



**Focus on High-quality Development
Strengthen Value Creation
Adhere to the Path of Financial Development
with Chinese Characteristics**



2023 Annual Results Announcement

**China Construction Bank
April 2024 | Beijing, Hong Kong**

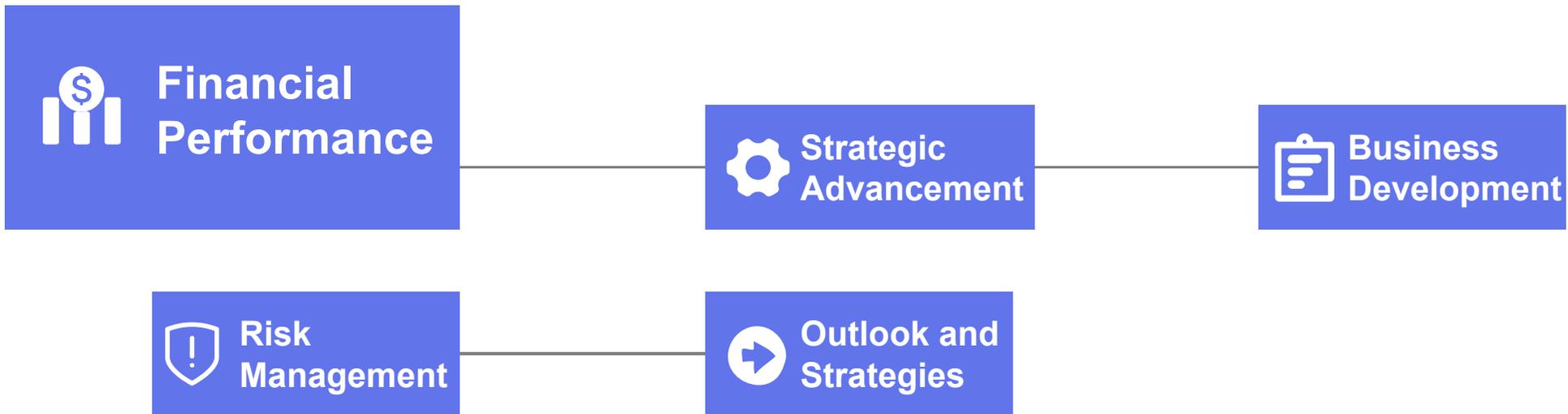


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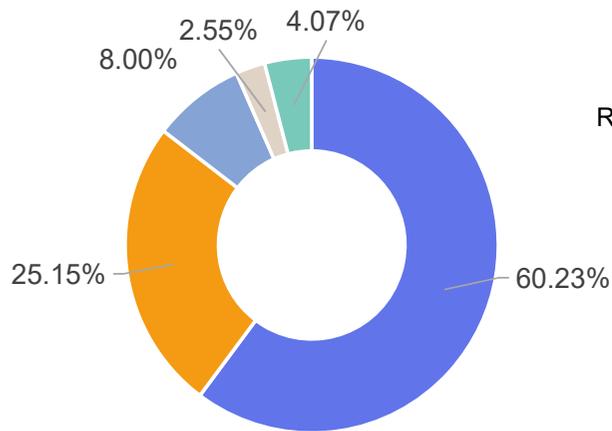


Solid Performance in Core Operating Indicators

(RMB Million)	31/12/2023	31/12/2022	Change
Total assets	38,324,826	34,600,711	10.76% ↑
Net loans and advances to customers	23,083,377	20,493,042	12.64% ↑
Total liabilities	35,152,752	31,724,467	10.81% ↑
Deposits from customers	27,654,011	25,020,807	10.52% ↑
NPL ratio	1.37%	1.38%	-0.01ppt ↓
	2023	2022	Change
Net interest income	617,233	643,669	-4.11% ↓
Net fee and commission income	115,746	116,085	-0.29% ↓
Operating expenses	220,152	219,991	0.07% ↑
Net profit	332,460	324,863	2.34% ↑
Annualised return on average assets (ROA)	0.91%	1.00%	-0.09ppt ↓
Annualised return on average equity (ROE)	11.56%	12.30%	-0.74ppt ↓
Net interest margin	1.70%	2.01%	-0.31ppt ↓

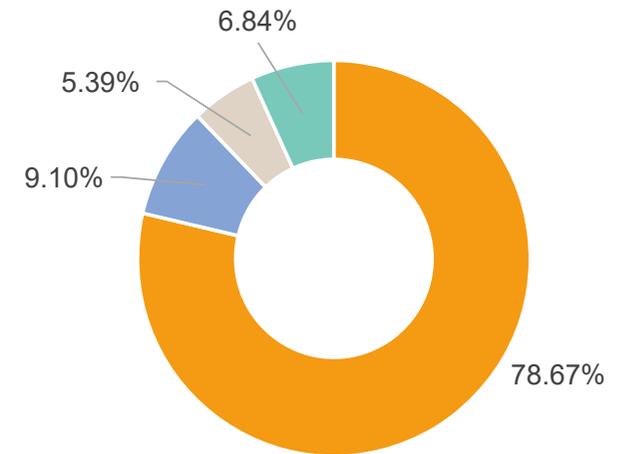
Stable Growth of Assets and Liabilities

Assets Structure (2023-12-31)

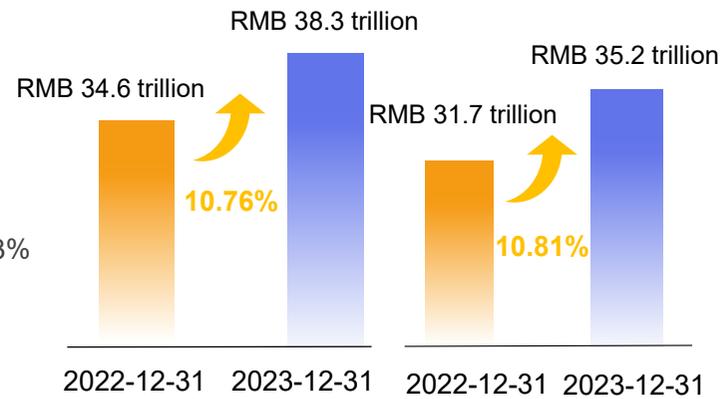


- Loans and advances to customers
- Financial investments
- Cash and deposits with central banks
- Financial assets held under resale agreements
- Others

Liabilities Structure (2023-12-31)



- Deposits from customers
- Deposits and placements from banks and non-bank financial institutions
- Debt securities issued
- Other liabilities

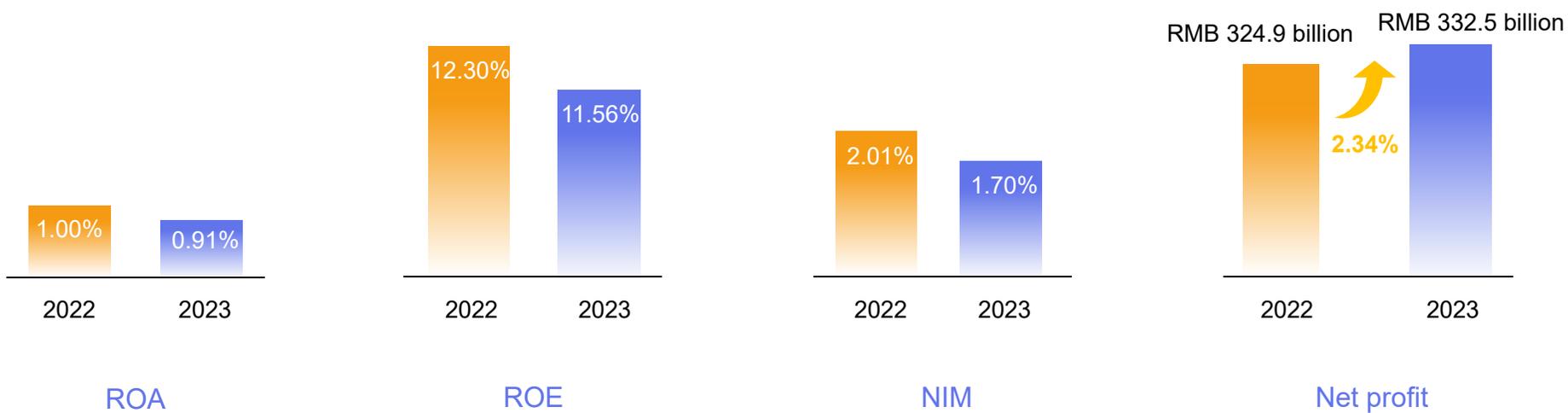


Total assets

Total liabilities



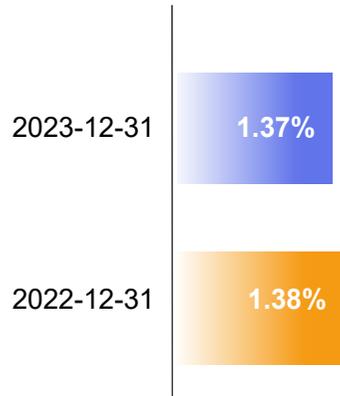
Stable and Balanced Core Performance Indicators



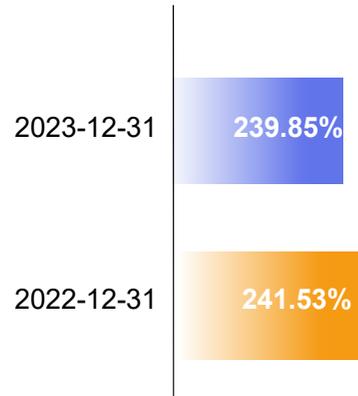


Stable Asset Quality and Sufficient Risk Control

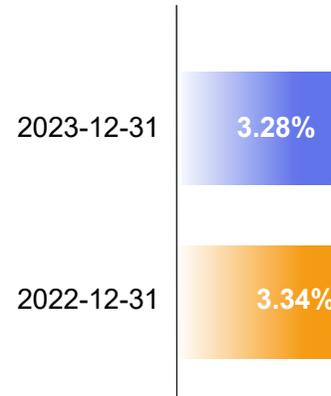
NPL ratio remained stable



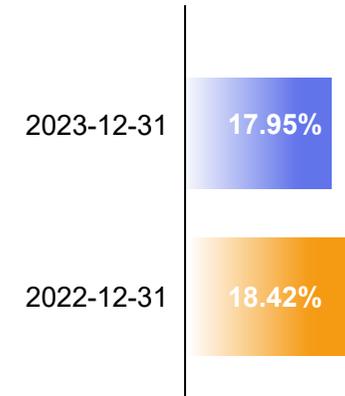
Provision coverage remained steady



Provision to loan ratio continued to remain at high level



Capital adequacy ratio met regulatory requirements



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Increased Efforts to Serve the Real Economy



Continued to increase capital support

Total loan balance increased by **RMB 2.66 trillion**

Bond investment increased by **RMB 1.08 trillion**

Financial market business assets exceeded **RMB 10 trillion**



Adopted precise measures to support key areas

Vigorously developed science and technology finance

- Created an evaluation system of "technology stream" and "investment stream"
- The balance of loans to the technology industry was RMB 1.53 trillion, an increase of 24.13%

Firmly implemented the "two unwavering principles"

- Balance of loans to private enterprises was RMB 5.40 trillion, an increase of 21.39%

Continued to increase financial supply in key areas

- Loans to the manufacturing industry reached RMB 2.70 trillion, an increase of 20.47%
- The balance of green loans was RMB 3.88 trillion, an increase of 41.19%
- Provided cumulative supply chain loans of RMB 1.11 trillion to 153,900 customers in 5,680 core enterprises industry chain

Expanded domestic demand and promoted consumption

- Domestic retail loans was RMB 8.68 trillion, an increase of 5.33%



Served the national coordinated development strategies for key regions

- New corporate loans in Beijing-Tianjin-Hebei region, Yangtze River Delta region and the Greater Bay Area exceeded RMB 1.3 trillion
- Loans in the Northeast, Central and Western regions increased by RMB 851.7 billion
- Made progress in serving the construction of Xiong'an New Area



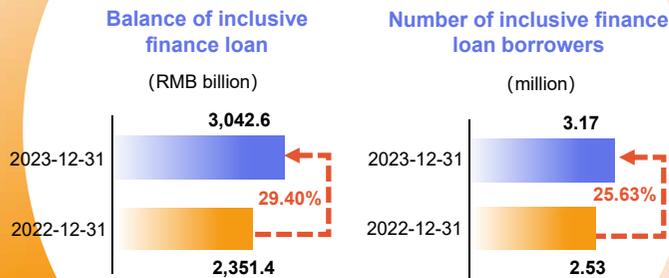
Enhanced capabilities in international competition

- Provided financial support for key regional construction such as the "Belt and Road" and the RCEP
- Amount of trade financing reached RMB 1.82 trillion
- International settlement volume reached USD 1.56 trillion
- Cross-border RMB settlement reached RMB 4 trillion



Deepened the Digital Inclusive Finance Model

Largest commercial bank in aggregated supply of inclusive finance



Upgraded "CCB Huidongni" 4.0



- Transformed in areas such as user journey reshaping, experience enhancement, integrated finance, scenario ecology, customer service, and user system, providing a suite of comprehensive services including credit financing, wealth management, and business administration to inclusive customer groups
- The APP has accumulated 306 million visits with over 36.75 million downloads, served 12.17 million corporate customers and signed loan contracts of RMB 2.46 trillion

Continuous innovation and upgrade of products and services



- Focused on key customers in inclusive finance, tailor-made diversified credit products such as Quick Loan for SMEs, Quick Loan for Personal Business, Yunong Quick Loan, Shandai for SMEs, Quick Loan for Transactions and Cross-border Quick Loan

Enhanced services for sci-tech firms



- Promoted products such as "Shanke Loan", "Shanxin Loan", and "Advanced Loan for Opening (Industrial Park)"
- The balance of loans to the sci-tech firms was RMB 1.53 trillion, an increase of 24.13%

Expanded scope of integrated services



- Launched innovative package services, offering various entitlements, information and other value-added services, organically integrated into comprehensive services such as transaction and settlement, as well as wealth management
- Built in-depth management platforms for merchants and provided a suite of services such as customer acquisition, transaction and settlement, and wealth management

Leveraged network and channel advantages



- Over 14,000 outlets were able to provide inclusive financial services
- Deployed nearly 20,000 inclusive finance specialists
- Established cumulative total of over 280 inclusive finance service centres, with more than 2,700 outlets for inclusive finance in operation



Explored New Models of Housing Finance Development

Leading in scale

Personal mortgage balance was **RMB 6,386.5 billion**, ranking first in the industry in terms of loan scale, new loans amount and placement
Balance of corporate housing rental loans exceeded **RMB 320 billion** and supported more than **1,600** housing rental companies

Optimised business structure, improved service capabilities, and strongly supported the rigid demand for improved housing

Optimised customer structure

More than **80%** of loans were allocated to customers in need to purchase housing with a space of less than 144 square metres

Optimised product structure

Agilely captured new trends in market development, loans to second-hand housing accounted for **more than 30%**

Optimised regional structure

Over **58%** of loans issued to first- and second-tier cities with continuously growing populations and strong rigid housing demand

CCB Housing Rental Fund invested a total of **RMB 6.631 billion** and is expected to provide **21,400** long-term rental apartments

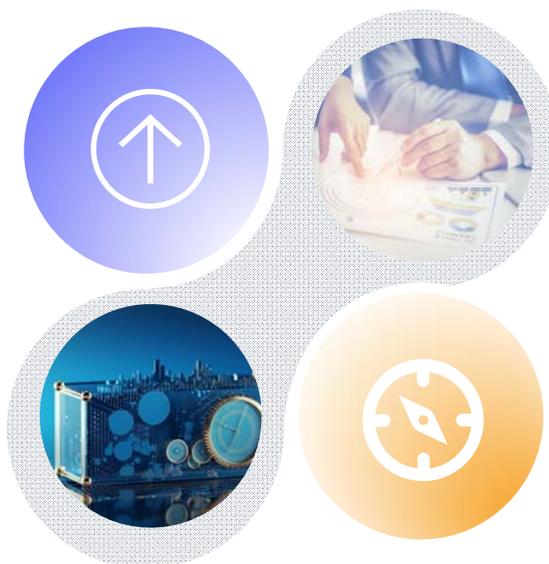
Actively participated in the construction of a multi-level REITs market system and improved the closed-loop financial services of "investment, financing, management and withdrawal"



Enhanced Fintech Support

Improved technology capabilities

- Implemented the **"Ark Project"** to promote the construction of FinLLM. Rolled out fundamental applications of FinLLM such as "Ark" Assistant, "Ark" Toolbox, and Vectorised Knowledge Base. Such FinLLM had been applied in **25 business scenarios**. **The project of generation of intelligent customer service work sheets** won the first place in the 2023 Customer Service and Remote Banking Innovation Application Competition of the China Banking Association in the "other projects" category
- Continued to promote the transformation of distributed architecture, and successfully migrated all domestic private business from mainframe to single-track operation on distributed systems. The distributed core banking system undertook **94%** of the Bank's total core business transactions
- "CCB Cloud" maintained its leading position in the industry in terms of overall scale and service capabilities, with a computing power size of **463.34PFlops**, an increase of **17.09%** YoY. GPU intelligent computing power accounted for more than 20%, doubling over 2022. "CCB Cloud" was awarded the "Financial Technology Innovation Awards – **Best Cloud Based Implementation**" in Asia by The Asian Banker, and was the only bank that has passed **China's cloud computing service security assessment**
- Further consolidated the foundation of data governance and was granted the highest (**Level 5**) certification of Data Management Capability Maturity (DCMM)



Enhanced business empowerment

- Successfully launched **comprehensive financing management system for corporate customers** across the Bank, covering the entire group, customers and business lines; Included the head office, branches and subsidiaries in the management of credit limits and non-credit investment and financing limits
- Created a "Binary Star" online ecosystem with **over 200 million** Monthly Active Users ("MAU"), and the peak transaction volume of "CCB Lifestyle" reached **287,700 per second**
- "CCB Huidongni" 4.0** has undergone a refreshing upgrade, providing customers with a more intelligent, caring, and diverse service experience centred around their business growth and business processing journey
- Daily active users of the **"CCB Employee" APP** and **desktop version** exceeded **300,000** and **200,000**, respectively
- Continuously enhanced the integrated IT force of the group**. CCB Consulting completed its "Winging Project"; CCB Investment put the main subject function of its reconstructed core system into operation; CCB Principal Asset Management implemented its quick-win project of "Wutong Project". The cloud migration rate of subsidiary systems reached **82%**
- Promoted the integrated development of "Government + Finance". The cumulative transaction amount of "government affairs services payment system" exceeded **RMB 300 billion**
- Developed the **"Yunongtong" APP** online, which provided farmers with smart village affairs, e-commerce, convenience services, and basic financial services. The APP's registered users were nearly **14 million**, and it had issued cumulative loans of nearly **RMB 100 billion**

Supported a number of key projects for operation, including **CCB Asset Community System, Group's comprehensive financing management system, central SOEs' treasury management, retail credit, CCB Huidongni 4.0, and anti-fraud projects**

- Accepted 16,622 business requirements
- Put 68,255 required items into operation
- Average implementation cycle of 56 days



Comprehensively Served Rural Revitalisation

Actively served national food safety



RMB 3.82 trillion / 27.11%

Balance of agriculture-related loans reached RMB 3.82 trillion, an increase of 27.11%, the highest level for the same period in history

RMB 605.206 billion / 49.59%

Balance of inclusive agriculture-related loans amounted to RMB 605.206 billion, an increase of 49.59%, higher than the average growth rate of all loans in the Bank

Actively served to consolidate and expand the results of poverty alleviation



RMB 1,077.693 billion / 24.91%

Balance of loans in areas lifted out of poverty reached RMB 1,077.693 billion, an increase of 24.91%

RMB 134.640 billion / 23.53%

Balance of loans in key counties for rural revitalisation amounted to RMB 134.64 billion, an increase of 23.53%, higher than the average growth rate of all loans in the Bank

Actively served the development of rural industries



RMB 381.206 billion / 87.18%

Balance of **loans in relation to farmers' production** amounted to RMB 381.206 billion, an increase of 87.18%

Over RMB 190 billion / Over 78% "Yunong Loan" achieved rapid growth, with the balance exceeding RMB 190 billion, an increase of over 78%

RMB 3.698 billion / RMB 3.041 billion Intensified the issuance of "Rural Revitalisation Loans", with the balance of "High-standard Farmland Loans" reaching RMB 3.698 billion and the balance of "Agricultural Facility Loans" reaching RMB 3.041 billion

31 markets / RMB 22.6 billion Launched the CCB "Yunong Market" service brand, introduced the "Yunong Market" integrated service solution, and provided the "Yunong Market" integrated service platform for 31 large and medium-sized agricultural wholesale markets, with total loan balances of RMB 22.6 billion

Actively served to improve the level of rural construction



Intensified support for rural infrastructure construction in key areas such as water, electricity, roads, gas, and bridges, aiming to facilitate rural living environment improvement and address disadvantages in rural infrastructure

RMB 327.281 billion / 78.47%

The rural infrastructure construction loan balance was RMB 327.281 billion, an increase of 78.47%

Actively served to enhance rural fundamental governance capabilities



Relying on the "Yunongtong" platform, tapped into rural governance resources and contributed to enhancing rural governance levels. Approximately 350,000 "Yunongtong" service points were built into a chain, serving over 62 million rural customers. These service points processed 300 million transactions with a transaction value of RMB 63.7 billion. "Yunongtong" APP had nearly 14 million registered users, with total agriculture-related loans issued nearly RMB100 billion



Continuously improved the "1211" integrated service system for rural revitalisation

Continued to enhance "Yunongtong" integrated service platform for rural revitalisation

Accelerated promotion of two major agricultural-related credit product packages

Accelerated the construction of a series of agriculture-related specialised ecological scenarios

Gradually established a digitalised risk control system for agriculture-related finance



Fostered Green Finance as a Defining Feature



Continuously awarded Advanced Entity in Green Bank Evaluation by China Banking Association

Green credit



- Balance of green loans stood at **RMB 3.88 trillion**, an increase of **41.19%**
- Green credit concentrated on the green upgrading of infrastructure and clean energy, with a respective loan balance of **48.44%** and **25.05%**

- Projects supported by green credit saved 166.75 million tons of standard coal and reduced carbon dioxide emissions by 172.54 million tons

Green bonds



- Issued **RMB 10 billion** domestic green financial bonds
- Issued dual-themed "Biodiversity" and "Belt and Road" green bonds overseas, raising a total of **USD 780 million**
- Issued climate change-themed green bonds overseas, raising a total of **USD 1.43 billion**

- Balance of foreign currency green bond investment increased by **117.32%** over end of 2022
- Balance of RMB green bond investment increased by **70.15%** over end of 2022
- Participated in underwriting **76** domestic and overseas green bonds; assisted issuers to achieve financing scale of **RMB 219.978 billion**
- Underwrote first tranche of "Green + Sci-Tech Innovation" REITs in the interbank market
- Introduced the nation's first tranche of "Green + UOP Sci-Tech" perpetual medium-term note
- Completed first "Green + Rural Revitalisation + Sustainability Linked" bond in the interbank market

Green finance business from subsidiaries



- Green bonds held by CCB Principal Asset Management amounted to **RMB 2.476 billion**, involving **56** issuing entities and covering mainstream green bonds; accumulated amount of green finance investment through equity investment reached **RMB 27.614 billion**
- Green leasing investment reached **RMB 15.679 billion** through CCB Financial Leasing, the proportion of which in the general leasing business was **61.55%**; green leasing assets amounted to **RMB 47.263 billion**, the proportion of which in the general leasing business was **55.15%**
- Green investment of CCB Investment reached **RMB 27.4 billion** involving photovoltaic, wind power, hydropower, lithium power, environmental protection

- Balance of green investment to CCB Life was RMB 17.1 billion, an increase of 28.6% YoY. Green insurance provided amounted to RMB 2.15 billion
- Green finance equity financing investment to CCB Trust was RMB 3.4 billion, an increase of 33% YoY; it invested in 39 green bonds, with a scale of approximately RMB 1.5 billion
- CCB Property & Casualty provided RMB 36.8 billion for green business, an increase of 26% YoY
- Direct investment from CCB Private Equity into green finance projects amounted to RMB 1.575 billion, indirect investment from sub-fund on green industries was RMB 646 million
- CCB International participated in underwriting of 17 green bonds, assisting in raising USD 6.209 billion for enterprise financing
- CCB Futures' green futures varieties transaction amount reached RMB 96.954 billion, up 401.03% YoY

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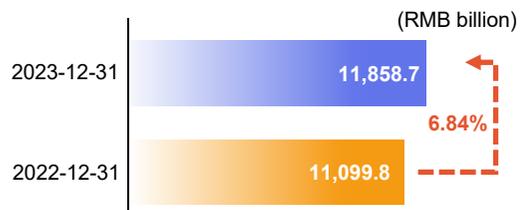


Consolidated Foundation in Corporate Finance Business

Institutional business

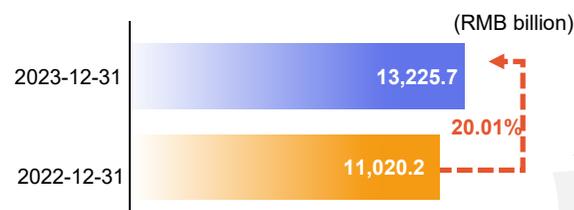
- Number of agents for central fiscal budget units, volume of agent business, number of zero-balance accounts, and the service fee continued to rank first in the industry
- Signed an integrated MOU with the General Administration of Customs
- Record-high growth in deposits from community clients
- Ranked first in amount of equipment renewal and reconstruction loans in the education and health sector
- Created the first series loan products for "collective capital, assets and resources" in the industry
- The "Elderly Care Platform" provided one-stop elderly services for customers

Domestic corporate deposits increased steadily



Number of corporate and institutional customers reached **10.82 million**

Increased support for the real economy with rapid growth in domestic corporate loans



Number of RMB Settlement Accounts reached **15.10 million**

International business

- Continued innovative cooperation with China International Trade's "Single Window", providing customs access services for **597,000** enterprises through **more than 400** CCB outlets
- The "Cross border Quick Loan" series provided **RMB 29.1 billion** financing support to **over 15,000** small and micro foreign trade enterprises
- Built a multi-functional free trade account system, and increased financial supports for the construction of Hengqin, Qianhai and Nansha Free Trade Zones
- Jiandantong, Jianpiaotong and Jianxintong provided financing support of **RMB 17.1 billion** for **146** projects in "Belt and Road" countries
- CCB Match Plus platform had held **300** cross-border events for nearly **22 thousand** enterprises in **37** countries and regions
- CCB London Branch had a cumulative clearing amount of over **RMB 87 trillion**

Investment banking business

- New direct financing scale exceeded **RMB 517.5 billion**
- Size of credit asset securitisation was **RMB 61.9 billion**
- Launched "Intelligent Investment Banking Ecosystem 4.0" and formed a closed loop operation of "customer marketing - demand identification - product supply - value creation"
- A total of more than 1 million registered users on three customer platforms - "FITS e Zhi", "FITS e+" "FITS Wits"
- The "Investment Flow" - Green Industry Booster" was awarded the "IFF Global Green Finance Award - Innovation Award"

New account openings and new basic account openings hit record high levels

Settlement and cash management business

- Number of cash management clients reached **514,700**, an increase of **52.22%**
- Promoted the optimisation of corporate account service process; time for opening an account has been reduced by **25 minutes**
- Implemented customised management for low-spending group, improved functions and user experience through applications such as "Maintenance through one click", "Strengthen the connection between banks and enterprises", and "Enterprise manager"
- Launched global treasury service plans and provided services for **92** central enterprises, **74** local SOEs, and large private enterprises
- Payroll agency service for migrant workers reached **RMB 366.5 billion**, benefiting **18.33 million** migrant workers



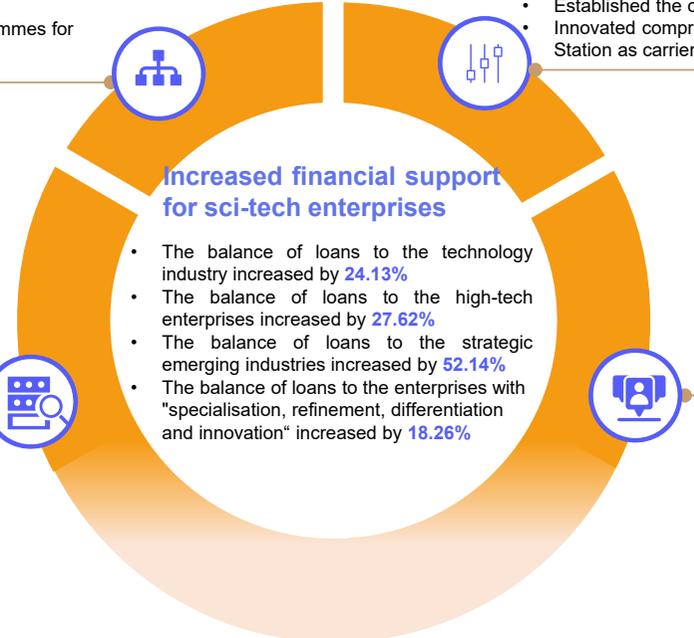
Established Advantages in Technology Finance

Continued improvement of policy guarantee system

- Formulated "Financial action Programme of CCB sci-tech self-reliance and self-improvement" and constructed financial service system across the Bank
- Set annual growth targets for the Bank's sci-tech credit to allocate strategic special expenses
- Launched "Specialised Projects" for enterprises with "specialisation, refinement, differentiation and innovation", assisted in improving resilience of industry supply chain
- Formulated differentiated management policies for quality customers in the whitelist of manufacturing and high-tech companies
- Conducted fintech business KPI assessment in tier-1 branches
- Implemented differentiated support measures for approval procedures
- Developed plans on equity investment and equity financing guidance and programmes for promoting and implementing the connection between equity and debt

Continued to strengthen comprehensive financial service system

- Bonds**
- Actively expanded scale of sci-tech innovation notes
 - Increased bond investment from sci-tech enterprises
- Equity**
- Constructed panoramic "digitalisation and intelligence centre" for equity service
 - Built investor alliance "FITS e+" WeChat Moments
 - Initiated technology finance service system "Investment Flow"
 - Constructed a group of science and innovation funds covering the entire life cycle of enterprises



Enriched product service system

- Innovated the "Technology Enterprise Financing Chain" product system and launched exclusive credit products such as "Science and Technology Start-up Loan", "Science and Technology R&D Loan" and "Science and Technology Transformation Loan"
- Promoted products such as "Advanced Loan for Opening (Entering the Industrial Park)", "Shanke Loan", and "Shanxin Loan" for SMEs
- Promoted "Technology Easy Loan" for mid-sized enterprises in growth, created a new model that does not rely on the core of enterprise but on transactions
- Issued marketing service guidance on new energy vehicles and new material industry clients
- Established the online platform of "Science and Innovation"
- Innovated comprehensive service mechanism for sci-tech enterprises with CCB Start-up Station as carrier

Continued optimisation of professional service system

- Created fintech "value" service system
- The only bank participated in pilot reform of sci-tech achievement evaluation nationwide
 - Developed "STAR", an evaluation tool designed for sci-tech enterprises
 - Developed internal evaluation method for intellectual property pledge financing
 - Created "Investment Flow" evaluation method
- Built an evaluation system for innovation capabilities of sci-tech enterprises
- Constructed a model designed for sci-tech enterprises
 - Evaluation targets covered 670,000 clients, including national high-tech enterprises as well as enterprises with "specialisation, refinement, differentiation and innovation"
- Ecological construction capabilities continued to improve
- Strengthened cooperation with the Ministry of Science and Technology and the Ministry of Industry and Information Technology to establish a mechanism for supplying lists of sci-tech enterprises
 - Signed a strategic cooperation agreement with Beijing Stock Exchange
 - Jointly conducted research on evaluation models for innovative enterprises
 - Co-organised specialised training on "The growth path for innovative SMEs - Financing"

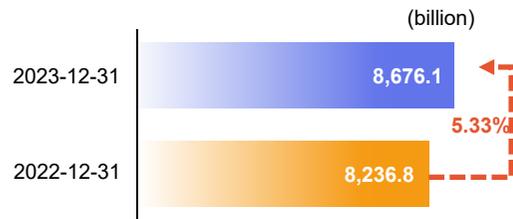


Improved Quality and Efficiency in Personal Finance

Domestic personal deposits maintained rapid growth



Firmly maintained leading position in retail credit



Number of personal customers
757 million



Financial assets of individual customers under management exceeded
RMB 18.50 trillion

Personal loan business

- Further expanded leading position in personal mortgage balance, ranked first in industry in terms of issuance, and served almost 15 million users
- Accelerated creation of online and offline integrated model for inclusive personal business loans, with an over 80% increase in 2023
- Rural financial service was actively promoted by the Yunong Loan products with "Yunong Loan" and "Yunong Quick Loan" both reporting an increase of over 70% in 2023
- Personal consumption loans continued to expand its customer base, with scale exceeding RMB 300 billion and RMB 400 billion, serving more than 28 million customers cumulatively
- Continued product innovation for credit card business, with balance, new loans and intermediary business income leading the industry

Personal payment service

- Deepened the "1+N" operation system of merchant business, with 5.59 million merchants, 15.511 billion merchant transactions and RMB 4.04 trillion in amount
- Carried out the "Hundreds of Cities and Districts" joint marketing campaign for debit card on four themes – tourism, catering, shopping and travel
- Number of personal settlement accounts reached 1.424 billion; number of users of "Long Pay" products reached 229 million
- Number of debit cards issued reached 1,301 million, the consumption transaction volume of debit cards reached RMB 26.24 trillion in 2023
- Number of credit cards issued reached 132 million, with 105 million credit card customers, totalling RMB 2.93 trillion in the transaction volume

Wealth management and private banking business

- Upgraded the "layered, grouped and graded" customer management system
- Centred on "People + Digitalisation" and formed "Insight-Matching-Delivery-Accompanying" closed loop
- For general customers, developed direct management in private domain and scenario-based operation, explored new path to serve hundreds of millions of general customers intensively and efficiently
- For value customers, provided outlet-based exclusive operation services, and set up joint service units composed of personal account managers, wealth management advisors and heads of outlets. Wealth management customers increased by over 27% during the year
- For private banking customers, expanded the service scope in fields such as asset allocation, family trust advisory business and insurance trust advisory services. Private banking customers' assets under management by the Bank reached RMB 2.52 trillion, an increase of 12.52% over 2022; the number of private banking customers reached 212,800, an increase of 9.86%

Enhanced Wealth Management Capabilities

Built a wealth management system that integrates operational mechanisms, service models, and systems and platforms

Smoothed wealth management operation mechanism

- Operation model of Decision-making Committee and the Agency Services Committee
- establishment of regional professional support team
- establishment of three professional wealth management teams



Constructed service model of wealth management

- **Private banking customers:** "1+1+1+N" professional services and "Five-step standard services"
- **General and value customers:** Asset allocation model with "flexible money management, sound investment, return seeking, and insurance"; four-step standard service process of "wealth planning – asset allocation – quality product selection – ongoing companionship"

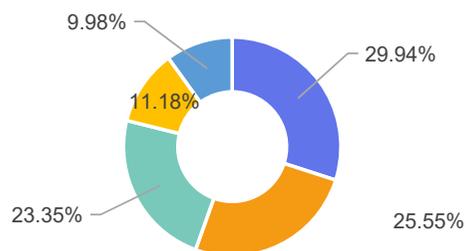
Established wealth management system platform

- Wealth management platform
- Distribution management platform
- Product transaction platform



Steady Development of Funds and Asset Management Business

CCB's AUM totalled RMB 5.01 trillion



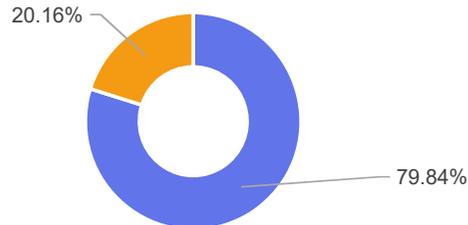
- CCB Wealth Management
- CCB Trust
- Other asset management institutions

- CCB Principal Asset Management
- CCB Pension Management

- Open-end products
- Closed-end products

Asset management business

Balance of CCB Principal's WMPs was RMB 1.50 trillion



CCB Principal's Wealth Management Products

- Directly supported the real economy by investing in capital market bonds, stocks, debt financing and equity investment
- Significantly adjusted and optimised asset structure, comprehensively improved asset's credit rating with over 90% of credit bonds rated AA+ or above
- Continued to strengthen liquidity management and increased high-liquidity asset allocation
- Issued a total of over 3,000 wealth management products, covering almost all maturity structures, subscription and redemption methods

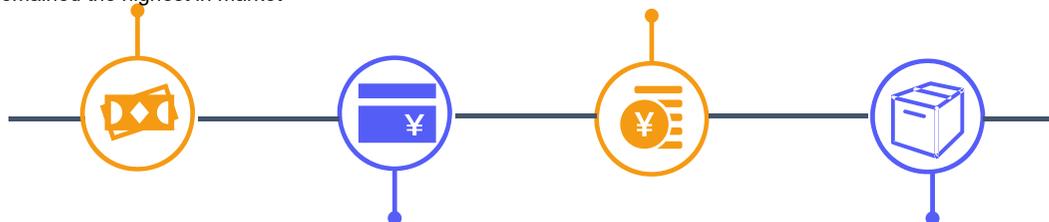
Financial market business

Currency market business

- RMB currency market transaction volume exceeded **RMB 190 trillion**
- Domestic foreign currency borrowing and repo trading volume remained the highest in market

Trading business

- Provided corporate customers with extensive and comprehensive hedging services
- **Nearly 100,000** active customers of trading business, an increase of **10.03% YoY**



Bond business

- Underwriting volume of government bonds exceeded **RMB 2 trillion**, ensured the smooth issuance of additional treasury bonds worth RMB 1 trillion and special refinancing of local governments bonds
- Became one of the first Northbound Swap Connect dealers and one of the first bond trading dealers of China Foreign Exchange Trade System

Precious metals and commodities business

- 32 tradable varieties of commodities financial tools
- Global trading network in Shanghai, London and New York met customers' 24-hour financial needs
- Domestic precious metal assets reached **RMB 188.867 billion**

Financial institutional business

- Implemented "graded, layered and categorised" management of financial institutional customers, completed comprehensive financial services plans for **five major** industries and "enterprise-specific" mechanism for **82** key customers
- Signed strategic cooperation agreements with **over ten** customers, including CPIC and CICC
- Transaction volume of bills held under resale agreements totalled **RMB 8.82 trillion**, ranking at the forefront in industry
- Recorded **over 960,000** visits to the interbank platform, with **1,946** registered users and a total investment of over **RMB 9 trillion**
- Continued to outperform peers with third-party security custody services in terms of number of customers and amount of funds

Asset custody services

- Assets under custody exceeded **RMB 20 trillion**
- Signed comprehensive strategic cooperation agreements with top fund companies including E Fund, China Asset Management, GF Securities and Fullgoal Fund Management
- Designated as a custodian bank for annuity plans of Sinochem and China Rare Earth, and was selected into the custodian whitelist of China Reinsurance Group and China Post Insurance
- Became the only custodian bank with operation centres in Shanghai, London and New York in the industry



Pension Finance Brand Building

Established CCB's "Jian Yang An" pension finance brand

Pension finance

Pillar 1

- Number of social insurance cards issued reached 170 million
- Covered social insurance card issuance qualifications in all provinces

Pillar 2

- Established a parent-subsidiary collaborative marketing system
- AUM of CCB Pension Management reached RMB 547.2 billion, and scale of pension custody exceeded RMB 1.4 trillion
- Granted occupational annuities custody & investment and operation qualifications in all provinces

Pillar 3

- One of the first among peers to launch the individual pension business, with number of accounts leading the industry
- Achieved account opening within several seconds and provided whole life cycle of account services and full-chain capital function, from individual pension account opening to account cancellation
- Actively introduced multi-level and multi-category individual pension investment products, completely covering four types of investment - deposits, funds, wealth management and insurance
- CCB Principal Asset Management had invested six target pension funds, with AUM of RMB 1.469 billion
- Balance of CCB Wealth Management's existing pension wealth management reached RMB 16.267 billion

Financial service in elderly care industry

- Rapid growth in core areas of the elderly care industry, including loans, number of credit customers, special refinancing to inclusive elderly care finance
- The elderly care industry was incorporated in prioritized industry management and was provided with differentiated preferential policies
- Actively carried out Chinese government's requirement of inclusive elderly care re-lending

Elderly care service finance and ecosystem

- A professional team with over 100 wealth management investment research experts, 1,600 wealth management consultants and nearly 30,000 personal wealth managers provided relevant services to elderly care customers
- Focused on both pension fund accumulation period and fund usage period, connecting wealth management chain of "pension investment education, pension planning, asset allocation, quality product selection, and long-term companionship"
- Constructed online elderly care service zone, the "caring mode" of mobile banking provided one-click intelligent audio services. The pension and healthcare section of CCB Lifestyle covered three modules – elderly care institutions, elderly care services, and health care tourism
- Offline channels continued to improve elderly-friendly services, optimized equipment and facilities and enhanced digital tools





Effectively Strengthened the Refined Management



Acceleration of digital operations



543 million online individual users, over 200 million "Binary Star" MAU users, 26 million daily active users, 178 million customers with financial transactions in 2023, leading the industry



Effectively Strengthened the Refined Management (continued)

- "Cloud studio" became the direct touch point for customers
- Direct sales manager achieved "one serves 10,000 users" service model



Expanded comprehensive service channels

Continued to ease the burden and empowered outlets



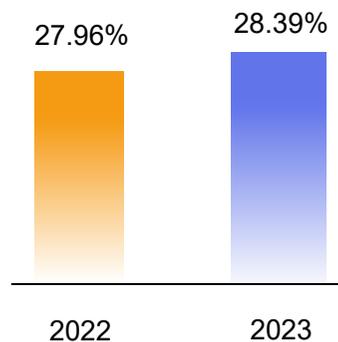
- Intelligent robotics process automation saved **5.2 million** man-hours in 2023

Reduced costs and increased effectiveness became evident



- Reinforced budget management, cost assessment, and supervision and inspection

Cost-to-income ratio



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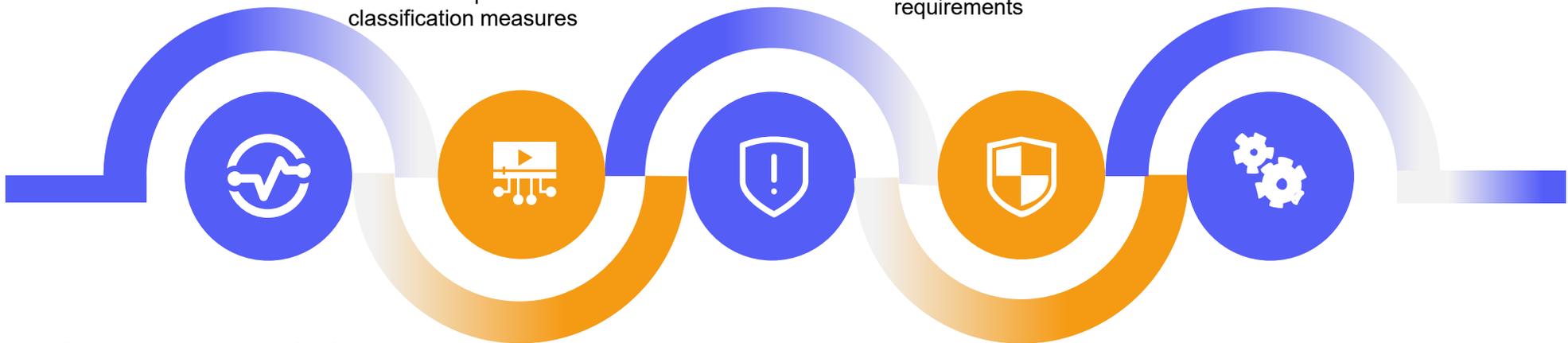
Expanded and Upgraded the Comprehensive, Active and Intelligent Risk Management and Control System

Continued to improve the comprehensive, active, intelligent and modern risk management system

Upheld the concept of "comprehensive, whole-process, all-staff, overall, global and group-wide"

- Strengthened unified credit risk management
- Promoted implementation of financial asset classification measures

- Steadily implementing requirements of Basel III
- Systematically important bank management meets regulatory requirements



- Optimised "three lines of defense" coordination mechanism, pushing the second line of defense to better integrate with the first
- Enhanced mechanisms for joint risk control between domestic and overseas organisations, and between parent company and subsidiaries

- Formulated a three-year implementation plan to promote the Group's intelligent risk control systems for expansion and upgrade
- "Blue Chip" and "3R" won the first and third prize of FinTech Development Awards offered by the PBC, respectively

- Strengthened the risk management of overseas institutions and subsidiaries
- Strengthened risk management systems of primary-level entities
- Improved the risk management team structure



Enhanced Capability of Financial Risk Prevention

Credit risk

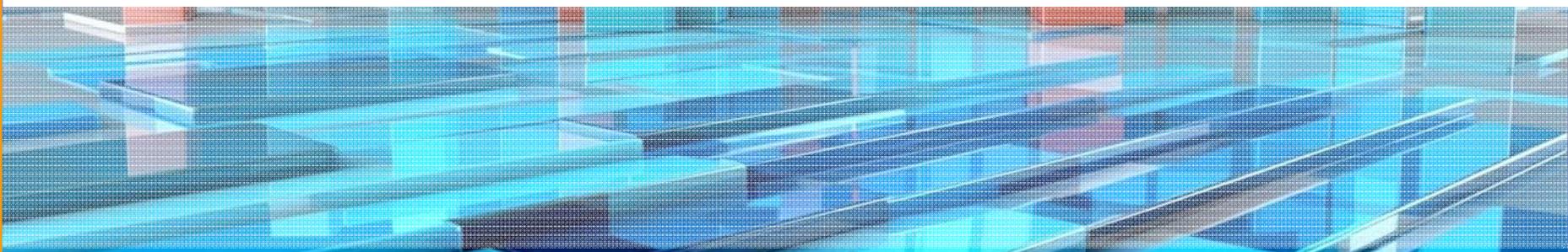
- Improved credit risk management mechanism & system
- Continued to optimise credit business structure
- Strengthened key areas in risk monitoring and resolution
- Focused on tipping long-term balance between stabilising growth and preventing risks

Market risk

- Formulated annual investment transaction risk limit policy
- Optimised approval mechanism for real estate bond investment and conducted respective stress tests
- Established digital monitoring platform for financial transactions
- Conducted stress testing and risk investigation of derivatives business
- Actively establish "Blue Core" investment and transaction risk control platform

Operational risk

- Strengthened the operational data loss risk management
- Established operational risk standard measurement system
- Focused on key businesses and resources across the Bank and strengthened strategic management
- Developed employee behaviour compliance models to strengthen identification and handling of violations



Liquidity risk

- Prudently arranged the amount and structure of capital source and usage
- Strengthened overall management of the Group's liquidity
- Promoted liquidity management system updates and upgrades
- Acted as market "stabiliser" and policy "conductor"
- Conducted quarterly liquidity risk stress testing

Reputational risk

- Incorporated reputational risk management into corporate governance and comprehensive risk management systems
- Enhanced screening and reporting of potential reputational risks and the early warning mechanism among the headquarter and branches, parent and subsidiary companies, and domestic and overseas institutions
- Continuously improved internal products, systems and processes based on public feedback

Country risk

- Continuously optimised country risk management system
- Dynamically adjusted country risk ratings, limits and warnings
- Promoted intelligent transformation of country risk management

Emerging risk

- Revised new product risk assessment system and continued to improve product innovation risk control mechanism, compatible with the comprehensive risk control system
- Launched a fraud risk management system and continued to enhance fraud risk prevention "toolbox"
- Improved the process, standardisation and refinement of risk management model, focusing on strengthening the establishment of weak links such as outsourcing and AI models
- Formulated the "ESG risk management measures applicable to investment and financing activities", which includes full coverage of the Group, investment and financing business and business operation





Resolved Risks in Important Areas and Key Segments

NPL ratio remained stable

2023-12-31

1.37%

2022-12-31

1.38%



Corporate loans NPL ratio
1.88% -0.20ppt



Manufacturing industry
1.81% -0.99ppt



Real estate industry
5.64% +1.28ppt

Overdue loans ratio remained stable

2023-12-31

1.12%

2022-12-31

1.03%

Decline in Special-mentioned Loan

2023-12-31

2.44%

2022-12-31

2.52%



Retail loans NPL ratio
0.66% +0.11ppt



Personal residential mortgage
0.42% +0.05ppt



Consumer loans
0.86% -0.03ppt

Risk control in key areas

Real estate

- Comprehensively implemented the polices including "16-point plan"
- Strategically adjusted structure and optimised investment direction
- Implemented supervision for real estate enterprises and capital
- Implemented urban real estate financing coordination mechanism in accordance with the market-oriented and law-based principles

Local government debt

- Supported "16-character" policy of "total quantity control, categorised management, differentiated methods, and merit-based support"
- Strengthened risk management, steadily promoted structural adjustment and risk resolution
- In accordance with the market-oriented and law-based principles, cooperated with local governments in debt resolutions

Small and medium-sized financial institutions

- Formulated risk limit for financial institution customers
- Continued to improve the interbank business risk management system framework
- Adopted strict management of high-risk areas and high-risk customers
- Ensured high quality of CCB's financial institution customers and assets



Built a Digital Compliance Management System



Built a "4C" digital compliance platform featuring intelligence, agility, precision, efficiency, openness and integration



Built a business compliance platform

- Enhanced violation monitoring and IT controls over violations
- Established a digitalized monitoring mechanism
- Deployed business compliance models in key areas
- Strengthened blacklist method for prevention and control



Built a behavior compliance platform

- Established an employee behaviour management system
- Cultivated a culture of "proactive compliance by all employees, and compliance creates value"
- Implemented online management and intelligent risk control
- Adhered to concepts of "people-oriented" and "grassroot employee first"



Built a compliance platform for anti-money laundry and financial sanctions

- Built a compliance IT system for anti-money laundering and financial sanctions
- Developed proprietary core engine for list monitoring
- Proactively strengthened external empowerment and promoted co-construction and co-governance



Integrated ESG Concepts into Operations and Management

Upgraded MSCI ESG rating to "AA" and maintained a leading position among the world's largest commercial banks

Promoted the implementation of ESG-related objectives

- 1. Developed and issued strategic ESG plan**
Developed and issued the *China Construction Bank Environmental, Social and Governance Plan (2023-2025)*, which defines the Group's ESG objectives and blueprint for related work
- 2. Pushed forward strategic environment-related objectives**
Made concerted efforts to promote the *Strategic Plan for Green Finance Development (2022-2025)* and the *Action Plan for Carbon Peaking and Carbon Neutrality* in response to the "Carbon Peaking and Carbon Neutrality" goal
- 3. Enhanced ESG-related risk management**
Formulated and issued *China Construction Bank ESG Risk Management Measures for Investment and Financing Businesses*; Integrated ESG risk management into the entire process of investment and financing businesses
- 4. Built a comprehensive system relating to business ethics**
Defined the code of conduct in areas related to business ethics, effectively strengthened the supervision of business ethics issues, and established a healthy and positive corporate culture

Built a multi-dimensional information disclosure system

- 1. Prepared and released the Group's first ESG report**
Prepared ESG report based on the Bank's actual practice and with reference to the rating requirements of the mainstream ESG rating providers, systematically responding to the concerns of all parties
- 2. Prepared and released the Environmental Information Disclosure (TCFD) Report 2022**
Took reference from the TCFD disclosure framework, demonstrating the advanced concepts and effectiveness of the Group's green development
- 3. Prepared and published social responsibility reports for 19 consecutive years**
Fully demonstrated the Bank's effectiveness in fulfilling its social responsibility, providing a channel for stakeholders to access the Bank's non-financial information
- 4. Expanded ESG disclosure channels**
Prepared a separate ESG chapter in the annual report, added an ESG section on the homepage of the official website, and enhanced the transparency of ESG information disclosure through public channels such as CCB Today and media

Continuously strengthened consumer rights protection

- 1. Conducted product and service consumer protection reviews**
Updated the digital consumer protection review system and launched the AI review function, covering all branches of the Bank. In 2023, the Bank completed **219,300** consumer right protection reviews
- 2. Improved consumer right protection initiatives**
Formed a multidimensional complaint management system, including complaint management, handling of major complaints, resolution, and diversified solutions. The Bank strictly implemented the first asking responsibility system, continuously improved the customer complaint system and continued to ensure smooth complaint handling channels
- 3. Organised innovative financial educational programmes**
Continuously expanded online and offline financial education scenarios and carried out unique financial education promotion activities. In 2023, a total of **192,000** activities were organised, reaching more than **1.57 billion** consumers
- 4. Responded to customer feedback effectively**
Remained committed to providing caring, efficient and timely financial services. **135,317** consumer complaints were filed in 2023, a decrease of **39.65%** YoY

Advanced privacy and data protection

- 1. Continuously strengthened various polices and systems**
Issued the Bank's *Personal Customer Information Protection Management Measures (2023)*, *Data Security Management Measures* and other systems, and disclosed the *Personal Information Protection Policy*
- 2. Continuously improved protection measures**
Minimised the collection and retention of personal customer information, granted customers the right of access, rectification, and deletion, implemented data classification and graded protection, and strengthened the security control of personal data usage
- 3. Organised multi-level training effectively**
Conducted specialised training and routine learning for all employees and professionals, and strived to improve employee awareness and capabilities in protecting customer information
- 4. Continuously strengthened audit oversight**
Regularly conducted internal and external audits on privacy and data security, and strengthened the monitoring and assessment of privacy and data security

Enhanced employee development

- 1. Equal and diversified employment**
Implemented the *Talent Development Plan* during "14th Five-Year Plan" and improved the implementation of key talent training measures through campus recruitment, precise market-oriented talent introduction, and establishment of talent training base
- 2. Empowered employee development**
Continuously promoted the construction of a full-cycle training system for employee career development, and built a broad development platform for employees
- 3. Promoted employee care**
Adhered to a "people-oriented" philosophy, ensured all employees' vacation rights, deepened care for special groups, and continuously improved the employee support system
- 4. Implemented democratic communication**
Conducted employee satisfaction survey for all employees, with the overall satisfaction rate reaching **95.33%**; listened to employee feedback through multiple channels, and continuously improved the employee career experience

Awards and Recognitions



World Ranking: 2
Country Ranking: 2

The Banker (UK)
Ranked 2nd in the "Top 1000 World Banks" for 10 consecutive year

FORTUNE

Fortune (US)
Ranked 29th in Fortune "Global 500"



The Asian Banker (Singapore)
Best Retail Bank in Asia Pacific
Best Retail Bank in China
Best Mega-Retail Bank in China



China Minsheng Bank is a leader among 622 companies in the banks industry.

MSCI (US)
ESG rating upgraded to "AA"



Brand Finance (UK)
Ranked 2nd in the Brand Finance Global Banking 500



Forbes (US)
Ranked 4th in Forbes' Global 2000 list



Global Finance (US)
Best CSR Bank in China
Best Investment Bank in China



International Finance Forum (IFF)
Global Green Finance Award – Innovation Award

Contents



Opportunities and Challenges

Opportunities

- China's economy is experiencing a steady recovery and making solid progress towards high-quality development
- China's development is still in an important period of strategic opportunities
- Accelerating development of "new productive forces"
- Strong asset and technological foundation and growing talent dividends
- Positive fiscal policy moderately strengthened with quality and efficiency improved
- Prudent monetary policy that is flexible, precise and effective



Challenges

- The divergence of momentum in global economic recovery
- Increasing uncertainties such as policy adjustments in developed economies and rising geopolitical conflicts
- Insufficient domestic demand and overcapacity in certain industries
- Weak social expectations and hidden risks remain
- Bottlenecks in domestic economic circulation
- Intertwined problems in the financial market affected each other





Engaging in Building China into a Financial Powerhouse



Uphold strategic resolution

- Long-term vision that transcends cycles
- Professional insights that builds on tradition and innovation
- Viewpoint of “the people” that sees bigger picture
- Paving the way for more efficient, sustainable and safer high-quality development



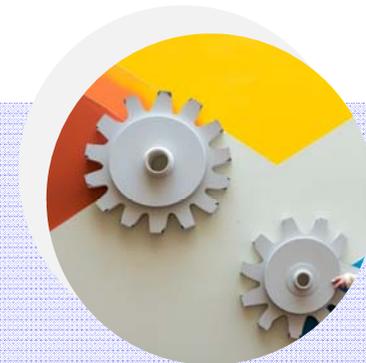
Stick to main responsibilities and businesses

- Serving as the main supportive force for real economy and the "ballast" for financial stability
- Following the construction of the modern industry system, embracing new productive forces and improving comprehensive financial service capability
- Promoted strategic transformation, resolved to accomplish the "Five Major Chapters" , forging new competitiveness in the digital era



Continue to consolidate and strengthen foundations

- Refining management that runs through customer operation, business process, risk management and asset allocation
- Carrying forward CCB's fine traditions of stability and prudence, integrity and innovation, as well as the courage to be pioneer, constantly enriching the financial culture with Chinese characteristics
- Continuing to create value for customers, shareholders and stakeholders





Focusing on Financials, Resolved to Promote High Quality Development

Abandoned the traditional thinking of "Evaluating success solely based on scale and speed"

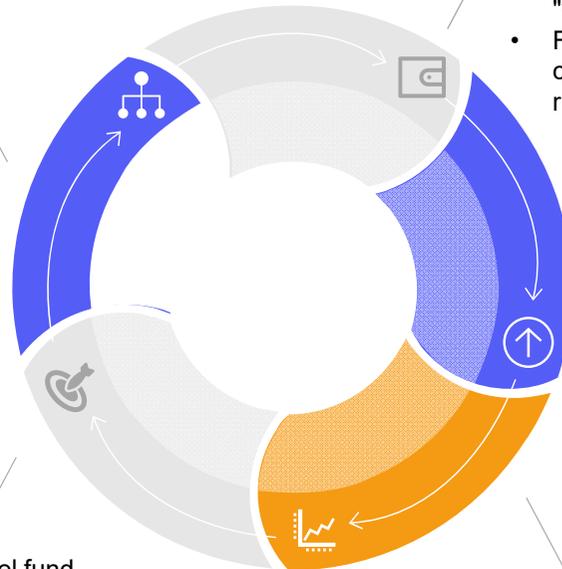
Better Coordination between the total volume and structure, scale and profitability, near-term and long-term, partial and whole, and development and security

Improve asset structure

- Focus on existing assets revitalisation and structural adjustment
- Appropriately "overweight, underweight" certain assets classes
- Optimise major asset allocation
- Continuously reduce the percentage of low-efficiency assets

Optimise liability quality

- Accelerate the capability of enterprise-level fund cycling
- Enhance measures to stabilise and increase deposits and manage liability quality
- Strengthen the "six aspects" of liability management



Strengthen capital quality

- Implement a development strategy that balances "volume, pricing, risk and capital"
- Focus on implementation of new capital regulations, connecting business strategies and measurement rules

Improve income quality

- Strengthen the refined management of pricing on both the asset and liability, stabilise the foundations of net interest income
- Accelerate the cultivation of new drivers of intermediary business and increase the percentage of non-interest income

Improve cost quality and efficiency

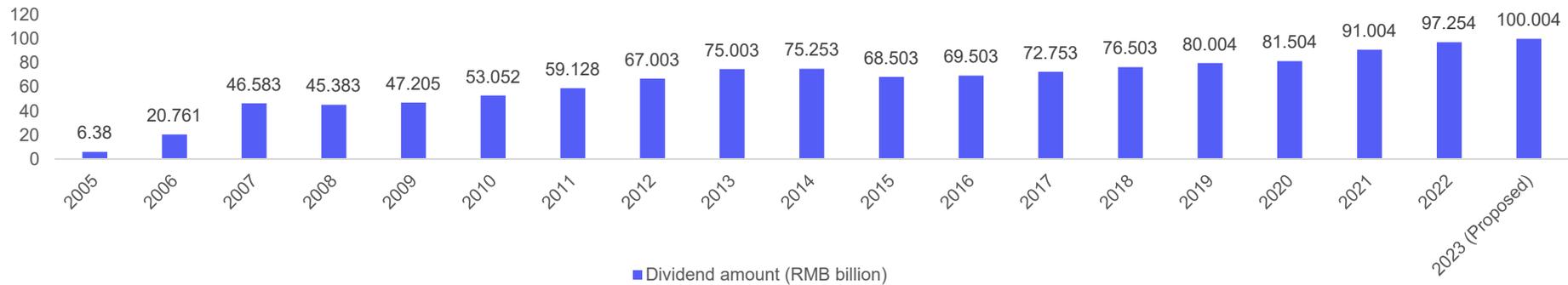
- Adhere to cost management efficiency
- Improve ROI and operational efficiency
- Maintain a reasonable cost-to-income ratio



Maintaining Sharing of Achievements

Continue to provide investors with considerable returns

Dividends distributed since listing



Continuously safeguard the legitimate rights and interests of all stakeholders



Integrate ESG concepts into strategic decision-making and business management



Remain committed to becoming the world's leading sustainable development bank