

2017 Environmental, Social and Governance Report of China CITIC Bank Corporation Limited

Compilation Statement

The Report is prepared to disclose the performance of China CITIC Bank Corporation Limited (hereinafter referred to as the “Bank”) in environmental, social and governance (“ESG”), and should be read together with the 2017 Annual Report of China CITIC Bank Corporation Limited and the 2017 Social Responsibility Report of China CITIC Bank Corporation Limited to present a more comprehensive view of the Bank.

China CITIC Bank Corporation Limited and its subsidiaries are hereinafter referred to as “the Group”¹. China CITIC Bank Corporation Limited’s affiliates include Zhejiang Lin’an CITIC Rural Bank Limited, CITIC Financial Leasing Co., Ltd., CITIC International Financial Holdings Corporation Limited, CNCB (Hong Kong) Investment Co., Ltd. (formerly China Investment and Finance Limited), London Branch and Sydney Representative Office.

Compilation Basis

The report is prepared based on Appendix 27 *Environmental, Social and Governance Reporting Guide* (hereinafter referred to as the “ESG Guide”) of the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*, to discuss the fields involved in “comply or explain” provisions of ESG Guide one by one, particularly the environmental and social issues that may have a substantial influence on the Bank’s business operation and concerned by each stakeholder.

Compilation Method

The Report was written in Chinese. The English version was translated based on the Chinese version. In case of any discrepancies among the versions, the Chinese version shall prevail.

Reporting Period

The reporting period, as covered by the Report, ranges from 1 January 2017 to 31 December 2017 (unless otherwise specified).

Scope of the Report

The Report covers the Bank’s Head Office, domestic branches and other institutions.

Information Statement

Information in the Report comes from the original records and data of the Bank in its actual operation.

Report Approval

The Report was approved by the Board of Directors on 26 March.

¹ Excluding CITIC aiBank Corporation Limited

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About the Bank

Founded in 1987, the Bank is the largest subsidiary of CITIC Group. It is one of the earliest emerging commercial banks established during China's reform and opening up and also China's first commercial bank participating in financing at both domestic and international financial markets. As a keen contributor to China's economic development, the Bank is renowned at home and abroad for brushing numerous track records in the modern Chinese financial history.

The year 2017 marked the 30th anniversary of the Bank. Over the past 30 years, the Bank's development kept pace with the country's economic development and changed with the times. Its name was changed from "CITIC Industrial Bank" to "CITIC Bank"; it was transformed from a "office building bank" relying on corporate banking to an integrated bank placing equal emphasis on corporate and private banking; it introduced foreign strategic investors, successfully listed its shares on the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited, and opened a new chapter in the corporate governance of modern commercial bank, becoming one of the "Top 1,000 World Banks". According to the latest data, the Bank ranked 25th and 22nd among the banks in the world in terms of tier-one capital and brand respectively selected by *The Banker* of the United Kingdom.

In the context of the "new normal" of the economy and financial marketization, the Bank aspires to become "the bank offering the best comprehensive financing services". To attain this strategic development vision, the Bank leverages on the unique competitive advantages of CITIC Group in placing financial and non-financial businesses on an equal footing, and spares no efforts to build an integrated service platform and strengthen its core competence.

The Bank holds firm to the core values of "customer first". For corporate customers and institutional customers, the Bank offers integrated financial solutions in corporate banking business, international business, financial markets business, institutional banking business, investment banking business, interbank business and custody business. For individual customers, the Bank provides diversified financial products and services in retail banking, credit card, consumer finance, wealth management, private banking, going abroad finance and e-banking. As such, the Bank satisfies the needs of corporate and individual customers for comprehensive financial services on all fronts.

The Bank had more than 1,400 outlets in 142 large and medium-sized cities in China, mainly distributed in coastal areas in Eastern China and economically developed cities in Central and Western China. It had over 50,000 employees. The Bank established London Branch in the UK and Sydney Representative Office in Australia. The Bank had four subsidiaries, including Zhejiang Lin'an CITIC Rural Bank Limited and CITIC Financial Leasing Co., Ltd. in Chinese Mainland, and CITIC International Limited and CNCB (Hong Kong (Investment Co., Ltd. (formerly China Investment and Finance Limited) in Hong Kong. China CITIC Bank International Limited had 40 outlets in Hong Kong, Macau, New York, Los Angeles and Singapore, with more than

1,700 employees.

Environmental, Social and Governance (ESG) Management

ESG management concept and mechanism

The Bank has been dedicated to building a high-level ESG management mechanism, consolidating core competence and improving brand value, effectively integrating ESG management with social responsibility management, and constantly bettering its performance in environmental, social and management fields. Upholding the principles underlying CITIC's corporate culture, the Bank will stay true to its original aspiration, bear in mind the mission of "creating value for customers, working for employees' happiness, generating benefits for shareholders and fulfilling responsibilities for the society", and pursue the responsibility concept of "performing social responsibilities and pursuing sustained development". Aiming to "become a green bank, a people-oriented bank, a charitable bank, a trustworthy bank, a value creator and a bank with a great brand", the Bank promoted the continuous improvement in the field of ESG, in accordance with requirements on various topics in the ESG Guide.

The Bank's corporate culture advocates and publicizes "five awarenesses", i.e. strengthening the awareness as a tier-1 legal entity, and shaping the awareness of responsibility, safety, innovation and services. It demonstrates the attitude of being responsible for internal and external stakeholders, and deepens the social responsibility concept and the ESG management philosophy from the perspective of corporate culture.

The Bank established multi-level social responsibility management organization system and performance assessment mechanism, and effectively implemented various management requirements on ESG. The Bank developed industry-leading "CITIC Bank Social Responsibility Report Information Management System", covering information and data of each ESG field and ensuring the effectiveness and completeness of ESG information collection. The Bank also actively organized ESG learning and publicity by holding ESG symposium, training meeting and point-to-point response, so as to improve ESG management capability of employees at various levels.

Communication with stakeholders and assessment on important ESG topics

The Bank attached great importance to the communication with each stakeholder on social responsibility management and ESG management, and actively took effective measures to respond to the expectations and needs of stakeholders.

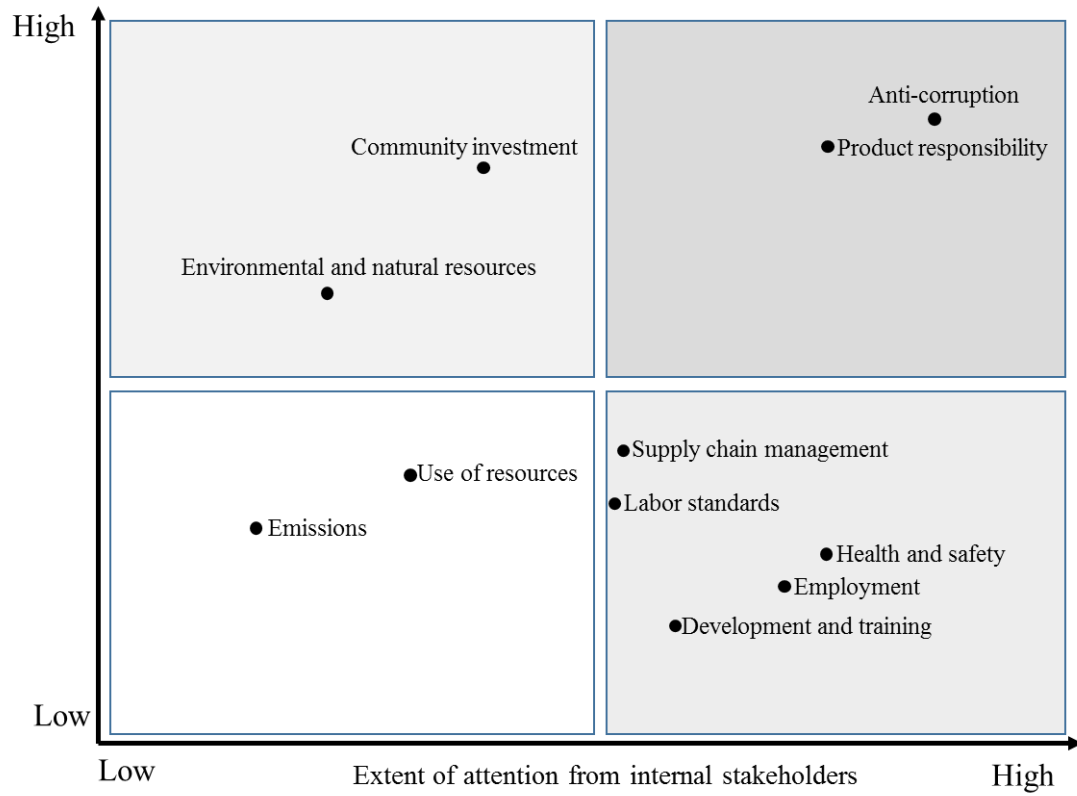
Stakeholders	Expectations as understood by the Bank	Forms of communication	Response measures	Performance
Government	✓ Compliance with national laws and regulations as well as industrial standards and norms	✓ Laws, regulations, policy guidelines and normative documents ✓ Industrial	✓ Answered government calls ✓ Implemented regulatory policies ✓ Participated	✓ Tax payment according to law ✓ Support to the real economy ✓ Steady improvement

	<ul style="list-style-type: none"> ✓ Safeguarding safety of bank funds ✓ Fair competition according to law, and safeguarding a fair competition environment ✓ Sustainable development 	<ul style="list-style-type: none"> meetings, special reports, regulatory circulars and ratings, and briefings ✓ On-site inspections and off-site regulation ✓ Symposiums, seminars and forums 	<ul style="list-style-type: none"> in development of industrial standards and norms ✓ Improved operation and management results ✓ Exposed to regulatory evaluation 	<ul style="list-style-type: none"> of operating results ✓ Remarkable management results ✓ Anti-corruption and clean governance ✓ Safeguarding stable financial order, etc.
Shareholder	<ul style="list-style-type: none"> ✓ Standard corporate governance ✓ Higher return to shareholders ✓ Higher profitability ✓ Higher corporate value ✓ Sustainable development 	<ul style="list-style-type: none"> ✓ General Meeting ✓ Periodical announcements ✓ Communication and exchanges with investors ✓ Road shows ✓ Results releases 	<ul style="list-style-type: none"> ✓ Formulated and implemented development strategies ✓ Refined corporate governance ✓ Reinforced risk prevention ✓ Increased transparency of information disclosure 	<ul style="list-style-type: none"> ✓ Better social responsibility management ✓ Higher social contribution value per share ✓ Lasting brand value and honors ✓ Better operating results ✓ Internal regulatory ratings, etc.
Customer	<ul style="list-style-type: none"> ✓ Provision of high-quality financial services ✓ Provision of high-quality financial products ✓ Provision of complete, truthful and accurate product and service information ✓ Safeguarding information safety 	<ul style="list-style-type: none"> ✓ Business outlets ✓ E-banking ✓ Marketing activities ✓ Lectures ✓ Market surveys ✓ Performance evaluation 	<ul style="list-style-type: none"> ✓ Provided convenient express financial services ✓ Provided diversified financial products ✓ Timely launched products and released marketing announcements ✓ Understood customer comments and suggestions ✓ Strengthened safety and security of business outlets 	<ul style="list-style-type: none"> ✓ Survey of customer satisfaction and demand ✓ Better service quality ✓ Better customer experience ✓ Safeguarding customer rights and interests, etc.
Supplier	<ul style="list-style-type: none"> ✓ Compliance with commercial ethics ✓ Open, equitable and fair procurement ✓ Mutual benefit, win-win and common development 	<ul style="list-style-type: none"> ✓ Publicly available procurement information ✓ Negotiations and exchanges ✓ Cooperation agreements and contracts 	<ul style="list-style-type: none"> ✓ Set up and improved the supplier management mechanism ✓ Established and maintained a supplier database ✓ Reinforced communication and contact with suppliers 	<ul style="list-style-type: none"> ✓ Establishment of the centralized procurement center at the Head Office ✓ Formulation of the centralized procurement management rules ✓ Establishment of partnership with suppliers
Staff	<ul style="list-style-type: none"> ✓ Creation of jobs ✓ Reasonable 	<ul style="list-style-type: none"> ✓ Employee representatives' 	<ul style="list-style-type: none"> ✓ Uniformly recruited 	<ul style="list-style-type: none"> ✓ Realizing the role of the trade union

	remuneration and welfare ✓ Satisfactory work environment ✓ Smooth communication mechanisms ✓ Admirable room for personal career development	congresses ✓ Trade unions ✓ Intranet E-mails and forums ✓ Internal meetings	employees ✓ Upheld equal pay for equal work ✓ Safeguarded staff health and safety ✓ Organized cultural and sports activities ✓ Protected essential rights and interests of staff ✓ Provided on-job skill trainings ✓ Listened to employee viewpoints	✓ Staff performance evaluation for promotion purpose ✓ Health inspections and psychological counseling for employees ✓ Diversified professional training sessions ✓ Employees arranged to go on all types of leaves ✓ Symposiums with young employees, etc.
Community	✓ Care for vulnerable groups ✓ Communication with the government on poverty alleviation ✓ Charity and pro bono activities ✓ Financial literacy	✓ Field surveys and visits ✓ Visit to poverty alleviation institutions ✓ Visit to charity and pro bono organizations	✓ Made outbound donations ✓ Implemented poverty alleviation projects ✓ Assisted vulnerable groups ✓ Promoted financial literacy ✓ Organized pro bono activities	✓ More outbound donations ✓ Organization of targeted poverty alleviation and pro bono and charity activities ✓ Participation in voluntary activities, etc.

In 2017, the Bank evaluated the importance of ESG topics by questionnaire surveys, in line with key topics of the ESG Guide. The surveys cover external stakeholders, including governments, shareholders, personal customers, corporate customers, peer customers, suppliers, media and pro bono representatives, as well as internal stakeholders such as employees at various levels of the Bank.

Based on the feedback of representatives of each stakeholder, the Bank evaluated the importance of key ESG topics of all respects on the Bank (importance matrix chart is illustrated below), of which anti-corruption and product responsibility are the two topics that drew the closest attention from internal and external stakeholders; health and safety, employment, development and training, labor standards and supply chain management are the five topics that drew relatively close attention from internal stakeholders and less attention from external stakeholders; community investment and environment and natural resources are the two topics that drew relatively close attention from external stakeholders and less attention from internal stakeholders; emissions and resource use are the two topics that drew less attention from internal and external stakeholders. The evaluation results will serve as important reference for the Bank's ESG management and information disclosure.



Service Responsibility

With the vision to “become a responsible, humane, unique and dignified enterprise with best integrated financial services”, the Bank holds on to the core values of “customer first, credibility, innovation, collaboration and excellence”, renders high-quality financial products and services to corporate and personal customers in good faith and in compliance with regulations, and strives to meet customers’ integrated financial services demands.

Customer services

The Bank strictly observed the *Law of the People’s Republic of China on the Customer Protection*, the *Administrative Measures on the Sales of Wealth Management Products of Commercial Banks* promulgated by the China Banking Regulatory Commission (hereinafter referred to as “CBRC”), the *Notice of China Banking Regulatory Commission on Issuing the Measures for Appraisal and Evaluation of Consumer Protection for Banking Financial Institutions (Trial)* and other laws, regulations and requirements, and continued to implement the *2015-2017 Strategic Plan of CITIC Bank for Consumer Protection*, the *Personal Wealth Management Product Sales Process of China CITIC Bank* and relevant policies and rules. The Bank set up the Consumer Rights Protection Committee under the Board of Directors and the Consumer Rights Protection Office in the Head Office, and established and improved the consumer rights protection management system to ensure its efficient and smooth implementation of consumer rights protection. The Bank also effectively safeguarded consumer rights by reinforcing supervision and inspection on consumer protection, conducting evaluation of consumer rights protection in an all-round way, providing training on the knowledge of consumer protection for employees, and improving services and complaint channel management.

In order to timely and effectively solve customers’ service problems, the Bank set up the uniform service hotlines of 95558 for debit card customers and 400 for credit card customers, providing one-stop round-the-clock services. It also offers to customers remote services, including business consultation, business handling and customer complaint, so as to properly address customers’ problems in a timely manner. In 2017, the Bank continued to improve relevant quality management rules and process, and revised the *Management Measures on Service Quality of the Credit Card Center of China CITIC Bank*, optimizing credit card complaint response principles, process and timeliness. It developed the *Management Measures on Complaint Prevention Mechanism of the Credit Card Center of China CITIC Bank*, regulating the process of prior intervention in major complaint problems and subsequent rectification.

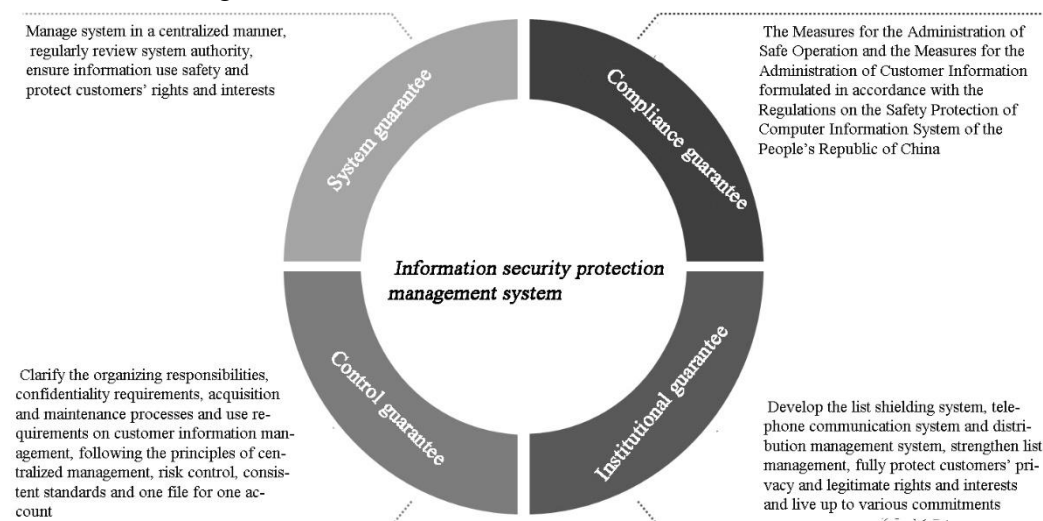
Upholding the service concept of “customer first”, the Bank strives to become “the bank offering best customer experience”, and improve customers’ experience and satisfaction by popularizing the “10 Ones” service process, 6S management mode,

“Smart Counter”, integrated financial services and other management systems. The Bank also made efforts to bring better service experience to customers by optimizing service channels, improving account management, promoting service and product innovation, bettering e-banking services, reducing service charges and encouraging employees to be service pacemakers. In 2017, the Bank launched the “excellent customer experience” project to hear customers’ voice and improve customer experience, and formed a closed loop of customer experience management of “experience-optimization-experience again-optimization again”.

As at the end of 2017, the Bank’s customer service telephone system received 83,350 complaints from credit card customers, of which 100% were handled in a timely manner, achieving a customer satisfaction rate of 96.89%.

Information safety

In strict compliance with the *Cybersecurity Law of the People’s Republic of China*, the Bank developed and improved the *Management Measures for Electronic Data Safety of China CITIC Bank*, the *Management Measures for IT Outsourcing of China CITIC Bank* and other rules and measures relating to information safety. It clarified the responsibilities and obligations of personnel with access to internal and external data, implemented information safety management, and established scientific and effective information safety protection management system, to ensure the safety of information storage and use.



According to level protection requirements and regulatory rules and standards, the Bank designed and developed relevant business systems, and took various measures to strengthen customer information protection. It strictly isolated business network environment from non-business network environment to prevent illegal access to data, and properly encrypted sensitive customer information. It strictly controlled the business system management and access privilege, and prevented leakage of data in internal transmission and use by process approval and data desensitization. Meanwhile, the Bank leveraged such technical means as identity certification, access control, boundary protection, leakage checking, password technique, data masking

and safety audit to effectively guard against the risk of leaking sensitive information in the course of creation, storage, use, transmission and destruction. In 2017, no information safety event, including leakage of customer information, occurred in the Bank.

Brand management

The Bank's publicity and brand use should strictly comply with the *Advertising Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, the *Contract Law of the People's Republic of China* and the *Law of the People's Republic of China on Commercial Banks* and other laws and regulations. The Bank should constantly regulate trademark use and management, and conduct daily monitoring of trademark and domain name in accordance with relevant regulations and requirements of the Trademark Office of the State Administration for Industry and Commerce. It should object to or declare invalidation of similar trademarks and safeguard trademark rights according to laws. The Bank will investigate as early as practicable the responsibility of any entity which publishes advertisement or other promotional materials in the name of the Bank without its consent or authorization.

Intellectual property rights

With respect to the protection of intellectual property rights, such as patent rights, the Bank strictly observed the *Patent Right of the People's Republic of China*, developed the *Management Measures for Intellectual Property Rights of China CITIC Bank*, specified patent declaration process and requirements, and encouraged personnel with technical innovation achievements to file patent applications. In 2017, the Bank applied for the utility model and invention patent for its "factor scenario intelligent analysis system used in business testing".

The Bank has received such effective certificates as ownership or user license for patent rights, software and other purchased intellectual property rights, and the Law and Preservation Department have reviewed relevant legal documents. When necessary, the Bank may engage related technical and patent agents, legal and other professional personnel to provide consulting services, so as to ensure the legality of patent use.

Compliance Operation

The Bank is committed to continuously strengthening compliance management, following up relevant national laws, regulations and regulatory guidelines, maintaining the stability of financial order by timely taking appropriate measures, and leading the promotion of value chain compliance risk management and control in line with business ethics and conduct.

Safeguarding financial order

The Bank strictly abided by the laws and regulations such as the *Anti-money Laundering Law of the People's Republic of China* and the *Anti-Terrorism Law of the People's Republic of China* and fulfilled a bank's responsibilities such as anti-money laundering and anti-counterfeit by adhering to compliance operation, to safeguard the order of financial market. Besides, the Bank kept improving management rules such as the *Management Measures of China CITIC Bank on Large-value and Suspicious Transaction Report*, to define the departments responsible for compliance management and the boundaries of responsibilities, so that every order could be executed without fail and violations would be investigated and dealt with. In addition, employees at all levels must not violate any regulations or go beyond authority with any reason and in any form.

In 2017, the Bank further strengthened financial security and compliance risk management by optimizing management measures, to safeguard financial order:

Strengthen anti-money laundering management	Prevent the circulation of counterfeit money	Maintain financial security
<ul style="list-style-type: none">• The Bank's anti-money laundering mechanism worked effectively. The annual report and major event reporting rules were formulated, and the internal control rules on large-value suspicious transaction reports and customer identification were revised. As of the end of the year, the Bank reported about RMB1.14 million of large-value transactions and more than 50,000 suspicious transactions.• Seven branches of the Bank were honored by the People's Bank of China or public security organs. Fifteen branches obtain Class A evaluation for anti-money laundering from the People's Bank of China.	<ul style="list-style-type: none">• The Bank has invested a lot of manpower and material resources to fight against the circulation of counterfeit currency and maintain the stability of the country's financial order. In November, the Bank invited the RMB business experts from the People's Bank of China to conduct the anti-counterfeit money training for major cashiers of the Bank. Based on the actual business situation, the experts specifically explained the anti-counterfeit features and identification points of various versions of RMB notes and answered questions on the spot.• All branches of the Bank actively organized employees to carry out anti-counterfeit money publicity activities in the densely populated areas such as outlets, bazaars, and transit hubs, so as to raise the awareness of the general public for anti-counterfeit currency. As of the end of the year, the Bank had confiscated 20,275 pieces of counterfeit RMB notes in total, with the total amount of approximately RMB1.55 million.	<ul style="list-style-type: none">• The Bank actively maintained financial security. As at the end of the year, the Bank intercepted 3,446 risky incidents such as counterfeiting or falsification of bills, handling of business with the seal not the same as the reserved specimen seal, fraudulent documents or business transactions handled under others' names, prevent customers or the Bank from possibly losing RMB143 million funds.• The Bank continued to carry out telecom fraud prevention in the whole Bank, to help customers identify the risk of telecom fraud, suspend telecom fraud account transactions, safeguard customer interests, and reduce social unrest factors.• The Bank actively cooperated with public security organs to timely discover and report social unrest factors, assisted public security organs in the handling of emergent criminal cases, and maintained social security, stability and harmony.

Clean governance

The Bank always implemented the requirements on clean governance for the financial industry and practitioners, paid attention to strengthening the building of the Party's work style and clean government, seriously cracked down on illegal and disciplinary actions, and resolutely performed the team's honest management. It strictly abided by laws, regulations and requirements such as the *Criminal Law of the People's Republic of China*, *Several Regulations on Practice of Honesty for Leaders of State-Owned Enterprises* and *Regulations on Leading Cadres' Reports on Individual Matters* as well as the Party's rules and regulations including the *Regulations of the CPC on Disciplinary Punishment* and *Accountability Regulations of the CPC*, to strengthen the building of work style, and vigorously conduct case notification work.

The Bank performed the work including reporting of public complaints, clue treatment and case handling in strict accordance with the *Implementation Measures of China CITIC Bank on Discipline Inspection and Public Complaints Reporting* and the *Supervision and Discipline Execution Process of CPC China CITIC Bank Discipline Inspection Committee (Trial)*, to ensure that employees and the third parties could smoothly report the misconduct of employees or suppliers of the Bank such as corruption, bribery and fraud. Besides, the Bank strictly dealt with the persons holding responsible for violations against laws, regulations and disciplines according to the *Regulations of the CPC on Disciplinary Punishment* and the *Measures of China CITIC Bank for Dealing with Irregularities of Employees*.

Management of suppliers

The Bank attached importance to the management of suppliers' environmental and social compliance risks, so as to promote the control of value chain compliance risk management and the building of social responsibility performance capability. The Bank strictly implemented the management rules such as the *Basic Rules for Procurement Management of China CITIC Bank*, *Measures for Supplier Management*, *Special Management Measures on Centralized Procurement Review Rules* and *Special Management Measures on Supplier Evaluation*, to effectively regulate the management of suppliers. Meanwhile, the Bank clarified the supplier selection criteria and established the supplier evaluation rules with reference to the *Labor Law of the People's Republic of China*, *Environmental Protection Law of the People's Republic of China* and other laws and regulations. It carried out due diligence on environmental and social activities of suppliers, and collect various risk information of contracted suppliers through the third-party agencies, including environmental and social risks, to prevent suppliers' environmental and social risks. By strengthening the access and evaluation of suppliers, cooperation with suppliers which could not meet the requirements would be terminated in a timely manner, so that these suppliers could be guided to fulfil their social responsibilities.

The basic conditions for the Bank's supplier access and candidate suppliers include, but not limited to: (1) having the ability to independently bear civil liabilities; (2) having a good business reputation and a sound financial accounting rules; (3) having basic financial strength, professional and technical capabilities, service channel support capabilities and industry experience necessary for the performance of contracts; (4) no record on major violations in various business activities and no adverse information regarding violation of social responsibilities in the last three years; (5) other special conditions related to the provision of goods. At the end of the year, there were a total of 29 major suppliers² that cooperated with the Bank in the Chinese Mainland.

As of the end of the year, the Bank didn't hear of any major negative or irregular events concerning major suppliers in terms of business ethics, environmental protection and employment, etc.

² Major suppliers refer to the suppliers with the value of contracts signed with the Bank reaching more than RMB20 million in the year

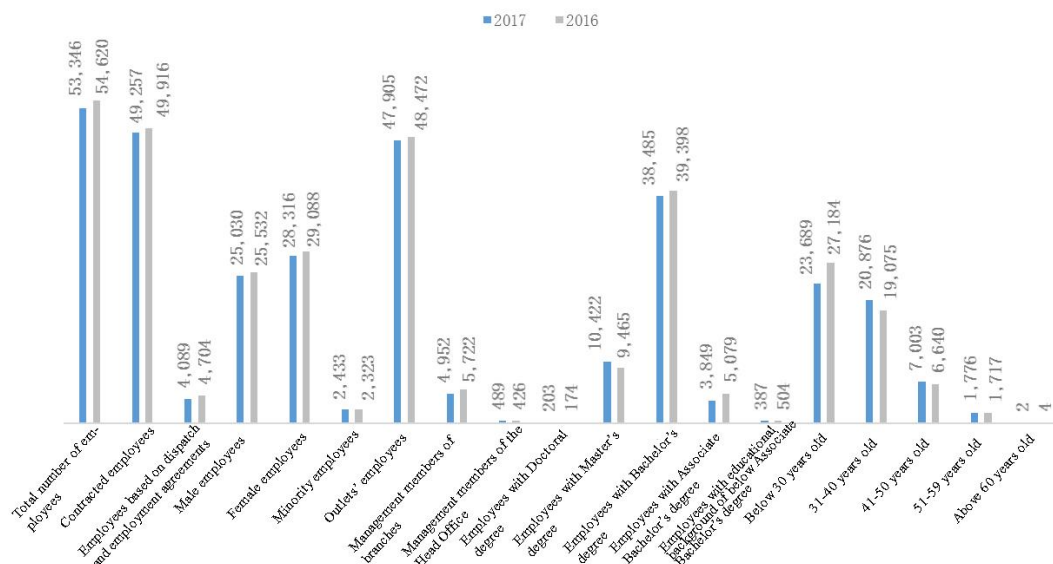
Employee Care

Employees are the most valuable assets for corporate development. The Bank adhered to a people-oriented approach, maximized the knowledge, skills, talent, and dedication of all employees, and sought common development of the Bank and employees by improving management rules, optimizing work environment and emphasizing humane care.

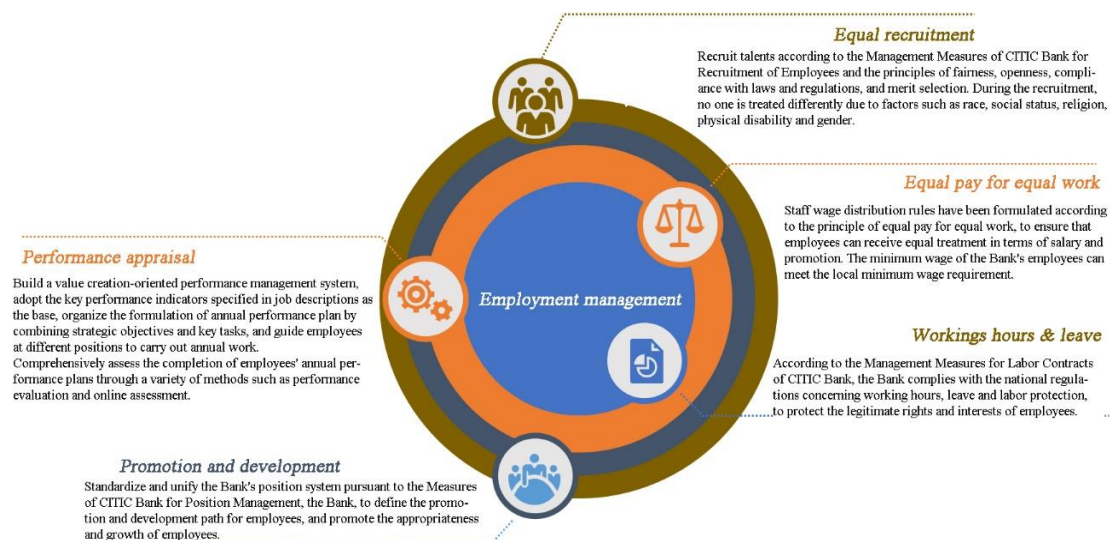
Employment management

In terms of employment, the Bank strictly abided by and implement relevant laws and regulations including the *Labor Law of the People's Republic of China*, *Labor Contract Law of the People's Republic of China*, *Implementation Regulations for the Labor Contract Law of the People's Republic of China*, *Regulations on Employment Injury Insurance*, *Special Regulations on Labor Protection for Female Employees* and *Trade Union Law the People's Republic of China* as well as a series of internal rules, regulations and implementation rules such as the *Management Measures of China CITIC Bank on Labor Contracts*, *Management Measures of China CITIC Bank on Employee Recruitment*, *Measures on Dealing with Irregularities of Employees of China CITIC Bank* and *Management Measures of China CITIC Bank on Post Sequence*, to provide detailed descriptions and definite requirements for employees and employment management, and protect the legitimate rights and interests of employees. As of the end of the year, the Bank had a total of 53,346 employees. The main distribution of employees is shown as follows:

Employee Statistics of China CITIC Bank in 2016 and 2017



The introduction and management of talents play a crucial role in the sustainable development of a company. To effectively perform recruitment and employee management, the Bank has established a diversified recruitment and talent management system, and continuously optimized relevant rules and measures, to ensure employee compliance management and well-functioned business operations.



The Bank prohibits the employment of child worker, forced or compulsory worker in strict accordance with national laws and regulations. In 2017, the Bank did not employ any child worker, forced or compulsory worker.

³ Employees above the level of general manager assistants of branches' departments and head assistants of sub-branches (inclusive)

⁴ Employees above the level of division head assistant (inclusive) of Head Office's departments.

Employee welfare

The Bank provided basic welfare for employees and continuously paid attention to the formulation of employee benefit rules. In accordance with the *Social Insurance Law of the People's Republic of China* and the requirements of local basic welfare rules, the Bank paid social insurance for employees in accordance with the law, provided supplementary medical insurance benefits for employees, and organized employees to conduct physical examinations every year. The Bank also provided employees with neat and quiet working conditions as well as ancillary facilities such as reading room, chess and card room, fitness room, staff canteen and shower room. It regularly reminded employees to pay attention to their personal safety during working hours and holidays, to enhance employees' feelings of enjoyment and happiness at work.

All of the Bank's 38 branches, the Head Office and credit card centers have signed special contracts and established relevant rules for the protection of the rights and interests of female employees. The Head Office and 25 branches of the Bank have set up private, convenient, warm and comfortable baby care rooms, to provide special protection for female employees in the pregnant, confinement or lactation period. The Bank has also strengthened its sympathy and solicitude for the female employees who are in difficulties by holding various lectures on care for women's health and enhancement of women's image and etiquette and organizing parent-child activities during such holidays as the International Women's Day and the International Children's Day.

The Bank, strictly according to the requirements of *Trade Union Law of the People's Republic of China*, has established a sound trade union organization in the Head Office and branches, and fully accrued trade union funds, to ensure the extensive development of trade union activities, promote communication and sharing among employees, and continuously improve the harmonious atmosphere of working environment.

Health and safety

Under the guidance of the principle of "safety first, prevention-oriented, and comprehensive governance", the Bank has established a security system level by level and formulated relevant rules and regulations including the *Security Post Responsibilities of China CITIC Bank*, *Management Measures of China CITIC Bank on Construction of Safety Precaution Facilities in Business Places*, *Management Measures of China CITIC Bank on the Use of Access Control System in the Office Area of the Head Office*, *Management Measures of China CITIC Bank for Safety Assessment* and *Special Emergency Plan and On-site Treatment Plan of China CITIC Bank*, to ensure the safety of working environment.

In order to better implement safety management, the Bank requires new employees to hold a qualification certificate for safety, and sign the *Letter of Safety Responsibilities* and *Letter of Fire Safety Responsibilities*, to ensure the full coverage of safety

responsibilities. In 2017, the Bank fully implemented the “*Safe CITIC*” *Security Measures*, strengthened physical defense, technical defense and firefighting building, and organized various types of emergency plans and fire drills, to intensify the performance of responsibilities and normalize safety inspections. Each office area and business area would be subject to fireproof and power safety inspections on a monthly basis, to timely clear up road debris, keep the fire-fighting passages open, and ensure the safety of employees.

Security	
<p>During the 19th CPC National Congress in 2017:</p> <ul style="list-style-type: none"> • Extensive maintenance was provided to the fire extinguishers and smoke temperature alarms in all branches; • Fire hydrants and fire alarms were tested on each floor of branches and sub-branches; • Gas leakage alarm devices were added to staff restaurants or kitchens, to fully enhance the safety of kitchen fire-fighting facilities. 	<p>In order to improve employees' awareness of fire fighting and emergency response capabilities, fire-fighting emergency drills have been organized at various outlets:</p> <ul style="list-style-type: none"> • A fire was simulated in a certain area, and a full-scale drill was conducted from the start of fire-fighting facility alarm, to organizing orderly withdrawal of customers, calling 110 by the fire emergency response team, and evacuating and rescuing customers after calling 110; • The drill achieved the expected results, improved the employees' ability to respond to unexpected emergencies, and also tested the ability of the fire emergency response team to cooperate with the external fire brigade.
	Fire-fighting drill

The Bank cared about the physical and mental health of employees and actively organized health training lectures for them. The lectures cover a wide range of topics, including health preserving with traditional Chinese medicine, health of female employees, infant and child health care, prevention and treatment of middle-aged diseases (coronary heart disease, hypertension, diabetes, etc.), psychological knowledge training and emergency self-rescue, to help employees understand their physical condition, improve their work habits and enhance their ability to resist diseases. In 2017, the Bank experienced no major casualties.

Development training

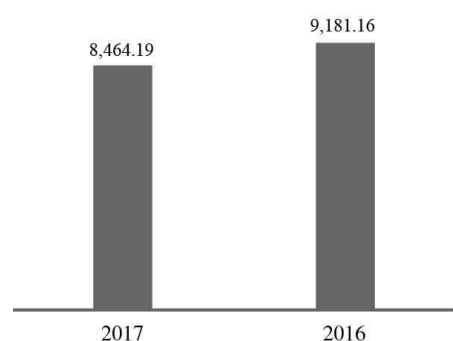
The Bank adhered to the philosophy of “having both ability and moral integrity, and talents for suitable positions”. In the selection of talented people, it attached equal importance to ability and ethics, takes morality as the priority and chose the superior by eliminating the inferior, to gather the elites and give full play to the advantages of talents. In terms of use of talents, appropriate people were placed at suitable positions, and a perfect incentive mechanism was established, to stimulate employees' enthusiasm and bring talents into play. The Bank formulated a diversified training system for employees at different stages and levels, and organized employee trainings through various online and offline forms, to help employees and the Bank jointly realize the goal of building and enhancing professional capacity, thereby continuously improving service quality.

For professional staff, the Bank took job instructions as the main training content and

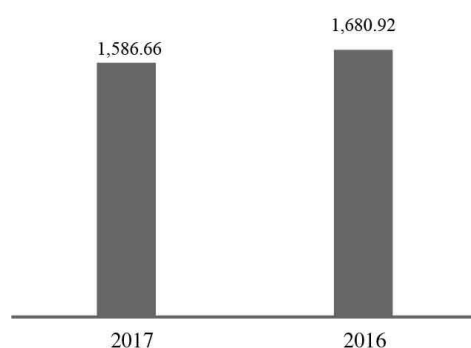
adopt different forms including developing online training courses, building a certified item bank, carrying out online learning and conducting certification exams, to develop a training model of “training + examination + certification + promotion”; in this way, a full-staff job qualification training system with the Bank’s characteristics and intellectual property rights has taken shape. In 2017, the Bank launched the job qualification certification training system for the staff of business lines including corporate banking, retail banking and risk management and divided the training system into four stages: system planning, resource development, online learning, examination and certification.

In 2017, the staff training of the Bank was shown as follows:

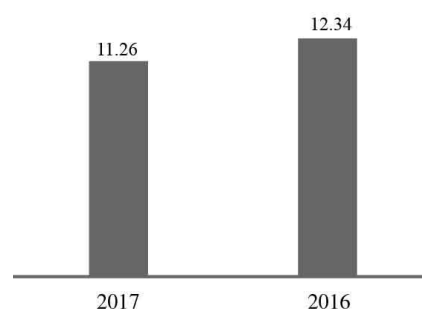
Total Training Input in
2016 and 2017
(RMB10,000)



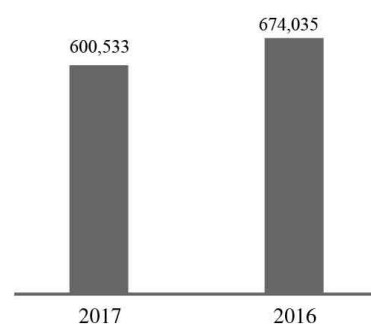
Per Capital Training Input in
2016 and 2017
(RMB)



Per Capital Training Times in
2016 and 2017
(Person-time)



Total Training Person-Time in
2016 and 2017
(Person-time)



Environmental Responsibility

As a financial service institution, the impact of the Bank's business activities on natural resources and environment mainly involves emissions of nitrogen oxides, sulphur dioxide and greenhouse gases caused by vehicle use and electricity consumption, consumption of energy and water resources, and harmful and non-hazardous wastes generated in the process of rendering services and handling office affairs. The Bank has always advocated "green office" and formulated relevant rules and regulations to reduce resource consumption and emissions.

The Bank actively recognized and complied with relevant laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, *Energy Conservation Law of the People's Republic of China* and *13th Five-Year Plan on Comprehensive Energy Conservation and Emission Reduction* of the State Council, to implement relevant national policies on energy conservation and environmental protection, positively promote relevant measures for green operation, and strive to reduce resource consumption and pollutant emissions.

While enhancing environmental performance, the Bank did its utmost to exert its role as the financial leverage, actively promoted the development of green finance, and built a bridge between economy and environment for supporting the development of energy-saving and environmental-friendly fields such as clean energy, recycling economy and environmental governance, to prop up social sustainable development.

Green office

The Bank advocates the concept of "green office" and strives to create a green office environment. The Bank formulated related rules and measures to restrict possible waste of resources in the office area and adopted a range of measures to shore up the Bank's green operation, including promoting videoconference, reducing the use of copy paper, controlling the use of official vehicles, enhancing logistics management, saving water and electricity, strengthening electronic information dissemination and regulating waste processing.

Strengthen the paper-saving management measures	Moves for strengthening official vehicle management	Strengthen the power-saving management measures
<ul style="list-style-type: none"> • Promote paperless office, reduce paper file storage, and implement electronic document management; • Adopt double-sided printing as much as possible, and collect scrapped single-sided printing paper for reuse; • Use electronic file, e-mail or WeChat for daily official document transmission; • Uniform procurement, management, application, approval and receiving of printing paper, with regular notification, etc. 	<ul style="list-style-type: none"> • Apply centralized management to official vehicles, with the establishment of sound official vehicle archives; • Implement official vehicle allocation and procurement criteria, and control vehicle fuel consumption expenditure from the source of emissions; • Apply the one-car-one-card fueling rules, and establish a complete refueling electronic ledger; • Prohibit the use of official vehicles for personal purpose; on public holidays and after getting off work, no official vehicle shall be left at home overnight and for private use. 	<ul style="list-style-type: none"> • Popularize power-saving knowledge, and strengthen power-saving awareness; • Formulate the power-saving system, and incorporate it into the scope of civilized office supervision and inspection; • Inspect the office area from time to time, conduct key supervision and inspection on the shutdown of power supply equipment after getting off work, and completely eliminate the “ever-bright light”; • The indoor air conditioning temperature should not be lower than 26 degrees Celsius in summer and not higher than 20 degrees Celsius in winter. Doors and windows should not be opened during the opening of air conditioning.

Emission Data ⁵	
Sulfur dioxide (tons) ⁶	0.03
Nitrogen oxides (tons) ⁷	1.23
Total Greenhouse Gas Emissions (tons) ⁸ (Category 1 and Category 2)	195,871.79
Per capita GHG emissions (tons/person)	3.45
Greenhouse gas emissions per square meter of floor area (tons/m ²)	0.06
Greenhouse gas emissions per RMB100 million of earnings (tons/RMB100 million)	124.99
Direct GHG emissions (Category 1) (Tons) ⁹	7,350.59
Official vehicle consumption	4,423.86
Facility diesel	153.56
Natural gas	2,018.72
Gas	44.04
Liquefied petroleum gas	710.41
Indirect GHG emissions (Category 2) (Tons) ¹⁰	188,521.20
Procured electricity	188,521.20
Total hazardous wastes (tons) ¹¹	137.85
Total hazardous wastes per capita (tons/person)	0.0024
Total hazardous wastes per square meter of floor area (tons/m ²)	0.00005
Total harmful waste per RMB100 million of earnings (tons/RMB100 million)	0.09
Total non-hazardous wastes (tons) ¹²	1,926.26
Non-hazardous wastes per capita (tons/person)	0.0340
Non-hazardous wastes per square meter of floor area (tons/m ²)	0.0006
Total non-hazardous wastes per RMB100 million of earnings	1.23

⁵ The emission data in this report is based on the approach of the Group, namely, China CITIC Bank Corporation Limited and its subsidiaries.

⁶ The sulfur dioxide emissions in this report mainly come from official vehicle fuel consumption, and the data of sulfur dioxide emissions is calculated according to the *Technical Guidelines for the Preparation of Air Pollutant Emission Inventory for On-Road Motor Vehicles (Trial)* issued by the Ministry of Environmental Protection of China.

⁷ The nitrogen oxide emissions in this report mainly come from official vehicle fuel consumption, and the data of nitrogen oxide emissions is calculated according to the *Technical Guidelines for the Preparation of Air Pollutant Emission Inventory for On-Road Motor Vehicles (Trial)* issued by the Ministry of Environmental Protection of China.

⁸ The GHG inventory in this report includes carbon dioxide, methane and nitrous oxide, which are mainly derived from purchased electricity and fuel and are presented in CO₂ equivalent, including direct emissions (Scope 1) and indirect emissions (Scope 2).

⁹ The direct greenhouse gas emissions in this report are calculated based on the *2006 IPCC Guidelines for National Greenhouse Gas Inventories* issued by the Intergovernmental Panel on Climate Change (IPCC).

¹⁰ The direct greenhouse gas emissions in this report are calculated according to the *2015 China Regional Power Grid Baseline Emission Factors* issued by the National Development and Reform Commission of China. In which, due to the lack of baseline emission factor for Tibet Power Grid and little data impact and importance of Lhasa Branch's procured power, such procured power is not included in the scope of greenhouse gas emissions statistics.

¹¹ The hazardous wastes involved in this report are submitted to qualified professional companies for disposal, which mainly include waste lead-acid batteries, printing equipment waste ink cartridges and waste toner cartridges.

¹² The non-hazardous wastes as referred to in this report are sent to the recycler for disposal, which mainly include electronic and lighting equipment wastes, consumption wastes, abandoned office furniture and discarded hard disks. Among them, consumable wastes include discarded office paper and waste batteries; electronic and lighting equipment wastes include discarded computers, discarded printers and discarded fax machines.

(tons/million)	
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Performance

Energy Consumption Data ¹³	
Total energy consumption (MWh) ¹⁴	301,869.79
Total per capita energy consumption (MWh/person)	5.32
Energy consumption per square meter floor area (MWh/m2)	0.10
Energy consumption per RMB100 million of earning (MWh/million)	192.63
Direct energy consumption (MWh) ¹⁵	31,130.83
Official vehicle fuel consumption	18,069.57
Facility diesel	584.02
Natural gas	10,324.05
Gas	327.66
Liquefied petroleum gas	1,825.53
Indirect energy consumption (MWh) ¹⁶	270,738.96
Procured electricity	270,738.96

Other Resource Consumption Data ¹⁷	
Tap water consumption (tons)	2,102,507.09
Per capita tap water consumption (tons/person)	37.07
Water consumption per square meter of floor area (tons/m2)	0.70
Tap water consumption per RMB100 million of earnings (tons/RMB100 million)	1,341.67
Total packing materials used in finished products (tons) ¹⁸	30.85
Total packing materials used in finished products per RMB100 million of earnings (tons/RMB100 million)	0.02

¹³ The energy consumption data in this report is based on the approach of the Group.

¹⁴ The total energy consumption in this report includes direct energy consumption and indirect energy consumption.

¹⁵ The direct energy consumption data in this report is based on the fuel consumption and relevant conversion factors as provided in the *General Principles for Integrated Energy Consumption Calculation (GB/T 2589-2008)* issued by the General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China and the Standardization Administration of the People's Republic of China, including natural gas, gas, liquefied petroleum gas and official vehicle fuel consumption.

¹⁶ The indirect energy consumption data in this report is based on the electricity consumption and relevant conversion factors as provided in the *General Principles for Integrated Energy Consumption Calculation (GB/T 2589-2008)* issued by the General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China and the Standardization Administration of the People's Republic of China.

¹⁷ The consumption data of other resources in this report is based on the approach of the Group.

¹⁸ The packing materials in this report mainly include paper cash bags and paper envelopes.

Green finance

The Bank incorporated green development into its own development program according to relevant policy requirements such as the *Green Credit Guidelines* of China Banking Regulatory Commission and the *Guidelines for Establishing a Green Financial System* issued by seven ministries and commissions including the People's Bank of China, the Ministry of Finance, the National Development and Reform Commission, the Ministry of Environmental Protection, China Banking Regulatory Commission, China Securities Regulatory Commission and China Insurance Regulatory Commission, to give full play to the role of financial leverage, guide the allocation of more financial resources to the development of green finance, and focus on creating green finance. The *Credit Policy of China CITIC Bank* cleared required to promote the building of a green financial system and comprehensively enhance the performance of corporate responsibilities.

Support green credit

Credit policies have been defined. The Bank formulated the *2017 Credit Policy of China CITIC Bank* to define its credit policy for green credit, that is, adhering to the concept of innovative, coordinative, green, open and shared development according to the instructions of the *Opinions of the CPC Central Committee and the State Council on Accelerating the Construction of Ecological Civilization* and the *Overall Plan for the Reform of Ecological Civilization System*, and strictly implementing relevant regulatory requirements, to establish a green financial management system; besides, the Bank increased support for green economy, low-carbon economy, and recycling economy, preventing environmental and social risks by improving its environmental and social performance, and optimized the credit structure, to improve service levels and promote the transformation of development modes. The Policy clarified the key green credit areas to be supported by the Bank, and puts forward requirements for the building of a green financial management system. In addition, the Bank incorporated the development of green credit business into the performance appraisal system for branches, and implemented a special audit on green credit within the whole Bank.

Green bonds have been issued. The Bank complied with regulatory guidance and guided the flow of bond issue funds to the key areas, key regions and weak links encouraged by the State, to achieve accurate support for the real economy with bond market funds. It also guided the issuers to register and issue green bonds, thus promoting the implementation of green bond projects.

Disbursement of loans has been intensified. The Bank's green credit was mainly used for such projects as green transportation, renewable energy and clean energy, energy conservation and environmental protection services, garbage disposal, and pollution prevention and control. As of the end of the year, the balance of loans for green credit projects under the new statistical approach of the Bank ¹⁹reached RMB 60.358 billion, an increase of 7.88% compared with the balance of such loans under

¹⁹ Statistics are based on the *Green Credit Guidelines* and the *Statistical Table of Energy Saving and Environmental Protection Projects and Service Loans* issued by China Banking Regulatory Commission.

the old statistical approach²⁰ (RMB 274.87).

Strict control of industries with high pollution, high energy consumption and overcapacity²¹

The Bank intensified its efforts to reduce and withdraw the loans granted to the industries with high pollution, high energy consumption and overcapacity, with the implementation of list management rules and classified policies for different enterprises in such industries; for high-quality enterprises with excellent technology, high efficiency, great potential and wide market coverage, the Bank would continue to provide support; for other enterprises, loans to them would be gradually reduced and withdrawn; for the enterprises to which loans would be difficult to decrease and withdraw in the short term, the Bank would maintain existing credit and withdraw at a proper time on the premise of preserving its rights and interests.

Control of credit environment and social risks

The Bank formulated the *Management Measures of China CITIC Bank on Classification of Environmental and Social Risks* (X.Y.G.Z. [2017] No. 335). Based on the level of environmental and social risks, credit customers or projects were classified into three categories, i.e. Category A, Category B and Category C, and the status of environmental and social risks would be dynamically assessed in the process of credit application, review and approval, and post-loan management. The assessment includes: management of customer's environment and social risks, realization, external communication and exchange. Such assessment results would be used as an important basis for customer access, management and quit; besides, environmental and social risk management would be included in the business processes such as pre-loan investigation, review and approval, contract management, credit use review, and post-loan management.

²⁰ Statistics are based on the *National Industry Classification* (GB/T4754-2011), including 21 major categories.

²¹ Statistics are based on the *National Industry Classification* (GB/T4754-2011), including title of categories.

Community Investment

The success of an enterprise is inseparable from the attention and assistance of all circles of the society. We maintained active communication with communities and continuously explored ways to turn enterprise value into social value better and more effectively, in hopes of consistently boosting our social capacity building and contributing to the sustainable development of society.

Social donations

We have strictly complied with the requirements of the newly issued *Charity Law of the People's Republic of China*, and other laws and regulations, proactively giving back to the society and managing donations properly. By the end of the year, the Bank and its subsidiaries made social donations totaling RMB27.6849 million and HKD2.4522 million, equivalent to a total of RMB29.743 million, primarily for poverty alleviation, assisting poor students, disaster relief and aiding social disadvantaged groups.

Targeted poverty alleviation

The Bank set up a leading group for financial poverty alleviation, and formulated the *Work Plan of China CITIC Bank for Financial Poverty Alleviation in the "13th Five-Year Plan" Period* and the *2017 Financial Poverty Alleviation Work Plan of China CITIC Bank*, supporting poor regions' infrastructure projects in the areas of transportation, water conservancy, power, energy and ecological environment, and basic public service projects in the areas of culture, healthcare and hygiene through its credit policy; supporting projects that created jobs for registered poor households and helped increase the income of the poor to develop characteristic industries based on resources endowment; and supporting registered poor households' demand for loans and payment services regarding production, starting businesses or education. By the end of the year, the Bank posted a loan balance for targeted financial poverty alleviation of RMB4,225 million.

The Bank continued with a donation of RMB7 million to carry out targeted poverty alleviation in Xietongmen County (Tibet Autonomous Region), Zhaoyuhe Village, Rushu Village and Poli Village of Dangchang County (Gansu Province) and Kuoshituogelake Village of Yiganqi Township, Aksu County (Xinjiang Uygur Autonomous Region). The Bank also dispatched 9 cadres to the three poverty-stricken areas designated to the Bank for poverty alleviation to help the financially-strapped people to get rid of poverty and inject vitality into local economy.

Promotion of financial literacy

According to the guideline of regulatory authorities, the Bank actively launched public financial education activities under the three themes of "bringing financial literacy to thousands of households", "financial literacy promotion month" and "promoting financial literacy". All the promotion activities were arranged by the Head Office, organized by branches and carried out by outlets of the Bank. The Bank

selected outstanding employees to act as the publicity agents of the “financial literacy promotion month”, mainly popularizing the basic financial knowledge and risk prevention techniques required in the day-to-day life of financial consumers in schools, communities and downtown areas. Moreover, the Bank also promoted financial literacy by consolidating commercial publicity channels, including traditional media such as *The Beijing News*, xinhuanet.com and people.com.cn and its WeChat public account “CITIC ZHIHU”.

Volunteer activities

The Bank established the China CITIC Bank Youth Volunteer Association in 2014. The association works for the following purposes: to practice volunteerism, disseminate advanced cultures, and contribute to the construction of a harmonious society characterized by unity and mutual help, equality and fraternity, and common advancement. Volunteers of the Bank have made the following solemn commitments: “Help others and serve the society to our best capacity irrespective of remunerations”.

Under the leadership of volunteer organizations, employee volunteers of the Group participated in various voluntary service activities, including but not limited to voluntary teaching, caring for the elderly, children suffering from diseases as well as other disadvantaged groups, donating to disaster-stricken areas, providing warmth and caring to sanitation workers, advocating the Lei Feng Spirit, donating blood, advocating traffic compliance, raising funds for disaster relief by organizing charity bazaars, etc. By the end of 2017, the Group organized 164 social employee volunteer activities, involving approximately 3,100 person-times of employee volunteers.

Appendix 1: Honors and Awards in 2017

Overseas Institutions	
1	The Bank was honored “Best Bank in China” in the 2017 competition hosted by the British magazine <i>The Banker</i> .
2	The Bank ranked 22 nd among the “Top 500 Global Bank Brands” published by the British magazine <i>The Banker</i> .
3	The Bank won the “Best Boutique Private Bank for 2016” award in the competition for “Private Bank Awards in China” hosted by the <i>Asiamoney</i> magazine.
4	The Bank won the “Best Leveraged Buyout Financing Project in Asia Pacific” and “Best Syndicated Project in Asia Pacific” awards from the Asia Pacific Loan Market Association (APLMA).
5	The Bank ranked 78 th among the “Top 2,000 Global Companies” published by the <i>Forbes</i> magazine.
6	The Bank ranked the 25 th in terms of tier-one capital among the “Top 1,000 World Banks” published by the British magazine <i>The Banker</i> .
7	The Bank won the “Best Corporate and Investment Bank” award in the competition for Best Banks in China 2017 hosted by <i>Asiamoney</i> .
8	In the competition for the 2017 “Retail Banks of Excellent Financial Services” hosted by <i>The Asian Banker</i> , the Bank won the “Award for the Retail Bank Making the Greatest Progress in China and Asia Pacific”.
9	The Bank won the “Best Private Wealth Service Quality Award in China” from <i>The Asian Banker</i> magazine.
Domestic Media Outlets	
10	The Bank won the “Outstanding Financial Brand Communication Award of the Year” in the competition for “Outstanding Financial Brands in China 2016” hosted by <i>Financial News</i> .
11	In the competition for the “Seventh Financial Money Golden Pixiu Awards” hosted by <i>Financial Money</i> , the Bank was honored the “Gold Retail Bank of the Year”, with its overseas financial services honored the “Gold Market Influence Financial Product of the Year”.
12	The Bank won the “Best Private Bank in China - Best Asset Management Award” in the competition for “Jin Zhen Awards” hosted by the <i>Wealth Plus</i> magazine.
13	The Bank won the “Outstanding Mobile Banking” award in the competition for “Golden Tripod Awards” hosted by <i>National Business Daily</i> .
14	The Bank won the “Best Corporate Auto Financial Service Bank 2017” awards in the competition for “China Auto Golden Engine Awards” hosted by <i>21st Century Business Herald</i> .
15	The Bank won the “Overseas Financial Service Bank with Outstanding

	Competitiveness in 2017” award from <i>China Business Journal</i> .
16	The Bank was honored “Outstanding Commercial Bank in Asia 2017” and “Outstanding Financing Service Bank for VIP Customers 2017” awards in the competition of “21 st Century Financial Competitiveness in Asia” hosted by <i>21st Century Business Herald</i> .
17	The Bank won the “Best Brand Value Bank of the Year” and “Best VIP Service Innovation Bank of the Year” in the competition for “Top Chinese Financial Institutions - Golden Dragon Awards 2017” hosted by <i>Financial News</i> .
18	The Bank won the “China Social Responsibility Poverty Alleviation Award 2017” in the competition of “China Social Responsibility and Public Welfare 2017” co-hosted by xinhuanet.com and the CSR Research Center, Chinese Academy of Social Sciences.
19	The Bank was honored “Outstanding Private Bank of the Year” and “Outstanding Overseas Financial Service Bank of the Year” in the competition for “China Outstanding Financial Awards” hosted by <i>The Economic Observer</i> in 2017.
Other Domestic Institutions	
20	The Bank was honored “National Advanced Internal Audit Collective in 2014-2016” by the China Institute of Internal Audit.
21	The Bank received the “Outstanding Unit for Corporate Culture Construction in 2012-2017” from the China Corporate Culture Institute.
22	The Bank received the “Deal of the Year”, “Best Market Maker”, “Best Forex Transaction Award”, “Best Forward/Swap Trading Award” and “Best Spot Trading Award” from the China Foreign Exchange Trade System in 2016.
23	The Bank received the “Poverty Alleviation Star Award 2016” from the China Foundation for Poverty Alleviation.
24	The Bank was honored “Best Enterprise for Supply Chain Finance” by the organizing committee of the China Supply Chain Finance Annual Conference.
25	The Bank received the “Best International Settlement Bank”, “Industry Contribution Award for Pension Service”, “Best Private Bank”, “Best Family Wealth Manager”, “Best Non-financial Value-added Service Award” and “Best Customer Experience Award” from the China Banking Association.

Appendix 2: *Environmental, Social and Governance*

Reporting Guide Index

Scope	Aspect	KPI	Pages
Environmental	A1 Emissions	General disclosure: Information on: (1) the policies; and (2) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P16
		A1.1 The types of emissions and respective emissions data.	P17
		A1.2 Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P17
		A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P17
		A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P17
		A1.5 Description of measures to mitigate emissions and results achieved.	P16
		A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	P16
	A2 Use of resources	General disclosure: Policies on efficient use of resources including energy, water and other raw materials.	P16
		A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kwh in '000s) and intensity (e.g. per unit of production volume, per facility).	P18
		A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P18
		A2.3 Description of energy use efficiency initiatives and results achieved.	P16
		A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	P16
		A2.5 Total packaging material used for finished products (in tonnes), and if applicable, with reference to per unit produced.	P18
	A3 The environment and natural resource	General disclosure: Policies on minimizing issuer's significant impact on the environment and natural resources.	P16
		A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P18, P19
Social Aspect	B1 Employment	General disclosure: Information on: (1) the policies; and (2) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare.	P12, P13
		B1.1 Total workforce by gender, employment type, age group and	P12

		geographical region.	
		B1.2 Employee turnover rate by gender, age group and geographical region.	—
	B2 Health and safety	General disclosure: Information on: (1) the policies; and (2) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P13, P14
		B2.1 Number and rate of work-related fatalities.	—
		B2.2 Lost days due to work injury.	—
		B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.	P14
	B3 Development and training	General disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P14, P15
		B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management, etc.).	—
		B3.2 The average training hours completed per employee by employee category and gender.	—
	B4 Labour standards	General disclosure: Information on: (1) the policies; and (2) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child or forced labor.	P13
		B4.1 Description of measures to review employment practices to avoid child and forced labor.	—
		B4.2 Description of steps taken to eliminate such practices when discovered.	—
	B5 Supply chain management	General disclosure: Policies on managing environmental and social risks of supply chain.	P11
		B5.1 Number of suppliers by geographical region.	—
		B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	—
	B6 Product responsibility	General disclosure: Information on: (1) the policies; and (2) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	P8, P9
		B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable
		B6.2 Number of products and service related complaints received and how they are dealt with.	P8
		B6.3 Description of practices relating to observing and protecting intellectual property rights.	P9
		B6.4 Description of quality assurance process and recall procedures.	Not applicable
		B6.5 Description of consumer information protection and privacy policies, how they are implemented and monitored.	P8, P9
	B7 Anti-corrupti	General disclosure: Information on: (1) the policies; and	P11

	on	(2) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	
		B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	—
		B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	P11
	B8 Community investment	General disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration communities' interests.	P20
		B8.1 Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	P20
		B8.2 Resources contributed (e.g. money or time) to the focus area.	P20