds. The Branch completed the total approved credit line of RMB25 million within three days and successfully released the first RMB9 million liquidity loan for the enterprise.



Note: BOC Ningbo Branch visits negative-pressure ambulance manufacturers

Witness: Act of Responsibility

All-time efforts at the frontline of pandemic control

The Spring Festival holiday was intended to be a time for family reunion. However, the COVID-19 pandemic outbreak has left a deeper memory for the Spring Festival in 2020. In Hubei Province which was mostly affected, many employees of BOC Hubei Branch stayed at the frontline of pandemic control. They fulfilled their duties and responded to the demand for financial services for allocation of pandemic control funds, or became community volunteers to contribute their efforts.

Care for employees with close contact

At 11:00 on January 24 (Chinese New Year's Eve), as Hubei people were fighting against the pandemic, BOC Hubei Branch closely followed the situation of all employees under its jurisdiction: how were the employees on duty and working overtime in Wuhan? Were there any employees in other countries? How was their health? At the same time, the Branch set up a liaison mechanism with the families of the expatriates in Hubei to learn about their living conditions, and sent special workers to help the families when necessary, so as to solve the worries of the expatriates.

A quick move of distributing emergency medical subsidy

At 14:00 on January 25 (the first day of Chinese New Year), our Wuhan Huaqiao Sub-branch received a circular from the Wuhan Municipal People's Government and a hospital in Wuhan on applying for emergency payment of medical subsidy for pandemic control. Four key business personnel of Huaqiao Sub-branch soon arrived at work, and the hospital delivered relevant bills at 19:55. Only five minutes remained before the system shut down. All the bank employees were on duty and worked closely uploading the data of the medical subsidy at 20:07. However, the account was not successfully charged due to system timeout. To solve the fund demand of the hospital, the bank employees reported the situation to Hubei Branch without delay and contacted the Software Centre of the Head Office. With the concerted efforts of various parties, the distribution of medical subsidy was completed at 23:38 that night, with over 320 grants, totaling more than RMB650,000.

Village-frontline-based efforts

At 10:00 on January 25 (the first day of Chinese New Year), Zhang Zhifang, an employee of Hubei Xiaogan Dawu Sub-branch, and Zeng Zhaotang, a poverty-alleviation official, gave up their family reunion and came to Yandun Village, Hekou Town, Dawu County, a poverty alleviation spot of the Sub-branch. They went across households publicising COVID-19 control policies, investigating the pandemic situation and measuring temperature. They, in collaboration with the village officials, investigated and registered more than 270 people and blocked 11 intersections. All the relocation sites of poor households, village offices and public places were disinfected and 400 masks purchased by the Sub-branch were distributed to the villagers.

At 9:00 on January 26 (the second day of Chinese New Year), Cheng Wanli, a poverty-alleviation official of Xiaogan Branch, came to Shahe Village, Dongxin Town, Dawu County, the Branch's poverty alleviation spot as soon as he received the notice of pandemic control. He brought 200 masks and disinfection supplies to poor households. Along with the team members and village officials, he went to 18 natural bays in the village in groups every day and made household checks on 228 households and 810 people one by one to ensure full coverage.

Donations through green channel

At 14: 00 on January 26 (the second day of Chinese New Year), the Ministry of Civil Affairs published the *Circular on Mobilising Charity Forces to Participate in COVID-19 Prevention and Control in an Orderly Way in Accordance with the Law*, calling on the whole nation to donate money and supplies for Hubei. With the support of Hubei Provincial Administration of Foreign Exchange, BOC Hubei Wuchang Branch activated two emergency accounts for Hubei Branch of the Red Cross Society and Hubei Charity Federation under the jurisdiction of Liujiawan Sub-branch and Dadongmen Sub-branch, respectively, to support the acceptance of all-currency donations and to open a green channel to ensure timely and efficient transfer of donations.

Despite all difficulties and inconveniences, Liujiawan Sub-branch handled nearly 100 emergency grants for the Hubei Branch of the Red Cross Society with an amount of nearly RMB300 million, promptly opened the online banking payment, handled 128 overseas donations for settlement, printed 100,000 donation receipts, and assisted in sorting out the donation details as a financial volunteer. Dadongmen Sub-branch sent 61 employees to the site of business outlets to handle emergency business, such as enhancement of the online banking authority of the Hubei Charity Federation, posting of cross-border remittances, and settlement of receipts and payments, and received more than 64,000 donations from home and abroad.

An express delivery for COVID-19 control from Luxembourg

Saturday, January 25. Wang Yubo, an employee of BOC Luxembourg Branch, received a phone call from the Branch, “Go to drugstores again and buy as many medical masks as you can!” In those days, Wang Yubo went to drugstores countless times. It was then only two hours before drugstores closed. Wang immediately picked up his car key and ran out, but only got 450 masks after driving around.

“Masks are not scarce at normal times. But they were out of stock within a few days as many local Chinese enterprises and overseas Chinese rushed for masks after the COVID-19 outbreak,” Wang Yubo recalled, “The next day was Sunday, and drugstores were still closed. I was then very anxious.”

“We can’t wait.” BOC Luxembourg Branch established an emergency function team for the pandemic situation to deploy and purchase medical supplies to support China. While contacting the medical suppliers urgently, the Branch’s employees went to each drugstore to purchase as soon as possible. Medical suppliers first offered to pharmacies, clinics or hospitals, and pharmacies were almost out of stock. Fortunately, unremitting efforts finally brought out the bright side.

“In those days, we often went to a drugstore and became friends with the store owner,” Wang Yubo said, “On January 30, he helped contact a French supplier and offered to sell us 30,000 FFP2 medical masks.”

On January 31, Wang Yubo and his colleagues drove directly to the supplier’s warehouse near Paris, France, and brought 30,000 masks back to Luxembourg.

“You never know how hard a task is until you have done it yourself.” After a painstaking purchase of 30,000 masks, the employees thought they could breathe a sigh of relief, but how to get them back to China was a problem.

The COVID-19 pandemic was most severe in Hubei. The first choice for Luxembourg Branch was to ship the masks directly to Wuhan. After many inquiries, it was found that there was no direct logistics channel between Luxembourg and Wuhan. After discussion, the employees agreed that “it will be a victory as long as the supplies are shipped back to China under the severe pandemic situation”.

With the help of the Head Office and Brussels Branch, Luxembourg Branch made contact with the Zhejiang Red Cross Society, and 30,000 masks were transported to Hangzhou from Liege, Belgium on February 7 by donation plane. Zhejiang Red Cross Society received the supplies on February 8 and announced publicly.

Luxemburg Branch struck while the iron was hot. On February 5, it again purchased 3,360 FFP3 masks with higher protection level, and completed all donation, shipment and customs declaration formalities in only one day. Later, the branch employees drove 200 kilometers, and the supplies were delivered to the airport warehouse in Brussels, Belgium on time, which were taken by Hainan Airlines flight and arrived in Beijing from Brussels on February 8. On February 9, BOC Charity Foundation received the supplies and donated them to the designated poverty-stricken counties: Beisi County, Xianyang City, Shaanxi Province.

The timely assistance deserves credit. Compared with the huge demand on the frontline of pandemic control, Luxemburg Branch’s “express delivery across thousands of miles” was only a drop in the bucket, yet with great love of overseas BOC people.



Left: BOC (Malaysia) Berhad raises 15 tons of medical supplies in only four working days and sends them to China

Right: Tokyo Branch to send the first medical supplies purchased in Japan to Wuhan on January 31



Left: Singapore Branch delivers medical protective supplies to Hubei Province

Right: Dubai Branch supports procurement of medical protective supplies for pandemic control in China



Left: BOC Guangdong Branch raises millions of medical supplies to aid other countries after domestic relief

Right: BOC Beijing Branch donates medical supplies to Italy



Left: Tokyo Branch together with the Chinese Embassy in Japan donates medical surgical masks to Tokyo Kyosai Hospital

Right: Poland Branch donates medical supplies to Polish Red Cross Society



Left: Rotterdam Branch delivers donated medical supplies to Dutch representative

Right: Johannesburg Branch jointly fights the COVID-19 pandemic with local consulate general of China

Feature: Persistence & dedication to win the fight against poverty

Eradicating poverty is the common ideal of mankind. Since the 18th CPC National Congress, the CPC Central Committee and the State Council have stood at the strategic height of building a moderately prosperous society in an all-round way and realising the “Two Centenary Goals”, and have made poverty alleviation a prominent priority in governance and achieved decisive results. Over the years, BOC has taken poverty alleviation as an important political mission to serve the national strategy and development, exerting its multiple strengths of finance, market and platform to explore a sustainable poverty alleviation model that organically integrates charity with a commercial and market-oriented approach. It has helped poverty-stricken areas solve financing, market and technological problems, improve their self-development ability, and increase income to get rid of poverty and achieve prosperity.

In 2020, BOC coordinated efforts to control the COVID-19 pandemic and eradicate poverty, and acted according to the principle that responsibilities, policies, support and regulation must stay the same even after poverty alleviation. It has offered targeted support to four prioritised counties under national poverty alleviation and development, namely Yongshou County, Xunyi County, Chunhua County and Changwu County (“four North-Xianyang counties” hereinafter) in Xianyang City, Shaanxi Province for 18 consecutive years. At the same time, BOC institutions at all levels have continued to support 1,034 villages in poverty. Poverty alleviation results have been consolidated and weaknesses shored up. Poverty alleviation and rural revitalisation have been integrated. So far, BOC has finished all commitments in its poverty alleviation responsibility letter and contributed to the successful closing of poverty eradication.

Strengthening financial poverty alleviation to realise the goal of all-round poverty alleviation

In 2020, BOC developed its annual financial poverty alleviation work programme, updated and revised its business guidelines for corporate poverty alleviation loans, and comprehensively employed financial products and services such as industrial poverty alleviation loans, project poverty alleviation loans, poverty alleviation micro-loans, government-subsidised student loans, poverty alleviation bonds, etc. to provide more diversified sources of funding for the development of poor areas, and help poor areas to speed up the development of featured industries and realise income growth and poverty eradication. As of the end of 2020, the balance of poverty alleviation loans was RMB148.491 billion, up RMB31.212 billion or 26.61% from the beginning of the year.

<p>Increasing capital investment in poverty-stricken areas</p>	<ul style="list-style-type: none"> • A total of more than RMB250 billion of loans have been provided to help the poor, and six poverty alleviation bonds have been underwritten with a total amount of RMB10.77 billion to support the development of various poverty alleviation projects. • A total of over RMB24.6 billion of government-subsidised student loans have been provided to help more than 1.8 million students with financial difficulties in education. • We stepped up special fund support for areas of extreme poverty such as the “three regions and three prefectures” and registered poverty-stricken areas. As of the end of 2020, poverty alleviation loans to the “three regions and three prefectures” totaled RMB5.892 billion, an increase of RMB1.794 billion over the previous year. • Business guidelines have been made for corporate poverty alleviation loans to meet financial needs of poor areas in transportation, water conservancy, electricity, tourism, environmental protection, etc.
<p>Strengthening the innovation of financial poverty alleviation service model</p>	<ul style="list-style-type: none"> • When advancing the industrial development-based poverty alleviation, we launched innovative models such as “Lentinus Edodes Loan”, sugar industry-based poverty alleviation, tourism-driven poverty alleviation, etc. • An investment-loan integrated model has been adopted for Xianyang’s poverty-alleviation project of pig breeding. Thailand Zhengda Group, a global leading enterprise in agriculture, animal husbandry and food, has been introduced to Xianyang to bring advanced farming concepts and technologies to poor areas.
<p>Enriching the financial service system for helping the poor and farmers</p>	<ul style="list-style-type: none"> • We increased the number of business outlets and electronic equipment in poor areas for wider coverage of financial services. As of the end of 2020, BOC outlets had covered 1,167 counties, with a coverage rate of 62.1%. A total of 320 outlets were established in prioritised counties of poverty alleviation and 89 in the “three regions and three prefectures”. A total of 703 off-premise self-service banks were set up by the branches in the “three regions and three prefectures”, and 519 mobile smart counters were launched. • About 20 branches across China, including Hebei Branch and Shandong Branch, have set up special service centres to provide basic financial services such as small withdrawals and cash remittances for farmers. • BOC Fullerton Community Bank, which is county-based to support rural areas and small enterprises, has set up 126 rural banks and more than 180 rural sub-branch outlets and registered RMB2.859 billion in balance of loans for poverty alleviation, with the balance of loans granted directly to more than 30,000 registered poor households exceeding RMB860 million.

A new force for poverty alleviation, engaging in financial services for farmers and small enterprises in counties

As China's largest village bank group, BOC Fullerton Community Bank has been engaging in financial services for farmers and small enterprises in counties. It formulated the four-point strategy to help with poverty eradication. Responding to national policies on industrial development-based poverty alleviation, relocation of impoverished villagers, financial poverty alleviation through micro-credit, BOC Fullerton Community Bank innovated its implementation mechanism and improved products and services. In 2020, it organically integrated poverty alleviation with the resumption of work and production. It promoted proprietary products such as "BOC Fullerton Community Bank Poverty Alleviation Loan", proactively delivered services to households and provided poverty alleviation financial services in the fields, registering RMB2.859 billion in loans for poverty alleviation, lending more than RMB1.7 billion for work and production resumption, and granted nearly 20,000 repayment deferrals.



Note: Employees of BOC Fullerton Community Bank visit poor households and offer them financial services for poverty alleviation

Financial resources help the magnificent Wumeng Mountain to take on a new look

Zhaotong City in Yunnan Province is located in the contiguous poverty-stricken area of Wumeng Mountain, with 10 out of 11 counties and districts being impoverished. BOC Zhaotong Branch, starting with the key factors that restricted the development of local people's well-being, gathered various forces and pooled financial resources, and granted an internal syndicated loan of RMB1.514 billion for the Niulan River Barrier Lake Project to eliminate the hidden dangers of secondary disasters after the Ludian earthquake in a timely manner. It issued Yunnan Province's first short-term financial poverty alleviation bonds of RMB1 billion to support Weixin County's integration of coal and electricity, benefiting 374,400 people and driving 38,500 registered poor people out of poverty. Further, Zhaotong Branch has raised more than RMB800,000 to build bridges, tunnels and roads for the poor, helping them open the "mountain gate" and embark on a long-term path out of poverty.

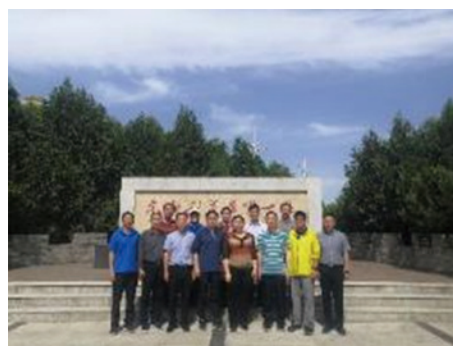
Increasing targeted poverty alleviation to ensure eradication of poverty

Following the requirements for the final year of the battle against poverty, BOC has offered targeted support with greater determination and efforts, held mobilisation and promotion meetings for poverty alleviation work throughout the Bank, and gathered all parties' efforts for enhanced effectiveness by means of credit supply, free investment and investment matching and attraction. As of the end of 2020, 386 poverty-stricken villages in the four North-Xianyang counties had all been lifted out of poverty, and 47,347 local households and 168,629 poor people registered had been out of poverty; all of the 1,034 poverty-stricken villages offered with targeted assistance by BOC institutions at all levels had been lifted out of poverty.

<p>Organisation and leadership</p>	<ul style="list-style-type: none"> • The <i>2020 Targeted Poverty Alleviation Work Programme</i> and <i>Several Measures for Further Strengthening Targeted Poverty Alleviation Work</i> were released and the <i>Administrative Measures for Targeted Poverty Alleviation Work of BOC Head Office</i> revised as the solid institutional guarantee for poverty alleviation. • BOC Party Secretary and Chairman of the Board of Directors Liu Liange and members of the Party Committee went to the four North-Xianyang counties for investigation and supervision six times, handling difficulties on the spot and check the results of poverty alleviation.
<p>Selection of officials</p>	<ul style="list-style-type: none"> • Throughout the year, 1,184 poverty-alleviation officials were sent to the four North-Xianyang counties, Shaanxi Province and 1,034 poverty-stricken villages across China. • The <i>Circular on COVID-19 Pandemic Prevention and Control of Frontline Poverty Alleviation Officials</i> was published to improve the health and safety guarantee and care for poverty alleviation officials during the pandemic period so that they had no worries.
<p>Joint fight against COVID-19 pandemic</p>	<ul style="list-style-type: none"> • Procurement channels were enriched. Against the difficulties in logistics and transportation, we donated negative-pressure ambulances, masks, disinfectants and other medical supplies worth over RMB1.8 million to the four North-Xianyang counties at the first time. • After the COVID-19 pandemic control has been normalised, BOC implemented the requirements of ensuring stability on six key fronts and maintaining security in six key areas, sped up the progress of projects, and supported the resumption of production and work for the simultaneous advancement of pandemic control and poverty eradication.
<p>Capital input</p>	<ul style="list-style-type: none"> • BOC has invested more than RMB160 million in targeted poverty alleviation areas, and helped introduce more than RMB83 million, and that is, RMB243 million in total.

<p>Key areas</p>	<ul style="list-style-type: none"> • More than 1,700 poverty alleviation projects were in place, among which we saw over 400 industrial projects with good prospects and outstanding results of helping the poor and benefiting farmers and over 500 projects for people’s well-being such as education, medical care and old-age care. These projects further improved the production and well-being of the poor and strongly supported the impoverished areas in winning the tough fight against poverty as scheduled.
<p>Consumption-based poverty alleviation</p>	<ul style="list-style-type: none"> • Leveraging the opportunity of developing the agricultural industry, we worked with local agricultural departments, launching a supply mechanism featuring “publicity & advocacy — initiating purchase — placing orders on a platform — coordinating supply of goods — efficient delivery” to guide local improvement in the quality of agricultural products and the level of e-commerce services. • Relying on the BOC Charity platform, BOC and its employees carried out various consumption-based poverty alleviation events, purchasing a total of RMB110 million of agricultural produce from poor areas and helping sell RMB135 million of agricultural produce from poor areas. • We helped grow the brand influence and market awareness of the “Xianyang Malan Red” Apple from targeted poverty alleviation areas, and launched agricultural advertisements in CCTV, Tencent News, Jinri Toutiao and other media, as well as the Third China International Import Expo (CIIE).
<p>Personnel training</p>	<ul style="list-style-type: none"> • A financial training class for officials at the primary level in Xianyang City has been held for five consecutive years. In 2020, 53 local officials joined the training to enhance their ability to use financial instruments for economic development. • Online and offline training courses about planting and breeding, finance-based poverty alleviation, resumption of work and production, and practical operation of rural e-commerce were offered, and a total of 110,000 people including officials at the primary level and technicians have been trained.
<p>Poverty-alleviation charity</p>	<ul style="list-style-type: none"> • As an important carrier of corporate social responsibility for BOC, the BOC Charity Foundation was rated as a 4A charitable organisation by the Beijing Municipal Civil Affairs Bureau in 2020. The Foundation has successively set up for the four North-Xianyang counties poverty alleviation funds, rural revitalisation funds and education development funds. Nearly 20 poverty alleviation charity projects with an investment of over RMB37 million were implemented in 2020. What’s more, 15 charitable poverty alleviation projects have been advanced in six provinces including Hubei, Shandong and Gansu. Besides, China Foundation for Poverty Alleviation’s “Accompany Mother Project” and Adream Foundation’s “Dream Classroom Project” have been introduced to the four North-Xianyang counties.

On February 25, 2021, the national poverty alleviation summary and commendation meeting was solemnly held in the Great Hall of the People in Beijing. Two employees and two collectives of the Bank were commended. Wang Hanwen, a member of working group in Jalaid Banner, Bayan Wulam Sumu, Gaddai Gacha, Inner Mongolia and an employee of Inner Mongolia Branch, and Zhou Hongning, the first secretary of Fodingshan Village, Pingshan Township, Shiqian County, Guizhou Province and an employee of Guizhou Branch, won the title of “National Advanced Individual in Poverty Alleviation”; the designated poverty alleviation team of Corporate Culture Department of BOC and the poverty alleviation team of the Head Office of BOC in Xianyang, Shaanxi won the title of “National Advanced Collectives in Poverty Alleviation”.



*Left: Designated poverty alleviation team of the Corporate Culture Department of BOC
Right: Poverty alleviation team of the Head Office of BOC in Xianyang, Shaanxi*



Left: Wang Hanwen of Inner Mongolia Branch

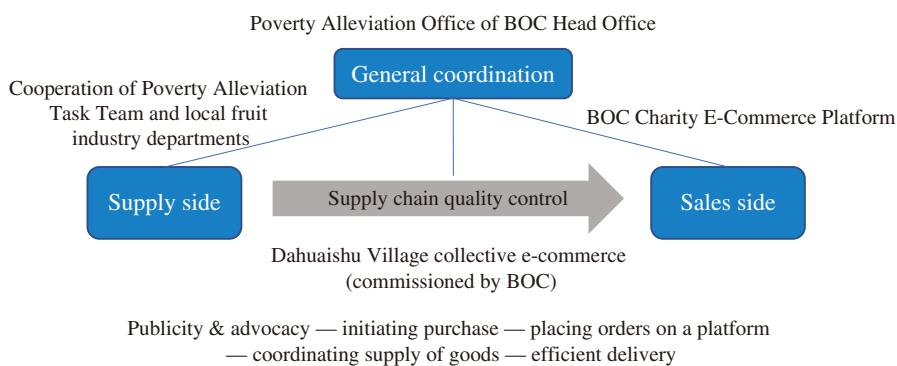


Right: Zhou Hongning of Guizhou Branch

Opening up a new market for unsold apples

Xianyang in Shaanxi Province is China's major apple producer. Since the COVID-19 outbreak, in the four North-Xianyang counties where apple production and marketing are the pillar industries, transaction of refrigerated apples was once close to the freezing point. The fruit farmers and merchants who expected to sell well during the prime time of the Spring Festival were distraught about their unsold fresh fruit.

Learning of the sluggish sales of apples in the four North-Xianyang counties, BOC immediately started its assistance work, mobilising its full strength to quickly launched a campaign of consuming apples in the Spring Festival to promote pandemic control and poverty alleviation across the Bank. During the activity, BOC purchased more than 150,000 boxes of unsold apples in poverty-stricken counties with a total weight of approximately 865,000 kilograms, with purchasing amount of RMB10.65 million, benefiting about 3,400 poor households in total, increasing the average household income by about RMB500, and driving about 800 temporary jobs for poor households.



Apples for sale!! 100,000 tons of apples in the four North-Xianyang counties unsalable due to the COVID-19 pandemic

Note: BOC launches a campaign of consuming apples in the Spring Festival to promote pandemic control and poverty alleviation

Sending warmth to younger generations

With the advent of winter, the temperature dropped significantly, and most areas in China have entered the winter heating period. The problem of heating rural boarding schools was a concern for everyone. In the classroom of Hujiamiao Wanquan Primary School in Chunhua County, the hot-air fans donated by BOCI brought warmth to the children. The children went to study happily and comfortably. In the eyes of the headmaster Cao Haiying, children can study in a warm classroom without worrying about frostbite anymore. He is also more confident in ensuring the teaching effect and students' grades.

On the eve of the International Children's Day on June 1, 2020, BOC employees launched a "Happiness Sending" fund-raising campaign on the BOC Charity platform, donating "Love Bags" to 700 children in Beisi County. These gifts such as brand-new plush toys, dictionaries and gobang have made children excited.



Note: BOC employees send "Love Bags" to children

Witness: Act of Responsibility

BOC red on red land — first secretary Gong Chen’s “village stationing+”

In August 2019, Gong Chen set foot on the land of Zhanghe Village, Quzi Town, Yongshou County, Xianyang after the application for poverty alleviation in the village was approved. Gong Chen, who changed from the manager of BOC central procurement centre to the first secretary stationing in the poor village, said, “I realised two dreams at once.”

Zhanghe Village is one of the three villages of extreme poverty in Xianyang City. Its resident population are mainly old people and children, with 55 children attending primary and junior high schools. Gong Chen decided to start classes for the children wondering everywhere after school every day, which could improve children’s grades and strengthen his ties with the villagers. The class started on a weekend. One hour before the class, Gong Chen, who was still decorating the classroom, heard something outside the door. He opened the door and saw many children. Their grandparents also came to see how the first secretary from Beijing gave lectures.

Gong Chen’s first lesson caused a stir in the village. When he re-visited the households, he found that the villagers having children or not all looked at him with respect. The village was poor, but the villagers knew that going to school was promising. He gave lessons in small class from time to time and in big class on weekends. Zhanghe Village’s after-school class has been thus known to people around.

With the support of BOC, the village developed 1,050 mu of Chinese prickly ash industry in 2017, and launched a pig breeding industry of more than 3,000 pigs in early 2019. The industries have been going well, but Gong Chen heard the most comments from the villagers on the industrial development.

Gong Chen has acted as an industrial instructor while “stationing in the village and supporting education”. Zhanghe Village is more than 40 kilometers away from the county seat, not suitable for developing surrounding economy. Gong Chen remembered the woodlands in Hanyuan Gully after walking around the village for a few days. With the intensification of returning farmland to forests in recent years, the village has owned 2,750 mu of forest land, which can be cultivated under forests!

There were only two sheep farmers in the village. A large area of forest space was unused. According to a rough calculation, at least 100 sheep could be raised on the woodlands. On his class, Gong Chen analysed the benefits and feasibility of raising sheep in forests. He Jingguo from a poor family and Zhang Shuili, a large returner of farmland to forest, were tempted, and now both of them have raised sheep. The once empty forest land became lively.

Zhanghe Village has many wild flowers that bloom continuously in spring, summer and autumn, which have attracted Gong Chen. Wouldn't it be a pity to leave such good resources unused? He contacted around and invited senior beekeepers to the village for guidance, and mobilised eight poor households to breed more than 220 boxes of Chinese bees. As the honey has been getting more, he started acting as the "stationing first secretary and salesman" who contacted the BOC Charity. 175 kilograms of local honey sold for RMB17,500 within one week. The grains have been sold to the canteen of the BOC Head Office. One season of rice increased the income of the village collective by RMB12,000.

Now in Zhanghe village, cattle and sheep are everywhere, and bees are busy making honey. The pungent smell of several thousand mu of Chinese prickly ash, which will soon bring benefits, offers the villagers a sense of security.



Note: Gong Chen, BOC's village-stationed first secretary, visits households to learn about villagers' life conditions



Left: BOC Jilin Branch holds a special sales event of consumption-based poverty alleviation products



Right: BOC Liaoning Branch purchases more than 100 sheep for poverty-stricken households in Zhenggou Village, Jianchang County, Huludao



Left: BOC Guangdong Branch launches the “Children Dream Guardian Programme” for rural children

Right: Young volunteers from BOC Fujian Branch assist in picking and shipping agricultural produce for poverty-stricken areas



Left: BOC Guizhou Branch supports Weining’s “Photovoltaic + Agriculture” project for poverty alleviation

Right: BOC Zhejiang Branch expands the sales channels of agricultural produce “Changshan shaddock” from Feidui Village



Left: BOC International purchases poverty-alleviation apples from Beisi County and presents them to medical workers in Hubei Province

Right: BOC Fullerton Community Bank launches poverty alleviation events in the Spring Festival every year

[Social Responsibility Practice]

1 Implementing National Strategies and Serving the Real Economy

Economy and finance coexist and boost each other. The financial industry shoulders the mission of providing quality financial services for economic and social development and people's production and life. BOC has kept up with the times when contributing its financial strength as a major state-owned bank to the national strategy and economic growth. In 2020, BOC took various measures in ensuring stability on six key fronts and security in six key areas, serving the real economy, and supporting the inclusive finance and small, medium and micro-sized enterprises. With the vision of innovative, coordinated, green, open and shared development, BOC has supported “new infrastructure and new urbanisation initiatives and major projects of transportation and water conservancy” and the formation of a modern industrial system and of a “dual circulation” development pattern with its professional strength of integrating funds and intelligence.

Sustainable Development Goals (SDGs)



Feature: Fulfilling responsibilities to ensure stability on six key fronts and security in six key areas

For ensuring stability on six key fronts and security in six key areas, BOC has developed a special action scheme, launching 39 specific measures in vitalising market players, innovating financial service models, serving the improvement of people's well-being, and stabilising the supply chain and the industrial chain. It has safeguarded economic fundamentals with practical acts.

<p>Ensuring stability on six key fronts</p>	<p>Employment Financial sector Foreign trade Foreign investment Domestic investment Expectations</p>
<p>Ensuring security in six key areas</p>	<p>Job security Basic living needs Operations of market entities Food and energy security Stable industrial and supply chain The normal functioning of primary-level governments</p>
<p>Vitalising market players</p> <p>Support the COVID-19 pandemic containment by providing related enterprises with preferential loans; set up a special credit line of RMB200 billion for the resumption of work and production, and support local enterprises to create more jobs in combination with policies of expanding authorisation, simplifying procedures and reducing fees and giving discounts; enlarge credit support, innovate financing products and strengthen financing connection in “new infrastructure and new urbanisation initiatives and major projects of transportation and water conservancy”, inclusive finance, private enterprises and personal credit to vitalize the real economy.</p>	<ul style="list-style-type: none"> • Under the heading of “two increases and two controls”, the inclusive finance loan balance was RMB611.662 billion, an increase of RMB198.714 billion as compared with the beginning of the year. • The bank-enterprises financing matchmaking campaign connected 556,374 enterprises, with a total of 10,313 financing businesses and a total financing amount of RMB54.227 billion. • Entrepreneurship loans have been provided for college graduates, returning migrant workers, demobilised veterans and those who make innovation and start businesses. The amount for individual entrepreneurship (assistance) loans increased by RMB1.102 billion in the current year, with a loan balance of RMB2.273 billion, and the number of loan recipients reached 18,119.

<p>Innovating financial service model</p> <p>Develop policies on deferred repayment of principal and interest for small, medium and micro-sized enterprises; increase credit support for key industries in the area of people’s well-being, and release credit policies and credit guidance for education, pension, health, sports and other industries; support pandemic-control enterprises, public utility enterprises and local governments to issue bonds for financing; provide enterprises with all-round financial services such as bond issuance and underwriting, direct investment, IPO, insurance products and services for invested enterprises under the “commercial bank + investment bank” model; continue increasing support to inclusive finance by allocating special credit line, setting up staff cost incentives in inclusive finance, improving the setup of independent inclusive finance agencies of tier-2 institutions and inclusive finance team building.</p>	<ul style="list-style-type: none"> • The loan principal temporarily deferred through extension, loan renewal and other means exceeded RMB140 billion, involving more than 23,000 small and medium-sized enterprises. • BOC underwrote and issued 35 pandemic-control bonds for non-financial enterprises and international development institutions with a total amount of RMB33.65 billion. • BOC allocated RMB170 billion to the inclusive finance loan scheme, and a credit line of RMB100 billion for the development of private enterprises, and RMB51 billion for manufacturing’s credit growth scheme.
<p>Serving the improvement of people’s well-being</p> <p>Provide all-round financial services for the full chain of food production, processing, circulation and sales for the national food security and stable production and supply of agricultural products; enlarge credit support for major energy projects, key projects, overseas energy procurement and trade and construction of key infrastructure to safeguard national energy security; fulfill the task of poverty reduction and continue to work on poverty alleviation through consumption and targeted poverty alleviation; provide financial services for collection and regulation of social security funds and social security public services; expand recruitment to create employment opportunities for talents of all kinds.</p>	<ul style="list-style-type: none"> • The balance of agricultural loans was RMB1,518.5 billion, representing an 8.54% growth rate. • Over 10,000 posts were offered in the global campus recruitment in 2021, and the recruitment scale was up more than 15% as compared with last year.

Stabilising industrial chain and supply chain

Continuously increase financing support for corporate procurement, production and sales in the supply chain, and employ financial technology to promote online supply chain finance business; bring into full play the professional strengths of foreign exchange and foreign trade business and the primary channel of cross-border financial services, and give stronger financial service support to foreign trade enterprises; promote foreign cooperation and openness by supporting the Canton Fair and the CIIE, as well as improving the service schemes for cross-border e-commerce and online trading scenarios.

- It provided a total of RMB2,169.8 billion daily working capital for core enterprises in the supply chain throughout the year. It granted RMB794.5 billion credit loans to upstream enterprises in the industrial chain, RMB774.9 billion to downstream enterprises in the industrial chain, depending on the credit support of core enterprises.
- Cross-border RMB settlement by domestic institutions amounted to RMB6.75 trillion, up 34.37% year on year.

Bank-enterprises matchmaking activity helps bank-enterprises financing matchmaking campaign

To better push forward bank-enterprises financing matchmaking, BOC Shandong Branch has initiated the bank-enterprises matchmaking activity, in which professional approvers communicate with entrepreneurs face-to-face to develop tailored service solutions to the problems faced by small and medium-sized enterprises in financing, and eliminate the impact of information asymmetry to the greatest extent. In 2020, Shandong Branch held 44 such activities that enabled approvers to exchange with 1,179 enterprises on site, improving the availability and timeliness of financing for small and medium-sized enterprises.



Note: Relationship managers of BOC Shandong Branch conduct survey in a participating enterprise of bank-enterprises matchmaking activity

Financial resources help stabilise foreign trade

As a pilot bank for the Guangdong Provincial Government’s policies on financing of foreign trade enterprises and loan to processing trade enterprises, BOC Guangdong Branch has set up a flexible inter-departmental team to push forward the implementation of relevant projects, with stronger financial support for small and medium-sized foreign trade enterprises and processing trade enterprises. As of the end of 2020, BOC Guangdong Branch handled on- and off-balance sheet financing business of RMB16.829 billion for 303 processing trade enterprises under the policy of processing trade loan and RMB347 million of financing business for 127 small and medium-sized foreign trade enterprises under the policy of trade financing.

“The ‘processing trade loan’ financing scheme provides a lower interest rate than the market level and can quickly review the loans within one working day, helping us tide over hard times.” — By a client of BOC Guangdong Branch in the fashion industry



Note: BOC Dongshan Sub-branch in Guangzhou introduces exclusive financial service scheme to a “trade loan” customer

Inclusive finance makes real the dream of villagers in “golden valley” of Qinghai Tibetan-inhabited area

Tongren County, 180 km from Xining City, Qinghai Province, is called Regong in Tibetan, meaning “a golden valley where dreams come true”. With complicated terrain, high mountains, sheer cliffs and ravines, its economy is so backward to be one of the extremely poor counties in Qinghai Province.

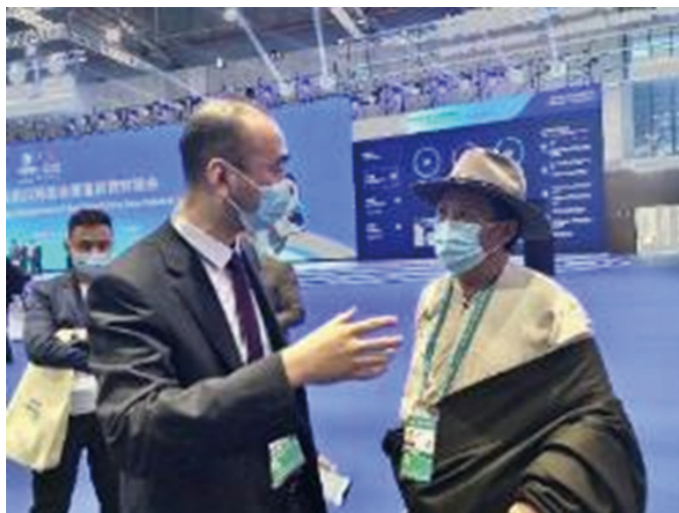
Tongren County has rich yak milk, but because of its remote location, lack of systematic, advanced processing technology, resources are difficult to be fully utilised. In 2014, the native Tibetan man named Cai Luoqia established a yak dairy development company, which is dedicated to taking the Tibetan dairy products out of Qinghai and building Qinghai’s “green food brand” to lift the local herdsman out of poverty. However, the funds shortage has led to blocked sales channels and narrow business coverage. The early period of development was a hard time.

In 2018, BOC Qinghai Branch went to Tongren County, and provided financing services for local small and micro enterprises. The customer manager of the designated service communicated with fellow villagers with the Tibetan learned by himself and even body languages. In this way, he got to know the industrial and business situations of enterprises there, and then helped them initiate credit application. BOC Qinghai Branch’s SME Services Department opened a green channel for loans. In June 2018, the first liquidity loan of RMB5 million was granted, and only then did Cai Luoqia burst into a bright smile.

With the support of BOC credit funds, Cai Luoqia’s business has not only opened up the market but been favoured by a New Zealand dairy company as its first partner in northwest China, by relying on its quality products, steady management and expanded sales channels.

In 2019, BOC Qinghai Branch invited a number of small and medium-sized enterprises, including Cai Luoqia’s company, to attend cross-border matchmaking meetings such as the BRI Cross-border Investment Conference in Chongqing and the Malaysian SME Meeting to help enterprises expand their overseas customer base. As of the end of 2020, the total amount of credit granted by BOC Qinghai Branch to this company has rose to RMB9.5 million and the business has set sail.

“International cooperation was always beyond our reach. Our attempts to communicate via e-mail had been unsuccessful. I didn’t expect that through the meeting, I had a smooth face-to-face exchange with foreign enterprises and reached a cooperation intent,” said Cai Luoia. Growing up in the mountains, Cai Luoia now walks out of the mountain through hard work and also brings his villagers to the outside world.



Note: In 2020, Cai Luoia participates in the trade and investment matchmaking meeting of the third CIIE in Shanghai

1.1 Financial force serving “dual circulation”

BOC has integrated into the new development pattern featuring “dual circulation”, with domestic circulation as the mainstay and domestic and international circulations reinforcing each other. It continuously improved its product R&D and innovation capacity, served the real economy, supported the development of the Beijing-Tianjin-Hebei region, the Yangtze River Delta and Guangdong-Hong Kong-Macao Greater Bay Area with its financial strength, and boosted the open economy.

Implementing major regional strategies

Based on the development goals and principles of major regional strategies of the state, BOC has formulated and implemented relevant work programmes for key regions and stepped up its resources support.

Supporting Beijing-Tianjin-Hebei coordinated development

BOC has input financial resources into the Beijing-Tianjin-Hebei coordinated development and worked hard on product innovation and service improvement in areas such as major infrastructure construction, industrial transformation and upgrading, development of emerging industries and improvement of people’s well-being. As of the end of 2020, a total of 730 projects for the Beijing-Tianjin-Hebei coordinated development were supported, with a loan balance of RMB297.55 billion; the total loan amount was RMB574.21 billion.

Deepening Beijing-Tianjin-Hebei coordinated development projects

In terms of five major areas of transportation integration, weak link improvement in key areas, industrial transformation and upgrading, strategic emerging industries and medical care and education, BOC Hebei Branch gave preferential support to “three zones and one base”,^{Note 1} regarding credit approval, loan scale, resource allocation and channel building. As a result, it supported 362 Beijing-Tianjin-Hebei coordinated development projects with loans of more than RMB214 billion extended.

Note 1: “Three zones and one base” refer to an important national base for trade and logistics, a pilot zone for industrial transformation and upgrading, a demonstration zone for new urbanisation and urban-rural integration, and Beijing-Tianjin-Hebei ecological buffer zone.

Supporting the construction of Xiongan New Area

Being committed to high-standard services for the construction of Xiongan New Area, BOC continuously stepped up financial support for the construction of major transportation projects and key areas as well as enterprises within Xiongan New Area. As of the end of 2020, it approved a total credit amount of RMB240 billion for major projects and enterprises in Xiongan New Area, with a cumulative credit loan of nearly RMB10 billion granted.

Widening opening-up	With a focus on support for widening opening-up of Xiongan New Area, BOC leveraged on its global and integrated advantages to introduce the two-way financial opening-up in the area, to serve the construction of its free trade zone and advance the cross-border cooperative projects.
Smart city	Aiming at the building of a smart city through innovation, BOC deeply involved in the construction of “Digital Xiongan”. In 2020, it set up China’s first innovation R&D base in Xiongan.

BOC Fullerton Community Bank established an investment management village bank in Xiongan New Area in August 2020, and has offered services across China with faster product innovation and financial service upgrading. It has worked to build a scenarios-driven community bank, agile bank and science and technology bank to explore new models for serving the development of small and micro enterprises nationwide and of the real economy.



Note: The “entrepreneurship loan” of BOC Fullerton Community Bank supports the development of corporate customers in Xiongan New Area

Supporting Yangtze River Delta integration

BOC has pushed forward the integrated financial service programme for the Yangtze River Delta, based on the five-pronged service systems of “connectivity, tech-empowered service, happiness and wellness, factor synergy and green finance”. In October 2020, BOC held the opening ceremony for institutions in the Yangtze River Delta Integration Demonstration Zone in Shanghai, and the first three branches in Qingpu, Wujiang and Jiashan were approved by the local office of the CBIRC. The branches in the demonstration zone, relying on their position advantage, will focus on the regional development featuring “ecological, innovative and humanistic integration” to advance the pilot financial services in the demonstration zone.

Meanwhile, BOC explored an integrated region coordination model, relying on the Group’s advantageous resources to achieve information sharing, improve the response speed and intensity of financial services, and fully meet customers’ multi-level financial needs.



Note: BOC holds the opening ceremony for institutions in the Yangtze River Delta Integrated Demonstration Zone.

Regional transportation integration	The “Railway e-Card” has been launched for 28 railway lines nationwide; the mobile banking has supported scanning QR code to take bus and subway in 21 key cities and areas in the Yangtze River Delta region, including Shanghai, Ningbo and Suzhou.
Smart government affairs	It has promoted the application of government affair services on the bank side, and integrated the national government affair service platform’s financial functions to facilitate enterprises and benefit the people, and worked closely with Shanghai Municipal People’s Government in developing the electronic certificate system.
Integrated and diversified services	The Group’s comprehensive operation companies have played their role in offering integrated services and demonstrated the innovation model. BOC Yangtze River Delta Fund with a total volume of RMB30 billion was successfully established and projects such as market-oriented debt-to-equity swap funds were launched.

Supporting the construction of Guangdong-Hong Kong-Macao Greater Bay Area

Based on the *Plan for Business Development in Guangdong-Hong Kong-Macao Greater Bay Area*, BOC has continuously explored and innovated in finance concerning people’s livelihood, cross-border finance, fintech, etc. to provide more convenient services for enterprises and residents in the Greater Bay Area. It also continued to promote credit support for important industries in the Guangdong-Hong Kong-Macao Greater Bay Area, providing financial security for industrial development.

BOC has created a series of products to meet the needs of account opening, payment and consumption. Among them, “Account Opening Witness” facilitates Hong Kong residents to open personal accounts in the Chinese mainland, with the total number of customers exceeding 120,000; “Business Connect” covers nearly 400 merchants in Guangzhou, Shenzhen, Hong Kong and Macao, and has set up a preferential business zone on the credit card APP to further meet the living needs of residents in the Guangdong-Hong Kong-Macao Greater Bay Area.

Supporting Hong Kong and Macao residents to participate in the development of the Guangdong-Hong Kong-Macao Greater Bay Area

BOC Macao Branch, in cooperation with Zhuhai Real Estate Registration Centre, has developed a service model of “Internet plus Finance” for real estate registration, which realizes one-stop service without clearance, providing a financial service of one-day mortgage and one-day posting. It supports Zhuhai real estate information inquiry, property certificate application and online electronic evidence collection, providing convenient financing services for Macao residents’ capital turnover, house purchasing and daily consumption. In addition, BOC Macao Branch engaged in the first large livelihood cooperative project between Hengqin and Macao governments — Macao New Neighborhood. The project expanded living space for Macao residents in the Greater Bay Area, improved living environment, and provided them with a more convenient life.



Note: BOC Macao Branch actively engages in the “Macao New Neighborhood” project.

Cross-border financial innovation for the Guangdong-Hong Kong-Macao Greater Bay Area

Since China has financially supported the construction of Guangdong-Hong Kong-Macao Greater Bay Area, BOC Guangdong Branch has quickly brought a series of cross-border service innovations into practice, provided professional and efficient cross-border financial services to more than 1,000 enterprises in eight cities in the Greater Bay Area, reduced corporate operating costs and made their capital flow more efficient. In July 2020, BOC Nansha Branch in the Guangdong Pilot Free Trade Zone successfully handled China’s first verification of the authenticity of foreign debt settlement facilitation through the cross-border financial block chain service platform, which has shortened the business processing time from three hours to 15 minutes.

Connecting insurance services of the Guangdong-Hong Kong-Macao Greater Bay Area

BOCG Insurance, in partnership with BOC Insurance and Luen Fung Hang Life Limited in Macao, has offered and assisted the gaining of automobile insurance for auto owners who can pass through the Hong Kong-Zhuhai-Macao Bridge, and launched supporting services. BOCG Insurance put into operation “Easy Vehicle Insurance Quotation” in the Guangdong-Hong Kong-Macao Greater Bay Area in September 2020, which optimised the quotation process and was highly recognised by residents and regulators in the Greater Bay Area.



港珠澳大橋 *Hong Kong-Zhuhai-Macao Bridge*

三地汽車保險服務 *Automobile Insurance for Hong Kong, Macao and Guangdong*

中銀集團保險 *BOCG Insurance*

服務熱線 *Service hotline*

Note: BOCG Insurance launches automobile insurance for auto owners who can pass through the Hong Kong-Zhuhai-Macao Bridge

Supporting development of the Belt and Road Initiative

To actively respond to the Belt and Road Initiative, BOC has provided the Belt and Road Initiative (BRI) with diversified financial products and services, promoting the connectivity of BRI resources and the implementation of major projects. As of the end of 2020, BOC has established institutions in 61 countries and regions, including 25 BRI neighboring countries, presenting as the Chinese bank with the most expansive coverage; over 600 major BRI projects were followed up, and a total loan amount of USD185.1 billion was offered to countries and regions alongside the Belt and Road.

<p>Serving Chinese enterprises “going global”</p>	<p>Relying on a rich and complete product system, wide distribution of overseas institutions and numerous channels of correspondent banks, BOC continued to offer all kinds of financial services for Chinese enterprises in BRI neighboring countries, support enterprises in overseas project bidding and contract negotiations, and furnish them with feasible and risk-controllable solutions to the letter of guarantee business.</p>
<p>Supporting key cooperative projects</p>	<p>BOC’s overseas branches have made active efforts to follow up demands of major projects construction and participated in key BRI cooperative projects. BOC has seen fruitful results in areas like infrastructure construction and industrial transformation and upgrading, and made outstanding contributions to the local economic prosperity and social development.</p>
<p>Cooperation with third parties</p>	<p>BOC cooperated with financial institutions and customers in developed countries, and developed third-party market partnerships by exporting structured financing products such as buyer’s credit and project financing and taking advantage of strength in business network and layout, project experience and customer relations, reaching a number of BRI-related business and achievements.</p>
<p>Promoting global integrated operation</p>	<p>BOC has cooperated with the PBOC and supported the direct transactions of RMB in the inter-bank foreign exchange market against currencies of BRI neighboring countries. The number of quotable foreign currencies offered by BOC rose to 110, including 46 currencies of BRI neighboring countries. Even for currencies that have not yet been covered, BOC’s overseas branches have been able to offer exchange rate hedging services in local financial markets for “going global” enterprises.</p>

Boosting China-Greece energy cooperation

Upon learning about the refinancing needs of IPTO, an investment project of the State Grid Corporation of China in Greece, BOC Athens Branch acted to communicate with local banks and customers. As the only Chinese bank, it successfully led the preparation of a EUR400 million refinancing syndicated loan for the Greek power grid operator in the capacity as the “appointed leading bank”.

Supporting the construction of Almaty Ring Road

London Branch and Kazakhstan Branch successfully signed a loan agreement with the European Bank for Reconstruction and Development (EBRD) for part of the syndicated loan for the Almaty Ring Road. The Almaty Ring Road, with a total length of about 66 km, runs through the Western Europe-Western China Highway. It is the first road built with PPP financing model in Kazakhstan, and is in line with Kazakhstan's "Bright Road" new economic policy and the BRI.

Foreign guarantee service helps Kaishan compressor "Go Global"

Zhejiang Kaishan Compressor Co., Ltd. is China's largest air compressor manufacturer with globally leading core technology. It has been committed to the geothermal energy development with its original "one well, one station" distributed wellhead power station model. BOC Zhejiang Branch, relying on its advantage in foreign exchange business, offered foreign guarantee services for the company. As of the end of 2020, Zhejiang Branch has successively issued foreign guarantees of USD8.45 million for the Indonesia geothermal project, USD10.6 million for the Kenya geothermal project and USD210 million for the Hungary geothermal project, facilitating the smooth progress of major BRI projects.



Note: Phase I of Indonesia geothermal project supported by Zhejiang Branch

Expanding cross-border financial services

BOC has developed and issued 13 measures for stabilising foreign trade and jointly launched exclusive service schemes for stabilising foreign trade and foreign investment with local commerce authorities in over 30 provinces and cities across China to further strengthen financial service support for foreign trade enterprises. BOC has vigorously provided cross-border matchmaking services to help enterprises achieve foreign cooperation in trade, investment, technology import, etc. In addition, BOC has been an active part in innovating cross-border business models and building a cross-border block chain platform to expand cross-border financial services continuously.

Expanding cross-border e-commerce scenarios	<p>BOC has worked with third-party payment agencies to develop cross-border e-commerce services, increase typical service scenarios for individual and business customers, and enrich cross-border e-commerce products and functions.</p>
Driving digital transformation of cross-border business	<p>BOC has provided bank-enterprises connectivity interface for foreign trade service enterprises and cross-border payment agencies, integrated cross-border scenarios, and offered automated transaction services including continuous quotation of foreign exchange and settlement and sale products.</p>
Enhancing support for foreign trade enterprises	<p>BOC has helped enterprises retain orders and stabilise production by increasing the financing of export credit insurance, expanding the financing of import and export trade, and reducing fees and giving discounts. More than 120 expert hotlines for import and export have been opened, offering more than 30,000 consultations in 2020.</p>
Cross-border matchmaking services	<p>A total of 72 cross-border matchmaking meetings were held, attracting 30,000 Chinese and foreign enterprises from 125 countries and regions in industries of information technology, bio-medicine, high-end manufacturing, modern agriculture, new energy, environmental protection, education, medical care, tourism, etc.</p>

Boosting development of cross-border block chain platform

The connectivity project between the PBOC's trade finance blockchain platform and Hong Kong trade finance platform is a major financial cooperative project between the mainland and Hong Kong of China, and formally entered trial run on November 3. As one of the cooperative banks, BOC was deeply involved in the whole course and invited four clients to use it at the first time of the trial run of the project. Also, it facilitated the connectivity between Guangdong and Hong Kong and between Shenzhen and Hong Kong through Guangdong Branch, Shenzhen Branch and BOCHK, offering trade financing services to exporters in the mainland and importers in Hong Kong in cross-border trade.

BOC, among the first batch of pilot banks, actively participated in the development of the cross-border financial blockchain platform of the State Administration of Foreign Exchange (SAFE) by making use of its professional strengths in stages including scenario design, business promotion and system connection. It initiated the business in the pilot phase among banks and ranked first in the cross-border blockchain platform regarding the business volume. BOC became the first of the four major banks that realised system connection with the platform in August 2020.

Supporting online Canton Fair

As a permanent financial service provider of the China Import and Export Fair (hereinafter referred to as the “Canton Fair”), BOC supported the smooth convening of the 127th and 128th online Canton Fair in 2020. BOC Guangdong Branch and overseas branches devoted to online promotion in 35 global key markets. They met exhibitors’ online service demands via corporate online banking, mobile banking, etc. During the two sessions of the Canton Fair, they handled cross-border settlement business amounting to nearly RMB40 billion. BOC Guangdong Branch and China Foreign Trade Centre jointly held off-line financing meetings during the 128th Canton Fair, attended by nearly 200 small and medium-sized foreign trade enterprises from the Guangdong-Hong Kong-Macao Greater Bay Area, and a credit intent worthy of RMB1.3 billion was reached.



Note: BOC fully supports the online Canton Fair

Supporting the building of new free trade zones (FTZ)

Since the construction of China (Shanghai) Pilot Free Trade Zone in 2013, BOC has brought to the full play its role of globalisation and integration platform in the deep engagement in financial service reform in free trade zone. In September 2020, after the State Council released new FTZ programmes, BOC initiated financial services for new FTZs in Beijing, Hunan, Anhui and Zhejiang, and released an action plan in support of the expansion of China (Zhejiang) Pilot Free Trade Zone.

<p>Hainan Free Trade Port</p>	<p>In September 2020, BOC released the <i>Integrated Financial Services Programme of Bank of China for Hainan Free Trade Port</i>, which proposes 30 measures to help Free Trade Port develop its leading industries, build featured scenarios, promote free and convenient trade and investment, and advance smart partnership in Hainan. BOC Hainan Branch handled export receivables financing for Tongwei (Hainan) Aquatic Food Co., the first such business based on blockchain technology across the province, which was covered by CCTV News.</p>
<p>Xiongan Pilot Free Trade Zone</p>	<p>BOC Xiongan Branch in Hebei assisted Xiongan Customs to handle “two-step declaration” pilot business, realising the first electronic consolidated tax guarantee in Xiongan New Area. Xiongan Branch conducted the first “blockchain + digital currency” business in China, which became a case of digital economy and financial innovation based on blockchain technology that can be replicated and promoted. Xiongan Branch handled the first foreign capital re-investment business, and boosted the implementation of free trade innovation policies. As the leading underwriter, Xiongan Branch successfully issued the first “Bond Connect” for China Xiongan Group in the free trade zone. The Xiongan Pilot Free Trade Zone sub-branch was opened.</p>
<p>China (Anhui) Pilot Free Trade Zone</p>	<p>After the approval of China (Anhui) Pilot Free Trade Zone, based on the development needs of the real economy in the FTZ, BOC Anhui Branch moved quickly to establish professional organisations and explored and innovated in product design, business model and service flow. It has set up two FTZ sub-branches and three FTZ special sub-branches in Wuhu, Bengbu and Hefei.</p>
<p>China (Heilongjiang) Pilot Free Trade Zone</p>	<p>After the State Council circulated the <i>Master Plan for China (Heilongjiang) Pilot Free Trade Zone</i>, BOC Heilongjiang Branch immediately submitted the general service plan for the FTZ to government agencies and set up FTZ sub-branches in Heihe and Suifenhe in a short time. At the time of establishing a branch in Harbin New Area, BOC unveiled the first Russia financial service centre in Heilongjiang Province, being the first bank whose service institutions cover the whole FTZ, and the first to handle international settlement, trade financing, settlement and sale of foreign exchange, etc. in the FTZ.</p>

<p>China (Hunan) Pilot Free Trade Zone</p>	<p>Since the establishment of China (Hunan) Pilot Free Trade Zone, BOC Hunan Branch has striven to be a “forerunner of free trade financial services”. Based on the development needs and regional characteristics of Changsha, Yueyang and Chenzhou regions, BOC Hunan Branch has set up specialised sub-branches that offers diversified financial support for major industry development, Medium-, small- and micro-sized enterprises nurturing, infrastructure construction, cross-border operation, integration of commercial and investment banking, etc. In 2020, Hunan Branch granted loans of RMB9.6 billion to enterprise and RMB2.2 billion to infrastructure construction in the zone, handled international settlement business amounting to USD650 million for enterprises in the zone, accomplished cross-border RMB two-way capital pooling business of RMB700 million, and issued ultra-short-term financing bonds of RMB2.5 billion.</p>
<p>China (Beijing) Pilot Free Trade Zone</p>	<p>The day after China (Beijing) Pilot Free Trade Zone was unveiled, BOC Beijing Branch contacted some key enterprises in the zone and provided cross-border remittance services under the condition of trade facilitation. On the day when the Beijing FTZ’s high-end industrial zone was listed, it immediately offered international settlement and cross-border RMB services.</p>

Boosting RMB Internationalisation

To strongly support RMB internationalisation, BOC has pitched into cross-border RMB product innovation, service improvement, and policy formulation and research. As of the end of 2020, BOC finished cross-border RMB clearing business amounting to RMB471 trillion and settlement business of RMB9.20 trillion.

<p>Promoting cross-border use of RMB</p>	<p>BOC worked with the PBOC and SAFE in the pilot operation of high level trade and investment facilitation, assisted the PBOC in preparing the Professional Committee on Cross-Border RMB and played an important part in it, facilitated the cross-border use of RMB in FTZs, researched policy on the use of RMB for BRI, and cooperated with the PBOC in preparing <i>RMB Internationalisation Report 2020</i>.</p>
<p>Maintaining RMB clearing service</p>	<p>As of the end of 2020, BOC accounted for 13 of the 27 offshore RMB clearing banks designated by the PBOC. Cross-border RMB clearing centres kept operating even during the pandemic period to ensure the unceasing functioning of cross-border RMB clearing business and provide quality, efficient RMB clearing services for domestic and overseas customers on a continuous basis.</p>

<p>Commodity pricing and settlement</p>	<p>BOC handled RMB-denominated settlement for iron ore imported by Baosteel Resources (International) Co., Ltd. through its Hong Kong subsidiary and iron ore imported by AnSteel Group from Rio Tinto Group’s Singapore branch, helping RMB enter the commodity trading and pricing system.</p>
<p>Growing RMB influence</p>	<p>BOC continued to publish BOC Cross-border RMB Index (CRI), BOC Offshore RMB Index (ORI) and the <i>White Paper on RMB Internationalisation</i>, which altogether offered reference for global customers to know and use RMB.</p>

Endless innovation on offshore RMB personal investment products

Offshore market demand for investment in Chinese capital market grows on a yearly basis. To meet customers’ investment needs, BOC Malaysia Berhad has tried to develop RMB personal investment products in the offshore market. It issued RMB bonds and the first RMB fund successively, further enriching RMB investment products.

Making Colombian people’s “subway dream” come true

A Chinese corporate consortium consisting of China Harbor Engineering Co., Ltd. and Xi’an Rail Transit Group Co., Ltd. won the bid of the first subway project in Bogota, Colombia, in 2019, with a total contract value of over USD5 billion. It is the first subway line built and operated by Chinese enterprises in Latin America. BOC Panama Branch cooperated closely with the consortium to open settlement account of the project in multiple currencies, and offered convenient services of international settlement and account management.

Serving the 3rd CIIE

BOC has fully participated in CIIE for three consecutive years as its only one strategic partner. During the 3rd CIIE, BOC made outstanding contributions in foreign investment attraction, domestic investment attraction, financial services and exhibition services.

BOC launched a global “online + offline” service platform for cross-border matchmaking, which expanded online trade and investment matchmaking volume and met the needs of domestic and foreign enterprises unable to be present because of the COVID-19 pandemic with more powerful “digital, professional and targeted” online services.



Note: BOC fully supports CIIE online investment matchmaking.

Trade and investment matchmaking	The “online + offline” trade and investment matchmaking was successfully held, invited 674 exhibitors and 1,351 purchasers from 64 countries and regions and 861 cooperation intentions were reached.
Investment attraction roadshow	BOC supported the whole course of investment attraction roadshows. Specifically, it assisted CIIE Bureau in organising over 20 roadshows across China, supported overseas roadshows by CIIE Bureau and online investment attraction.
Propelling exchanges	Large online customer strategy meetings and theme salons were held, with enterprises invited to exchange on the macroeconomic situation, RMB exchange rate, interest rate trend, etc. at home and abroad.

China-Argentina matchmaking meeting for wine industry

The trade and investment matchmaking meeting of the 3rd CIIE is the first matchmaking activity at night. BOC co-hosted a China-Argentina matchmaking meeting for wine industry with the Argentine Ministry of Productive Development and the Chinese Embassy in Argentina, building a platform of communication and cooperation between Chinese and Argentine enterprises in the wine industry.



Note: China-Argentina online matchmaking meeting

1.2 Integrating resources to boost “new infrastructure”

BOC formulated the *Guiding Opinions on Credit Extension in Support of New Infrastructure and Remedying Shortcomings in the Fields of Infrastructure*, insisted on paying equal attention to new and old infrastructure and new urbanisation, focused on credit extension opportunities in areas such as highways, urban rail transit, and railway construction, actively contacted key hydraulic engineering projects, and carried out business such as land transfer, urban renewal, and renovation of old urban areas in an orderly manner. At the same time, it researched and formulated relevant credit policies and guidelines for key new infrastructure areas such as 5G, artificial intelligence, industrial internet, big data centres and charging piles for new energy vehicle.

In 2019, BOC set up the “Joint Laboratory of Transportation, Finance and Technology Innovation” together with the China Highway & Transportation Society to promote the integration and innovative application of transportation and finance scenarios. In 2020, the Laboratory issued the *White Paper on Transportation Blockchain (2020)*, which became the first industry standard in the application area of transportation blockchain technology in China.

Supporting the construction of urban rail transit

BOC actively supported the financing needs of various regions in their construction of urban rail transit. It took the lead in organising the RMB14.4 billion syndicated loan project for the Hefei Metro Line 5, the RMB9.4 billion syndicated loan project for Line 7, and the RMB3 billion syndicated loan project for Phase I of the Shenzhen Metro Line 8, and acted as the main underwriting bank for the RMB3 billion bonds of Chongqing Metro and RMB900 million bonds of Nanjing Metro. As of the end of 2020, the balance of loans to urban rail transit segment was RMB222.597 billion, with an increase of RMB24.29 billion or 12.25% over the beginning of the year.

Supporting Henan Province in implementing the expressway PPP project

In January 2020, BOC Henan Branch held a signing ceremony for the RMB4.4 billion syndicated loan for some sections of the Xinxiang-Jincheng Expressway, in which Xinxiang Rongsheng Expressway Construction Co., Ltd. and six financial institutions including BOC Henan Branch signed a Syndicated Loan Contract. The Expressway, with a total investment amount of RMB7.475 billion and a total length of 69.75 kilometers, is an important passage for Xinxiang to open to the outside world. The syndicated loan is the first PPP project implemented for private expressway in Henan, with BOC Henan Branch as the leading and agent bank.



Note: The construction site of Xinxiang-Jincheng Expressway

Creating a new pattern of transportation and finance with the help of blockchain

In 2020, BOC FinTech rolled out the Qianmo blockchain service platform (referred to as “Qianmo chain”) for the Joint Laboratory of Transportation, Finance and Technology Innovation. As the first basic blockchain service platform independently developed in China for the national transportation industry, Qianmo chain has been applied in many scenarios such as credit transportation, safety production and market supervision, and has helped the transportation industry build an all-round credit supervision system and establish a safe production supervision model based on mutual trust between government and enterprises. At the same time, BOC FinTech and Scientific and Technological Development Co., Ltd. of China Academy of Transportation Science have developed a credit transportation blockchain platform to build a credit-based, full-cycle and closed-loop monitoring system. Besides, BOC FinTech has developed a transportation blockchain management platform for Huaibei City in collaboration with the Huaibei Transportation Bureau to promote the digital transformation and upgrading of the transportation sector.



Note: BOC Financial Leasing leverages its strengths in finance lease to support the construction of infrastructure. It conducted a leaseback project worth RMB2.253 billion for Kunming Rail Transit Group Co., Ltd. in 2020

1.3 Activating the “new driving force” for industrial development

BOC has continued to increase support for the development of manufacturing and strategic emerging industries and the upgrading and reconstruction of traditional industries through optimising the allocation of credit resources and the provision of diversified services.

Supporting the development of the manufacturing industry	BOC has carried out the research project on “Supporting High-quality Development of the Manufacturing Industry”, formulated credit policies for industries such as integrated circuit, new energy automobile and new materials, and carried out special training programme. As of the end of 2020, the balance of loans to the domestic manufacturing sector totaled RMB1.46 trillion, with an increase of RMB105.7 billion over the beginning of the year.
Supporting strategic emerging industries	BOC has formulated and improved credit policies for industries such as internet, medical devices, pharmaceutical manufacturing, new materials and integrated circuits and has effectively guided the credit orientation of the industry. In addition, it has provided various services such as the receiving bank and the underwriting bank for IPO, cross-border fund pool, employee stock ownership plan and credit extension for unicorn enterprises in various subsectors, and has strengthened support for strategic emerging industries by making use of comprehensive platforms and debt-equity combination financing. In 2020, it signed 130 options loans businesses with scientific innovation-based enterprises, with a credit balance of RMB1.2 billion.

Serving strategic industrial clusters in Guangdong

In September 2020, the Department of Industry and Information Technology of Guangdong Province and BOC Guangdong Branch jointly launched the *Exclusive Financing Service Programme for Nurturing and Developing Strategic Industrial Clusters*, planning to provide RMB500 billion of new loans over the next five years to enterprises in strategic industrial clusters in Guangdong Province, create exclusive financing service products for leading enterprises of industrial clusters, industrial chains of core enterprises, supply chain customers and supporting service enterprises, technological transformation and enterprises on the industrial internet “cloud-on-platform”, innovative small and medium-sized enterprises, etc., promote the growth and development of industrial chain-oriented enterprises, support the upstream and downstream integration of industrial chain enterprises, and help small and medium-sized enterprises in characteristic industrial clusters to speed up their intelligent and digital transformation and upgrading.

Boosting industrial transformation and upgrading

BOC Shaanxi Branch has provided syndicated loan service for the innovative coal utilisation project of Shaanxi Coal and Chemical Industry Group Co., Ltd. The project is a large-scale coal and chemical key project under construction by Shaanxi Coal and Chemical Industry Group Co., Ltd. with an investment amount of RMB21.7 billion. It is also a landmark project for Shaanxi Coal and Chemical Industry Group Co., Ltd. and even the national coal industry to change from fuel to raw materials and realise the parallel development strategy of energy and materials. The syndicated loan service has provided financial support for the project, supporting Shaanxi Coal and Chemical Industry Group Co., Ltd. to build a world-class supplier of clean energy and provider of new materials and high-end manufacturing services, as well as contributing to environmental protection.

As an official partner of 2022 Beijing Olympic Winter Games and Paralympic Winter Games, BOC has supported the construction of venues and infrastructure for the Winter Olympics while ensuring regular financial services for the Winter Olympics to promote the development of the ice-snow sports industry. As of the end of 2020, BOC provided credit support on ice-snow projects for 12 provinces, municipalities and autonomous regions, including Beijing, Hebei, Heilongjiang, Jilin, Xinjiang and Shaanxi, involving more than 30 key ice-snow projects, with a total approved credit of RMB56.7 billion and accumulated loans of RMB25.9 billion.

Supporting the construction of Beijing-Zhangjiakou High-speed Railway

Since the beginning of the planning of the project Beijing-Zhangjiakou Intercity Railway, which is a key transportation support project for Beijing Winter Olympics in 2015, BOC Beijing Branch and Hebei Branch have vigorously marketed to project company and approved a credit line for it. BOC provided a total of RMB4.951 billion in loan support for the project over the past five years. The Beijing-Zhangjiakou High-speed Railway, which connects Beijing with venues in Zhangjiakou, Chongli and other places, is a supporting infrastructure project for the 2022 Beijing Winter Olympic Games and a key transportation infrastructure for the coordinated development of Beijing, Tianjin and Hebei. The Beijing-Zhangjiakou High-speed Railway has fully opened, allowing an-hour travel from Zhangjiakou to Beijing.



Note: BOC Sichuan Branch holds a media event themed with “Ski Together”

1.4 Supporting remediation of shortcomings in the fields of people’s livelihood

BOC is highly concerned about the development needs in the fields of people’s livelihood, and has continuously increased its financial and credit support in the areas of indemnificatory housing, municipal services, medical and health care, and people’s living consumption, and fully integrated intelligent technical services to create more intelligent scenarios beneficial and favourable to the people.

<p>Facilitating the construction of indemnificatory housing</p>	<p>Acting on the principle that houses are for living in, not for speculation, BOC supported the construction of indemnificatory housing through financing and financial products, and increased the supply of indemnificatory housing. As of the end of 2020, the balance of loans to government-subsidised housing projects was RMB151.445 billion.</p>
<p>Promoting the popularisation of electronic social security card</p>	<p>BOC has further promoted the popularisation of electronic social security cards throughout China, and has advanced the digitalisation of the field of ensuring people’s livelihood. As of the end of 2020, BOC issued 2,549,600 electronic social security cards, of which 1,495,900 were issued in 2020.</p>
<p>Serving the medical and health undertakings</p>	<p>BOC has continued to increase credit support in the medical and health sector. As of the end of 2020, the balance of loans to the health sector was RMB46.2 billion, with an increase of RMB12.5 billion (37%) from the beginning of the year.</p>
<p>Supporting the field of people’s living consumption</p>	<p>BOC has formulated credit policies for areas such as sports, health, pharmaceutical manufacturing and medical devices, and has expanded channels for support by means of debt-equity combination financing and scenario building to further increase credit support for people’s livelihood.</p>

Supporting Xiongan to build a public service platform

The Public Service Platform is the basic supporting platform for public service built by Xiongan New Area. The platform will integrate government functions in the fields of education, health care, cultural tourism, sports and other areas of people’s livelihood to achieve information sharing and intelligent services. BOC has taken the lead in completing the top-level design of the platform, and will continue to carry out financial innovation at a higher level to enhance its core competitiveness in the field of fintech innovation in Xiongan New Area, and integrate into the digital development of Xiongan and regional development process, aiming to promote BOC’s business development and create a fintech innovation brand.

Building an integrated platform of government affairs service

BOC Guangdong Branch has built an integrated platform for government affairs service in Guangdong in close cooperation with the Guangdong Provincial Government Affairs Service Data Administration, and advanced the implementation of the initiative of “integrating government affairs into branches” through technological innovation combining internet, government affairs and finance, ensuring that government affairs services can be handled at the nearest branch, completed in one go, and handled across cities. Government affairs services that can be handled at the intelligent counters include 14 categories and 113 sub-categories, covering government affairs such as housing fund, human resources and social security, health insurance, hygiene and health, justice, taxation, public security, natural resources, customs and meteorology.



Note: BOC Shantou Branch launches government affairs service at intelligent counters in December 2020

Model branch in processing finance-based social security card

As the undertaker of health insurance cards of Yunnan Province, BOC Yunnan Branch has used the intelligent counters to enhance the efficiency of application for new finance-based social security cards, and has achieved a rapid process of “obtaining the card through several clicks on the machine”. In the face of a keen demand for cards, BOC Yunnan Branch has shortened the service time of applying for a finance-based social security card from 30 minutes on average at the counter to 12 minutes through active coordination, increasing equipment and optimising processes, bringing great convenience to the public.

2 Providing Excellent Services Empowered by Technology

FinTech is becoming an important driving force to the digital transformation of commercial banks, profoundly changing the business model of the banking industry. The outbreak of COVID-19 has caused a great impact on the real economy and financial market, and accelerated the change of consumer behavior and the digital transformation of financial industry. BOC has adhered to the “customer-oriented” principle, vigorously promoted the development of digitisation, deepened the integration of science and technology with business, continuously promoted the ecological construction of scenarios, innovated the product system and service model, and made continuous efforts to improve customers’ financial service experience in all directions. At the same time, BOC has continued to strengthen the protection of the rights and interests of customers, and brought customers with considerate services through measures such as improving management mechanisms, carrying out publicity and education activities and intensifying the construction of information security.

Sustainable Development Goals (SDGs)



Feature: Opening up and sharing, creating ecological services of scenarios

In 2020, BOC steadily carried out the development of ecological services of scenarios, and promoted the implementation of four strategic scenarios including cross-border scenario, education scenario, sports scenario and silver economy scenario, making financial services further penetrate into the real economy.

Development of cross-border scenario

Relying on the “Cross-border” segment of mobile banking and the BOC cross-border applet, BOC has integrated its financial services and non-financial services of third parties to provide a convenient and efficient full-process service experience for customers studying and travelling abroad.

For customer group engaged in cross-border e-commerce

- BOC has improved its service system for cross-border e-commerce and explored innovation of its business model, focusing on the development of payment service institutions’ cross-border collection services and cross-border e-commerce platforms’ cross-border collection services. Besides, it has built a pilot e-government platform with the government to solve problems such as overseas collection involved in cross-border e-commerce in batches.

For customer group studying abroad

- BOC has integrated financial and non-financial services to provide customers with high-quality products throughout their whole journey of studying abroad, taken the advantages of overseas institutions to design exclusive rights such as “overseas student consultant” and “overseas student internship programme”, joined hands with the Ministry of Education to launch a series of activities such as “safe studying abroad with you” to showcase the patriotism and spirituality of overseas students, attracting 7,853 Chinese students and their parents from 65 countries and regions around the world to participate in the activities.

One-stop service for “Visa + insurance + assistance”

Shanghai Branch of BOC Insurance has launched in-depth cooperation with VFS Global (a third-party Visa service platform), Allianz Global Assistance and Nanyan Insurtech, and introduced special products of BOC Insurance for overseas travel on the official website of VFS Global to provide one-stop Visa service, accident insurance protection and emergency assistance service for outbound customers. Under this model, consumers can access a number of scenario-based services, including dozens of types of travel insurance such as accident injuries during travel, overseas medical costs and loss of personal belongings, as well as 365 × 24-hour real-time emergency assistance services.



Note: Product release and signing ceremony between BOC Insurance and VFS Global

Development of education scenario

BOC improved the credit policy for the education sector, further enhanced the flexibility of credit management requirements, and actively supported the development of the education sector. Based on big data analysis technology, BOC continued to increase the development of products for education scenario. For example, its products concerning tuition supervision can help solve the problem of fund security in the education and training industry; “University One Code Pass” can solve the problems of campus consumption and identity authentication; the education zone of mobile banking offers hundreds of free excellent courses. Besides, it provides customers related to education with various products such as national educational loans, charitable donations from alumni and special wealth management for teachers.

<p>Campus scenario</p>	<p>Relying on the profound accumulation of campus financial services, the Bank built a comprehensive service platform for the “BOC Lezhi” intelligent campus to provide all-round digital and intelligent technological services for colleges and universities, primary and secondary schools and kindergartens. As of the end of 2020, the platform had been piloted in Shaanxi, Shandong, Shanghai, etc., with more than 200 cooperative schools.</p>
<p>Education and training scenario</p>	<p>The Bank built a tuition management service platform to provide a powerful tool for local education authorities to standardise the management of training institutions. As of the end of 2020, more than 1,500 training institutions had been launched.</p>

Co-building of “intelligent campus”

BOC Hainan Branch cooperated with Hainan Normal University in the building of “intelligent campus” under the platform of the “Data Science and Intelligence Education” project of Key Laboratory of the Ministry of Education. The cooperation between the two will focus on the idea of “5G network ecology + big data and intelligent services” concerning the building of intelligent campus, centre on the two core requirements of normal university student training and teacher training, and use big data, 5G and artificial intelligence technology to promote the deep integration of higher education with basic education, education and teaching, and information technology. It is expected that an open, diverse, shared and safe “intelligent campus” will be basically completed around 2022.



Note: Signing ceremony of the “intelligent campus” co-built by BOC Hainan Branch and Hainan Normal University

Development of sports scenario

BOC issued the *Guiding Opinion on Credit for Supporting the Development of Sports Industry* and actively innovated financial products for sports scenario. At the same time, BOC vigorously supported the issuance of consumption coupons on sports and introduced the sports zone on its mobile banking to provide services such as sports information, professional training courses and venue reservation, to encourage people to carry out health and physical activities. In 2020, the Bank offered a total of RMB53,668,300 worth of 1,108,400 sports consumption coupons. A total of 130,606 customers claimed the coupons, of which 111,564 coupons were written off, driving the issuance of 590,000 new cards.

Devoted to the construction of sports scenario to fuel the development of mass sports

For the purposes of promoting the development of mass sports and enhancing the physical fitness of the general public, Yinchuan Sports Bureau held the “First Citizens Sports Meeting of Yinchuan” in 2020. During the preparatory process, the Yinchuan Sports Bureau fully considered the safety issue and made every effort to carry out the sports meeting on the premise that the safety of the masses is guaranteed.

After BOC Ningxia Branch and BOC Insurance Tianjin Branch learned about the sports meeting, they took the initiative to participate in the discussion and communication on the guarantee services of the sports meeting, and developed the innovative financial solution on bank insurance that fit the scenario, which was highly regarded by the Yinchuan Sports Bureau. The solution provides rights and interests protection services for the applicants of sports events by embedding the rights and interests package products containing the sports accident insurance of BOC Insurance in the sports event scenario of the sports zone of the mobile banking APP of BOC. The rights and interests package not only provides participants with accident insurance on the event, but also introduces the benefits of sports rehabilitation for post-accident treatment and rehabilitation.

Boosting the issuance of sports consumption coupons in Jiangsu Province

BOC Jiangsu Branch actively undertook the issuance of sports consumption coupons in Jiangsu Province in 2020, and distributed RMB30 millions of sports consumption coupons to the public through the “Jiangsu National Fitness Card” with the model of “Sports + Internet + Finance”. As of the end of 2020, 515,400 people had received the sports consumption coupons, directly boosting the amount of sports consumption by about RMB163 million. In addition, BOC distributed about RMB7.908 million in sports consumption coupons to medical personnel assisting Hubei and young people in poor areas.



Note: BOC Jiangsu Branch boosts the issuance of sports consumption coupons

Promoting the public in participating in fitness walking

In 2020, BOC Qingdao Branch and the Qingdao Municipal Sports Bureau jointly held an event, known as the fitness walking on the beach in Qingdao. To encourage more people to participate in fitness walking activities and experience a healthy lifestyle, BOC Qingdao Branch set up an online enrolment channel and citizens could enroll the event through the mobile banking APP and the APP “Colorful Life”. The event also invited medical teams in Qingdao which assisted Hubei as well as local sports celebrities.



Note: BOC Qingdao Branch actively encourages the public to participate in fitness walking

Development of silver economy scenario

BOC has drawn up several service plans such as the “Inclusive Elderly Care Loan” and “Loan for Combination of Medical Treatment and Endowment” to continuously expand the product system for the silver economy scenario; continued to use big data, blockchain, 5G, Internet of Things, biological recognition and other technologies to bring more intelligent service experience to the gray-haired group; continued to deepen the development of the Time Bank and the Bank of China University for the Elderly, and provided financial support for the public welfare programme and cultural programme related to the service for the aged.

“Gray-hair elderly care” zone on mobile banking

BOC mobile banking has created a zone, known as the “gray-hair elderly care”, covering five modules: “Wealth management”, “Quality life”, “University for the Elderly”, “Elderly Care One Account Pass” and “Family Account”, which can provide the elderly with large-character and convenient “one-stop” exclusive services such as online investment and finance, home shopping and free popular courses.

Co-building of the new model of intelligent elderly care with the cooperation between banks and hospitals

Yanchi Sub-branch of BOC Ningxia Branch and Ningxia Yonghong Medical Trade Co., Ltd. sought cooperation in elderly care and medical projects to optimise the flow of medical treatment and improve the management system of hospitals and nursing homes through advanced Internet technology and financial technology platform of banks, with the concept of “Internet + intelligent hospital with the combination of medical treatment and endowment” at the core. The project provides multiple means of payment such as UnionPay card, WeChat, Alipay and face recognition, and shares the data between mobile internet medical treatment platforms and self-service medical treatment equipment, achieving the whole-process intelligent services from online to offline.



Note: Yanchi Sub-branch of BOC Ningxia Branch explores new model of the combination of medical treatment and endowment with the cooperation between banks and hospitals

Walking into communities to popularise financial knowledge for the gray-haired customers

BOC Tianjin Huanghedao Sub-branch and surrounding communities carried out theme publicity activities for the elderly in the communities, and embedded publicity of financial service into such activities. The staff members explained to the elderly knowledge on preventing financial fraud and preferential rights and interests of the social security card issued by BOC, and invited them to experience the “gray-hair” zone on BOC mobile banking. The sincere and heartwarming service provided by the staff members was highly praised by the elderly and neighborhood committees.



Note: Staff members from BOC Tianjin Huanghedao Sub-branch explain financial knowledge to the elderly in communities

Culture support for the elderly, endowing the aged life with “new fashion”

In response to the government’s policy of encouraging the participation of social forces in lifelong education, BOC has established the online BOC University for the Elderly on mobile banking after filing with the Shanghai Municipal Education Commission. The online BOC University for the Elderly has been successfully launched to offer a free learning platform for elderly customers across the country, realising six major functions such as “getting the admission letter”, “learning through video courses”, “activity registration”, “personal learning records”, “getting learning certificates”, and “contest participation”. There is one special segment (“Shang Shou Le” special segment) and six colleges (finance, art, health, etc.) in the “learning through video courses” with 17 courses available for the elderly nationwide to learn online for free. Among them, the creative handmaking programme “Shang Shou Le” sponsored by the Bank was quite unique, and invited elderly customers to participate in hand-making activities on site. A series of courses such as “Smartphone APP” and “Guard Financial Security” which are designed to narrow the divide with the elderly raised the sense of gain and satisfaction of the elderly. Besides, more seniors can watch a full replay of the programme on the BOC University for the Elderly through mobile banking. BOC will continue to upgrade its learning system and introduce more functions such as the exchange of learning points.



Note: Mobile banking APP “BOC University for the Elderly”

Note: BOC-sponsored programme “Shang Shou Le”

Integrating the four scenarios to create mobile banking features

BOC mobile banking has launched four zones for cross-border finance, education and growth, gray-hair elderly care, and sports and fitness, providing one-stop financial services for scenarios based on customer needs.

- Cross-border finance: It has integrated 22 cross-border financial and non-financial services, providing tailor-made, full-trip and cross-border service solutions for key customer groups involved in overseas study, global business travel, etc.
- Education and growth: It launches exclusive pages for growth and youth, covers modules such as “Lezhi Headline”, “Lezhi School”, “Growth Finance” and “Lezhi Gift”, provides feature services including Piggy Bank for Baby and Charitable Donations, and introduces educational information, online courses, campus services and other selected content.
- Gray-hair elderly care: It provides services such as the BOC University for the Elderly and large font settings, builds the “99 Gray-hair Festival” brand, and rolls out a series of activities such as exclusive wealth management and shopping discounts for elderly customers.
- Sports and fitness: Focusing on the hot spot of the Winter Olympics, it provides customers with multiple preferential services such as ice and snow ticketing, training courses, winter camps and sports consumption coupons. At the same time, it offers the function of “sports clock-in to promote marketing”, carries out skiing physical fitness competition and other activities, and embeds the financial products of BOC such as account opening and payment.



“Cross-border finance” zone of mobile banking



“Education and growth” zone of mobile banking



“Gray-hair elderly care” zone of mobile banking



“Sports and fitness” zone of mobile banking

2.1 High-quality service within reach

BOC has always put customer needs first, intensified the investment in new technologies, improved channel service capacity, and promoted the intelligent transformation of its outlets to provide customers with efficient, convenient, and high-quality digital financial services. As of the end of 2020, the number of mobile banking users reached 210.55 million.

Providing “at-home” financial services

BOC Shenzhen Branch has actively carried out internal and external cooperation and launched the “BOC at Home” WeChat applet, which can provide safe and convenient “at-home” financial services for Shenzhen citizens and realise handling financial business without leaving home. As of the end of 2020, the platform has launched 18 business modules to support the off-site collection of social security cards, trade union cards and other cards, as well as online credit card certificate application, personal loan certificate application, resident information perfection and other functions. The total number of registered users of “BOC at Home” reached 100,000.



Note: “BOC at Home” allows you to enjoy business services without leaving home

Promoting the digital transformation of mobile banking

Through the application of big data, artificial intelligence, biometrics and other technologies, BOC has continuously promoted the digital transformation of mobile banking and brought personalised and intelligent service experience to customers.

- Intelligent recommendation: Customers can check the investment products suitable for them through the “Recommended for You” function on the home page. This function is based on a rich product library and user portraits to achieve intelligent recommendation, which can help customers make investment decisions.
- Personalised home page: Click “Customise My Home Page” at the bottom of the page to bring your frequently used function modules to the home page, so as to realise quick inquiry of frequently used functions and quick transaction.
- Intelligent module recommendation: Based on the browsing operation habits of customers, as well as the holding of assets and products, frequently used functions can be directly recommended and displayed.
- Services designated for the aged: The mobile banking will provide featured services for aged customers like bigger font, audio guide operation and special module for the aged, according to their demands and operation habits.
- “Identify the Foreign Currency” service: Use the “Scan” function to scan foreign currency to identify the currency, face value and other information of commonly used foreign currency.
- Birthday blessing: On the date of the customer’s birthday, mobile banking will automatically change to the dedicated birthday blessing theme page.



Note: “Identify the Foreign Currency” page and birthday blessing theme page on the mobile banking

2.2 Technology boosts inclusive finance

BOC has accelerated the construction of specialised inclusive financial institutions, improved the organisational system of inclusive finance of “specialised departments + professional sub-branches”, optimised the supply capacity and service level of inclusive financial products by relying on the fintech advantages, expanded the service coverage of small and micro merchants and small- and micro-sized enterprises, and promoted the solutions to financing difficulties and expensive financing of SMEs. As of the end of 2020, the balance of BOC’s inclusive finance loans under “two increases and two controls” was RMB611.662 billion, with an increase of 48.12% compared with the previous year.

In addition, BOC has launched a series of innovative online financing products for small- and micro-sized enterprises through fintech to enhance the quality and efficiency of inclusive financial services. The product uses internet, big data, biometrics and other fintech tools to simplify the loan application process, improve the efficiency of business handling, intensify credit support, and further meet the diversified financing service needs of small- and micro enterprises.

Building an online inclusive platform

In order to promote the development of inclusive finance, BOC has developed and built the online “BOC i Inclusive Finance” platform, and piloted in Zhejiang Branch. The platform has established three decision-making engines for pre-loan, in-loan and post-loan, and contains six modules: intelligent marketing, intelligent approval, intelligent risk control, quality management, online products and mobile assistants, which are applied to the whole life cycle of inclusive financial services. In 2020, the platform went online, whereby the average number of customers of customer managers doubled, and the yearly average growth of corporate inclusive loans exceeded 50%, effectively improving the service efficiency of inclusive finance.

The banking industry and insurance industry cooperate in serving small— and micro-sized enterprises

Since 2019, BOC Insurance Zhejiang Branch has participated in the Huzhou Green Petty Loan Guarantee Insurance Consortium to provide guarantee services for the “Green Loan Pass” in Huzhou. In 2020, as the financing needs and risks of private, small- and micro-sized enterprises increased, BOC Insurance Zhejiang Branch has actively participated in guarantee services. As of the end of 2020, a total of 103 “Green Loan Pass” loan guarantee insurances were underwritten, with a share of more than RMB8.3 million for private and small- and micro-sized enterprises and enterprise owners in Huzhou, promoting more than RMB160 million of “Green Loan Pass” project loans, and helping private and small- and micro-sized enterprises to overcome the difficulties in the COVID-19 pandemic.



Note: BOC Hebei Branch visits small and micro enterprises and lends a hand to solve their operation difficulties

2.3 Promoting intelligent transformation of outlets

BOC has always taken customers as the centre, deepened the building of offline intelligent service system on the basis of the achievements in the construction of intelligent counters, used new technologies to improve channel service capacity, and promoted the intelligent transformation of outlets and adaptation of outlets to the needs of the elderly. As of the end of 2020, BOC placed a total of about 3,500 portable intelligent counters and achieved full coverage of 36 tier-1 branches.

Intelligent new outlets

By strengthening the application of intelligent technology, BOC has continued to promote the transformation from traditional outlets to intelligent outlets, allowing customers to experience the whole process of intelligent services.

Digitisation of outlet business	<ul style="list-style-type: none">• BOC continuously built 5G Intelligence + series outlets, set up 5G Intelligence + Cross-Border Pavilion in Suzhou on the basis of 5G Intelligence + Life Pavilion in Beijing and 5G Intelligence + People’s Livelihood Pavilion in Tianjin, promoted the wide application of cutting-edge technology in outlets, and built a digital bank with diversified intelligent technologies, rich scenarios, online and offline synergy, and excellent customer experience.
Diversification of business models	<ul style="list-style-type: none">• BOC introduced portable intelligent counters. The device integrates functions of product display, interactive experience and transaction processing, and can be used both inside and outside outlets to provide customers with a more convenient, flexible and personalised “one-on-one” VIP service experience. BOC supported the “door-to-door delivery” for the elderly, the masses in remote areas and other customer groups, aiming to provide more heartwarming financial services.
Streamlining of service process	<ul style="list-style-type: none">• BOC introduced the instant card-making function at intelligent counter for social security card, with which the “end-to-end” process from application, card-making, card opening to activation of social security function can be completed within 5 minutes, providing one-stop solutions to customers’ social security card business demands and convenient financial services.• BOC launched intelligent counter receipt service for corporates, which supports corporate customers to inquire and print accounting information by themselves, and improves the basic services to corporate customers.

Online and offline synergy

- BOC promoted the new O2O physical delivery mode, realised the large-scale operation of “making appointments online and receiving physical packages offline” relying on intelligent counters, won initial success of its O2O foreign currency service brand, and explored more online and offline integrated physical delivery fields.



Note: Convenient smart counters at BOC Guangdong Branch

BOC’s outlet of version 5.0 with a new image and highest altitude opened

In September 2020, Beijing Middle Road Sub-branch of BOC Tibet Branch completed the upgrading of version 5.0 outlet and officially opened it for business. With the brand-new design style, warm decoration, and application of cutting-edge technology, the new version of outlet not only upgraded the business environment, but also realised the major transformation of the service mode, bringing more intelligent and attentive financial service experience to customers.



The marketing service area and open counter at version 5.0 of outlet of Beijing Middle Road Sub-branch of BOC Tibet Branch

The first social security card instant card-making business via intelligent counter implemented in Shandong

On October 26, 2020, the first social security card-making service via intelligent counter was implemented in BOC Zaozhuang Branch in Shandong Province, making BOC the only local banking institution that independently mastered the technology of instant social security card-making. The “I want to open a social security card (national version)” scenario of BOC integrates BOC’s features and social security end platform, and the daily business of opening and canceling social security cards, instant card-making and information modification can be completed at the intelligent counter.



Note: The first social security card-making business at intelligent counter of BOC implemented

Elderly care service demonstration site

BOC has attached importance to the social attributes and life service attributes of its outlets, actively promoted the transformation of outlets to adapt to the needs of the elderly and the construction of elderly care service demonstration sites, strengthened face-to-face communication with elder guests from the aspects of hardware facilities, process optimisation, service experience, and humanistic care, so as to provide heartwarming services. As of the end of 2020, 115 elderly care service demonstration sites were built, including 5 benchmark outlets with elderly care characteristics.

Building the first benchmark outlet with elderly care characteristics in southwest China

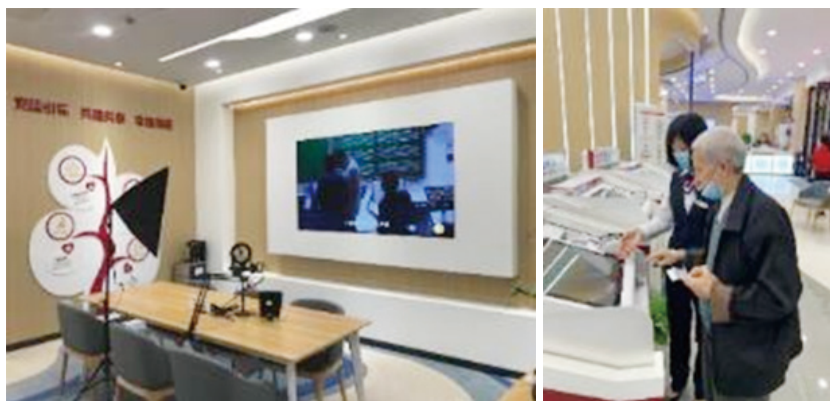
In October 2020, Haijiaoshi Sub-branch of BOC Sichuan Branch officially opened with a new look. Considering the large group of elderly people in the surrounding communities, the sub-branch has carried out transformation from many aspects in order to meet the needs of the elderly and build into the first BOC benchmark outlet with elderly care characteristics in southwest China.

Physical layout: The arc design concept that is not easy to collide was adopted; adjustments were made to the spatial layout of cash area, intelligent counter area and self-service banking area, thereby shortening the walking route of elderly customers to the greatest extent.

Featured facilities: Eye-catching signs and guiding signs reading “Priority for the Elderly” were placed at the consultation desk, functional area, manual counters and priority seats; electronic call bells were installed in all functional areas, and the hall personnel can receive timely reminders through the bracelet; the permanent business process prompt and crutch storage area with magnified font size were set up beside the counter and self-service equipment, and presbyopic glasses and magnifying glasses of all degrees were provided; and wheelchairs, crutches, first aid supplies, denture cleaning tablets, cash bags and other articles were offered.

Personnel allocation: Internal and external teachers were organised to provide training on such topics as skills of serving the elderly, use of products and information of silver industry for employees; companionship services were strengthened to help elderly customers unfamiliar with intelligent counters and mobile banking efficiently handle financial business through self-service channels.

Community services: Long-term activities were carried out in cooperation with the community, such as establishing volunteer service teams, complimentary insurance and giving intelligent elderly care equipment; holding activities with community cooperation characteristics, such as birthday theme activities for elderly Party members in communities.



Note: The service outlet with elderly care characteristics of Haijiaoshi Sub-branch of BOC Sichuan Branch

2.4 Sincerely safeguarding customers' rights and interests

BOC attached great importance to the protection of consumers' rights and interests, and set up Corporate Culture and Consumer Protection Committee under the Board of Directors, which is in charge of reviewing the strategies, policies and objectives concerning the Bank's consumer protection, proposing suggestions to the Board of Directors, and monitoring and evaluating the Bank's consumer protection.

In 2020, the Bank continuously improved the strategic objectives, systems, mechanisms and institutional basis for the protection of consumers' rights and interests. Based on the external customer satisfaction survey, summary and analysis of customer complaints and other work, BOC formulated corresponding service improvement measures. The external customer satisfaction reached 93.1%, 1.5 percentage points higher than last year. At the same time, the customer fund safety and information security guarantee system have been continuously improved to ensure that customers' interests are not lost; and the popularisation of financial knowledge education has been actively carried out to promote the awareness of financial risk prevention among consumers.

Listening to customers

BOC has established and constantly improved customer communication channels to ensure that customer complaints and relevant opinions can be obtained and handled in a timely manner. BOC has developed an online closed-loop workflow of "collection-analysis-assessment-evaluation" to continuously promote experience optimisation and improve customer satisfaction. As of the end of 2020, a total of 661 customer opinions were collected through customer service, branches and other channels, among which 423 were adopted after analysis and evaluation, and 96 implemented.

Upgrading 95566 call-in service	Regarding 95566 call-in service, an all-voice portal and navigation have been implemented, and functions of online signing and login with reserved mobile phone number have been added. After the customer enters the line and expresses his needs, he can directly reach the business node. Compared with keypad service, the upgraded mode can save customer interaction time, effectively improving the efficiency of customer business handling.
--	--

Enhancing online customer service capability	The new generation of online customer service has covered major online service channels such as mobile banking, micro-banking, transaction banking (BOCNET), personal online banking and web portal. After upgrading, the average daily number of online customer service visits was about 110,000, and the manual customer service access rate was more than 90%.
---	--

Customer complaint handling

In accordance with the relevant requirements of the PBOC and the CBIRC, BOC has revised the *Management Measures of Bank of China Limited for Customer Complaints*, clarified the definition of complaints, determined the principles, procedures and limitation requirements for handling complaints, made process provisions for the verification of handling complaints, further regulated the handling of complaints, and the investigation and verification of complaints, so as to effectively protect the legitimate rights and interests of consumers. In 2020, a total of 188,000 customer complaints were handled.

Major complaint business category	Credit card complaints accounted for 34.2%; debit card complaints accounted for 14.0%; and loan complaints accounted for 9.5%. The above three categories of businesses together accounted for 57.7% of all complaints.
Regional distribution of major complaints	Jiangsu (5.8%), Guangdong (5.0%), Hebei (4.4%), Henan (4.2%) and Beijing (4.1%). The complaints from the above five regions together accounted for 23.5% of all complaints.

Safeguarding fund safety

BOC attached great importance to safeguarding the safety of customers' funds, continuously strengthened the institutional guarantee, analysed and evaluated the behaviors that might cause loss of customers' funds, standardised various business processes, and built an intelligent anti-fraud platform, making every effort to prevent the risk of damage to customers' funds.

Preventing fraud risk

The "Network Defence In-Event Risk Control System" ("Network Defence" hereinafter) launched by BOC in 2018 has become an enterprise-level anti-fraud in-event control platform with complete functions and comprehensive coverage after continuous improvement and upgrading. Based on the comprehensive application of big data, cloud computing, artificial intelligence and other financial technologies, "Network Defence" can provide all-round, whole-process, real-time and efficient anti-fraud services, effectively identify and handle fraud risk events, and effectively ensure the safety of users' funds and accounts. In 2020, the "Network Defence" system intercepted a total of 520,000 suspicious transactions, amounting to nearly RMB12 billion.

Having an insight into fraud risks and immediately blocking suspicious transactions

On November 2, 2020, a suspicious transaction involving a transfer of RMB72,000 was identified and intercepted by “Network Defence”. After real-time telephone verification by the risk control operators, it was found that the transaction was a telecommunications network fraud, and the transaction was refused, avoiding capital losses for customers. It was learned that the customer had just started to work after graduating from university. He once applied for a campus loan on a third-party platform when he was in college, and he recently received a call from a staff member from the platform who claimed that he could help eliminate the loan history information in order not to affect the customer’s reputation, provided that the customer transferred the loan from the platform to a designated account. The customer believed it and used BOC mobile banking to transfer money to the fraudster. Immediately, the transaction was hit by the expert rule model of “Network Defence”, and was determined to be a suspicious fraud transaction, being successfully intercepted after verification. To express his gratitude, the customer sent a silk banner to BOC.



Enhancing risk awareness

BOC required its employees to strictly abide by the code of conduct for bank practitioners and not touch the red line of discipline. It conducted risk warning training through online and offline centralised learning, testing, special lectures and other forms to improve employees’ risk awareness and risk identification ability.

Raising prevention awareness to protect customers' money

Since the outbreak of the pandemic, lawbreakers have committed fraud through online channels from time to time, and BOC employees have fully integrated their awareness of risk prevention into their daily work, helped customers identify frauds and traps, and effectively protected the legitimate rights and interests of customers.

- The teller of Taijiang Sub-branch of BOC Fujian Branch helped customers identify false “love charity” fraud and assisted customers in donating money through the correct channel.
- The staff member of Donghu Sub-branch of BOC Jiangxi Branch tested the authenticity of foreign mask suppliers in English, helped customers recognise the truth of fraudsters pretending to be foreign investors, and thus avoided huge capital losses.
- The staff member of the base branch of the Head Office of BOC Beijing Branch successfully intercepted a case of fraud in the purchase of masks by overseas remittance and helped the customer recover losses of USD2,295.



Note: BOC staff help customers identify fraud

Ensuring information security

BOC conscientiously implemented legal and regulatory requirements, took compliance as the bottom line, continuously improved data security protection mechanisms, enriched technical protection means, explored new information protection modes, and continuously enhanced the data asset security and personal financial information protection level.

Improving the personal information protection system

<p>Multi-layered mechanism</p> <p>Strengthening bank-wide coordination and control</p>	<p>Establishing a multi-layered personal information protection management structure and working mechanism with clear responsibilities, comprehensively ensuring the legitimacy of personal information management, and ensuring management and protection in information processing.</p> <ul style="list-style-type: none">• The Digital Asset Management Department took the lead in the bank-wide data governance and customer information protection, established and improved the data security management mechanism, ensured the collection and application of data in compliance with laws and regulations, and protected the privacy of customers in accordance with laws.• The Consumer Protection Office, under the Bank's customer information protection framework, was responsible for protecting financial information of customers, and urging functional departments to implement the requirements on protection of such information. All functional departments concerned performed the responsibilities of the first line of defence, assumed their respective responsibilities for protection of financial information of consumers, included protection requirements in relevant rules and implemented internal and external management requirements.• The Information Technology Department, in accordance with the regulatory requirements and business needs, implemented the development of relevant systems and promoted the realisation of personal financial information protection technologies in collaboration with other departments.
--	--

<p>Proactive response</p> <p>Actively adjusting protection strategies</p>	<p>Meeting the rapid circulation demand of financial information of new technologies and businesses, actively adjusting information security protection strategies, and establishing a data security and personal financial information protection management system with the goal of whole lifecycle security management of data and continuous improvement.</p> <ul style="list-style-type: none"> • Management strategy: transforming from “system-centred” to “data-centred”. • Management requirements: transforming from “static safety oriented” to “dynamic expansion of management and control over the whole lifecycle of data”. • Management principles: minimum authorisation, tiered protection, data desensitisation, auditability and traceability.
<p>Policy improvement</p> <p>Strictly abiding by the bottom line of regulatory compliance</p>	<p>To implement the requirements in the <i>Personal Information Security Specification</i> (GB/T 35273-2020), the <i>Personal Financial Information Protection Technical Specification</i> (JR/T 0171-2020) and the <i>Method for Determining the Illegal Collection and Use of Personal Information by APPs</i> (G.X.B.M.Z. No. 191 [2019]), BOC has formulated a number of bank-wide polices, refined the grading and classification standards for personal financial information, clarified the division of responsibilities and management requirements, and internalised and solidified various requirements for the protection of personal financial information in the process of system building and business operation.</p> <ul style="list-style-type: none"> • <i>Management Policy of Bank of China Limited on Customer Information Protection</i> • <i>Administrative Measures of Bank of China Limited for Protection of Financial Information of Consumers</i>

Strengthening personal information protection measures

Ensuring the safety of the whole data lifecycle	<ul style="list-style-type: none">• Deploying heterogeneous network security defence systems and tools at all levels of network, system, terminal, application, etc., and integrating them into the Security Information and Event Management (SIEM) platform for unified management and control.• Improving the building of data anti-leakage system, and realising multi-level and three-dimensional access control and data protection such as encryption of important documents, mail filtration and terminal protection.• Deploying a data safe delivery platform to ensure that the financial data delivered by the science and technology departments to the business departments is not landed or diverted.• Establishing a unified business data desensitisation mechanism to ensure the safe use of test data and big data platform.
--	---

<p>Strengthening customer privacy protection</p>	<ul style="list-style-type: none"> • Adhering to the principles of legality, rationality, legitimacy, transparency and necessity in the collection and use of personal financial information, and taking targeted measures to effectively respect and guarantee the privacy rights of customers. • Clarifying the corresponding relationship between business functions and personal financial information and system permissions invoked, and ensuring that the collected personal information and the used system permissions are the minimum necessary. • Expressing the purpose, method, scope and rules for the collection and use of personal financial information to customers on online banking, mobile banking and other channels, and comprehensively detailing the privacy policies, so as to ensure that there is no clause exempting the customers from their own responsibilities, aggravating the customers' responsibilities and eliminating the main rights of customers, and guaranteeing the right to know of individual customers. • Implementing a flexible authorisation and revocation mechanism to ensure that there is no compulsory bundling authorisation and ensuring that customers continue to have the right to make their own choices. • Strictly preventing third-party software from stealing customer privacy, following regulatory requirements, and continuously carrying out security technical testing on third-party software.
<p>Conducting data security assessment</p>	<ul style="list-style-type: none"> • Hiring external professional institutions to carry out data security assessment in accordance with relevant rules, norms and technical standards of the state and the financial industry. Taking traditional businesses such as deposits, loans, and remittances as the starting point and business scenarios such as e-commerce, education, and elderly care as samples to conduct in-depth testing and benchmarking in terms of policy formulation, collection, storage, and use of information compliance, and acceptance of customer complaints.

<p>Strictly implementing overseas regulatory policies</p>	<ul style="list-style-type: none"> • Comprehensively sorting out the regulatory regulations for data security and personal information protection in the countries and regions where overseas institutions are located, and forming a global regulatory compliance database for information technology. • Setting a baseline for data security and personal financial information protection suitable for all overseas institutions in accordance with the principle of “higher rather than lower”, and implementing it in daily work. • In view of the legal requirements for data localisation and encryption and storage of personal information in some countries, making efforts to effectively follow the regulatory requirements of various countries by means of encrypting back transmission, encrypting centralised processing, or deploying overseas dedicated core systems locally.
--	--

3 Driving Value Creation by Deepening Transformation and Innovation

In 2020, the abrupt COVID-19 pandemic swept the entire world rapidly, posing many challenges for the operation and development of the banking industry. As a large state-owned commercial bank, Bank of China adhered to the guiding principle of “Invigorate, Adapt to Change and Drive for Major Breakthroughs” and the spirit of self-innovation, to unswervingly press ahead with the transformation and vigorously make positive changes in quality, efficiency and driving forces. While sticking to the leadership of Party building and strengthening strategic implementation, the Bank continued to deliver excellence in corporate governance. In the process of “Build a First-Class Global Banking Group”, it strove to provide shareholders with long-term sustainable returns and create long-term value for stakeholders.

Sustainable Development Goals (SDGs)



Feature: Seeking innovation and change to push forward with the all-around reform at a faster pace

Centred on strategic development goals, BOC continued to make strides in reform and innovation, and optimise its operation and management mechanisms. While making sure pandemic containment and business development could go in parallel, BOC built an enterprise-level architecture, developed a strategic scenario-based ecosystem, and undertook key reform missions which included smart operation, outlet transformation, credit system, and data governance. Intensified efforts went to key regions, key business, and advantageous fields, so that the Bank could achieve more agile and efficient development.

In 2020, BOC kept deepening and improving the overall framework for reform. It implemented 24 major reform projects, and completed more than 100 reform tasks throughout the year.

<p>Bolstering weak links faster</p>	<ul style="list-style-type: none"> • Building of an enterprise-level architecture: The Bank established an enterprise-level, top-level design system, sped up the construction of the “No.1+” project, comprehensively examined the status quo of the IT architecture, and basically completed advanced modeling in the pilot fields. • Reform of a data governance system: The Bank developed rules and regulations on all fronts, set out the clear-cut division of responsibilities, and improved the joint action mechanism. It identified the persons responsible for the data items submitted to regulators, and reviewed related rules to put in place a better data culture. • Reform of an intelligent operation system: The Bank established tier-one branch operation centres across the board with a view to enhancing intensive operation capabilities. It launched a labor mix reform at all outlets, so as to enhance outlet marketing services. • Reform of a credit management system: The Bank rolled out the credit management system reform at the Head Office and branches, which was aimed to reshape a sound credit culture by effectively streamlining the credit review process with fewer links and faster response.
--	--

<p>Gathering momentum for further development efficiently</p>	<ul style="list-style-type: none"> • Transformation of a corporate customer service mode: The Bank worked harder to implement the strategies for administrative business and pension finance business, improved the customer marketing service system and management mode for corporate banking, and optimised the organisational structure of inclusive finance. • Building of a scenario-based ecosystem: The Bank continued to build four strategic scenarios, that is, cross-border business, education, sports, and silver economy, and endeavoured to transform and upgrade the customer service mode into regular operation. • Deployments in key regions: In response to the decisions and deployments made under the international and regional development strategies, the Bank tried to build a three-dimensional management system that covered “5 key regions + 56 key cities” as a move to strengthen the top-level design of key regions. • Global management: The Bank increased the Head Office’s capability for globally coordinated management, strategic research, and professional management, and promoted the business integration of overseas regions with steady steps. • Comprehensive operation: The Bank newly established BOC Financial Leasing (BOCL), BOC Fullerton Investment Management Bank, and Huihua Wealth Management, got BOC International (BOCI) China listed successfully, and carried out equity liquidation to reduce the number of management levels.
--	---

<p>Unleashing sustained vitality for development</p>	<ul style="list-style-type: none"> • BOC University: To serve China’s industry-education integration initiative, the Bank founded the Bank of China University (BOC University), which was set with professional colleges and managed in an open and integrated manner. • Talent reform: BOC convened a bank-wide personnel work conference, introduced a series of personnel policies and measures, and selected and trained outstanding managerial personnel at young ages. • Cultural development: The Bank gave a cultural diagnosis, and made it clear that breakthroughs would be secured from building an agile culture, people-oriented culture, and compliance culture. With culture in the DNA, it strove to build a financial museum with the characteristics of a new-style bank. • Party building: The Bank focused on solving the key problems that confronted its Party building, and coordinated domestic branches, comprehensive operation companies, overseas institutions, and Head Office to build Party organisations of various types at all levels.
---	--

Improving the global management structure and elevating global development to a higher level

In 2020, BOC continued to improve the top-level design of global development, revised the working rules of the leading group for overseas work, and established a coordination committee for overseas work. The Bank overhauled and optimised the global management mode, so as to further strengthen the overall coordination, professional guidance and support for the business development of overseas institutions. By developing a matrix management mode that combines intensive operation and regional management, the Bank exercised a more effective control over overseas institutions, shored up customer service capabilities, and made headway with global development.

- **Intensive operation of various business lines:** The Bank explored how to carry out intensive operation and professional management at major business lines and management functions, gave full play to the role of overseas centres such as the London Trading Centre and the Syndicated Centre, and further improved integrated, professional service standards, agile response and market competitiveness.
- **Regional integration of overseas institutions:** BOCHK made notable progress in the integration of ASEAN-based institutions, and pushed forward with the construction of an intermediate EU parent undertaking (IPU) and overseas regional headquarters. Upon its operation, the headquarters would empower and drive regional institutions through service delivery, thus enhancing regional coordination.

As of the end of 2020, the Bank's overseas institutions covered 61 countries and regions, including 25 countries along the Belt and Road. In July 2020, Bank of China (Peru) Limited was opened for business.

Improving the overall business presence and cultivating competitive advantages for comprehensive operation

BOC is committed to meeting customers' needs for comprehensive services. To this end, it keeps optimising comprehensive management modes, advancing service, process and system integration, building an all-around business coordination system, raising comprehensive financial service standards, and building comprehensive operations into one of its differentiated advantages and core competitiveness.

- **Comprehensive governance capabilities:** The Bank re-inspected and evaluated the governance structures of all comprehensive operation companies, and urged and instructed them to make improvements and adjustments according to the inspection and evaluation results. It carried out the duty performance evaluation on the dispatched directors and supervisors, standardised the proposal approval procedures adopted by the board of directors of each company, and improved the operational efficiency of the board of directors of each company. The Bank issued 15 policies and measures for comprehensive operation, and grouped all comprehensive operation companies into different categories for separate evaluation according to the characteristics of their industry and their stage of development.
- **Comprehensive operation licensing:** BOC improved the composition of comprehensive operation licenses. BOC Financial Leasing was formally established in June 2020, which filled the Bank's gap in this key area. BOC Fullerton, as one of the first pilot investment management rural banks in China, officially commenced for business in Xiongan New Area, Hebei in August 2020. BOC Wealth Management started to establish the first Sino-foreign wealth management joint venture in the Lingang New Area of China (Shanghai) Pilot Free Trade Zone.
- **Comprehensive coordination for joint action:** BOC implemented a regional joint meeting mechanism for comprehensive operation, where tier-one branches would take the lead to convene regional joint meetings regularly. Joint meetings, responsible for coordinating regional comprehensive operations as a whole, were tasked to formulate work plans for comprehensive operation, and put key coordination projects into operation by various means such as appraisal incentives, product innovation, training and exchanges.
- **Comprehensive risk control:** The Bank carried out comprehensive business review and risk screening for the subordinate comprehensive operation companies, formulated optimisation plans for weak links existing in risk control, and urged all of these companies to rectify problems and advance transformation and upgrading constantly.

Continuing to build an enterprise-level architecture to promote digital transformation in all respects

Spearheaded by its business strategies, BOC went all out to build an enterprise-level architecture through the method of enterprise-level business modeling with an aim to share the group-wide value chain at home and abroad. By establishing a distributed micro-service architecture and applying new technologies, methods and processes, the Bank set up a flexible, open platform that could underpin the deep integration of business architecture with technical architecture, laid a foundation for the digital transformation across the board, and built up new abilities needed by a digital bank. Thanks to the platform, it could enable business development and provide customers with higher-quality services more efficiently.

3.1 Adhering to the leadership of Party building

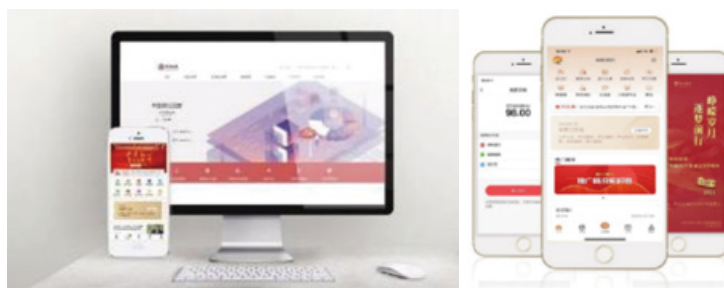
BOC has resolutely implemented the decisions and deployments of the CPC Central Committee, earnestly studies the *Opinions of the CPC Central Committee on Strengthening the Party's Political Construction*, thoroughly fulfilled the primary responsibility for conducting strict Party governance in every respect, and taken the implementation of important instructions from General Secretary Xi Jinping on the financial work as an important task. Continuing to arm its mind with theories, the Bank has always correctly understood, consciously facilitated, and resolutely safeguarded the big picture. At the same time, it has kept strengthening the political functions of primary-level Party organisations, given full play to their role as strongholds and to the role of Party members as pioneers and role models, and worked ceaselessly to improve the Party conduct, enforce Party discipline, and combat corruption, thus developing a positive and healthy political ecosystem in the Party.

Delivering special Party classes to celebrate the Party's birthday

The Communist Party of China turned 99 years old on July 1, 2020. BOC Party Secretary and Chairman Liu Liange hosted a special Party class with the theme of “strengthening the awareness of political organs and setting examples for others”. All Party members and cadres of the Head Office were asked to earnestly study and comprehend the important statements made by General Secretary Xi Jinping on firmly establishing the awareness of political organs and strengthening the political construction at the organs of the Party and the state. Besides, they were expected to take an explicit political stance, and resolutely follow the Party's instructions and directions. More than 4,000 Party members of the Head Office attended the video class via the “BOC University” app. Additionally, the Theoretical Learning Group of the BOC Party Committee also organised a group learning activity on the same theme.

“Fuxing No.1”, a smart Party building platform

“Fuxing No.1”, a smart Party building platform self-developed by BOC, is committed to building a Party building ecosystem where joint efforts are made to promote Party building by intelligent means”. As of the end of 2020, the platform was available in three versions: PC terminal, mobile app, and WeChat applet, and offered ten major functions such as organisation building, Party member education, and Party building publicity. It served about 18,000 Party organisations and over 140,000 Party members at domestic institutions of BOC. Moreover, the platform was introduced to 4,327 Party and government organs, public institutions, and enterprises, serving around 1.33 million Party members.



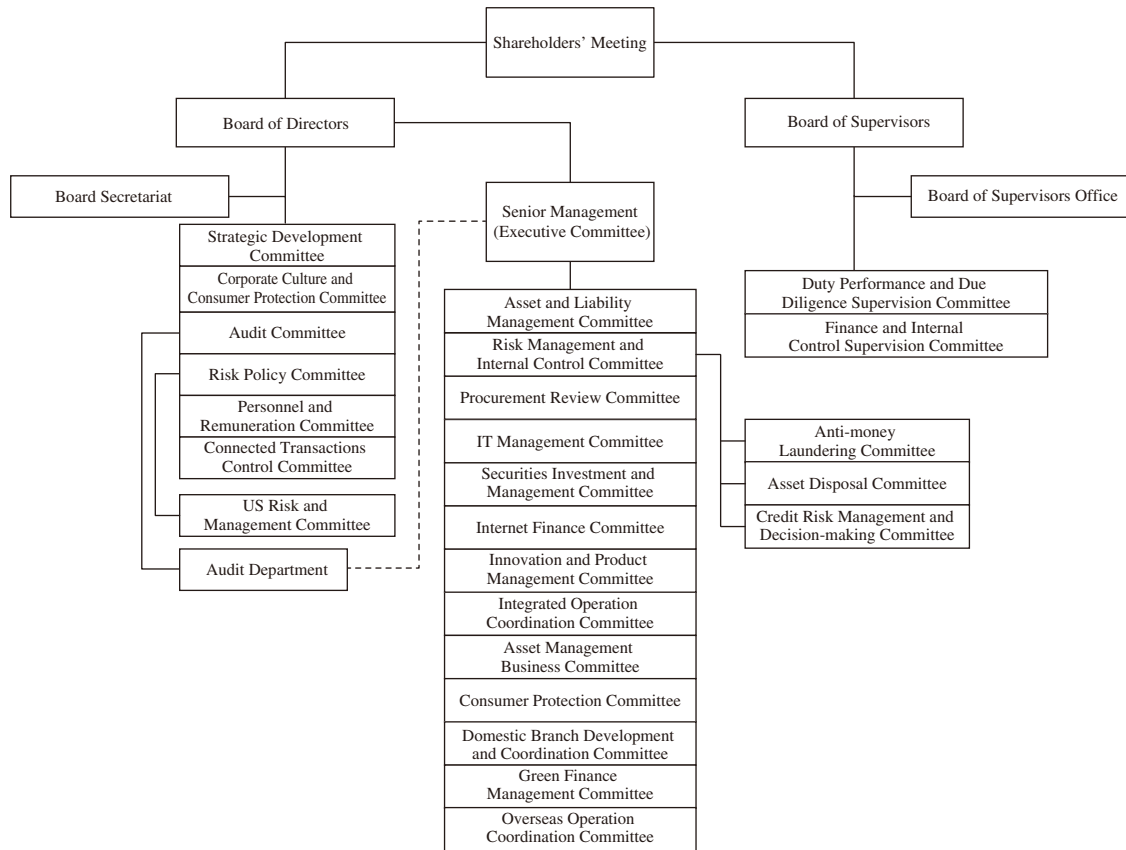
Legend: PC terminal and mobile phone app of the “Fuxing No.1” platform

3.2 Optimising corporate governance

The Bank takes excellent corporate governance as an important objective. It has constantly pursued the best practice in corporate governance and integrated the Party’s leadership with improvement of corporate governance. Adhering to the rules and regulations governing capital markets and relevant industries, the Bank has made constant efforts to improve its corporate governance framework, which comprises the shareholders’ meeting, the Board of Directors, the Board of Supervisors and the Senior Management. This framework operates smoothly owing to a clear division of duties. All special committees of the Board of Directors and the Board of Supervisors have performed their duties and functioned effectively, thereby enhancing the Bank’s corporate governance capabilities.

Improving the governance structure

BOC has continued to strengthen the corporate governance framework, which comprises the shareholders’ meeting, the Board of Directors, the Board of Supervisors and the Senior Management, allowed the shareholders’ meeting to function well as an organ of power, and strengthened the decision-making function of the Board of Directors and the supervisory function of the Board of Supervisors. The Board of Directors has set up the Strategic Development Committee, Corporate Culture and Consumer Protection Committee, Audit Committee, Risk Policy Committee, Personnel and Remuneration Committee and Connected Transactions Control Committee. US Risk and Management Committee was set up under the Risk Policy Committee. With authorisation of the Board of Directors, they assist the Board of Directors in performing its duties.



For details on the composition and diversification of the Board of Directors, please refer to the “Corporate Governance” section of the “Social Responsibility Performance” chapter in this report (page 162).

Standardising rules and procedures

BOC persistently followed up and implemented regulatory requirements, always choosing to adhere to the strictest available standards, took the initiative to re-check and self-check the corporate governance system, and comprehensively and systematically reviewed the Articles of Associations and the rules of procedure of each special committee.

Improving corporate governance operation mechanisms

BOC ensured that minority shareholders are properly informed and able to participate and make decisions. The annual shareholders' meetings were held on-site. In addition, online voting for A-Share holders is available to safeguard the rights and interests of the minority shareholders. Focusing on constantly enhancing coordination with respect to the operation mechanisms of the Board of Directors, information disclosure and stakeholder engagement, it continued to support the Board of Directors to function more constructively and make well-convincing and efficient decisions, worked to heighten transparency and proactively performed its duties to the relevant stakeholders, including shareholders, customers, employees and community.

Enhancing duty performance capabilities

The Board of Directors of BOC highly values the sustained and professional development of Board members, and invites experts and scholars at home and abroad to give lectures on hot topics and professional fields related to the Bank. In 2020, directors were arranged to attend 22 training sessions (12 remote training sessions included). A total of 88 participants were counted in these training courses, and the length of training per director lasted 33 hours. The training sessions involved such themes as management and enhancement of corporate value, the impact of COVID-19 on the economic trend, preparation of 14th Five-Year Plan, domestic and international development. In addition, the Bank's directors also took it upon themselves to enhance their professional skills in various ways, including writing and publishing professional articles, attending seminars, communicating with domestic and overseas regulators and conducting on-site research at the Bank's branches as well as at other advanced banks.

Participating in ESG management

BOC has actively cooperated with the Board of Directors to intensify its management and participation in the environmental, social and governance (ESG) field, and has made clear that the Corporate Culture and Consumer Protection Committee under the Board of Directors coordinates and manages ESG affairs as a whole, mainly responsible for reviewing the ESG-related development plans, policies, and reports of the Bank, making recommendations to the Board of Directors, identifying, evaluating and managing important ESG matters, and establishing an appropriate, effective ESG risk management and internal control regime.

In 2020, the Board of Directors successively reviewed and adopted many proposals, which included the *Corporate Social Responsibility Report for 2019*, the *Development Plan for Strengthening Services for Private Enterprises (2020–2022)*, the *2020 Operation Plan for Inclusive Finance Business*, and the *Application for Provisional Authorisation of Outbound Donations*. At the same time, it also heard such reports as the *Work Report on the Fight against the COVID-19 Pandemic*, the *Report on the Development of Green Finance (2019)*, and the *Report on the Work Done for Consumer Protection in the First Half of 2020*.

Investor communication and services

With an aim to improve information transparency and meet investor needs, BOC has continued to improve the information disclosure regime and work procedures, kept enhancing the completeness, pertinence and effectiveness of information disclosure, and effectively protected investors' right to know, ensuring that domestic and overseas investors have fair access to information. In response to major emergencies such as the outbreak of the COVID-19 pandemic, BOC drafted an emergency response manual for information disclosure, providing that the handling procedures and disclosure methods of major emergencies should be up to standard. It released a reminder announcement of the general meeting of shareholders, suggesting that shareholders might preferably choose to participate in off-site meetings to ensure the health and safety of shareholders and participants during the pandemic.

BOC has established a diversity of investor communication channels, including results roadshow, participation in large-scale investment banking seminars, investor reception, investor hotline, and collective reception day activity, so as to respond to investors and market concerns in a timely manner and listen to feedback from all parties earnestly. During the pandemic, the Bank made results announcement in innovative ways. Specifically, its business results were shown to investors through live streaming, and staff members were arranged to work from home to make sure phone calls from the investor hotline could be answered and investor inquiries be replied properly. It actively participated in the National Investor Protection Publicity Day event, and publicised the activity themed “Learning and Implementing the New Securities Law” on the “SSE E-interactive” platform. It improved the display effect of the investor relations web page and increased investor protection related content.

Online results announcement aiming to protect shareholders' rights and health during pandemic response

In 2020, the outbreak of the COVID-19 pandemic posed new challenges on the 2019 annual results announcement. Relying on the progress achieved in digital transformation and technological empowerment, the Bank successfully completed its results announcement through video streaming via the “BOC Live Platform” at such a special time. More than 120 analysts and investors from nearly 80 institutions were invited to attend the results announcement, which earned over 11,000 views in total. The results announcement reached a record high in number of both participating institutions and individuals and was highly recognised by the market.



Note: BOC live streams its annual results announcement

In terms of information disclosure, BOC received the highest rating “A” in the appraisal and assessment of information disclosure of listed companies held by Shanghai Stock Exchange (SSE) in 2019–2020; it was rated as the “Best Investor Relations Company” and the “Best Board Secretary on the Main Board” by the *Securities Times* as well as the “Gold Board Secretary” and the “Best IR Hong Kong Stock Company” by the *New Fortune*.

3.3 Reinforcing risk control

BOC insisted on preventing and dissolving risks in serving the real economy. It continuously strengthened comprehensive risk control, and realised more stable development. In 2020, the Bank studied and analysed global macro policies, debt structure, capital flow, etc. According to the analysis results, it dynamically improved risk management strategies, kept building a comprehensive risk management system, boosted risk management and control capabilities adequately, and carried out risk management in a more meticulous and professional manner, in a bid to ensure various types of risk could be brought under efficient control.

Risk management system

<p>Risk management policy</p>	<ul style="list-style-type: none"> • BOC formulated the <i>General Provisions for Risk Management</i> as a programmatic document to coordinate comprehensive risk management as a whole. With reference to the <i>Guidelines for Comprehensive Risk Management</i> of the CBIRC, the Bank carried out a massive risk screening and rectification campaign, continued to improve the comprehensive risk management system, and implemented regulatory requirements as strictly as possible.
<p>Risk management concept</p>	<ul style="list-style-type: none"> • Every employee should regard himself as the only line of defence, and every line of defence should serve as the last line of defence.

<p>Risk management structure</p>	<ul style="list-style-type: none"> • The Board of Directors has established the Risk Policy Committee, responsible for reviewing and finalising risk management strategies, policies, procedures and regulations, monitoring the implementation of the same, inspecting major risk activities, and checking the risk management status. In 2020, the committee convened five onsite meetings and three meetings by written resolution to review the risk appetite statement, liquidity risk management policy, capital adequacy ratio report, and annual risk report, among other documents. • The Bank has established the Risk Management and Internal Control Committee under the senior management. With BOC President serving as the chairman and CRO as the co-chairman, the committee is dedicated to strengthening the functions related to comprehensive risk management. • The Risk Management Department is responsible for putting in place a sound risk management system, developing the risk management information system, and doing other aspects of work. • The Bank has established a risk control middle-office for frontline business departments, assigned each business department with a risk director, and made sure the first line of defence could assume the primary responsibility for risk management.
---	--

Risk control capacity

<p>Professional series building</p>	<ul style="list-style-type: none"> • The Bank built the professional series of risk management, improved the risk management-related professional training courses, organised training development and qualification certification, and stipulated that risk management personnel could only take up positions after obtaining professional qualifications. In 2020, senior qualification certification training sessions recorded an attendance of more than 2,000 person times. Over 600 people passed the certification, and more than 1,000 people got their senior qualifications re-inspected. • The Bank strengthened the management of key personnel, arranged deputies of institutions in charge of risk management to receive intensified professional training and performance management, and helped key personnel build up their risk management capabilities through various methods such as training, debriefing, and daily communication.
--	---

<p>Risk measurement model</p>	<ul style="list-style-type: none"> • The Bank developed a risk control model for online financing products of inclusive finance. On the premise of legal compliance and risk controllability, it relied on FinTech to establish an automated risk control system for online corporate inclusive finance business, which mainly supported such functions as anti-fraud screening, credit scoring, quota calculation, and post-loan monitoring, and put into operation online models of credit loans, tax loans, and mortgage loans. • The Bank improved the domestic general corporate customer rating model by increasing the adaptability and risk identification capabilities of the model. It continued to develop professional loans and loss given default (LGD) models, and did better in conducting quantitative and meticulous risk management.
<p>Intelligent risk control</p>	<ul style="list-style-type: none"> • The Bank continued to strengthen the intelligent application of risk data, promoted the integration of internal and external data from the 360-degree view of customers, used AI technology to analyse transaction data available in the capital market, and developed a credit risk forewarning model for capital market entities. The model managed to issue early warnings against the abrupt default events of multiple credit debt enterprises. • In response to the credit system reform, the Bank upgraded the business flow management and control system. Despite the adverse effects inflicted by the pandemic, it completed the tasks in supporting the corporate credit system reform as scheduled and with quality assured. • The Bank strengthened risk data governance, and carried out system optimisation and management constraint for the Global Risk Mitigation Management System (GRMS) and the Credit Risk Mitigation System (CCMS) and others, with a view to improving the quality of risk data.

Prevention and control of key risks

In response to the risks and challenges brought about by the COVID-19 pandemic, BOC in 2020 moved fast to establish a COVID risk management taskforce. It continuously monitored the development of the pandemic and its impact on the Bank, and coordinated various departments to formulate targeted risk response measures.

With respect to market risks, BOC carried out forward-looking market tracking, analysis and prediction activities, and sent more than 30 risk reminders and warnings to business departments throughout the year. To deal with the great fluctuations in the financial market, the Bank promptly re-examined the stress test scenarios and the risk weight coefficients of funds business conducted with corporate customers. Besides, the Bank actively strengthened counterparty credit risk management. It carried out two comprehensive risk screening campaigns and one loan renewal risk screening campaign across the board, thus effectively plugging risk loopholes. At the same time, risk screening measures were adopted for various products. As to possible cross-contagion of risks, the Bank promptly devised countermeasures, figured out risk blocking methods, and moved fast to close risk loopholes.

BOC continued to improve the management mechanism for cooperative institutions, and carried out risk screening campaigns against these institutions. As a result, the risks of cooperative institutions were basically controllable. In the future, the Bank will continue refining and improving the management and control requirements for cooperative institutions, so as to manage related risks effectively.

3.4 Guaranteeing operational compliance

BOC has abided by business ethics, continued to strengthen the internal control, case prevention and operational risk management, implemented the detailed anti-money laundering (AML) related management measures, consolidated the foundation for internal control, case prevention and AML management stringently, strived to improve the global compliance management system, and enhanced the compliance risk management and control capabilities.

In 2020, the Risk Governance & AML Academy was set up as part of the BOC University, and a variety of innovative contents such as knowledge manuals, special courses, case studies, and live streamed lectures became available for employees to learn online, and compliance concepts and management requirements were made known to employees at home and abroad. At the same time, the Bank vigorously carried out special education activities on the theme of “Compliance Implementation Year”, stepped up the publicity on the prevention of illegal fund-raising, cross-border gambling, and other illegal activities, and required employees to take their job responsibilities seriously and never overstep the disciplinary bottom line.

Anti-money laundering (AML)

BOC earnestly fulfilled its AML obligations, continued to improve the AML policy and the management and control functions of the AML system, strengthened the monitoring of suspicious account risks involving online gambling, telecommunications fraud, and other illegal activities, implemented effective control measures in a timely manner, and provided financial intelligence for law enforcement agencies. Meanwhile, the Bank continued to improve the training management mechanism, increased the intensity of AML training, and helped frontline employees raise their AML awareness and discernment. In daily work, it made every effort to block external fraud events such as account opening in other's name, manipulation of account opening, and telecom fraud, prevent money laundering activities, and protect the rights and interests of financial consumers.

In 2020, BOC kept stepping up its AML publicity efforts. Focusing on the themes of “anti-money laundering, counter-terrorist financing, and anti-tax evasion”, “protecting financial consumers from gambling”, “combating illegal wildlife trade”, and “cracking down on illegal private banks”, various institutions carried out all types of AML publicity activities in diverse forms, which yielded sound publicity effect among the public.

4 Promoting Green Finance and Coping with Climate Change

Green development is a prerequisite for sustainable economic and social development. The development of green finance is an important measure to achieve green development. With the issuance of the *Guiding Opinions on Building a Green Financial System*, *Guiding Opinions on Promoting the Investment and Financing in Response to Climate Change* and other policy documents as well as the goal of “2060 carbon neutrality”, green finance has shown a trend of increasingly vigorous development in China. BOC actively implemented the green development strategy, promoted the innovation of green financial services, and continued to increase its support for green industries, so as to provide financial impetus for the transformation of economic development mode, improvement of economic structure and development of green economy. BOC established and continued to improve its green finance management framework, policy systems and working procedures, and comprehensively developed its business of green credit, green bond, climate investment and financing, green deposit, green insurance, green leasing and so on, thus forming a multi-tiered and dimensional green financial business system. BOC actively participated in international exchanges and cooperation, continued to make in-depth explorations and breakthroughs in the frontier field of green finance; integrated low carbon and environmental protection requirements into daily operation, and actively conveyed the concept of green life to the outside world.

Sustainable Development Goals (SDGs)



Feature: Green bonds, promoting low-carbon transformation and development

Since 2016, BOC has actively been engaged in the preparation, issuance and management of Sustainability Series Bonds, successively developed the *Statement on Management of Green Bonds*, *Regulations on Internal Management of Green Bonds*, *Statement on Management of Sustainability Series Bonds* and *Regulations on Internal Management of Sustainability Series Bonds*, and guided the investment in renewable energy, energy efficiency improvement, pollution prevention and control, clean transportation, sustainable water resources and wastewater management, green building, affordable service infrastructure, entrepreneurship and employment and other areas with significant environmental and social benefits.

BOC has established the management framework for the Sustainability Series Bonds. As of the end of 2020, the total size of the Sustainability Series Bonds issued was about USD9.3 billion equivalent. Among them, green bonds were issued for seven tranches in total, with a total size of about USD8.3 billion equivalent. In September 2020, BOC issued the first blue bond among Chinese-funded and global commercial institutions, actively promoting the development of blue economy.

Green bonds	BOC continued to expand the underwriting size of green bonds to promote green bond financing. In 2020, BOC underwrote domestic green bonds worth RMB14.587 billion, ranking first among commercial banks, and underwrote overseas green bonds of about RMB37 billion, as the top Chinese lead underwriter in China’s offshore green bond market. In early 2021, BOC assisted in issuing the first batch of carbon-neutral bonds by China Three Gorges Corporation, State Power Investment Corporation Limited, and Huaneng Power International, Inc.
Blue bonds	BOC made financial innovations based on green bonds and successfully priced and issued dual-currency blue bonds, including USD500 million of three-year bonds and RMB3 billion of two-year bonds. The funds raised were used to support marine-related wastewater treatment projects and offshore wind power projects.
Social bonds	BOC completed the issuance and pricing of special (pandemic prevention and control) social bonds for SMEs at abroad. These bonds were issued by BOC Macau Branch, including HKD4 billion bonds and MOP1 billion bonds. They are not only the first bonds issued in the overseas market with the theme of fighting against COVID-19, but also the first bonds with third-party social responsibility certification obtained by Chinese-funded institutions at abroad, with the aim to meet the emergency financing needs of local SMEs and support the SMEs affected by COVID-19 to tide over difficulties.

Helping Zhenro Properties successfully issue senior green bonds

As a joint global coordinator, joint bookrunner and joint lead manager, BOCI helped Zhenro Properties successfully issue senior green bonds amounting to USD350 million. The issuance attracted the active participation of 188 European green bond investors, including several ESG green funds and sovereign funds. The funds from the issuance of bonds will be used for the refinancing of green projects of the company, including green building, energy efficiency, renewable energy, pollutant prevention and management, sustainable water management, etc.

Facilitating the issuance of the first leasing green debt plan in China

BOC Guangdong Branch, as a trustee agency, helped Green Finance Leasing to complete the successful listing and offering of the “Green Accounts Receivable Debt Financing Plan of Green Finance Leasing” at Beijing Financial Assets Exchange. With a total size of RMB1.5 billion and an initial size of RMB186 million, the underlying assets involve wastewater treatment, refuse burning, landfill gas power generation and other environmental protection areas. It is not only the first leasing green debt plan in China, but also the first green debt financing plan in the Guangdong-Hong Kong-Macao Greater Bay Area.

4.1 Promoting the green finance strategy

BOC adhered to the concept of green development, and incorporated the requirements of green development into organisational structure, corporate governance, policies and regulations, product system, risk management, corporate culture and information disclosure, under the guidance of the *Green Financial Development Plan of Bank of China*. Meanwhile, BOC actively participated in domestic and foreign green financial innovation practices and contributed to the development of green economy.

Establishing a long-effect development mechanism for green finance

With a relatively complete functional framework system related to green finance established, BOC continued to strengthen the formulation of policies and regulations and risk management, and actively promoted the reform and innovation of green finance.

Organisational structure	The Board of Directors listened to the report on green finance of the whole bank every year. The management set up the Green Finance Management Committee for the overall planning of green finance management and professional decision-making in the Group. The chairman and co-chairman of the Green Finance Management Committee are appointed from the management. 10 departments of the Head Office are the standing committee members. The committee holds regular meetings to arrange and promote all work of green finance.
Policies and regulations	BOC issued the <i>Green Credit Guidelines of Bank of China (2020 Version)</i> , and incorporated the latest requirements of green finance management in business initiation, credit approval, contract management, fund appropriation and post-loan management. It issued the notice to overseas institutions and integrated operation companies to strengthen the guidance and management of green finance. Green finance has been included in the 14th Five-Year Development Plan of the Bank which clearly defines and quantifies the goals of development. Specific management measures related to green credit and green bonds are under revision.
Risk management	BOC strengthened the identification and management of climate and environmental risks and worked with external institutions to carry out climate and environmental risk stress tests for some high-carbon industries and sensitive factors.

Actively supporting national innovation in green finance

BOC has taken the initiative to facilitate the building of the national pilot zone for green finance reform and innovation, set Zhejiang Huzhou Branch as the Head Office-level pilot branch of green finance, and established green finance departments/teams or green finance sub-branches in a number of branches to explore related business actively. Zhejiang Huzhou Branch has integrated green finance with inclusive finance, product innovation, scenario building and so on, and launched a series of innovative products such as loans for VOCs emission reduction and mortgage loans for pollution discharge rights. Guangdong Branch has made a breakthrough in the innovation in carbon quota pledge loan origination and environmental pollution liability insurance sales.

During the fundraising and establishment of the National Green Development Fund (“Green Fund” hereinafter), BOC gave full play to its advantages in integrated operation to promote smooth establishment of the fund through active linkage and cooperation with the Head Office and branches, and supported the development of green finance by means of stocks, loans, and bonds. In the future, BOC will cooperate with the Green Fund to introduce international advanced ESG investment standards, and discuss green investment strategies with the Green Fund, so as to promote China’s green investment to move towards the mid-to-high end of the global value chain.

Quickly responding to the fundraising of National Green Development Fund

The National Green Development Fund is the first national-level key fund in the field of environmental protection approved by the State Council, with an initial scale of RMB88.5 billion. The BOC Head Office and Shanghai Branch actively worked with each other to quickly respond to the fundraising of the Green Fund and became the first banks to complete the capital contribution, with a subscribed capital of RMB8 billion, accounting for 9.04% of the equity, thus supporting the over-raising of the Green Fund. BOC branches along the Yangtze River Economic Belt will select suitable targets and recommend them to the Green Fund in accordance with the investment standards of the Green Fund, and promote early implementation of the projects.

Actively participating in international cooperation in green finance

BOC actively fulfilled the responsibility of the co-chair of the Green Investment Principles (GIP) for the Belt and Road and Green Financial Product Innovation Working Group, and deeply participated in and supported the Belt and Road green financial innovation practices. In 2020, BOC took the lead in holding the GIP “Innovation in Green Financial Instruments” online international symposium. Relevant member units of GIP participated in the meeting, which further deepened the sharing, communication and business cooperation among the signing institutions.

<p>Joining the international organisation of green finance</p>	<ul style="list-style-type: none"> • BOC proactively fulfilled the responsibility of the co-chair of the GIP for the Belt and Road and Green Financial Product Innovation Working Group, and held online international symposiums on green finance. • BOC won a seat in the 2020/2021 Green Bond, Social Bond Principles and Guidelines Advisory Board of International Capital Market Association (ICMA), and facilitated the international promotion of green bond standards and the compliance with Chinese standards. • BOC became an advocate of the Task Force on Climate-related Financial Disclosures (TCFD) in February 2021. BOC actively participated in relevant work of the UK-China Climate and Environmental Information Disclosure Pilot Group, ISO/TC322 Domestic Technology Working Group, and Experts Team of International Platform on Sustainable Finance (IPSF) Working Group on Sustainable Finance Catalogue.
<p>Actively developing multi-party cooperation</p>	<ul style="list-style-type: none"> • As a core founding partner, BOC participated in the establishment of Singapore Green Finance Centre backed by Monetary Authority of Singapore in the capacity of the only Chinese bank. • BOC signed the <i>Framework Cooperation Agreement on Joint Building of “Two-mountain Green Finance Institute”</i> with Beijing Institute of Finance and Sustainability and Huzhou Municipal People’s Government, Zhejiang.
<p>Encouraging innovation practices</p>	<ul style="list-style-type: none"> • BOC encouraged international branches to make positive explorations in green finance. BOCHK has launched the first RMB green time deposit product for enterprises with the third-party certification in Hong Kong; London Branch has carried out the evaluation and management for the climate risk of financial business.

Supporting the development of Singapore Green Finance Centre

Singapore Green Finance Centre was established by Lee Kong Chian School of Business at Singapore Management University and Imperial College Business School jointly in October 2020, backed by the Monetary Authority of Singapore. As a founding partner, BOC was committed to integrating the green finance development initiative with the Belt and Road Initiative, focusing on the cultivation of professionals and development of new market ecosystems and supporting the development of Singapore into a world-leading sustainable financial centre while promoting the innovation-driven development of green finance.

4.2 Improving the allocation of green assets

BOC incorporated the requirements of green finance into all of its industry credit policies, vigorously supported customers and projects that meet the green industrial standards, and resolutely withdrew from projects that fail to meet the national environmental protection standards to promote the transformation of industrial structure towards low carbon and environmental protection. For the examination and approval of green credit projects, BOC gave priority to acceptance, fulfillment of responsibilities, examination and approval, and release.

BOC met the needs of green development and promoted the transition to a low-carbon economy

BOCHK actively responded to and served the national commitment of “carbon neutrality”, constantly enriched the scale and types of green credit, green bonds, ESG investment funds and other products, implemented the concept of sustainable development in the whole process of business management, development and operation, and contributed to the low-carbon transformation of the whole society.

- It became the first banking partner of the new green loan “e-Assessment online platform of Hong Kong Quality Assurance Agency (HKQAA). It also launched the “preferential plan for green loans to SMEs”, to reduce or exempt fees for eligible green loans and advance SMEs to participate in sustainable development.
- It launched the first green time deposit plan for enterprises with independent third-party certification in Hong Kong, and used the special deposit funds to support the projects of green building, renewable energy and pollution prevention and control, so as to promote the transition to a low-carbon, climate-resilient and sustainable economy.
- It provided green loans to integrated environmental protection enterprises, enterprises in the power sector, telecommunications infrastructure supplier companies, property developers and so on, worked with enterprises to improve environment, and reduce air, water and soil pollution, and signed and issued an HKD2 billion green loan for China Everbright Environment Group Limited for its business related to clean energy.

Promoting the development of green energy

BOC Guangdong Branch approved the total credit of RMB1.9 billion for Engineering Construction Management Branch, China Southern Power Grid Peaking FM Power Generation Co., Ltd. and successfully issued the loans which were used for the pumped storage power generation projects in Yangjiang and Meizhou. Pumped storage power station, as a special power source in the power system, plays a variety of roles such as peak regulation, valley filling and frequency modulation. It can reduce the increase of emissions caused by output adjustment of thermal power plants, and is conducive to improving the power grid’s ability to accept more renewable energy such as wind power and solar power, thus supporting the development of new energy.

Turning waste into green energy, promoting high-quality development of industrial parks

In line with the national strategy of green integrated development of the Yangtze River Delta, BOC Zhejiang Huzhou Branch developed a green credit product “Industrial Park Organic Renewal Loan”. Nanxun Economic Development Zone, Huzhou hoped that the thermal power plant which caused serious environmental pollution and stopped production could be transformed into an industrial park of “South Taihu Elite Programme”, which conformed to the idea of “Industrial Park Organic Renewal Loan”. BOC Zhejiang Huzhou Branch approved a loan of RMB350 million for the project quickly within a month, and provided an RMB350 million credit line for the second phase of the project according to the project needs. The implementation of the project can save the land of about 109.42 mu, and bring about significant industrial agglomeration effect and ecological and environmental benefits.



Note: “Industrial Park Organic Renewal Loan” facilitates the “renewal” of South Taihu Elite Industrial Park

Yangtze River Delta Ecological Green Credit

“Yangtze River Delta Ecological Green Credit” is a green financial credit product launched by BOC Suzhou Branch. With enterprises with pollutant discharge permit as the object, the Branch approved the credit line based on their allowable pollution loads and enterprise credit information to support healthy development of enterprises. In 2020, affected by the COVID-19 pandemic, a small textile enterprise in Wujiang District, Suzhou could not pay for raw materials due to the delayed downstream payment. As the enterprise obtained a pollutant discharge permit in November 2019 and had a good credit history, BOC Suzhou Branch provided a one-off loan of RMB3 million for it through the “Yangtze River Delta Ecological Green Credit”, helping the enterprise solve its financing problem in time.

Providing exclusive credit support for the largest PV power station project in Hungary

BOC Hungarian Branch signed the Financing Agreement for Kaposvar 2 × 49.28 MW PV Power Station Project in Hungary with a subordinate project company of China National Machinery Import & Export Corporation successfully, to provide loans for the largest PV power station project in Hungary. As a major green power project of Hungary, this project is invested, developed and operated by a Chinese enterprise, with the local currency financing from an overseas branch of a Chinese commercial bank. It is an important attempt of the Chinese enterprise and Chinese commercial bank for the implementation of the Belt and Road initiative.

4.3 Making every effort to reduce environmental footprint

BOC paid close attention to the utilisation of energy and resources in its daily operation, and established relevant policies and regulations of green operation based on national and local requirements. BOC continued to take concrete actions in paperless operation, energy and water resources conservation, waste classification and reduction, and so on. Meanwhile, BOC actively participated in green environmental protection activities and community environmental management to promote a green lifestyle.

Promoting paperless operation

BOC continued to reduce the consumption of paper and put the concept of green and low-carbon service into practice by vigorously developing electronic reconciliation channels, promoting intelligent construction and reducing the use of paper documents.

Electronic bills	BOC continued to push for the replacement of paper bills with electronic bills. As of the end of 2020, the electronic reconciliation rate of the whole bank reached 97.8%, saving about 257 million sheets of paper.
Intelligent construction	Intelligent counter adopted paperless design in the whole process. After the completion of business, the system automatically stored the transaction records and business images in electronic form. Except the service receipts for customers, basically there was no printing, accounting document, paper or warehouse cost.

“Paper reduction for environment protection” green operation mode

BOC Macau Branch continued to support green environmental protection and advocate green operation. It publicised the features of environmental protection, safety, reliability and ease of handling of electronic bills through posters, videos and other channels. As of the end of 2020, the electronic signing rate of existing consolidated bills increased from 48% in early 2020 to 85%, and the number of sheets and envelopes from mailed bills per month fell by more than 62% compared with 2019. Totally, about 242,000 sheets of paper and 186,000 envelopes were reduced, and the bill printing cost decreased by 54%.

BOC Macau Branch advocated the principle of “no printing if available in the system” to reduce unnecessary printing. If printing was unavoidable, it advocated compact typesetting and double-sided printing. As a result, BOC Macau Branch saved about 50% of invalid paper every month successfully.



Note: BOC Macau Branch actively publicises electronic bills for environmental protection

Carrying out energy conservation and emission reduction

BOC established an energy management system and set the targets of water and power consumption according to the *Measures for Approving Allowances of Key Carbon Emission Entities in Beijing* of Beijing Municipal Ecology and Environment Bureau and the *Notice on Planned Water Consumption Indicator* of Beijing Water Conservation & Management Centre. In 2020, the consumption of both power and water was below the target in the Head Office of BOC.

BOC strictly conformed to the *Measures for the Administration of Energy Conservation of Major Energy-Consuming Entities* issued by the National Development and Reform Commission and the *Assessment Standard for Green Building in China*, and took building energy efficiency as an important reference for building, purchasing and renting office space while strengthening the energy saving of office buildings.

<p>Energy management</p>	<ul style="list-style-type: none"> • BOC made monthly statistics of energy consumption, established an energy ledger, and analysed the changes in energy data regularly, so as to check or adjust it in time. • The comprehensive replacement with LED light can reduce the power consumption of about 100,000 kilowatt-hours per year. The replacement of exit light, light in elevator hall and some public areas as well as nightscape lighting has been completed. • Under the premise of ensuring normal office operation, BOC reasonably adjusted the running time and parameters of air conditioning and lighting equipment, and strengthened inspection to ensure that lights are off when there is nobody in the office. • BOC urged the property management company and professional subcontractors to carry out equipment maintenance and replace the equipment with high energy consumption and low efficiency in due time.
<p>Water management</p>	<ul style="list-style-type: none"> • BOC recycled the water for cleaning. • BOC used water-saving sanitary ware in toilets and gradually replaced the original sanitary ware.
<p>Travel management</p>	<ul style="list-style-type: none"> • BOC made full use of teleconferencing and video conferencing systems to reduce travel for conferences.

<p>Green office</p>	<ul style="list-style-type: none"> • BOC organised energy conservation training, distributed energy conservation publicity materials, and launched energy conservation initiatives. It posted water and paper saving reminders in tea rooms, toilets and other areas. It also actively participated in the “Earth Hour” and other public benefit activities of energy conservation.
----------------------------	--

Building green energy-saving machine rooms

BOC has attached great importance to energy-saving management of machine room and been committed to building a green data centre. It upgraded the dynamic environment monitoring system of its existing machine rooms to make the actual utilisation efficiency of power supply system in the machine room more balanced and reduce unnecessary energy consumption. The BOC Financial Technology Centre Horinger New Area Project and Hefei Park Project, currently under planning and design, take energy saving as one of their main goals. The PUE design value is 1.18 for the Horinger New Area Project and 1.3 for the Hefei Park Project. Green energy-saving machine rooms will be created in an all-round way with the technology of indirect evaporative cooling and heat recovery, improvement of power supply and distribution system architecture and extensive use of solar energy equipment and energy saving equipment.

Leading energy conservation and emission reduction with technologies

BOC Luxembourg Branch used a number of energy-saving technologies in the machine rooms of its new building, which can reduce the energy consumption by more than 30% per year compared with traditional machine rooms, thus reaching the leading level in the local industry. The intelligent micro-modular architecture can separate the hot and cold airflow through the closed aisle between cabinets, and promote natural air circulation in the machine room with the temperature difference between the cold and hot airflow, so as to achieve the purpose of refrigeration. A 30% to 100% stepless speed regulation can be made through the efficient power supply and distribution system and intelligent algorithm to better match the server air volume and maximise the energy saving effect.

Based on the desktop virtualisation technology, BOC Luxembourg Branch converted the traditional PC desktop system to the VDI architecture with private cloud server as the core. The power consumption of the VDI terminal was only 7.5% of that of a traditional desktop terminal, which reduced the office power consumption by 80%, estimated based on the existing office environment of the Branch. In addition, the use of VDI terminals significantly reduced office heat emissions, which in turn effectively reduced the energy consumption generated by temperature regulation.

Strengthening waste management

In line with the *Notice on Further Promoting Domestic Waste Classification for Central State Organs*, *Regulations on Domestic Waste Management in Beijing* and other documents, BOC set up a waste classification working group of the Head Office, improved the waste classification system, scientifically installed waste classification containers and facilities, carried out in-depth training and publicity on waste classification, established a normal management and supervision mechanism, and implemented waste classification, bio-safety disposal and reduction. In 2020, BOC achieved the goal of reducing domestic waste output by 5.9% compared to 2019.

Improving the management mechanism	BOC formulated the annual <i>Implementation Plan of Waste Management and Waste Classification Management Measures</i> , signed contracts with qualified recycling companies for all kinds of garbage, and carried out compliant disposal.
Implementing the waste classification supervisor system	Each department appointed a supervisor, the property management company appointed an inspector and the Logistics Office appointed a floorwalker to supervise and check the waste classification of each office area and each floor, summarised and analysed the situation of supervision and inspection, and made weekly report.
Strengthening the training of all staff	BOC distributed waste classification manuals to all employees, advocated “Strict Economy, Eliminating Waste”, and reduced waste output from the source.

Advocating green life

BOC actively organised and participated in green environmental protection activities, publicised the concept of low-carbon environmental protection to its employees, customers, the public and other stakeholders, and gave full play to its expertise and advantages to explore intelligent solutions for community environmental management.

Green Cycling, Protecting the Mother River

BOC Putian Branch organised and held the activity of “Green Cycling, Protecting the Mother River”. The cycling team cycled eight kilometers along the Mulan River. They cleared away the waste voluntarily on the way, protecting the “Mother River” with practical actions and spreading the concept of building a beautiful Putian and sharing beautiful scenery.



Note: BOC Putian Branch holds the green cycling activity

Actively participating in community environment protection activities

For the third year running, BOC Aviation partnered with Waterways Watch Society Singapore to clean up the waterways along the Kallang and Singapore rivers. Under the leadership of senior managers, the BOC Aviation team collected some 82 kilograms of waste from the waterways.



Note: BOC Aviation staff clean up waterways

Adding intelligent “wings” to waste classification management

BOC Zhejiang Jiaxing Branch explored new modes of integration between financial scenarios and green development, and launched the platform of intelligent waste classification management together with Jiaxing Municipal Government. The platform implemented intelligent management through three terminals, i.e., resident terminal (for merchants), supervision terminal (for collection and transportation companies) and management terminal (for government administration departments), and realised the unification of one platform, multiple data, multiple streets and multiple collection and transportation companies. The project has been implemented in 42 streets in three districts and two towns of Jiaxing City. The Branch has reached cooperation intention with five counties of the city. 200 to 500 demonstration streets will get involved at a later stage, with 10,000 to 20,000 new merchants. Totally more than 100,000 merchants will be covered across the city.

5 Being Committed to the Public Welfare Undertaking and Jointly Building a Beautiful Home

A happy life is the common aspiration of all people. Only by refining the inclusive development concept and model can we make development more balanced, development opportunities more equal and development achievements shared by everyone. As a large state-owned bank, BOC sees its task to build an inclusive happy society and strives to create shared value for social development. In 2020, BOC continued to expand “public welfare + finance” scenarios, and developed the innovative “time bank” model for mutual aid elderly care to contribute sustainable solutions for the aging society. BOC strengthened the development of online public donation platforms of charity organisations, improved the volunteer service management and motivation mechanism, and remained on the path of the scientific, professional charity work. BOC actively dealt with emergencies such as natural disasters and public health incidents and continued to hold financial knowledge popularisation activities, to safeguard the life safety of the people and against financial risks.

Sustainable Development Goals (SDGs)



Feature: Developing new model for mutual aid elderly care

In response to the decisions and plans of the CPC and the State Council on addressing the aging of the population, BOC actively explored innovation in elderly care service model, assisted the government in implementing the socialisation reform of elderly care, and fully supported the development of public welfare elderly care undertaking.

The “BOC Public Welfare Mutual Aid Elderly Care Platform” developed by BOC adopts the “time bank” model. When volunteers provide elderly care services, the platform records and stores service hours by certain rules using blockchain technology. After those volunteers become seniors, they can receive services with the same length as their service hours recorded on the platform, or donate their hours to their immediate relatives or other seniors in need, forming a virtuous cycle of “saving time at a young age and receiving services at an advanced age”.

In 2020, BOC strengthened cooperation with government departments and nursing institutions for the aged in Beijing, Shanghai, Shenzhen, etc. to build and promote the platform. The “Shanghai Senior Care Time Bank” programme jointly launched by BOC and the Shanghai Civil Affairs Bureau was piloted in some districts of Shanghai including Xuhui, Changning, Putuo, Hongkou and Yangpu. As of the end of 2020, the platform covered nearly 10,000 seniors and volunteers. BOC plans to gradually promote the platform in the Beijing-Tianjin-Hebei Region, the Yangtze River Delta, the Guangdong-Hong Kong-Macao Greater Bay Area, Chengdu-Chongqing Area and Hainan Free Trade Port in future.

Advantages of the platform

<p>System development</p>	<p>BOC fully leveraged its advantages of high credibility, vast channel network, strong development capability and high data security, laying a foundation for the depositing and withdrawal at any branch of the “time bank” nationwide.</p>
<p>Professional operation</p>	<p>The Group’s comprehensive operations company Zhong Yi Shan Yuan^{Note 1} is responsible for the professional operation of the platform, and BOC FinTech for technology development, to jointly ensure the professionalism and stability of the platform. In the meantime, BOC used its channel strength and developed cooperation with governments, nursing institutions for the aged and social organisation in the publicity and promotion of the platform, to further increase its influence.</p>
<p>Risk control</p>	<p>BOC ensures the risks of the platform are under control by making use of its own servers to establish the platform and database, cooperating with professional institutions in the review and monitoring of service procedures, formulating standards and rules for the platform, etc.</p>

Note 1: Zhong Yi Shan Yuan is a comprehensive operations company established by BOC to fulfill corporate social responsibilities and assist in poverty alleviation.



Note: The BOC Public Welfare Mutual Aid Elderly Care Platform won the “Silver Award in the Service Group” in the Second Intelligent Healthy Elderly Care Innovation and Entrepreneurship Competition.

The time bank sparks community volunteers' service enthusiasm

Aunt Qin is an active community volunteer in Shanghai who often participates in various shows for seniors at advanced ages in communities. Before learning about the time bank, she hardly remembered how many performances she had put on and how many hours she had served, which she thought was a pity. With the implementation of the pilot project of the time bank, more and more community volunteers have learnt about the concept and model of “depositing and withdrawing” volunteer service time, and Aunt Qin has learnt how to use the WeChat applet of the time bank to scan the QR code to provide volunteer services and check her volunteer service records at any time. “After using the time bank, I can check my records, and when I look at them, I feel a great sense of achievement,” said Aunt Qin.



Note: The interface of the WeChat applet of “Shanghai Elderly Care Time Bank”

5.1 Jointly building a financial philanthropy ecosystem

BOC has long adhered to the philosophy of “serving, contributing to and giving back to society”, and empowered the development of charity and public-welfare undertakings with its business and resource advantage.

Establishing a professional philanthropy platform

Using BOC Charity Foundation as the carrier to fulfill its public welfare responsibilities, BOC has established the “BOC Philanthropy” (formerly known as “Shanyuan Foundation”) internet donation platform to receive love and kindness from around the world and promote the development of public welfare undertakings. As the internet public donation information platform of charity organisations designated by the Ministry of Civil Affairs, “BOC Public Welfare”, with BOC’s financial background and technological strength, provides convenient, transparent and secure donation service to the social public, and donation information distribution and volunteer management services for charity organisations. In 2020, the platform made innovation in operation model, expanded donation channels, and increased support to partnering social organisations, to continue to improve the “philanthropy + internet + finance” ecosystem.

In 2020, “BOC Philanthropy” platform directly raised RMB20.68 million donations in 142 donation activities organised by 48 charity organisations, and recorded 254,600 donors throughout the year.

Connecting online and offline publicity channels

By fully leveraging its advantage in business network coverage, BOC connected the “BOC Philanthropy” platform to BOC mobile banking client to provide all users with a secure and convenient donation entrance. During the pandemic, “BOC Philanthropy”, combining mobile banking business, launched the “Fight the Pandemic Together” campaign on the frontpage of the app, and together with China Siyuan Foundation for Poverty Alleviation, it called on users to donate money and materials to fight the pandemic.

Through BOC’s offline outlets across the nation, the platform provides social organisations with new fronts for promotion of donation activities, forming a joint donation model that combines online donation and offline mobilisation. In June 2020, together with BOC Dongguan Branch, the platform supported Dongguan Charity Federation in holding the “6 • 30 Poverty Relief Day of Guangdong” donation activity. It mobilised BOC’s 89 business lobbies and outlets in Dongguan City to put up posters of the activity, have employee volunteers recommend the activity, etc. to attract the public to learn about the activity and make a donation. Similar activities were later held in BOC Beijing Branch, BOC Shenzhen Branch and BOC Suzhou Branch. In those activities, the platform earned recognition from charity organisations.

Leveraging professional strengths to empower charity organisations

Since the establishment of “BOC Philanthropy” platform, BOC has attached great importance to cooperation with charity organisations, and actively given play to its financial strengths to support and enable the development of charity organisations. Bank of China Investment Management Co., Ltd. (BOCIM) has organised employee volunteers to deliver training on asset preservation and appreciation and provide asset management consulting service for charity organisations. BOC has also opened “Compliance Construction of Foundations” series online courses, together with Beijing Zhicheng Social Organisation Conflicts Mediation Office and Research Centre, to help charity organisations improve their staff’s organisational management capability.

Providing customised public welfare service

In August 2020, the BOC alumni philanthropy platform was officially launched. To meet the online philanthropy demand of university foundations, the platform provides customised online donation activity information release function, offering a new channel for alumni to participate in and contribute to the development of the alma mater through public welfare activities. The platform has served 13 university foundations, and based on common demands, it has launched such new functions as collection of alumni information, application for electronic notes, etc., which have effectively met the needs of universities in maintaining their alumni communities.



Note: User interfaces of the BOC alumni public welfare platform



Note: Exclusive page for Huazhong University of Science and Technology on the BOC alumni public welfare platform

Continuing to contribute to charity undertakings

BOC and its branches and subsidiaries actively held charity programmes in various forms around the world, and continued to invest resources in the fields of student aid, poverty alleviation and cultural heritage, to contribute to the building of a more harmonious, better society.

Supporting public welfare in education

To address the problems in education in Xunyi County, Xianyang City that older rural teachers had less training opportunities which made it difficult for them to improve their teaching quality, BOCIM conducted a survey closely, mobilised all employee to raise funds, and launched the teacher training programme to provide 20 rural teachers with “immersive” learning opportunities in five phases. After attending classroom lectures, exchanging ideas and reflecting on themselves, participating in teaching work meetings and receiving guidance from experts and top teachers, their teaching capabilities improved. The programme won “The Best Practice for the Public Good in 2019” of the Second China Mutual Funds Yinghua Awards.



Note: Teachers participating in teacher training are attending classroom lectures

Since it launched the “Love in Chuanpeng” student aid programme in 2013, BOC Yancheng Branch in Jiangsu has supported Chuanpeng Elementary School in Sheyang County by repairing school building, supplementing books, setting up scholarships, etc. In 2020, BOC Yancheng Branch in Jiangsu, together with Yancheng Broadcasting Television, launched the “BOC Love” public welfare programme. They renovated the vacant classroom at Chuanpeng Elementary School into the “House of Arts” that integrates library, audio-video room, dancing room and art salon, and planned to invite professional teachers to teach art courses.



Note: Launch Ceremony of “BOC Love” public welfare programme of BOC Yancheng Branch in Jiangsu

Helping vulnerable groups

BOC Shenzhen Branch has held the “Care for City Beauticians” campaign for four years straight, sending care to sanitation workers. In 2020, the campaign solicited environmental protection videos online and paid visits to sanitation workers. It distributed free packages consisting of face masks, hand sanitiser, sanitation vests and food to nearly 100 “city beauticians” as a tribute to their dedication.

“Citizens are nicer to us. The attention and care of the government and other walks of life make me feel warm and touched.”

Sanitation worker Mr. Wang



Note: BOC Shenzhen Branch holds “Care for City Beauticians” campaign

BOCHK cooperated with Hong Chi Association, the largest organisation in Hong Kong dedicated to serving people with intellectual disabilities. It supported the organisation in holding professional training and building the qualification certification framework for people with intellectual disabilities. It expects to help about 1,500 people with disabilities receive training and obtain a qualification certificate to increase their competitiveness in the employment in three years. Thus, it helped people with intellectual disabilities obtain market-based remuneration, serve society, achieve self-reliance and integrate into society.

BOC New Zealand actively united local Chinese enterprise and associations of overseas Chinese to give back to society and show the care and responsibility of the Chinese business circles. In July 2020, on behalf of China Chamber of Commerce in New Zealand, BOC New Zealand donated NZD35,000 to Mercy Hospice, a philanthropic hospice care hospital in Auckland, for its sanatorium project, to provide better facilities to terminal stage patients. Since 2016, BOC New Zealand has actively taken the lead and held four Spring Festival charity dinners with China Chamber of Commerce in New Zealand, which raised a total of over NZD200,000 donations.

To support the food distribution activity held by Food from The Heart, an independent non-profit organisation in Singapore, BOC Aviation conducted an internal online donation activity in May and June 2020, and raised a total of SGD35,339, equivalent to 785 packages of food.



Note: BOC Aviation gives strong support to the food distribution activity held by public interest organisation

Providing financial aids to students

BOC attaches great importance to providing financial aids to students. It has undertaken the government-sponsored student loan business for 21 years straight, and continued to co-organise “Aid Students” series activities with the China National Centre for Student Assistance Administration of the Ministry of Education and implement the idea of “development-oriented student assistance” instead of “guarantee-oriented student assistance”. In 2020, themed by “Support Poverty Alleviation and Foster Cultural Confidence”, “Aid Students” series activities consisted of the 9th “Rainbow Bridge” Exchange Activity of College Students, the 4th “Bring Culture and Art to Campuses” and the 7th “Student Aid • Build Dream • Development” Publicity Campaign.

- **“Rainbow Bridge”**: 300 student loan recipients of good character and fine scholarship selected from 35 universities in 10 provinces, autonomous regions and municipalities directly under the central government visited Beijing, of whom 83% are from the deeply impoverished areas of the “three regions and three prefectures”.
- **“Bring Culture and Art to Campuses”**: BOC invited Shan Jixiang, the sixth dean of the Palace Museum, to nine universities in the “three regions and three prefectures”, Hubei and Guangdong to give a lecture titled *Strengthen Cultural Confidence and Be a Faithful Watchman of the Chinese Culture*. Nearly 10,000 college students and teachers learned the journey of the mind of the “watchman” of excellent traditional Chinese culture and felt the persistence, loyalty and steadfastness of great craftsmen.
- **“Student Aid • Build Dream • Development” Publicity Campaign**: BOC solicited short videos, art works, photographs and literary works on “poverty alleviation” from college students, teachers and student aid staff, and held a “cloud” exhibition of excellent works, to inspire student aid recipients to work hard, improve themselves, and be grateful and dedicated.

As of the end of 2020, BOC granted student loans of RMB24.6 billion in total, aiding more than 1.8 million financially challenged students in more than 400 universities. The “Aid Students” series activities benefited over 80,000 students and teachers from 108 universities.



Left: 2020 “Rainbow Bride” college students visit BOC.

Right: Shan Jixiang, the sixth dean of the Palace Museum, gives a lecture on traditional Chinese culture at a university.

5.2 Participating in volunteer activities with employees

BOC attached great importance to employee’s volunteer service work, continuously refined the volunteer service mechanism and extended the reach of volunteer services. With the great support of the Group, employees actively carried forward volunteers’ spirit and responded to the needs and expectations of the social public in various aspects, demonstrating BOC’s selfless dedication.

<p>Establishing a volunteer service platform</p>	<p>Upholding the idea of “engaging everyone in public welfare”, BOC set up the “Volunteer Together” platform, established the volunteer service information interaction and volunteer management system, and built the long-effect mechanism for employees to efficiently and conveniently participate in volunteer services. As of the end of 2020, the “Volunteer Together” platform registered 788 volunteer organisations, posted 507 volunteer recruitment programme and had a total of 21,400 volunteers registered in real name, who contributed 20,900 hours in volunteer services.</p>
<p>Gathering young volunteers</p>	<p>As a group member of the Chinese Young Volunteers Association, BOC has over 570 young volunteer organisations and over 20,000 young volunteers nationwide. They are passionate and active at the frontline of volunteer services and actively participate in popularisation of financial knowledge, poverty alleviation through education, charity sale, major exhibitions & conventions, etc., fulfilling their volunteer responsibilities.</p>
<p>Facilitating implementation of diversified projects</p>	<p>Employee volunteers at the Head Office, branches, sub-branches and institutions of BOC actively devoted themselves to local communities. They participated in numerous volunteer service projects including the fight against the pandemic, poverty alleviation, environmental protection, gratuitous medical treatment, community care and blood donation, delivering warmth and care to those in need.</p>

Serving the CIIE

BOC volunteers have served the China International Import Expo (CIIE) for three years straight, providing efficient, professional and quality volunteer service support on all sides from preparations to in-process services and from site operation to service guarantee. At the 3rd CIIE, 243 BOC employee volunteers who are fluent in more than 10 languages including Arabic, Polish, Danish and Vietnamese provided high-standard translation service to enterprise matchmaking activities, becoming a bright sight at the CIIE.

BOC Shenzhen Branch established an online volunteer translator team. To ensure the fluency and accuracy of translation, volunteers had done a lot of preparatory work, including collecting company information, learning terminology and repeatedly simulating trading scenarios. During the CIIE, they were engaged in high-intensity translation work for 9 to 12 companies. They were highly spoke of by Chinese and foreign exhibitors and traders.

Helping students in remote mountainous areas pursue their dreams

BOC Suzhou Branch, together with nine Party co-building units, held the Yimeng Charity Market gathering the force of banks, governments, schools, enterprises and communities to raise funds through charity sale for children in Yimeng mountainous areas to improve their learning environment. Employee volunteers set up 16 stands on the site and actively conducted the charity sale. They sold over 1,000 articles, raising over RMB20,000, and used the funds to purchase desks, chairs and printers for Fuquan Elementary School in Baiyan Town, Pingyi County.



Note: Employees of BOC Suzhou Branch participate in charity sale.

5.3 Participating in disaster emergency relief

BOC and its institutions at all levels have established a sound disaster emergency response mechanism to ensure early arrangements and proper defence in the event of a disaster. Facing the flood in south China in 2020, BOC immediately activated its contingency plan, providing financial services to customers and giving full support to the fight against the flood, to help the people overcome difficulties and assist enterprises in post-disaster reconstruction.

Planning ahead to prevent and mitigate disasters

In early June 2020, according to the rainfall forecast of the provincial meteorological department, BOC Anhui Branch immediately established leading groups at different levels to strengthen organisation of flood prevention work. It implemented the contingency plan, forecast the impact of the disaster, made arrangements for links that are vulnerable to the disaster, laid down emergency measures and conducted emergency drills. It also distributed a flood prevention notice in a timely manner, prepared disaster prevention materials, and adopted the patrol system to ensure immediate reporting, response and handling when disaster occurs. Thanks to solid preparations, most of the outlets of BOC Anhui Branch quickly reopened after the disaster, and no branch or sub-branch within its jurisdiction received any relevant customer complaint during the period.



Note: BOC Anhui Branch at the frontline of the fight against the flood

Pooling resources to fight against flood and provide disaster relief

“BOC Philanthropy” actively gave play to its platform role. In June 2020, it jointly launched the “One Foundation Supports the Fight Against Flood in South China” charity activity with the Shenzhen One Foundation (the “One Foundation”) to call on employees and the social public to donate disaster relief packages and articles for daily use in urgent need to places affected by the disaster and help the affected people tide over difficulties. Zhong Yi Shan Yuan, BOC Chongqing Branch and BOC Guangdong Branch actively responded to the activity, calling on employees and customers via internal email, WeChat official account, mobile banking client, etc. to make a donation. A total of 11,560 donors made over RMB153,400 donations.



Note: Flood prevention and disaster relief supplies raised by BOC Public Welfare and the One Foundation arrive in Shuangliu Town, Yingshan County, Sichuan Province.

Ensuring continuity of services

Sichuan Province was one of the severely affected regions by storms and floods. With customers' rights and interests in mind, to address the dilemma that outlets in some places had to be closed temporarily, while strengthening service via electronic channels, BOC Sichuan Branch immediately opened the green service channel to handle emergency transfer payment business in other outlets, to ensure customers' funds were received in a timely manner. In the meantime, BOC Sichuan Branch provided door-to-door services for allocation of emergency funds such as the government's disaster relief funds.



Note: BOC Sichuan Branch visits customers affected by the disaster after the disaster

Assisting in post-disaster resumption of work and production

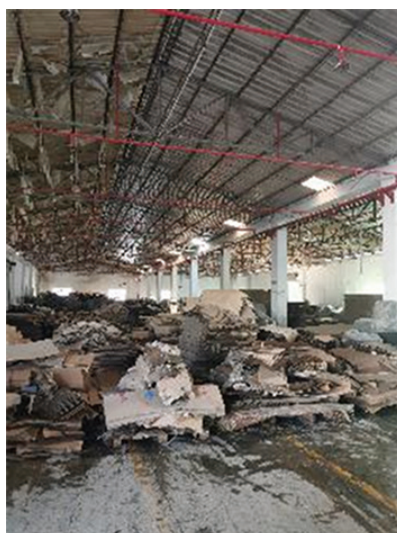
Besides meeting the financial needs of enterprises and individuals affected by the disaster such as emergency withdrawal, BOC Anhui Branch looked into the capital needs of affected enterprises and increased support to the post-disaster reconstruction and resumption of work and production in affected areas. Due to heavy rainfalls, Shexian in Huangshan City, Anhui Province, was hit by the worst flood in many years in early July, which affected 207 enterprises and over 100 self-employed individuals in Chengdong Park (Phase I) in Shexian Economic Development Zone. After the disaster occurred, BOC immediately contacted the enterprises in Shexian Economic Development Zone that were severely hit by the disaster, developed a credit plan, and approved a credit amount of RMB69 million, providing timely fund support for enterprises to resume production.



Note: BOC Anhui Branch assists local enterprises in resuming production

Better serving the post-disaster insurance claim settlement

In May 2020, ongoing torrential rains battered southern region of China. In order to properly serve the post-disaster insurance claim settlement, BOC Insurance issued the *Notice on the Insurance Emergency Response for Disasters and Accidents in Flood and Typhoon Seasons* to make clear the insurance settlement mechanism after disasters. It launched emergency response procedures, opened green channels for claims settlement, simplified claims settlement processes, and shared and reported information in an orderly manner, in a bid to actively shoulder social responsibility to ensure that brick-and-mortar enterprises resume production as soon as possible. Amid the typhoon season in summer, it prepared well for the disaster response by following up the formation of typhoon, observing the typhoon tracks closely, and issuing preparedness and claim service notice in time. As of the end of 2020, BOC Insurance had received 857 non-auto insurance cases caused by rainstorm during the flood season, with an estimated loss of RMB78.421 million, and 699 of them had been settled with a compensation amount of RMB37.4941 million.



Note: Heavy rains flooded the workshop and warehouse of an enterprise in Guangdong Province, resulting in extensive damage to the equipment.

5.4 Spreading financial knowledge

BOC took as important content of its corporate social responsibilities to popularise financial knowledge among the social public. Against the backdrop of pandemic prevention and control and digital finance, BOC carried out digital and fun popularisation activities of financial knowledge based on different consumer groups' life scenarios, which helped the public improve the capability to identify risks and enhance their self-protection awareness.

Going to enterprises

- BOC Qinghai Branch introduced the common tricks, identification skills and preventive measures of telecommunication fraud to employees at the plant of Qinghai Juneng Titanium Co., Ltd. by giving a lecture at the plant, distributing brochures, etc.



Note: BOC Qinghai Branch holds the “Promote Financial Knowledge, Protect Your ‘Pocket’” campaign.

Going to campuses

- BOC Shanghai Branch and Shanghai Polytechnic University jointly held “cloud publicity” of financial knowledge, posting anti-fraud cases and publicity materials on financial knowledge on the university’s WeChat official account.
- The basic-level Party branch of BOC Ningbo Beilun Branch visited Xiapu Elementary School in Beilun and gave a vivid lecture titled “Into the Mystery of Currency” to 150 fourth graders, teaching them about the origin, use and storage of currency and knowledge about how to identify counterfeit RMB.



Note: BOC Ningbo Beilun Branch gives the “Into the Mystery of Currency” lecture.

Going to communities

- Xigang Sub-branch and Donggang Sub-branch within the jurisdiction of BOC Dalian Branch worked with relevant departments including the municipal public security branch, local police stations, district governments, etc. to spread knowledge about telecommunication fraud risk and financial risks among community residents.



Note: With the strong support of Zhongshan Branch of Dalian Public Security Bureau and Xigang District Government, BOC Donggang Sub-branch in Dalian visited the surrounding communities to provide publicity activities.

Going to WeChat Moments

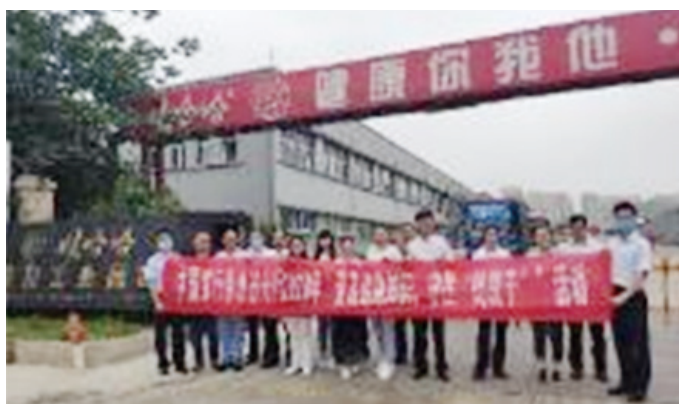
- A number of branches including Fujian Branch, Beijing Branch, Guangdong Branch and Qingdao Branch made consumer protection-themed posters with characteristics of traditional Chinese solar terms and festivals, and organised their employees to forward the posters to their WeChat moments, to spread financial ideas such as anti-fraud and rational consumption among the social public.



Note: Consumer protection-themed posters made by BOC Fujian Branch

Actively holding financial knowledge publicity activities

In 2020, BOC Guizhou Branch went to campuses, enterprises, rural areas and CBDs to educate different groups on financial knowledge, such as helping students establish a correct consumption view, discouraging illegal financial activities among enterprise employees, and explaining financial common sense linked to everyday life. BOC Guizhou Branch held a total of 135 such activities, distributed nearly 61,000 copies of paper brochures, and conducted online and offline promotion of the activity through loop playback of the promotional video of the activity on electronic screens and display of relevant information in lobbies at outlets, information push via the WeChat official account, production of text and pictures on we media, to expand the influence of the activity.

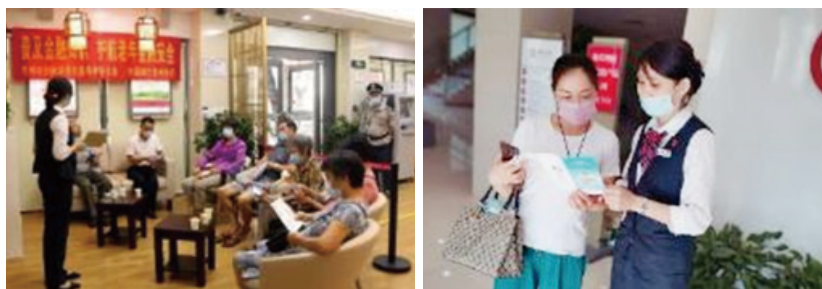


Note: BOC Guizhou Branch goes to an enterprise to spread financial knowledge

Making innovations in the form of publicity and education of financial knowledge to make it more popular among the people

In holding themed activities such as “Spread Financial Knowledge, Protect Your ‘Pocket’” and “Bring Financial Knowledge to Households — Financial Knowledge Popularisation Month”, BOC Guangdong Branch actively made innovations in the content, form and channel of publicity, and achieved enhanced publicity effect.

- The promotional video titled *Do Not Believe in High Interest Rate Income, and Watch for Fraud in Wealth Management* that was made by the branch won the National Second Prize of the “Pocket” promotional video competition organised by the People’s Bank of China.
- The branch held the “Respect and Care Seniors, and Share Financial Development” financial knowledge publicity activity. Through vivid analysis of typical cases, easy-to-understand explanation on how to use mobile banking and enthusiastic Q&A, the activity improved seniors’ awareness of preventing financial risks in a happy atmosphere.
- Through the quality course programme for bank-university cooperation in financial markets, the branch developed courses with a total of 18 class hours and a course period of three months for universities including Sun Yat-Sen University, Shantou University and Sun Yat-sen University Nanfang College. The courses cover such content as microeconomic trends, gold transaction in the forex market and relevant laws and regulations. The branch also creatively integrated the teaching methods of mock trading and evaluation of actual practices, to help students improve the ability to apply financial knowledge.



Note: BOC Guangdong Branch explains financial knowledge to seniors and customer

6 Securing Future Development Through Talent Cultivation

High-quality economic and social development should be backed by strong human capital and human resources. BOC sees talent cultivation as a guideline that remains unchanged for a century, and has cultivated a great number of excellent financial talents. In 2020, in order to meet the development needs of the new era, BOC actively invested and deeply participated in the integration of industry and education, explored new talent empowerment models, and helped the society cultivate innovative talents for the future, with the establishment of Bank of China University (“BOC University” or “BOCU” hereinafter) as a new starting point. Meanwhile, BOC continued to improve the career development platform for its employees, protected their rights and interests, cared about their physical and mental health and created a dynamic working environment, in a bid to promote the formation of a virtuous cycle between corporate development and staff growth.

Sustainable Development Goals (SDGs)



Feature: BOC University, starting a new chapter for staff growth

In line with the national strategy of industry and education integration and the new trend of education and training development, BOC formally established BOC University on May 8, 2020, for the purpose of creating a platform-based organisation and learning community that empower the Group, its employees and customers as well as society, and contributing to the cultivation of financial talents and development of national vocational education reform in China.

BOC University continued to improve the tiered and classified training course system, and established 11 professional institutes in light of the Bank’s strategy, career development of employees and customer service needs.

11 professional academies

Leadership Academy	Cultivation base of operation and management talents at all levels, responsible for the construction of leadership development, operation and management disciplines.
Organisational Development Academy	Training and learning support centre for organisational reform, strategy advancement, performance improvement and staff growth, responsible for the construction of organisational development, staff career development and general competence disciplines.
Language & Culture Academy	Training base for languages and culture, national conditions and BOC history, corporate culture and values, with the aim to promote cultural integration of global employees and their recognition of corporate values.
Risk Governance & AML Academy	Risk management and anti-money laundering talent training base, responsible for the construction of risk management, internal control and compliance, anti-money laundering and other disciplines.
Global Finance Academy	Training base for global management talents and financial professionals of the whole bank, providing cross-border financial and educational training services for customers to be “brought in” and to “go global”.
Yangtze Delta Finance Academy	Training base for integrated talents of the Group and professionals of the financial market and financial institutions, aiming to promote interconnected and coordinated development of regional finance and domestic and overseas business.
Fintech Academy	Scientific and technological innovation talent training base and industry-university-research integration centre of the whole bank, aiming to accelerate the training of fintech innovation talents related to big data, digital currency, block chain, etc.
Wealth Management Academy	Training base for wealth financial professionals and education and training service window for wealth private banking clients of the whole bank, responsible for the construction of personal banking, wealth private banking, consumer finance, bank cards and other disciplines.

Corporate Finance Academy	Training base for corporate banking professionals and education and training service window for institutional clients, responsible for the construction of corporate banking, transaction banking, inclusive finance, aging finance, government finance, industrial finance and other disciplines.
Green Finance Academy	Base for financial talent cultivation and subject research and foreign cooperation and exchange window, integrating international and domestic resources to widely disseminate green finance concept, methods and instruments.
Inclusive Finance Academy	Base for inclusive finance business innovation and talent cultivation and service window for inclusive finance customer education and training, exploring a foreign cooperation mechanism to partner with relevant institutions within and outside the Bank to build an industry-education integration alliance.

Carrying out staff education and training

BOC University actively innovated training modes and established an online and offline integrated digital learning cloud platform. As of the end of 2020, BOC University's cloud platform had 314,000 registered users, and the number of average monthly active users reached 137,000. It launched 14,000 courses, and the average learning time per employee was 40.6 hours.

Launching “Growth Training Programme” for new employees

According to the *Guidelines for New Employee Orientation Training* of BOC, BOC University organised the “Growth Training Programme”, an 18-day online intensive learning programme, for new employees of the Bank in September 2020 based on its cloud platform, with the goal of “integration”, “innovation” and “win-win results”. The programme was composed of five parts, namely community launch, Head Office forum, innovation mobilisation, global sharing and result evaluation and transformation, to help employees fully understand BOC and quickly adapt to their job roles. New employees from the Head Office, 38 domestic tier-1 branches and direct branches participated in the training, forming 804 study groups in total, and providing 695 innovative solutions.

“The training involves a lot of teacher-student interactions, thus bringing about a lot of distinctive ideas. Homework is even more ingenious, which provides plenty of opportunities for our group members to communicate and exchange ideas, and helps us foster the ability to identify, analyse and solve problems.”

— New employee of BOC Henan Branch

Developing the “All-staff Learning Festival” of BOC

Relying on the cloud platform, BOC University launched the first “All-staff Learning Festival” for the whole bank in June 2020. With the theme of “All-staff Learning, Global Sharing”, the learning festival lasted for 22 days and covered various activities, such as live classes, employee co-creation and essay selection. 248,000 employees from 147 domestic and overseas units were attracted to participate in the learning, with more than 50,000 daily active users on average.



Note: The First All-staff Learning Festival of BOC

Actively responding to the pandemic, and facilitating online learning of employees

Since the outbreak of COVID-19, BOC has accelerated the development of online courses, and launched a series of online learning columns such as “Fighting COVID-19 Together”, WeChat Marketing, Resumption & Empowering, covering daily prevention and control, psychological health, colorful life, telecommuting, business development and so forth. Meanwhile, BOC has continued to perfect the cloud platform functions of BOC University, and fully supported smooth implementation of training work in various business lines by offering “Workshops”, improving live streaming functions, and providing modular courseware authoring tools. During the COVID-19 pandemic, a total of 4,780 online training courses were released through the cloud platform of BOC University, with more than 5.76 million participants.

Deeply promoting the integration of industry and education

Relying on the BOC University platform, BOC has vigorously promoted the integration and development of industry and education and gathered training resources to actively empower students, enterprises and society, and create a new environment for learning and training.

“Smart Government Workshop” empowering local governments

BOC University launched an advanced finance training programme, “Smart Government Workshop”, for Party and government officials in local governments, to promote local economic and social development. In 2020, multiple sessions of training were held for local governments in Hubei, Jiangxi, Qinghai and Hainan, building a platform between banks and governments for information communication, business connection and experience sharing.



Note: Group photo of “Smart Government Workshop” trainees from Hubei Province

“Smart and Innovative Future Education” programme empowering primary and secondary school principals

BOC launched the “Smart and Innovative Future Education” programme together with the Ministry of Education, which can help primary and secondary schools across China to improve the level of information technology through the training of smart campus building. 15 cities were selected in the first batch to implement the programme. According to the plan, 10,000 primary and secondary school principals and heads of education authorities will receive training in the coming three years.

“College Student Employment Training Support Platform” empowering students

Based on the WeChat official account of BOC University, BOC launched the “College Student Employment Training Support Platform”, an WeChat applet, providing college students with the latest job employment market information, practical job-hunting strategies, career assessment tools and other ways of support to help them enhance their employment competitiveness and career ability. In August 2020, the online job fair “Banks and Enterprises Working Together for Your Employment”, held by BOC and the Ministry of Education, was launched on the applet, and promoted among college students in September, with more than 20,000 participants. It has been highly recognised by the Ministry of Education.



Note: BOC’s WeChat applet “College Student Employment Training Support”

6.1 Empowering talents and guiding staff growth

BOC attached great importance to staff development, and established a systematic and sound talent recruitment and training mechanism to attract, train and reserve outstanding talents. Meanwhile, BOC continued to improve the internal organisational structure and human resources allocation, strengthen the introduction and cultivation of key talents, and promote all of its employees to move forward and grow stronger with it.

<p>Increasing the support for employment</p>	<ul style="list-style-type: none"> • BOC expanded the recruitment scale, explored new modes of online recruitment, started campus recruitment of 2021 ahead of schedule, and provided more than 10,000 jobs. • BOC formulated the “Special Recruitment Plan for Stable Employment”, “Special Recruitment Plan for Impoverished College Students”, and “Special Recruitment Plan for Children of COVID-19 Frontline Medical Staff”, encouraging and supporting special groups in employment. • BOC formulated a special recruitment plan for new technological talents, and increased the proportion of talents with technological backgrounds such as information technology and data analysis in new recruits to above 30%.
---	---

<p>Improving the training and promotion mechanism</p>	<p>BOC improved the employment policy, promoted the development of professional sectors, and continuously upgraded the promotion mechanism and career development path of employees. As of the end of 2020, implementation rules for the management of professional qualifications were issued for 16 sectors, and certification was carried out for 13 sectors. More than 4,100 employees obtained senior professional qualifications, and about 35,000 employees obtained middle and junior professional qualifications.</p>
<p>Enhancing the capability of outlet staff</p>	<p>BOC laid down the <i>Guidelines for Position Setting and Personnel Management of Domestic Branch Outlets</i>, improved the position structure of outlets, strengthened the cultivation of comprehensive work ability of counter staff, arranged job transfer flexibly, promoted the transfer from bank teller to integrated services manager and increased the job satisfaction of employees.</p>

Strengthening the cultivation and development of new employees

BOC Guangdong Branch attached great importance to the cultivation of young talents. It formulated and implemented the *Implementation Outline of BOC Guangdong Branch for Cultivation and Training of Management Trainees (2020–2023)* based on the actual needs of long-term strategic development and management, established a cultivation and training system covering the full chain of selection, cultivation, management and appointment, formed a long-effect mechanism for the cultivation and development of excellent talents, and guided the building of young staff team and personnel training.



Note: BOC Guangdong Branch strengthens the cultivation of new employees

Holding leadership training programme for middle and senior managers

BOC (New Zealand) Limited has held a seven-month leadership development programme since December 2019, offering leadership courses that are more suitable for local cultural background and complex market environment to middle and senior managers to help them develop their abilities of operation management and innovative thinking. 18 participants completed all the courses successfully, and benefited a lot in developing local markets, meeting the needs of customers, overcoming cultural barriers and managing a team with multiple cultural backgrounds.



Note: BOC (New Zealand) Limited holds the leadership training programme

Exploring a new mode for cultivating personal loan account managers

In recent years, BOC Guangdong Branch has continued to explore a new mode for cultivating personal loan account managers. With “competitions” as an opportunity and driven by four rounds, it stimulated the vitality of the team of personal loan managers and promoted them to achieve better personal growth while improving their financial service capabilities.

In November 2020, BOC Guangdong Branch held “Better Achievements in Loans, Brighter Future of Guangdong Branch”, the final of the Third Skill Competition of Personal Loan Account Managers. After rounds of selection, 17 personal loan managers from 11 institutions in the province entered the final. Centring on the theme of inclusive finance, consumer loans and risk management, the participants vividly demonstrated their marketing cases through speeches and melodramas, and showed their solid business knowledge and profound professional quality when answering the questions from experts.

“Four-round driven”			
<p>Round 1: professional lecturers stimulate the vitality</p> <p>Seek internal lecturers, covering staff at all levels in all departments, from staff of the General Manager Office, senior approvers, outlet directors to frontline account managers.</p>	<p>Round 2: special training enhances the capability</p> <p>Improve the training system, invite external expert lecturers to give lectures, and adopt the training forms of face-to-face teaching, micro-class and live streaming, to improve the training quality and efficiency in all respects.</p>	<p>Round 3: professional certification plays a promoting role</p> <p>Carry out professional qualification examination and certification in an orderly manner.</p>	<p>Round 4: exclusive incentive mechanism increases the motivation</p> <p>Establish an honour system of “Outstanding Personal Loan Account Managers”, set up a unified assessment framework, and carry out the work of evaluation for excellence.</p>



Note: BOC Guangdong Branch holds the final of the Skill Competition of Personal Loan Account Managers

6.2 Respecting talents and ensuring health and safety

BOC has earnestly protected the legitimate rights and interests of its employees and fully guaranteed their health and safety. Meanwhile, it has organised a variety of recreational and sports activities to help its employees maintain a balance between work and life.

Fully protecting the rights and interests of employees

- BOC made no discrimination based on gender, ethnicity, physiological diseases and other factors in policies and work practices including social recruitment, campus recruitment, internal promotion and appointment to ensure openness, fairness and justice.
- BOC convened Employee Delegates' Meetings and approved such documents as the *Employee Handbook* and *Code of Conduct for Employees*.
- BOC upheld equal pay for equal work, signed labor contracts in accordance with the law, and purchased the endowment insurance, medical insurance, unemployment insurance, employment injury insurance, maternity insurance and housing provident fund on time and in full for employees.
- BOC purchased critical illness insurance for employees, and offered high-end medical insurance including SOS emergency assistance service to employees sent to areas with difficult working conditions, to further strengthen the security of employees.

Promoting the physical and psychological health of employees

Attaching great importance to the physical and psychological health of its employees, BOC has actively carried out various recreational and sports activities to enrich their spare time life and advocated them to form healthy work and life styles.

Rizhao Marathon — “Party Members Taking the Lead in Running”

The 4th Rizhao Marathon kicked off on October 11, 2020. 31 persons from BOC Shandong Rizhao Branch participated in the six-kilometer marathon race of “Delicate City, Vibrant Rizhao, Party Members Taking the Lead in Running”. The leading team of Party members in red looked like a red running tide, encouraging the participating masses with their great enthusiasm and further stimulating the vitality of employees to work hard.



Note: Employees of BOC Shandong Rizhao Branch participate in the “Party Members Taking the Lead in Running” activity

Taking exercise and delivering happiness

BOC Henan Branch continuously held the all-staff compliance daily workout activity of “Health Concept for Physical and Psychological Health”. The lyrics and actions were designed and arranged based on BOC Henan Branch’s values of “Following Rules, Being Honest, Bearing Responsibilities and Showing Love for BOC”, with the aim to increase employees’ awareness of compliance and encourage them to take exercise. Based on the unified arrangement of the Branch, other branches and sub-branches created daily workouts in diverse forms that were suitable for different groups of people according to their actual conditions, helping employees build up their body, demonstrating employees’ spiritual style of “exercise, health, happiness, and efficiency” and showcasing the corporate culture of solidarity, hard-working and progress.



Note: BOC Henan Branch holds the daily workout

6.3 Caring about talents and creating a harmonious work environment jointly

BOC has adhered to the development of people-oriented culture, carefully listened to the voice of employees, and cared about employees to create a warm and comfortable work environment with employees and build a harmonious and win-win corporate culture.

- BOC extensively took employees’ advice and responded to their concerns through letters from employees, letters and calls reception, special working meetings and other communication channels.
- BOC took the needs of employees as a key consideration during outlet upgrade. It designed the Party building wall, culture wall and green wall, and set a “Staff Home” rest area, to create a warm office space for employees.
- BOC paid attention to the needs of female employees, and earnestly protected their rights and interests.

“Ten” Employee Care Programmes

Based on comprehensive investigation and repeated research, BOC Jiangxi Branch solicited opinions from employees and launched the “Ten Employee Care Programmes” in 2019, 2020 and 2021 successively, focusing on compensation and benefits, physical and psychological health, working environment, career development and family life which employees were most concerned about, to create thoughtful, considerate, and warm experience for employees.



Note: BOC Jiangxi Branch releases the 2021 Employee Care Programmes on December 1, 2020

Eliminating worries for new employees

BOC Jilin Branch rebuilt its self-owned vacant properties into staff dormitories to solve the accommodation problem for newly recruited college students. From preliminary analysis to project initiation, from drawing design to site construction, and from fire protection review and approval to furniture purchase, the Branch completed the rebuilding project smoothly in less than half a year despite all difficulties during COVID-19, providing a warm BOC home for new employees.



Note: BOC Jilin Branch builds “Youth Home” for employees

“Employee Family Day” activity

BOC Ningbo Branch and its sub-branches actively organised family day activities close to employees’ life to enhance the emotional communication between employees and their family members. In April 2020, BOC Ningbo Yinzhou Sub-branch held the employee family day activity of “Delicious Mugwort Steamed Cake, Warm Affection of BOC”, and invited 15 groups of employees’ family members to make mugwort steamed cakes together, to provide an opportunity for employees and their family members to enjoy the intimate moments.



Note: “Delicious Mugwort Steamed Cake, Warm Affection of BOC” family day activity

In November 2020, BOC Ningbo Beilun Sub-branch held the family day activity of “Reading with Love” in Duyi Bookstore in Ningbo. 40 employees and their family members took part in the activity and enjoyed the fun of reading.



Note: “Reading with Love” family day activity

Caring about employees

The global spread of the COVID-19 pandemic has influenced the physical and mental health of overseas employees and their families to varying degrees. BOC Johannesburg Branch paid close attention to the difficulties and needs of expatriate employees and their families, helped them solve problems, and carried out a series of activities for them to enrich their cultural life under the premise of meeting the requirements of pandemic control.

- Responding to the call of the Head Office, the Branch held the reading and essay competition themed “Reading Good Books, Sharing Thoughts”. Its two reading response essays won the second prize during the appraisal of the Head Office.
- The Branch held the food photography competition, and invited expatriate employees to cook delicious food and submit their food pictures. All the 23 expatriate employees of the Branch took part in the activity and commented on each other’s works online.
- After the COVID-19 emergency response level was downgraded in South Africa, the Branch held the mountain hiking activity, helping employees get out of the state of work from home and relax themselves in nature.



Note: Mountain hiking

[Social Responsibility Performance]

Corporate Governance

Board diversity

As of the end of 2020, the Board of Directors of the Bank was composed of 15 members. Among them, 4 were executive directors, 5 were non-executive directors and 6 were independent directors, and their average tenure was two years.

Director	Gender	Type	Time of taking office	Nationality	Education background	Expertise		
						Finance	Economy	Others
Liu Liange	Male	Executive director	10/2018	Chinese	Master	√	√	
Wang Jiang ^{Note 1}	Male	Executive director	01/2020	Chinese	Doctor	√	√	
Wang Wei	Male	Executive director	06/2020	Chinese	Doctor	√	√	
Lin Jingzhen	Male	Executive director	03/2018	Chinese	Master	√	√	
Zhao Jie	Male	Non-executive director	08/2017	Chinese	Doctor	√	√	
Xiao Lihong	Female	Non-executive director	08/2017	Chinese	Master	√	√	
Wang Xiaoya	Female	Non-executive director	08/2017	Chinese	Doctor	√	√	
Zhang Jiangang	Male	Non-executive director	07/2019	Chinese	Master	√	√	Law
Chen Jianbo	Male	Non-executive director	06/2020	Chinese	Doctor	√	√	
Wang Changyun	Male	Independent director	08/2016	Chinese	Doctor	√	√	Audit
Angela Chao	Female	Independent director	01/2017	American	Master	√	√	Shipping
Jiang Guohua	Male	Independent director	12/2018	Chinese	Doctor	√	√	Accounting
Martin Cheung Kong Liao	Male	Independent director	09/2019	Hong Kong, China	Master		√	Law
Chen Chunhua	Female	Independent director	07/2020	Chinese	Doctor		√	Management
Chui Sai Peng Jose	Male	Independent director	09/2020	Macao, China	Doctor		√	Architecture

Note 1: Mr. Wang Jiang resigned as the Vice Chairman, Executive Director, member of the Strategic Development Committee of the Board of Directors and President of the Bank on February 5, 2021.

The Bank formulated the *Diversity Policy of the Board of Directors of Bank of China Limited*, setting out its stance on Board diversity and the policies to be maintained in the process. The appointment of board members was based on the skills and experience required for its overall sound operation, taking into full consideration the objective and requirement of member diversity from various aspects, including but not limited to regulatory requirements and gender, age, cultural and educational background, region, professional experience, skills, knowledge and tenure of directors. The above policy requirements were followed through the whole process of director selection and engagement.

Indicator	Number	Percentage (%)
Male director	11	73
Female director	4	27
Director aged 30 and below	0	0
Director aged 31–50	3	20
Director aged above 50	12	80
Director holding doctor’s degree	9	60
Director holding master’s degree	6	40
Director holding bachelor’s degree or below	0	0
Director with work experience in economy	15	100
Director with work experience in finance	12	80

Director independence

In 2020, the Bank had 6 independent directors, accounting for 40% of total directors, who were selected from personalities at home and abroad. They were professional with good reputation. Independent directors did not assume any other position at the Bank, and were not subject to the influence of the Bank’s substantial shareholders, de facto controller or any other institution or individual that had a major stake in the Bank. At the same time, the Bank requires in its *Articles of Association* that directors, who have a stake in the enterprise involved in the matter reviewed at the Board meeting, may not vote on the matter, and that resolutions made at the Board meeting shall be passed by more than half of the directors who do not have a stake in the matter*.

In addition to the functions of directors, independent directors also have the following special functions:

- Major related party transactions shall be recognised by independent directors before they are submitted to the Board of Directors for discussion; before independent directors make judgment, intermediary agencies may be engaged to issue an independent financial adviser's report as a basis for judgment.
- External audit and consulting agencies, such as law firms and accounting firms, may be independently engaged to provide assistance.
- While performing duties, if independent directors find that the Board of Directors, directors, senior management members and other personnel of the Bank violate laws, administrative regulations or the *Articles of Association*, they shall timely require such personnel to correct their mistakes and report to the China Banking and Insurance Regulatory Commission (CBIRC).
- While giving independent opinions, independent directors shall particularly pay attention to the following matters: Major related party transactions, profit distribution plan, appointment and dismissal of senior management personnel, matters likely to cause material losses to the Bank, matters that might damage the interests of depositors or minority shareholders, and engagement of external auditors.
- Other functions as stipulated in laws, administrative regulations and the *Articles of Association* or by regulators.

As of the end of 2020, except the Strategic Development Committee, independent directors served as the chairman of each committee of the Board of Directors.

* See the Articles of Association of Bank of China Limited for more details:
https://www.bankofchina.com/en/investor/ir6/201111/t20111109_1591166.html

Attendance of the Board of Directors

In 2020, the Bank held 17 meetings of the Board of Directors in total, during which time the average attendance rate of the Board of Directors was 94%, and 87 proposals were reviewed. Meanwhile, upon authorisation, committees of the Board of Directors vigorously assisted the Board of Directors in duty performance.

Number of meetings attended in person/number of meetings convened during term of office

Directors	Shareholders' Meetings	Meetings of the Board of Directors	Meetings of the Special Committees of the Board of Directors					
			Strategic Development Committee	Corporate Culture and Consumer Protection Committee	Audit Committee	Risk Policy Committee	Personnel and Remuneration Committee	Connected Transactions Control Committee
Incumbent Directors								
Liu Liange	1/1	15/17	8/9	4/4	—	—	—	—
Wang Jiang	1/1	15/17						
Wang Wei	0/0	7/7	—	—	—	—	—	3/3
Lin Jingzhen	1/1	16/17	—	—	—	6/8	—	—
Zhao Jie	1/1	17/17	—	—	6/6	8/8	7/7	—
Xiao Lihong	1/1	17/17	9/9	—	—	8/8	—	—
Wang Xiaoya	1/1	17/17	9/9	4/4	—	—	7/7	—
Zhang Jiangang	1/1	17/17	9/9	—	6/6	—	—	—
Chen Jianbo	0/0	7/7	4/4	3/3	—	5/5	—	—
Wang Changyun	1/1	17/17	9/9	—	6/6	8/8	7/7	—
Angela Chao	1/1	13/17	—	—	1/6	3/8	—	1/4
Jiang Guohua	1/1	16/17	8/9	3/4	6/6	—	7/7	4/4
Martin Cheung Kong Liao	1/1	16/17	9/9	—	4/6	—	7/7	4/4
Chen Chunhua	0/0	7/7	4/4	3/3	—	—	2/3	—
Chui Sai Peng Jose	0/0	5/6	—	2/2	1/1	—	1/2	2/2
Former Directors								
Wang Jiang	1/1	15/17	7/8	—	—	—	—	—
Wu Fulin	0/0	2/3	—	—	—	—	—	—
Liao Qiang	0/0	2/3	2/2	—	—	0/1	—	—

* Meetings are held in the form of onsite meeting or via written resolution.

Special Committees	Chairman of Committee
Strategic Development Committee	Liu Liange (Executive Director)
Corporate Culture and Consumer Protection Committee	Chen Chunhua (Independent Director)
Audit Committee	Jiang Guohua (Independent Director)
Risk Policy Committee	Wang Changyun (Independent Director)
Personnel and Remuneration Committee	Chui Sai Peng Jose (Independent Director)
Connected Transactions Control Committee	Martin Cheung Kong Liao (Independent Director)

Communication with investors

Indicator	2020
Number of publicly disclosed documents	355
Including: Documents issued at A share market	123
Including: Chinese documents issued at H share market	127
Including: English documents issued at H share market	105
Number of events for communication with investors	490
Including: Investor conferences held	179
Including: Investor hotlines answered	122
Including: Responses to enquiries posted on e-interaction online platform run by SSE	91
Including: Responses to emails through the IR mailbox	98

Clean BOC

The Bank deepened the building of a long-term mechanism for combating corruption and upholding integrity by earnestly building a clean and honest culture and a line of defence against corruption. It also vigorously promoted the information about combating corruption and upholding integrity over intranet, WeChat official account, and H5, and raised the employees' awareness of being responsible for anti-corruption.

Against unfair competition

The Bank strictly complied with the *Anti-unfair Competition Law*, the *Convention of Chinese Banking Industry on Combating Unfair Competition* and other laws and regulations. It established a self-discipline mechanism to manage and restrict own behaviours according to law. Saying no to all kinds of unfair competitions, the Bank made efforts to maintain a fair, orderly financial market environment, and protect the rights and interests of consumers.

Safeguarding intellectual property rights

The Bank strictly complied with the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China* and other laws and regulations. It advocated the concept of intellectual property rights protection, applied for and protected trademarks, patents and other intellectual properties in line with the Bank's intellectual property rights management measures. Meanwhile, the Bank showed full respect to intellectual property rights of others and paid attention to the prevention of infringement of intellectual property rights.

Procurement practice

The Bank integrated important procurement needs across the board, steadily promoted the framework agreement management mode, and applied it to more suppliers and projects. It also strengthened system building, established the supervision mechanism, properly managed contract performance, and saw to it that procurement was carried out bank-wide with honesty, self-discipline, high efficiency and compliance.

The Bank is dedicated to actively safeguarding the equal participation of micro and small enterprise suppliers. It combined open online invitation for bids and targeted invitation so that qualified micro and small enterprise suppliers can participate in the competition. While proposing requirements on the basic eligibilities of qualified suppliers, the Bank did not have any other requirement on the registered capital or scale of the enterprises except for a few projects with special requirements.

Indicator	2020	2019	2018
Total number of centralised procurement projects	12,995	15,095	14,227
Budget amount involved in centralised procurements (RMB100 million)	288.15	312.88	249.25
Number of suppliers of the Head Office	1,082	—	—

Economic Performance

Value creation

Indicator	2020	2019	2018
Total assets (RMB million)	24,402,659	22,769,744	21,267,275
Operating income (RMB million)	567,647	550,010	503,806
Operating expenses (RMB million)	202,411	198,269	176,979
Total profit before income tax (RMB million)	246,378	250,645	229,643
Profit for the year (RMB million)	205,096	201,891	192,435
Return on average total assets (%)	0.87	0.92	0.94
Return on average equity (%)	10.61	11.45	12.06
Capital adequacy ratio (%)	16.22	15.59	14.97
Income tax expense (RMB million)	41,282	48,754	37,208
Capital and reserves attributable to equity holders of the Bank (RMB million)	2,038,419	1,851,701	1,612,980

Remuneration and welfare

In 2020, the Bank revised the *Plan of Bank of China Limited for Enterprise Annuities*, further strengthening employees' supplementary pension security. It also carried out self-inspections and on-site inspections of remuneration management, enhanced compliance supervision and intensified remuneration incentives and constraints. Meanwhile, the Bank carried out appraisal and selection for BOC Excellence Awards, and established and improved the honourable retirement policy to motivate employees, enhance recognition of honours and awards and improve employees' sense of honour and sense of belonging.

Service channels

Closely following the financial services demand of global customers, the Bank steadily pushed forward outlet and e-channel construction.

Indicator	2020	2019	2018
Number of mobile banking customers (in 10,000)	21,055	18,082	14,531
Transaction amount through mobile banking (RMB1 trillion)	32.28	—	—
Growth rate of the transaction amount through mobile banking (year-on-year) (%)	14.14	—	—
Number of operating outlets in the mainland	10,487	10,652	10,726
Number of intelligent outlets	10,487	10,652	10,660
Number of ATMs	33,314	37,331	41,723
Number of intelligent counters	31,960	30,425	26,044
Coverage ratio of intelligent counters at outlets (%)	100	100	—
Number of outlets in national-level poverty-stricken counties	320	309	288
Number of county-level outlets	2,981	3,016	3,004
Rate of counters substituted by scenarios (%)	96.24	96.13	—
Electronic reconciliation rate (%)	97.80	96.64	95.97
Costs of bill mailing reduced (RMB100 million)	4.19	3.66	3.08

Support economic development

The Bank assumed responsibilities for implementing the strategy for serving the country through financial services, supporting the real economy and developing business with innovation and better efficiency. Moreover, it worked faster to improve its capabilities of integrated services, allocated more resources to key regions and vigorously supported key areas such as inclusive finance, private enterprises and strategic emerging industries to contribute to high-quality development of the real economy.

Indicator	2020
Balance of inclusive financial loans meeting the “two increases and two controls” assessment requirements ^{Note 1} (RMB1 million)	611,661.62
Growth rate of the balance of inclusive financial loans meeting the “two increases and two controls” assessment requirements (%)	48.12
New loans granted ^{Note 2} to small and micro enterprises ^{Note 3} (RMB100 million)	16,417.86
Growth rate of loans for small and micro enterprises (%)	21.43
Balance of loans for small and micro enterprises (RMB100 million)	19,131.77
Balance of loans for small and micro enterprises as proportions of the total balance of all loans of the Bank (%)	16.77
Number of small and micro enterprises to which the Bank granted loans	497,300
Growth rate of small and micro enterprises to which the Bank granted loans (%)	10.19
Balance of loans for small and medium-sized enterprises (SMEs) ^{Note 4} (RMB100 million)	37,417.55
Growth rate of loans for SMEs (%)	11.09
Balance of personal business start-up loans (RMB100 million)	22.73
New personal business start-up loans in the year (RMB100 million)	11.02
Number of beneficiaries of personal business start-up loans	18,119
Balance of loans for private enterprises (RMB1 trillion)	1.76
Balance of loans in support of strategic emerging industries (RMB100 million)	2,222.43
Balance of government-subsidised housing loans (RMB100 million)	1,514.45
Loans newly extended to a variety of transportation fields (RMB100 million)	3,253
Balance of agriculture-related loans (RMB100 million)	15,185
Balance of loans in support of the marine economy (RMB100 million)	553
Total credit approved for winter sports projects of Beijing 2022 Olympic Winter Games (RMB100 million)	567
Credit extended to winter sports projects of Beijing 2022 Olympic Winter Games (RMB100 million)	259
Credit in support of countries and regions along the Belt and Road (USD100 million)	1,851
New credit for countries along the Belt and Road (USD100 million)	241

Note 1: Inclusive financial loans meeting the “two increases and two controls” assessment requirements: By the standard of the CBIRC, they refer to the loans for small and micro enterprises with the total single-account credit amount of RMB10 million or below.

Note 2: Small and micro enterprises: They refer to the small enterprises, micro enterprises, individual businesses, and small and micro business owners by the standard of the CBIRC.

Note 3: New loans granted: They refer to the loans cumulatively extended in the year by referring to the S6401 statement of the 1104 series of the CBIRC.

Note 4: Small and medium-sized enterprises (SMEs): They refer to medium-sized enterprises and small enterprises by the standard of the CBIRC.

Environmental Performance

Green credit

The Bank vigorously strengthened the leadership of the Board of Directors and the management in terms of green finance. Guided by the *Green Finance Development Plan of Bank of China*, it explicitly included identification and management of the environmental and social risks in the credit workflow. Moreover, the Bank enhanced cooperation with professional institutions, selected some high-carbon industries and sensitive factors for stress tests of climate and environmental risks planned, and strengthened the environmental financial risk management and internal control system.

Indicator	2020
Balance of green credit in the Chinese mainland denominated (RMB1 million)	896,798

Materials

Indicator	2020	2019	2018
Office paper used (tons)	53.4	59.74	48.0
Paper saved (tons)	6.34	-11.74	4.8

Note: Data covered the Head Office and the institutions based in Beijing.

Energy conservation

Indicator	2020	2019	2018
Diesel oil consumption (liters)	14,580	21,758	8,708
Natural gas consumption (m ³)	1,020,035	918,709	962,409
Gasoline consumption (liters)	36,514	44,228	44,843
Electrical power consumption (MWh)	121,812	122,118	126,635
Total quantity of heat purchased (GJ)	56,349	55,114	85,008
Number of video meetings held	2,377	2,655	4,378
Electric power consumption by the Data Centre (MWh)	107,910	—	—
Average PUE of the Data Centre	1.85	—	—

Note: Except the statistical indicators related to the Data Centre, other data only covered the Head Office and the institutions based in Beijing.

Note: The power consumption was that recorded by the power supply meter in the server room of each Data Centre.

Water resource use

Water used by the Bank is sourced from municipal water supply, without its own water source. The Bank designated special personnel to manage the consumption of water, electricity, gas and other energies and resources. Business premises develop their own water use plan and water conservancy plan each year as per the Notice on the Planned Water Use Indicator issued by the Beijing Water Conservancy Management Centre. Furthermore, they record their daily water consumption volume, gather total volume monthly and conduct self-check against the indicator bimonthly. The water consumption target of the Head Office of the year is the water consumption indicator issued by Beijing Water Conservancy Management Centre for that year.

Indicator	2020	2019	2018
Total water consumption (m ³)	336,100	390,134	401,581
Total cycling use of water (m ³)	66,188	74,918	74,687

Note: Data covered the Head Office and the institutions based in Beijing.

Emission reduction

Indicator	2020	2019	2018
Total discharge of hazardous waste (tons)	0	5.1	3.87
Total discharge of non-hazardous waste (tons)	1,064	1,127	286
Greenhouse gas emissions (tons)	75,819	75,804	78,568
Direct greenhouse gas emissions (tons)	2,245	2,054	2,081
Indirect greenhouse gas emissions (tons)	73,574	73,759	76,488

Note: Data covered the Head Office and the institutions based in Beijing. In accordance with the *Measures of Beijing for Determining the Quota of Key Carbon Emission Institutions*, the Head Office fell into the category of the service industry in terms of the emission control system of Beijing, and thus it set a goal of greenhouse gas emissions of no more than 75,860 tons in 2020.

Sewage and waste management

The Bank engaged a third-party testing agency to regularly monitor sewage discharge. Waste from daily office work and operation including domestic waste, kitchen waste and toxic waste were classified and recycled. Kitchen waste and toxic waste were handled by a third party which had such qualification.

Work to secure environmental compliance

The Bank did not receive any punishment for violation of environmental laws and regulations or environmental complaint in 2020.

Suppliers' environmental performance assessment

The Bank included responsible procurement in links such as supplier selection, procurement, review, supplier management and contract signing. Besides, the Bank required that “suppliers may not commit illegal and rule-violating behaviours causing environmental and social risks such as environmental pollution and illegal employment” in the bid invitations of all projects.

During supplier inspection and project review, the Bank evaluated the suppliers' undertaking to environmental protection and social responsibilities. In addition to suppliers' written commitment, the Bank also inspected their environment-friendly equipment and related measures, healthy office, and took the inspection results into consideration during the project review.

Social Performance

Human resources structure

Indicator	2020	2019	2018
Number of employees	309,084	309,384	310,119
Execution of employment contracts (%)	100	100	100
Number of male employees	131,916	132,169	132,781
Number of female employees	177,168	177,215	177,338
Number of employees in the mainland of China	283,312	284,044	285,797
Number of expatriates	1,956	1,877	1,391
Number of employees in Hong Kong, Macao and Taiwan	19,495	19,205	18,047
Number of local employees at overseas institutions	24,370	23,463	22,931
Number of new employees of the year	11,468	10,289	10,685
Number of minority employees	13,073	12,843	12,899
Number of employees aged 30 and below	73,355	—	—
Number of employees aged 31–50	189,454	—	—
Number of employees aged above 50	46,275	—	—

Employee protection

The Bank treated all employees equally and set no discriminative condition on the basis of gender, nationality or physical disease for social recruitment, campus recruitment, and internal promotion and appointment, ensuring openness, fairness and equality. It fully respected and protected the legitimate rights and interests of employees through signing employment contracts, launching collective consultation and holding workers' congress.

Indicator	2020	2019	2018
Execution of employment contracts (%)	100	100	100
Coverage of social insurance schemes (%)	100	100	100
Percentage of female employees (%)	57.32	57.28	57.18
Percentage of female mid-to-senior-level managers (%)	33.24	—	—
Percentage of male mid-to-senior-level managers (%)	66.76	—	—
Number of employees of campus recruitment	9,218	—	—
Number of employees of social recruitment	1,005	—	—
Number of interns	517	—	—

Caring of occupational health

The Bank cared for employees' physical and mental health, provided diversified health care, and advocated healthy lifestyles.

Indicator	2020	2019	2018
Number of employees receiving physical examination in the Head Office	4,144	4,179	4,019
Number of occupational injury cases involving employees of the Head Office	7	—	—
Number of deaths in line of duty at the Head Office	0	—	—

Note: The number of employees receiving physical examination in the Head Office does not include employees at the Software Centre and some persons dispatched by the Head Office.

Employee turnover

Indicator	2020
Employee turnover (%)	2.1
Male employee turnover (%)	2.0
Female employee turnover (%)	2.1

Employee education and training

Focused on business development and employee growth, the Bank built a system for six internal training programs, namely Party school training, strategic task training, key talent training, post competency training, routine business training and comprehensive quality training. Besides, the Bank planned leadership training, and trained managers at senior, medium and primary levels systematically. It also continued to build 21 pathway sequences, and carried out curriculum R&D and certification. Moreover, the Bank improved incentives for learning in employees' spare time, encouraged them to learn on the job and created a learning culture for them.

Indicator	2020	2019	2018
Investments into employee training (in RMB10,000)	53,804	79,217	64,170
Employees trained	2,498,657	2,927,903	2,966,118

* Excluding employees learning online by themselves.

Indicator	2020
Percentage of employees trained (%)	95.89
Number of employees participating in training by gender	—
— Number of female employees participating in training	174,054
— Number of male employees participating in training	127,438
Number of employees participating in training by type	—
— Number of senior management personnel participating in training	15,948
— Number of mid-level management personnel participating in training	321,541
— Number of non-management employees participating in training	2,161,168
Average length of employee training (hours)	59.35
Average length of employee training by gender	—
— Average length of female employee training (hours)	62.10
— Average length of male employee training (hours)	55.60
Average length of employee training by type	—
— Average length of training participated by the senior management (hours)	51.24
— Average length of training participated by the mid-level management (hours)	87.92
— Average length of training participated by non-management employees (hours)	58.80
Number of registered users on the BOC University platform	314,411
Number of average monthly active users on the BOC University platform	137,331
Number of courses provided on the BOC University platform	14,463
Average length of learning on the BOC University platform (hours)	40.63

Enhanced security management

The Bank strengthened publicity and education on case prevention and promoted the building of a check and control platform for cases. It intensified efforts in policy development for security prevention for more professional and standard safety management. The Bank established a security management platform featured by unified management and internal internet availability to significantly improve its capabilities of security management and control. It also held training on security issues to enhance security management and supervision.

Suppliers' social performance assessment

The Bank required clearly that “the supplier shall not be involved in any illegal activity that triggers the social risk, e.g. illegal employment” in all bidding and invitation documents. During supplier investigation and project review, the Bank evaluated the supplier’s undertaking to social responsibilities, and taking into consideration the signing of employment contracts, purchase of social insurance, health and safety of working environment, and implementation of labour protection measures during the procurement project review.

Customer privacy protection

Under the coordinated planning, guidance and arrangement of the Board of Directors and the consumer protection committee under the Executive Committee, the Bank improved the customer information protection mechanism by formulating and refining policy documents such as the *Management Policy of Bank of China Limited on Customer Information Protection* and the *Management Measures of Bank of China for Consumer Financial Information Protection*. It also formulated and updated the privacy policy on consumer products and services, and strengthened the protection of customer funds, accounts and information. Moreover, the Bank strictly regulated the collection, use and preservation of personal information of consumers, held training in personal customer information protection and strengthened internal training assessment and personnel management to protect the legitimate rights and interests of consumers in multiple ways and from multiple aspects and channels.

Prevent fraud risk

With big data, cloud computing, artificial intelligence and other technologies, the Bank continued to advance the building of a digital fraud risk prevention system and improve the real-time anti-fraud capability in online finance.

Indicator	2020
Number of suspicious transactions intercepted by the “Network Defence” system (in 10,000)	52
Amount of suspicious transactions intercepted by the “Network Defence” system (RMB100 million)	120

Social and economic compliance

The Bank strictly complied with international, Chinese and local laws and regulations, continued to strengthen risk prevention & control and compliant operation, put in place the “system of three defence lines” for internal control, timely followed the regulatory updates around the world, regulatory inspection findings, regulatory assessment results and other compliance risk information, and earnestly acted upon the requirements of Chinese and foreign regulators.

Support social development

Indicator	2020	2019	2018
Donations (RMB1 million)	162.28	117.6	87
Social contribution per share ^{Note 1} (RMB)	1.98	1.86	1.81
Balance of poverty alleviation loans (RMB100 million)	1,484.91	—	—
Small-amount loans for poverty alleviation granted in the year (RMB10,000)	10,366.1	—	—
Balance of government-sponsored student loans ^{Note 2} (RMB million)	2,191	2,365	2,698
Amount of government-sponsored student loans cumulatively granted (RMB100 million)	246.12	240.53	235.39
Amount of pension funds in the Bank’s custody (RMB100 million)	1,017.92	—	—
Number of personal accounts of enterprise annuities under the Bank’s management ^{Note 3} (in 10,000)	341.36	—	—
Amount of pension funds under custody (RMB100 million)	5,928.72	—	—
Cumulative number of financial education events for the public	22,211	—	—
Number of people receiving financial education (in 10,000)	9,997	—	—
Number of anti-counterfeit money education events (in 10,000)	5,600	—	—
Number of customers receiving anti-counterfeit money education (in 10,000)	212	—	—
Number of anti-counterfeit money materials distributed (10,000 copies)	244	—	—

Note 1: Social contribution per share = (Economic performance contribution value + Social performance contribution value – Social cost incurred by environmental pollution on the Bank’s part)/Number of shares issued.

Note 2: Government-sponsored student loans: Loans granted to students from poor families in universities and colleges, in payment for their study and living costs at school.

Note 3: Number of personal accounts of enterprise annuities under the Bank’s management: Number of personal accounts with the Bank serving as the manager of the enterprise annuity accounts.

Outlook

The year 2021 marks the 100th anniversary of the founding of the Chinese Communist Party and the opening year of the 14th Five-year Plan period. Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, Bank of China will focus on the new development stage, unswervingly apply the new development philosophy and serve the new development paradigm. It will adhere to the general principle of pursuing progress while ensuring stability, promote high-quality and sustainable development and perform its duty of serving the real economy. Besides, the Bank will enhance the awareness of risks, and stick to the philosophy of bearing the whole system in mind. By implement our strategic approach “Invigorate, Adapt to Change and Drive for Major Breakthroughs”, the Bank will embark on a new journey “Build a First-Class Global Banking Group” in an all-round manner.

Contributing to the real economy, and serving the state’s big picture. The Bank will further implement the requirements of ensuring stability on six key fronts and maintaining security in six key areas, and extend more high-quality credit. Through integration and coordination of the business system, it will support the national strategies for coordinated regional development, serve the building of the modern industrial system, contribute to the state’s strategic technological strengths and shift the focus on services from traditional industries to emerging industries and models. Moreover, the Bank will further leverage its advantages of globalised operations, promote the smooth development of dual circulation between Chinese market and international markets and serve the high-quality imports and globalisation of enterprises.

Deepening technological innovation, and accelerating digital transformation. The Bank will closely follow the trends in emerging technologies and industries in the digital era, work faster to build an enterprise-level architecture and deepen technological empowerment and innovation drive. Besides, it will facilitate the transformation of service models and risk management methods, integrate into the ecosystem of the digital society in an in-depth manner and improve the agile, targeted and intelligent capabilities to keep optimising customer experience and comprehensive competitiveness.

Taking root in inclusive finance to contribute to people’s well-being. The Bank will further support private enterprises, small and micro enterprises, and agriculture, rural areas and farmers. It will constantly provide innovative inclusive finance services, and optimise the credit procedure to reduce the financing costs of small and micro enterprises. Furthermore, the Bank will integrate into the rural revitalisation strategy, vigorously support the county-level economy, expand agro-related businesses such as agro-loans and agro-related services, and improve its capability of rendering financial services to agriculture, rural areas and farmers.

Boosting ecological progress through innovative green finance. The Bank will enrich its supply of green financial products, and comprehensively apply green credit, green bonds and green insurance to channel financial resources into more environment-friendly and low-carbon fields. What’s more, it will embed environmental, social and governance (ESG) principles into its whole business procedure, create its brand of green finance and facilitate sustained development of the economy and society.

Controlling financial risks to ensure prudent operation. The Bank will remain mindful of the worst-case scenarios, forestall and defuse risks and improve responses to extreme situations and material risks to ensure complaint operation and continuous business. Moreover, it will accelerate the building of a comprehensive risk management system, deepen the synergy of the three lines of defence and vigorously improve automatic and intelligent risk control capabilities. It will also strengthen credit risk management, improve compliance and internal control management, and protect the rights and interests of consumers.

Sticking to the principle of “people first”, and stimulating employees’ vitality. The Bank will vigorously build its corporate culture, strengthen talent team building and accelerate urgently-needed talent reserves in strategic and key areas. It will also constantly foster young and primary-level employees, establish a sound mechanism for talent exchanges and cultivation and provide a smooth channel for career development to help more employees make progress.

About the Report

The Board of Directors and all the directors of the Company hereby guarantee that the report does not contain any false presentation, misleading statement or material omissions and shall assume individual and joint liability for the authenticity, truthfulness and completeness of the contents hereof.

Coverage

Organisation: Focusing on Bank of China Limited (“BOC”), the report covers the Head Office, domestic branches, overseas branches, subsidiaries, representative offices and affiliates.

Time: From January 1 to December 31, 2020, with some exceptions.

Reporting cycle: Annual report. The 2019 CSR Report was released in March 2020.

Preparation references

This report is prepared in accordance with the *Opinions on Strengthening the Corporate Social Responsibility of Banking Institutions* of the China Banking and Insurance Regulatory Commission (the former China Banking Regulatory Commission), the *Guidelines of China Banking Association on the Corporate Social Responsibility of Banking Institutions of China*, the *Guidelines of Shanghai Stock Exchange on Environmental Information Disclosure of Listed Companies* and the *Environmental, Social and Governance Reporting Guide* of the Stock Exchange of Hong Kong Limited as well as the *Guidance of International Organisation for Standardisation on Social Responsibility (ISO26000)*, the *Sustainability Reporting Guidelines (GRI Standards)* of the Global Reporting Initiative and the *Account Ability 1000 Assurance Standard (2008)*.

Data basis

The financial data contained in the report is based on the 2020 financial report audited by Ernst & Young Hua Ming LLP. Other data is based on the reports of 2020 and the reports of previous years as well. The monetary amount mentioned herein is denominated in Renminbi unless otherwise specified.

Guarantee

Ernst & Young Hua Ming LLP assumes the liability for qualified assurance services on selected key data disclosed in the report and issues an independent assurance report.

Disclosure format

The report will be issued in printed and electronic formats. The electronic version is available at the website of BOC (<http://www.boc.cn>).

Note: For details on other environmental, social and governance information of the Bank, please refer to the *2020 Annual Report of Bank of China Limited* and relevant announcements published on the websites of SSE, HKEx and the Bank.

Index

Content Index for GRI Standards	SEHK ESG Reporting Guide	Disclosure	Page Number(s) or Explanation
GRI 101: Foundation			
101		Principles for defining report content and principles for defining report quality	181
General Disclosures			
102-1		Name of the organisation	7–8
102-2		Brands, products, and services	7–8
102-3		Location of headquarters	195
102-4		Number of countries where the organisation operates	7
102-5		Nature of ownership and legal form	7
102-6		Markets served	5–6, 7–8
102-7		Scale of the organisation	7–8, 168–170
102-8	B1.1	Information on employees and other workers	162–163, 173–176
102-9	B5 General disclosures B5.2	A description of the organisation’s supply chain	167
102-10		significant changes to the organisation’s size, structure, ownership, or supply chain during the reporting period	96–102
102-11		Whether and how the organisation applies the Precautionary Principle or approach	98–101
102-12		Externally-developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes, or which it endorses	104–107
102-13		Main memberships of industry or other associations	108–112
Strategy			
102-14		Statement from the most senior decision-maker of the organisation	5–6
102-15		A description of key impacts, risks, and opportunities	5–6, 11–12, 43, 70, 96, 113, 127, 147

Content Index for GRI Standards	SEHK ESG Reporting Guide	Disclosure	Page Number(s) or Explanation
Ethics and integrity			
102-16		The organisation's values, principles, standards, and norms of behavior	10
102-17	B7.2	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and organisational integrity	111–112
Governance			
102-18		Governance structure of the organisation	104
102-19		Process for delegating authority for economic, environmental, and social topics from the highest governance body to senior executives and other employees	105–106
102-20		Whether the organisation has appointed an executive-level position or positions with responsibility for economic, environmental, and social topics, and whether post holders report directly to the highest governance body	105–106
102-21		Processes for consultation between stakeholders and the highest governance body on economic, environmental, and social topics. If consultation is delegated, describe to whom it is delegated and how the resulting feedback is provided to the highest governance body	11–12
102-22		Composition of the highest governance body and its committees	162–167
102-23		Whether the chair of the highest governance body is also an executive officer in the organisation	162–167
102-24		Nomination and selection processes for the highest governance body and its committees, and criteria used for nominating and selecting highest governance body members	162–163
102-25		Processes for the highest governance body to ensure conflicts of interest are avoided and managed	103–108
102-26		Highest governance body's role in the development of the organisation's purpose, value and strategies	162–164

Content Index for GRI Standards	SEHK ESG Reporting Guide	Disclosure	Page Number(s) or Explanation
102-27		Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental, and social topics	102–103
102-28		Evaluating the highest governance body's performance	149–150
102-29		Identifying and managing economic, environmental, and social topics	11–12
102-30		Effectiveness of the organisation's risk management processes	108–111
102-31		Frequency of the highest governance body's review of economic, environmental, and social topics and their impacts, risks, and opportunities	11–13
102-32		The highest committee or position that formally reviews and approves the organisation's sustainability report and ensures that all material topics are covered	11–13
102-33		Process for communicating critical concerns to the highest governance body	11–13, 105–106
102-34		Total number and nature of critical concerns that were communicated to the highest governance body, and mechanism(s) used to address and resolve critical concerns	11–13
102-35		Remuneration policies for the highest governance body and senior executives	Refer to the annual report and the <i>Articles of Association</i>
102-36		Process for determining remuneration	Refer to the annual report and the <i>Articles of Association</i>
Stakeholders' involvement in remuneration			
102-37		How stakeholders' views are sought and taken into account regarding remuneration	Refer to the annual report and the <i>Articles of Association</i>
102-38		Ratio of the annual total compensation	Refer to the annual report and the <i>Articles of Association</i>
102-39		Ratio of the percentage increase in annual total compensation	Refer to the annual report and the <i>Articles of Association</i>

Content Index for GRI Standards	SEHK ESG Reporting Guide	Disclosure	Page Number(s) or Explanation
102-40		A list of stakeholder groups engaged by the organisation	13
102-41		Percentage of total employees covered by collective bargaining agreements	173
102-42		The basis for identifying and selecting stakeholders with whom to engage	11–13
102-43		The organisation’s approach to stakeholder engagement	13
102-44		Key topics and concerns that have been raised through stakeholder engagement, including: how the organisation has responded to those key topics and concerns	11–13
Reporting practice			
102-45		All entities included in the organisation’s consolidated financial statements or equivalent documents	168, 181
102-46		An explanation of the process for defining the report content and the topic Boundaries	11–12
102-47		Material topics identified in the process for defining report content	11–12
102-48		The effect of any restatements of information given in previous reports, and the reasons for such restatements	None
102-49		Significant changes from previous reporting periods in the list of material topics and topic Boundaries	11–12
102-50		Reporting period	181
102-51		The date of the most recent previous report	181
102-52		Reporting cycle	Annually
102-53		The contact point for questions regarding the report or its contents	181
102-54		The claim made by the organisation in accordance with the GRI Standards	181
102-55		The GRI content index	182–190
102-56		Policy and current practice with regard to seeking external assurance for the report	191–194

Content Index for GRI Standards	SEHK ESG Reporting Guide	Disclosure	Page Number(s) or Explanation
Topic: Economic			
Economic Performance			
GRI 103: Management Approach		103-1, 103-2, 103-3 Management approach disclosures	96–102
GRI 201: Economic Performance		201-1 Direct economic value generated and distributed	168–170
Indirect Economic Impacts			
GRI 103: Management Approach		103-1, 103-2, 103-3 Management approach disclosures	96–102
GRI 203: Indirect Economic Impacts		203-1 Extent of development of significant infrastructure investments and services supported	43–69, 170, 178
GRI 203: Indirect Economic Impacts		203-2 Significant indirect economic impacts including significance of identified indirect economic impacts	32–34, 43–69, 170, 178
Anti-corruption			
GRI 103: Management Approach	B7 General disclosures	103-1, 103-2, 103-3 Management approach disclosures	167
GRI 205: Anti-corruption		205-2 Communication and training about anti-corruption policies and procedures	167
Topic: Environmental			
Materials			
GRI 103: Management Approach	A2 General disclosures A3 General disclosures	103-1, 103-2, 103-3 Management approach disclosures	120–125
GRI 301: Materials	A2.5	301-1 Materials used by weight or volume	171
	A3.1	Reductions in energy requirements of products and services	120–125

Content Index for GRI Standards	SEHK ESG Reporting Guide	Disclosure	Page Number(s) or Explanation
Energy			
GRI 103: Management Approach	A2 General disclosures A3 General disclosures	103-1, 103-2, 103-3 Management approach disclosures	120–125
GRI 302: Energy	A2.1	302-1 Energy consumption within the organisation	171
GRI 302: Energy	A2.1	302-3 Energy intensity	171
	A2.3	Energy use efficiency initiatives and results achieved	120–125
Water			
GRI 103: Management Approach	A2 General disclosures, A3 General disclosures, A2.4	103-1, 103-2, 103-3 Management approach disclosures	122, 172
GRI 303: Water	A2.2	303-1 Total water withdrawal by source	172
Emissions			
GRI 103: Management Approach	A1 General disclosures A3 General disclosures	103-1, 103-2, 103-3 Management approach disclosures	120–123
GRI 305: Emissions	A1.1	305-1 Direct (Scope 1) GHG emissions	172
GRI 305: Emissions	A1.1	305-2 Energy indirect (Scope 2) GHG emissions	172
GRI 305: Emissions	A1.1	305-3 Other indirect (Scope 3) GHG emissions	172
GRI 305: Emissions	A1.2	305-4 GHG emissions intensity	172
	A1.5	Measures to mitigate emissions and results achieved	172
Effluents and Waste			
	A1 General disclosures A3 General disclosures	Management approach disclosures	120–124
	A1.3, A1.4, A1.6	Total weight of waste by type and disposal method	172

Content Index for GRI Standards	SEHK ESG Reporting Guide	Disclosure	Page Number(s) or Explanation
Topic: Social			
Employment			
GRI 103: Management Approach	B1 General disclosures	103-1, 103-2, 103-3 Management approach disclosures	147, 149
GRI 401: Employment	B1.2	401-1 Total number and rate of new employee hires and employee turnover	173–175
GRI 401: Employment		401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	147–161
Labor/Management Relations			
GRI 103: Management Approach	B4 General disclosures	103-1, 103-2, 103-3 Management approach disclosures	147, 152
GRI 402: Labor/Management Relations		402-1 Minimum notice periods regarding significant operational changes, including report whether the notice period is specified in collective agreements	No material change
	B4.1	Review of employment practices to avoid child and forced labour	156
	B4.2	Steps taken to eliminate child and forced labour practices when discovered	156
Occupational Health and Safety			
GRI 103: Management Approach	B2 General disclosures, B2.3	103-1, 103-2, 103-3 Management approach disclosures	156–158
GRI 403: Occupational Health and Safety	B2.1, B2.2	403-2 Work-related hazards and incidents	174
Employee Training and Education			
GRI 103: Management Approach	B3 General disclosures	103-1, 103-2, 103-3 Management approach disclosures	147–155
GRI 404: Training and Education	B3.1, B3.2	404-1 Average hours of training per year per employee by gender and employee category	175–176

Content Index for GRI Standards	SEHK ESG Reporting Guide	Disclosure	Page Number(s) or Explanation
GRI 404: Training and Education		404-2 Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment	175–176
Diversity and Equal Opportunity			
GRI 103: Management Approach		103-1, 103-2, 103-3 Management approach disclosures	156
GRI 405: Diversity and Equal Opportunity	B1.1	Diversity of governance bodies and employees categorised by gender, age group and other indicators of diversity	166, 173–174
Non-discrimination			
GRI 103: Management Approach		103-1, 103-2, 103-3 Management approach disclosures	156
Local Communities			
GRI 103: Management Approach	B8 General disclosures, B8.1, B8.2	103-1, 103-2, 103-3 Management approach disclosures	127–145
GRI 413: Local Communities		413-1 Operations with local community engagement, impact assessments, and development programs	14–31, 32–42, 127–146
G4-FS7		Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	168–170
G4-FS13		Access points in low-populated or economically disadvantaged areas	7, 33
G4-FS14		Initiatives to improve access to financial services for the disadvantaged	7, 33
Supplier Social Responsibility Performance			
GRI 103: Management Approach	B5 General disclosures	103-1, 103-2, 103-3 Management approach disclosures	177
GRI 414: Supplier Social Assessment	B5.2	414-1 New suppliers that were screened using social criteria	177

Content Index for GRI Standards	SEHK ESG Reporting Guide	Disclosure	Page Number(s) or Explanation
Customer Health and Safety			
GRI 103: Management Approach	B6 General disclosures	103-1, 103-2, 103-3 Management approach disclosures	70, 73–78
Marketing and Labeling			
GRI 103: Management Approach	B6 General disclosures	103-1, 103-2, 103-3 Management approach disclosures	167
GRI 417 Marketing and Labeling		Requirements for product and service information and labeling	87–92
GRI 417: Marketing and Labeling		Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling by results	87–92, 167
Customer Privacy			
GRI 103: Management Approach	B6 General disclosures, B6.5	103-1, 103-2, 103-3 Management approach disclosures	93–95, 177
GRI 418: Customer Privacy	B6.2	418-1 Total number of substantiated complaints received concerning breaches of customer privacy	93
Compliance with Social Practices, Laws and Regulations			
GRI 103: Management Approach		103-1, 103-2, 103-3 Management approach disclosures	178
GRI 419: Socioeconomic Compliance	B6 General disclosures	419-1 Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area in terms of total monetary value of significant fines and total number of non-monetary sanctions	88, 167
	B6.3	Practices of maintenance and protection of intellectual property rights	167

Assurance Report



Ernst & Young Hua Ming LLP
Level 16, Ernst & Young Tower
Oriental Plaza
1 East Chang An Avenue
Dongcheng District
Beijing, China 100738

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

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

Independent Assurance Report on the Social Responsibility Report

安永华明(2021)专字第60100080_A04号
Bank of China Limited

The Board of Directors of Bank of China Limited:

We have been engaged to express a limited assurance opinion on the selected data in the 2020 Annual Corporate Social Responsibility Report of Bank of China Limited (the "Social Responsibility Report") prepared by the Bank of China Limited ("Bank of China").

I. The Board of Directors' responsibilities

The Board of Directors of Bank of China are responsible for the preparation and presentation of the selected data in accordance with the "preparation basis" within the Social Responsibility Report (the "basis of reporting"). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the selected data, and making estimates that are reasonable in the circumstances.

II. Our responsibilities

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

We conducted our work on the selected data in accordance with the *International Standard on Assurance Engagements ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance as to whether any matters have come to our attention that causes us to believe that the selected data as at 31 December 2020 and for the year then ended in the Social Responsibility Report is not prepared in all material respects in accordance with the basis of reporting.





**Independent Assurance Report
on the Social Responsibility Report**

安永华明(2021)专字第60100080_A04号
Bank of China Limited

III. Scope of work, approach and limitation

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

- Total assets (RMB million)
- Operating income (RMB million)
- Non-performing loans to total loans (%)
- Capital adequacy ratio (%)
- Profit for the year (RMB million)
- Income tax expense (RMB million)
- Capital and reserves attributable to equity holders of the Bank (million)
- Number of employees
- Investments into employee training (in RMB10,000)
- Employees trained
- Balance of government-sponsored student loans (RMB million)
- Donations (RMB million)
- Balance of green loans (RMB million)
- Total water consumption (m³)

- Electrical power consumption (MWh)
- Gasoline consumption (liters)
- Number of video meetings held
- Social contribution per share (RMB)

Our work was performed at the Head Office of Bank of China, which includes:

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

2



Independent Assurance Report On the Social Responsibility Report

安永华明(2021)专字第60100080_A04号
Bank of China Limited

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

Our work was limited to the selected data as of 31 December 2020 and for the year then ended in the Social Responsibility Report. In addition, our work performed was not for the purpose of expressing an opinion on the effectiveness of Bank of China's Internal controls.

IV. Conclusion

Based on the limited assurance work which we have performed, nothing has come to our attention that causes us to believe that the selected data as at 31 December 2020 and for the year the ended has not been prepared, in all material respects, in accordance with the basis of the social responsibility report.

V. Our Independence, quality Control and assurance team

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

VI Supplementary observations

We have also gained an understanding of Bank of China's application of the *AA1000 Accountability Principles Standard 2008*. Principles with respect to stakeholder dialogue by making inquiries and holding interviews with management representing the different functions in Bank of China in respect of Bank of China's application of the principles of inclusivity, materiality and responsiveness in the preparation of the Social Sustainability Report. Our work was restricted to gaining an understanding of Bank of China's application of the *AA1000 Accountability Principles Standard 2008* and hence we do not express any assurance opinion as to whether Bank of China has adhered to the *AA1000 Accountability Principles Standard 2008*.



**Independent Assurance Report
On the Social Responsibility Report**

安永华明(2021)专字第60100080_A04号
Bank of China Limited

We have the following observations:

Inclusiveness

Bank of China identified key stakeholders and understood their needs and concerns. Bank of China also considered stakeholders expectations and their impact while developing corporate strategy, action plan and business policy as well as daily operation. We suggested that Bank of China should further establish and improve corporate social responsibility management system; develop a clear stakeholders engagement process; implement an appropriate effective, comprehensive an objective stakeholder engagement strategy, plans and methods; and provide various channels for stakeholders to participate in the decision for stakeholders to participate in the decision of Bank of China's long-term sustainability performance improvement.

Materiality

For the information disclosed in the Social Responsibility Report, Bank of China considered factors of stakeholders' needs and concerns, financial performance, industry characteristics, policy requirements and social impact, etc. Bank of China qualitatively and quantitatively disclosed key issues and key performance in the Social Responsibility Report. We suggest that Bank of China may consider to make relevant policies and guidelines, and to develop standards and procedures for guiding the management and staff to identify, evaluate report and prioritize the key issues which are relevant to the social responsibility report and is important to the stakeholders.

Responsiveness

Bank of China developed relevant polices, objectives and action plans in accordance with its business characteristics. Bank of China improved its governance structure, management systems and processes, established various communication channels, strengthened the communication with stakeholders, and responded to the main needs of stakeholders. We suggest that Bank of China should further clarify and improve the responsibility and processes responding to stakeholders, to provide a full and objective response to material sustainability topic, and implement the pre-committed responses timely and appropriately.

Ernst & Young Hua Ming LLP

Ernst & Young Hua Ming LLP
Beijing, China
25 March 2021



Readers' Feedback

We appreciate your reading the *Corporate Social Responsibility Report of Bank of China Limited for 2020*. This is the 13th year the Bank releases the social responsibility report. In order to better meet your demands, provide you with more valuable information and enhance social responsibility performance of the Bank, please kindly give us your comments on this report and feed back to us in any of the following ways:

Telephone: 86-10-66595921
Fax: 86-10-66014024
E-mail: CSR@bankofchina.com
Mailing address: Executive Office, Bank of China, 1 Fuxingmen Nei Dajie, Xicheng District, Beijing, China
Postal code: 100818

1. What's your overall impression of this report?
 Excellent Good Acceptable
2. What do you think of the Bank's performance of the social responsibility in implementing China's major development strategies?
 Excellent Good Acceptable
3. What do you think of the Bank's performance of the social responsibility in enhancing global financial services?
 Excellent Good Acceptable
4. What do you think of the Bank's performance of the social responsibility in providing quality services to customers?
 Excellent Good Acceptable
5. What do you think of the Bank's performance of the social responsibility in supporting charity and public interest?
 Excellent Good Acceptable
6. What do you think of the Bank's performance of the social responsibility in improving supply chain management?
 Excellent Good Acceptable

7. What do you think of the Bank's performance of the social responsibility in dedicating to green finance and low-carbon operation?

Do you have any comment or suggestion on the Social Responsibility Report and social responsibility work of the Bank?

Sincerely thank you for your support!