中国农业银行
AGRICULTURAL BANK OF CHINA

Agricultural Bank of China
Corporate Social Responsibility Report
2016



2016 中国农业银行 Agricultural Bank of China Limited Corporate Social Responsibility Report

中国农业银行
AGRICULTURAL BANK OF CHINA

Address: No. 69 Jianguomennei Street, Dongcheng District, Beijing, PRC
Service hotline:95599
Postcode: 100005
www.abchina.com

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Preface

State-owned enterprises are important material and political foundations of Chinese socialism, and an important pillar and supporting power of our Party in ruling and rejuvenating the country.

——**Xi Jinping**





Chairman



Message from the Chairman

Boosting coordinated development of economy and society with the power of finance

Economic growth and social stability are the goals of sustainable development throughout the world. With innovation, coordination, environmental protection, openness and sharing as the guiding ideas of development, the Agricultural Bank of China ("ABC") has stimulated growth momentum and market vitality, promoted the coordinated development of economy and society, and offered its own solution in 2016.

Promoting structural reform of agriculture on the supply side with the power of finance. Serving "Sannong" (meaning agriculture, rural areas, and farmers) is not only an important mission given to ABC by the CPC Central Committee and the State Council, but also ABC's fundamental purpose. We fully implemented our operational strategy focused on serving "Sannong" and laid emphasis on performing our duties related to "Sannong" and providing financial services in key areas at county level. In particular, efforts had been made to improve our services for "Big Sannong" represented by big enterprises, big projects, and big markets; for "New Sannong" featured by new subjects, new elements, and new types of operations; and for "Unique Sannong" focused on local agricultural strengths and features. We provided these services to help transform agricultural structure, improve the quality of agricultural product supply, help farmers get rich, contribute to people's well-being, and make rural areas more beautiful and memorable. We have been committed to the basic services around "Sannong", incorporating new elements and ideas to this concept in a bid to create beautiful rural landscapes, stronger agriculture and richer farmers.

Undertaking the mission to reinvigorate real economy with the power of finance. Finance and the real economy coexist and are interdependent. Serving the real economy is not only the fundamental purpose of the financial institutions and a mission given by the central government, but also the prerequisite and foundation of the financial institutions' own development. We promoted the structural reform on the supply side and increased our sustained support to the major national strategies such as "The Belt and Road Initiative", the integrated development of Beijing-Tianjin-Hebei, and the Yangtze River Economic Zone. We focused on supporting Made in China 2025, modern service industries, new types of consumption, and financing modes related to government purchase of services, and intensified our support to enterprises in "going global". We implemented China's strategic deployment of helping small businesses, and through measures like differentiated credit management or reduction and exemption of fees. We supported the development of small and micro businesses, boosting structural reform on the supply side and powering transformation and upgrading of the real economy to improve quality and efficiency.

Changing the underdeveloped state of poor areas with the power of finance. Poverty alleviation is China's "No.1 Project" in the 13th Five-Year Plan period. Our overall idea is to follow the basic strategy of "precise poverty alleviation and elimination". Therefore, around the country's "Five in a Batch" action plan and "10 Projects for Precise Poverty Alleviation", we gave full play to our advantages in channels, funds, products, science and technology, etc., and developed working financial mechanisms in poverty alleviation in order to establish archives and information cards for poor population. Mainly by implementing precise and industrial poverty alleviation plans, we improved top-level design and optimized product innovation. We opened a "green passage" for local industrial products which are encouraged by local policies and are covered under the poverty alleviation programs, rendering full support to the strenuous task of eliminating poverty.

Meeting the needs of clients with the power of finance. Transformation of ideas leads to transformation of development models. At ABC, we tried to achieve the transformation from "focusing on ourselves" to "focusing on our clients", and the transformation from being a "single credit intermediary service provider" to a "comprehensive financial service provider". We adhered to the idea of "always putting our clients first" and provided easy and efficient services by improving client service management, creating new modes of service, and optimizing service processes. We established and developed the rights and interests protection system for our clients, and created financial products and services to meet their financial needs. We also worked to build an internet financial service platform to provide customers with information, capital, products, and comprehensive and intelligent financial services.

Exploring ways to tackle climate change with the power of finance. The development of green finance is an important measure to achieve green development. Focusing on the three aspects of mechanism, product and capacity, we worked to establish a green financial system that plays a leading role at home and abroad, improved our management system and operating mechanism, explored new service areas, promoted service innovation, and achieved the "five firsts": first to issue domestic green bond that is listed in the London Stock Exchange, first to provide CDM consulting business among State-owned commercial banks, first to work with IFC in designing securitization standards for green credit assets, first to set up China-France International Green Development Fund with asset management group Crédit Agricole, and first to enter into cooperation LOI with the Ministry of Environmental Protection as a leading financial bank.

Strengthening Party leadership and administration at ABC organizations at all levels with the power of finance. Clean governance is a fundamental requirement of the Party and an important tool for the Party to win the hearts of the people. We studied and understood the important spirits in the speeches of General Secretary Xi Jinping, implemented the decisions and deployments made by the CPC Central Committee and the State Council, upheld the central leadership of the Party, strengthened the administration of ABC organizations at all levels, and laid equal emphasis on business operations and Party construction. We adhered to strict administration of the Bank through strict Party governance, by focusing on business operations and serving "Sannong". Strict standards were implemented in building of ideology, management of officials, improvement of fundamentals, change of working styles, and enforcement of disciplines to achieve business excellence and sound Party construction, and incorporate the core values of integrity and prudence into behaviors.

Encouraging hard work and entrepreneurship among all employees with the power of finance. Mobilizing 500,000 employees and giving full play to their initiative and creativity is an important undertaking of ABC. We respect talents and have published *Opinions on Deepening the Reform of Talent Development Mechanism* to improve the talent management system, build a team of leading talents, and openly select department and branch leaders to provide multiple channels for professional growth and job promotion. We carried out the education of "Two Studies, One Action" and multi-level training to build a diverse learning platform and enhance employees' professional skills. We also promoted "Six Practical Works" and "Employees' Home" to further our humanity development, help employees in need, enrich their minds and cultural lives, and advance their harmonious development.

Helping the realization of social harmony, stability and the Chinese Dream with the power of finance.. Social harmony and stability are people's common ideals and aspirations. With the unyielding ABC spirits, we supported the mitigation of disasters with the power of finance, including the reconstruction of areas hit by floods in Anhui, Jiangxi, Hunan, Hubei and other provinces. We passed on love and encouraged making contributions to society. We participated in community building and improved our volunteering mechanism to encourage more people to join in. We carried out educational programs to improve financial knowledge of the public, especially the knowledge about monetary finance, personal credit, how to prevent telecommunications fraud and so on, to help build a harmonious society.

"From midnight to dawn is the right time for boys to read." ABC will follow the trend of these great times, press ahead without hesitation, and undertake the mission of serving the coordinated social and economic development with hard work and practical measures to make due contributions to building a well-off society by 2020.

Message from the President



President



Carrying the banner of responsibility with outstanding practices

Over the past year, ABC has been always concerned with and dedicated to the country, and demonstrated a State-owned bank shouldering responsibilities by fully supporting the real economy, actively serving the national strategy and heartily giving back to the community, while creating more value for shareholders and society.

Promoting innovation and development to boost returns. Over the past year, amid international financial market volatility and domestic economic downturn and other complex and challenging environment, we have conscientiously implemented the CPC Central Committee and the State Council' decisions and arrangements and the financial and regulatory requirements to stabilize development, push forward reforms, promote transformation, strengthen management, prevent risks, overcome difficulties and pursue excellence, thereby having realized positive growth in earnings and achieved sound return on investment for the shareholders. In 2016, the whole Bank have realized a net profit of RMB 184.1 billion, a year-on-year increase of 1.8%, satisfactorily achieving the target requirements made by the Board of Directors. We have paid RMB 90.4 billion in taxes, making a positive contribution to social development. Our various businesses have been developing smoothly and rapidly. As at the end of the year, the total assets of the whole Bank were up to RMB 19,570 billion, and the leading position in a variety of RMB deposits and loans and other key business markets have been further consolidated.

Shouldering responsibilities and serving national strategies.

Over the past year, centering on the supply-side structural reform and regarding it as the fundamental requirements for performing social responsibilities to support economic transformation and serve national strategies, we have optimized the allocation of credit resources, innovated financing modes, and played a mainstay role of large commercial banks in the implementation of the national macroeconomic regulation and control policies. Closely centering on the three strategies including "The Belt and Road Initiative", Beijing-Tianjin-Hebei integrated development and the Yangtze River Economic Zone, and the top 11 engineering projects and special construction fund programs of the National Development and Reform Commission, ABC has strengthened service support to major programs and projects. In 2016, ABC's RMB loans increased by RMB 9,719.639 billion. In addition, ABC has increased the financing channels for real economy through a diversified means of financing including bonds, wealth management and industry funds etc. ABC has stepped up efforts to increase credit placement and price concessions for "Mass Entrepreneurship and Innovation" and small and micro businesses, thus to meet the regulatory requirements of "three no less than". ABC has accelerated cultivation and supported a variety of good new markets and new trends to help promote industry transformation and upgrading. ABC has conscientiously implemented the real estate control policies to help boost destocking of real estate sector. ABC has served free trade zone construction, made more efforts in cross-border financial service innovations, and enhanced the international competitiveness of Chinese enterprises.

Practicing green finance to boost low-carbon economy. Over the past year, we were committed to pursuing balance between economic development and environmental protection, actively practiced the green finance concept, and guided the transfer of financial resources to ecological environmental protection industry, leveraging our power of finance to help bring "bluer sky, clearer water and greener mountains". We have firmly implemented the national policy of "de-capacity", imposing strict list-based management of industries with excess capacity and reducing the credit line of the coal-involved and steel-involved industries by RMB 20.6 billion and 56.7 billion respectively. Relying on transformation, we boosted low-carbon economy, and made preliminary achievements in becoming an "information-based bank", accelerated development of internet-based financial businesses, made new breakthrough in big data platform construction, and further enhanced the comprehensive service capacity of information technology. We spared no efforts to create paperless office mode, with over 96% of the transactions of the whole Bank completed through e-channels, which significantly reduced resources consumption. In addition, we enhanced publicity and education on "Green Finance" among the 500,000 employees of the whole Bank to make effort to become the advocates and builders of a beautiful China.

Perfecting services to sincerely give back to the community. Over the past year, we adhered to the principle of "customer first" and were committed to improving service experience, increasing service efficiency, protecting the interests of consumers, and building a healthy financial ecology. In view of the increasing customer needs for investment and wealth management, we made great efforts in assets management and private banking to provide wealth preservation and value-added services to the general public. Over the past year, in order to meet the requirements of "precise poverty relief and poverty alleviation", we proactively shouldered the political mission and social responsibility of large State-owned banks to intensify our efforts in financial poverty alleviation by increasing loans of RMB 92 billion from the beginning of the year to 832 key counties for poverty alleviation, 5.4% higher than the growth rate of loans recorded by the Bank. We continued to improve public welfare management and provided financial and intellectual support for the areas such as disaster relief, development of cultural undertakings, and relief of special groups. As of the end of 2016, ABC externally donated RMB 37.7million, of which RMB 23.1 million were public welfare donations that helped to build our public image as a corporation caring about people's livelihood and giving back to society. We innovated a new way for financial sectors to contribute to public welfare undertakings by launching not-for-profit youth volunteer initiative named "Small Credits Big Dreams" to transform ABC credit card points into public welfare funds. During the year, through the points-for-fund program, ABC has created "Happy Reading Corners" in 215 rural Hope Primary Schools in 28 provinces and municipals throughout the country, and funded the studies of 464 left-behind children in need, benefiting over 10,000 people. "Small Credits Big Dreams" public welfare program won the silver prize in the 3rd China Youth Volunteer Service Programs Competition. It has been our long-standing pursuit to achieve harmonious mutual progress of enterprise growth and employee development. We expanded employee growth channels and cared about the work and life of employees to make them feel that their career development and prospects are promising. Over the past year, the trade unions at all levels have actively delivered relief and comfort to needy employees, helping a total of 10,140 people.

Persisting in prudent operation and strictly controlling various risks. Over the past year, we insisted on the general working guideline of "making progress while ensuring stability" and, while maintaining fast development of business, continued to strengthen the projection and analysis of risk situation, gradually enhanced the risk control capacity under the new situation, and always gave priority to "holding the bottom lines of risks". We strengthened credit management and, under the situation where risks continued to be exposed, implemented risk control responsibilities level by level and made efforts to not only reduce existing risks but also control newly arising ones to maintain stable assets quality with all our strength. We strengthened both "basic management and grassroots management" by means of "two strengthenings and two controls". We pushed forward the construction of a case prevention system, concentrated on addressing the cases, and identifies numerous risk hazards and properly handled some risk events in response to concerns raised by people from all walks of life. We have paid close attention to major events at home and abroad in the financial field and proactively taken countermeasures to strictly prevent liquidity risks and market risks, thus to make contribution to stabilization of market expectation and safeguarding national financial security.

2017 is the year when the 19th National Congress of the Communist Party of China will be held, an important year for implementation of the "13thFive-Year Plan", a year when the supply-side structural reform will be deepened, and an important year for ABC to continue to undergo business transformation. Looking into the new year, we will continue to abide by the general working guideline of "making progress while ensuring stability", brace up, and work diligently in order to integrate social responsibility into our business development, generate higher returns to shareholders, support the national development strategies, share the financial development results, and boost the coordinated development of social economy and environmental resources.



Chairman of Board of Supervisors



Message from the Chairman of Board of Supervisors

Building the quality of responsibility with the spirit of craftsmanship

Premier Li Keqiang mentioned the "spirit of craftsmanship" for the first time in the Government Work Report at the "Two Sessions". For ABC, the "spirit of craftsmanship" means to concentrate on its own field, to "make double the progress as compared to others" and to "have a sense of responsibility". For the 65 years since its establishment, ABC has, by upholding the "spirit of craftsmanship" which always calls for excellence in the course of serving "Sannong", the economy and the general public, forged the political responsibility for carrying out strict governance of the Bank, the economic responsibility for value creation, and the social responsibility of promoting well-being of society, to contribute to the realization of the great rejuvenation of China.

Shouldering the political responsibility of carrying out strict governance of the Bank.

ABC is a State-owned financial corporation under the leadership of CPC. In ABC, the notion is clear that we are the bank of CPC, the bank of the country, and the bank of the people. This corporate attribute must be made clearer in ABC than in any other corporations. ABC has 500,000 in-service employees, of which 250,000 are Party members. Among its 24,000 subordinate organizations, 54% of the outlets and 214,000 employees are in areas at or below county level. It can be said that, in view of the great number of employees and outlets and wide coverage, the Party building and ideology work are much more important in ABC than in other organizations. ABC must give priority to its political responsibilities and insist on "dual responsibilities for each position", and be a bank with a "political soul".

In 2016, ABC insisted on carrying out strict governance both within the Party and the Bank in accordance with the arrangements made by the central government. ABC implemented "six emphasis", namely, emphasis on "ideology", "grass root Party building", "responsibility allocation", "style of work building", "role models" and "inspection tours and corrections"; and achieved "four simultaneous steps", i.e., simultaneously planning for Party building, simultaneously setting up Party organization and working organizations, simultaneously arranging for the person in charge of the Party organization and party workers, and simultaneously carrying out work of the Party.

Holding on the economic responsibility for value creation.

ABC is one of the G-SIBs and is a listed bank with nearly 500,000 shareholders and over 400 million personal and corporate customers. Over the past five years since it was listed, ABC has always made it the most fundamental economic responsibility to increase shareholders' wealth, create value for customers and protect the interests of its consumers. During 12th Five-Year Plan period, ABC made nearly RMB 800 billion in net profit, paid nearly RMB 420 billion in taxes to the State, and distributed nearly RMB 270 billion of profits to the shareholders.

In terms of customer service, ABC has made great efforts to integrate its core system and launched the BoEing system to improve service efficiency, customer experience and system security. It has innovated numerous products to meet the diverse needs of customers. In 2016, ABC has developed 340 informatization projects for application purposes and 57 informatization projects for products to be launched, guided the branch offices to implement 330 regional innovative product projects to promote innovation in products and service modes in "Sannong"-related areas, and launched 10 "Sannong" products throughout the Bank and over 120 region-specific "Sannong" products.

In terms of protection of consumers' rights and interests, ABC has been, in accordance with the guidelines of the State Council on strengthening consumers rights and interests, always on alert for protection of consumers' rights and interests by making efforts to eliminate the loss and dissatisfaction of customers, preventing fraud and profiteering, protecting consumer privacy, taking great many measures at the same time to fight against all kinds of financial fraud and crimes.

In terms of promoting mutual growth of enterprise profit and social wealth, only with certain profit from the operating activities can an enterprise be capable of expanding re-production and providing more commodities and services to the society. In addition, ABC has made its contribution to the national economic strengths by improving production efficiency and innovated management modes and reducing operating costs.

Performing the social responsibilities for the well-being of society.

In 2016, according to bank rankings published by The Banker magazine of the UK, ABC was the 5th largest bank among the top 1000 global banks, 4th in Top 500 Banking Brands, and first in terms of growth margin of its brand value. ABC was ranked 29th in the Fortune Global 500 list of the world's largest companies. ABC has won social praise and excellent reputation while achieving sound corporate development. ABC knows very well that the better it develops, the more responsibilities it shall assume. As an important member of the social system, ABC will thrive only when both the country and the society develop well, because there is a "fish-water relation" between ABC and society. Thus, ABC emphasizes on the philosophy of "giving priority to responsibility, benefiting the general public, taking the lead in fulfilling responsibilities, and promoting the well-being of society".

In terms of maintaining sustainable development of resources, environment and society, ABC is committed to being a leading bank in practicing Green Finance. In order to make the environment more beautiful, ABC has made a brand commitment of "cultivating a beautiful China". The "NONG YIN SUI YING-Jinfeng Technology Wind Power Charge Usufruct Green Assets-Backed Securities" issued by ABC was successfully listed on the Shanghai Stock Exchange. ABC has established a green credit index system, giving priority to the more environmentally friendly industries with less resources consumption and higher added value, further reducing loans to industries characterized by "two highs and one surplus", and guiding the flow of funds into industries encouraged by the State. ABC strengthened its daily management of energy conservation and consumption reduction, actively advocated the green and low-carbon concept to create an environmental friendly "green bank" business atmosphere.

In terms of promoting general social progress and achieving a comprehensive well-off society as scheduled, ABC has firmly shouldered the historical task of financial poverty alleviation. Playing its role as a member of the State Council Leading Group for Poverty Alleviation, ABC has established a series of region-specific, customized and systematic arrangements for supporting the development of Tibet, Xinjiang, Gansu, Guizhou and other western regions, the old revolutionary base areas and poverty-stricken areas.

In terms of practicing charities and repaying society, ABC has helped the disadvantaged groups to live a decent life through various projects. ABC has supported the post-disaster reconstruction in Hubei, Hunan, Jiangxi, Xiamen and other regions, participated in social welfare, innovated forms of public service, focused on the leading role of volunteers, carrying out "Mini Banker", "Small Credits Big Dreams" and other public welfare activities to enhance public awareness. In terms of employee development, ABC has implemented "four major projects" to offer humanistic care and stabilize its team of talents.

Looking forward, ABC will stand by its firm belief and act as the "cultivator" of a beautiful China and "booster" of the Chinese Dream.

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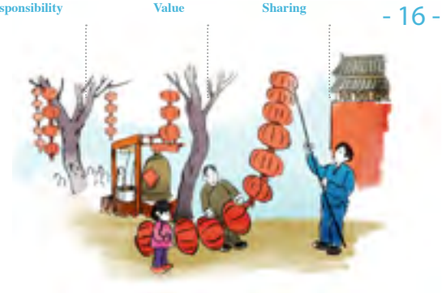
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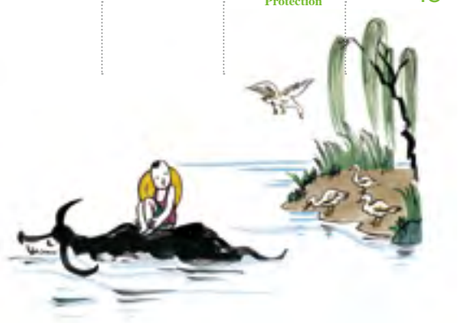


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About Us

Company Profile

The year 2016 marks the 65th anniversary of ABC, whose predecessor was the Agricultural Cooperative Bank established in 1951. Since the end of 1970s, ABC has gone through "four rises and three falls", from the initial exclusively focused on the rural market to the present new market pattern that features considerations given to both rural and urban areas and the distribution of outlets and customer both at home and abroad. The extraordinary journey of development is rarely seen in the financial community of the world.

As a global systematic important bank and a large State-owned commercial bank, ABC always perseveres in the core values of "underlying integrity and sound operation" and is committed to establishing a world-class commercial banking corporation with the mission of "orienting around 'Sannong' banking services, serving both urban and rural areas, maximizing shareholders returns, and assisting staff development". With its comprehensive business portfolio, huge distribution network, leading technology platform and differentiated competitive advantages, ABC provides its customers with a full range, multi-channel and wide coverage of products and services. By the end of 2016, ABC had 23,682 domestic branch organizations, including the head office ("HO"), the HO Business Department, three HO franchise agencies, 37 tier-one (directly subordinate) branches, 365 tier-two branches (including the business departments of provincial branches), 3,506 tier-one sub-branches (including the business departments of the directly subordinate branches in municipals directly under the Central Government and the business departments of tier-two branches), 19,714 grass root operating agencies and 55 other organizations. ABC has 9 overseas branches and 3 overseas representative offices. ABC has 14 subsidiaries where it is the controlling shareholder, including 9 domestic ones and 5 overseas.

Guided by the philosophy of responsibilities of "giving priority to responsibility, benefiting the general public, taking the lead in fulfilling responsibilities, promoting the well-being of society", ABC has actively integrated its social responsibility into its own management practices and continued to improve the quality and results of its corporate development while serving the real economy, thereby making greater contributions to the sustainable development of economy, environment and society. As of the end of 2016, ABC has total assets of RMB 19,570.05 billion, has granted loans and advances of RMB 9,719.6 billion and received deposits of RMB 15,038 billion, with a capital adequacy ratio of 13.04%. The Bank has achieved a net income of RMB 184.1 billion and paid RMB 90.4 billion in taxes (subject to bank caliber). Its social contribution per share is RMB 1.98. ABC has been selected as a G-SIB for three consecutive years since 2014.The Bank was ranked 29th among the Fortune Global 500 by the Fortune magazine in the US; and was ranked 5th in terms of first grade capital among the top 1,000 global large-sized banks by The Banker magazine in the UK.

By the end of 2016

19,570.05 billion
Total Assets

9,719.6 billion
Total Loans and Advances

15,038 billion
Received Deposits

13.04 %
Capital Adequacy Ratio

184.1 billion
Net Profit

90.4 billion
Taxes



1.98 yuan
Social Contribution Per Share

29th
Fortune Global 500 by
The *Fortune Magazine*

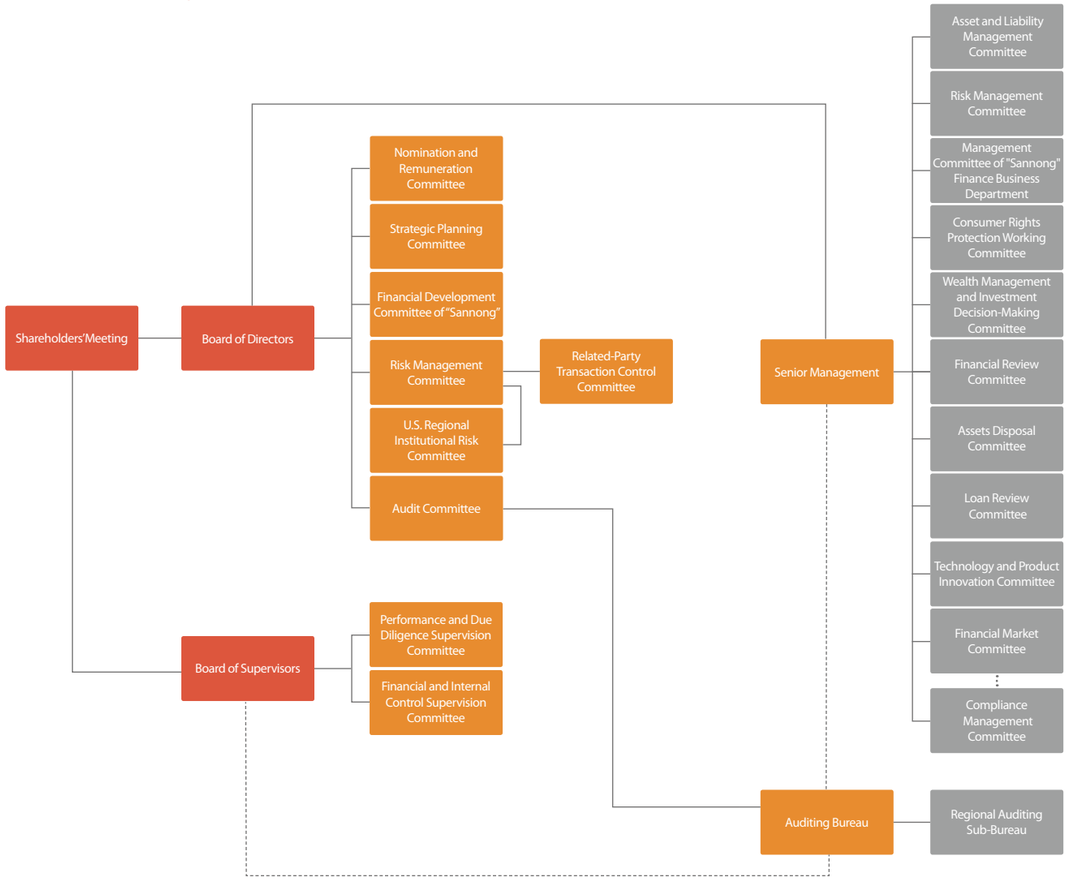
5th
Top 1,000 Global Large-sized
Banks by *The Banker Magazine*

Corporate Governance

ABC has always taken corporate governance as one of the key elements for achieving its strategic development goal. It has kept improving the modern"3+1" governance structure (general meeting of shareholders, Board of Directors, Board of Supervisors + senior management), actively optimized the corporate governance mechanism, and steadily upgraded the corporate governance practices characterized by "scientific decision-making, benefit controlling and balancing, and prudent operations". Overall, ABC's corporate governance mechanism is running in a sound and orderly manner.

As of the end of 2016, the Board of Directors composed of 14 directors, including 3 executive directors, 6 non-executive directors and 5 independent non-executive directors; the Board of Supervisors had 8 supervisors, including 2 shareholder representative supervisors, 4 employee representative supervisors and 2 external supervisors. In addition, ABC has 6 executives.

Structural Chart of Corporate Governance



Note: The Risk Management Committee concurrently assumes the duties of the U.S. Regional Institutional Risk Committee

Compliance in Operations

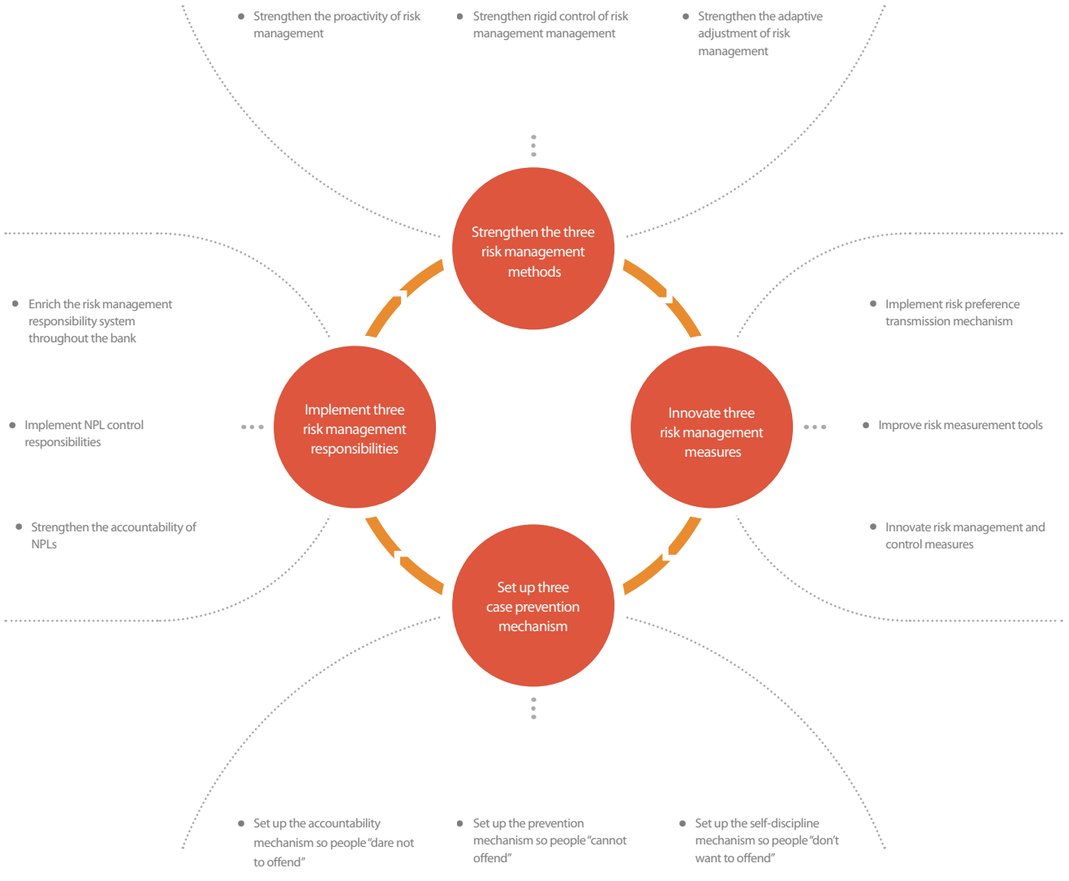
In face of complex and changing economic situations, ABC has established a comprehensive, effective and responsibility-defined internal control compliance mechanism to keep improving its internal control management.

ABC focused on the construction of clean administration in an effort to promote its business operations and development for the building of a first-class international commercial banking group. The Bank carried out various anti-corruption activities within ABC to educate its staff and officials to understand, obey and observe laws and regulations. In compliance with the Anti-Money Laundry Law of the People's Republic of China, ABC improved its anti-money laundry management system, optimized its anti-money laundry risk monitoring models and tools, and implemented a screening process of overseas anti-money laundry management risks to improve the anti-money laundry management efficiency and levels. The Bank enhanced its management of vendors, and formulated the Regulations of Agricultural Bank of China on Restrictive Acts of Sales to enhance anti-corruption education in the field of sales. It also released the Notice on Strengthening Vendor Management to increase control over the entire chain of sales, and achieved a vendor selection process in a systematic, open and compliant manner.

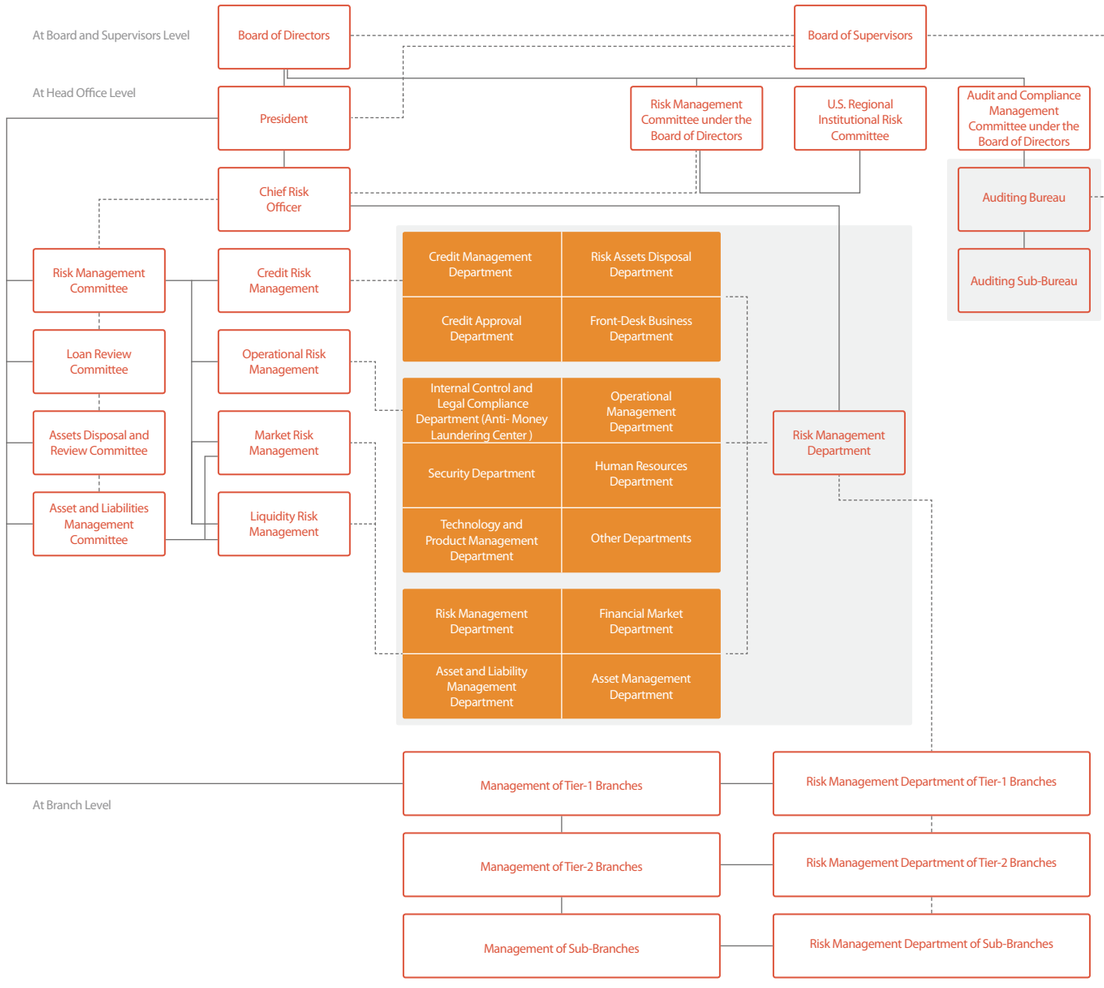
Continue to improve systematic management	Multi-forms to improve the quality of the system	• Excellent system review • Organized and participated in the system seminars • Consulted experts on difficult and doubtful legal issues in the system • Started the contact point mechanism for grass root agencies, broadened the channel for communication between upper and lower levels of branch offices
	Carried out the establishment, modification and termination of the system at the head office	• Proposed to formulate or amend 166 rules and regulations • Abolished parts of systems in bulk to ensure the effectiveness
	Regulated the management system of overseas agencies and subsidiaries	• Prepared the Research Report on System Management of Overseas Agencies • Translated 31 systems of the head office and delivered for use in overseas agencies
	Promoted the optimization and upgrading of the system	• Offered excellent training on launching and use of system, preparation of operation manual, data migration etc.
Further promoted the construction of a "Law-Ruled ABC"	Actively promoted the construction of "Law-Ruled ABC"	• Formulated and issued *Agricultural Bank of China's Outline for Comprehensively Promoting the Construction of "Law-Ruled ABC"*,allocated tasks and implemented responsibilities
	Strengthened legal knowledge training	• Composed *Textbook for Study and Use of Laws for Bank Leadership*
	Held "Studying criminal law, knowing the bottom line and having reverence" activity	• Reviewed the charges and penalties in criminal law which are related to bank employee offenses, such as illegal fund-raising, illegal receipt of deposits from the public etc., totaling 55 charges in 10 categories • Set up a column of "Studying criminal law, knowing the bottom line and having reverence" in the urban and rural financial newspapers
Continue to strengthen compliance culture construction	Promoted the establishment of the compliance system and culture	• Drafted *The Opinions on Strengthening of Compliance Culture Construction*
	To conduct publicity and education on compliance culture	• Gave 5,049 lectures on compliance culture in 2016, with an audience of 350,000 people
Conduct legal research	Increased utilization of the achievements in interpretation of laws and regulations	• Prepared compilation of relevant laws and regulations in the banking sectors and published articles of excellent interpretation through website, WeChat and other channels
	To organize legal seminars	• Carried out four legal lectures to provide useful guidance on business development and expansion of international vision
	To earnestly seek advice for legislation	• Put forward 45 effective suggestions

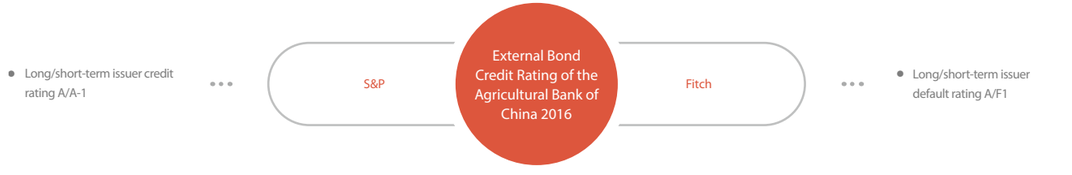
Risk Management

In the context of current economic downturn and increasing risk exposures, ABC has put risk and case prevention and control at a prominent place in management, firmly established a coordinated, comprehensive, balanced and effective risk management concept, and resolutely declared war on risks and cases to effectively hold the lifeline of bank business. In 2016, the non-performing loans (NPLs) of ABC was 2.37% and the provision coverage was 173.40%.



Structural Chart of Risk Management

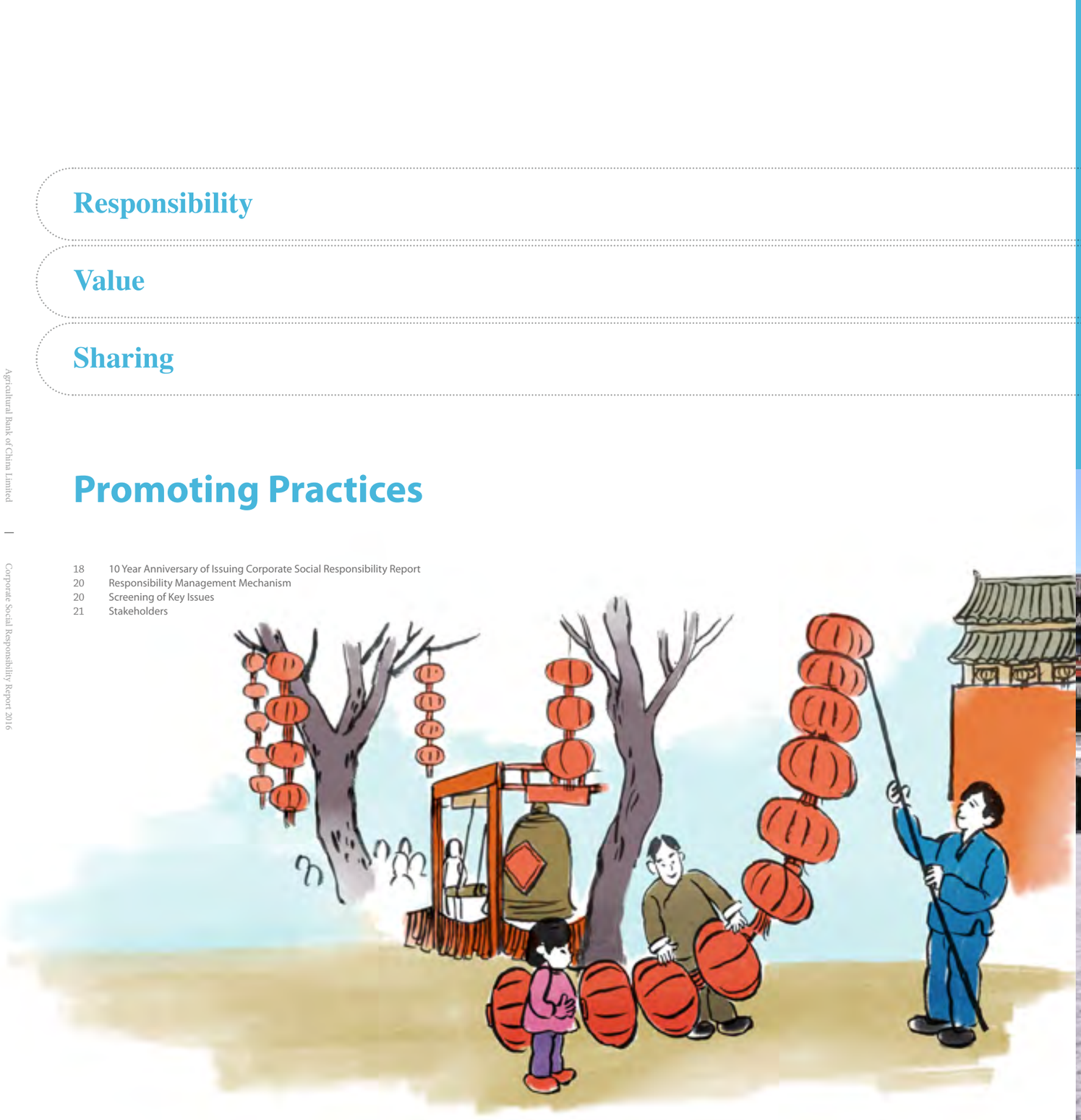




	Objectives	Thoughts	Countermeasures
Responsibility	For building a long-term CSR mechanism	Need to increase CSR management abilities	Improving the CSR system
Value	For maximizing economic, environmental and social values	Need to lay stress on substantial influences	Screening and selecting key CSR issues
Sharing	For sharing of development achievements	Need to strengthen communication with stakeholders	Increasing stakeholders' engagement

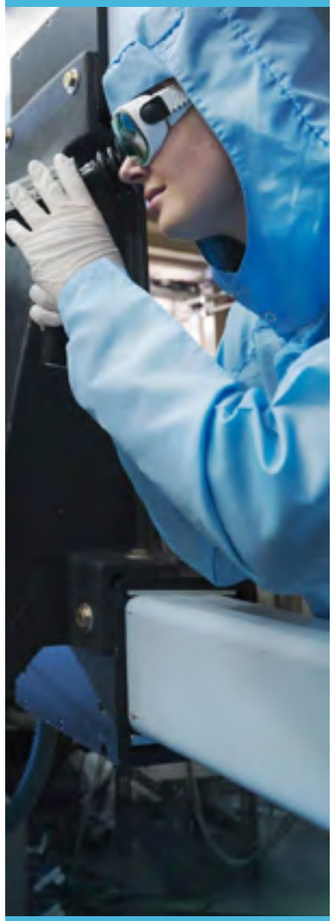
Promoting Practices

18 10 Year Anniversary of Issuing Corporate Social Responsibility Report
20 Responsibility Management Mechanism
20 Screening of Key Issues
21 Stakeholders









10 Year Anniversary of Issuing Corporate Social Responsibility Report



2007

- Specified eight themes including "benefiting farmers", "people's livelihood", "customers", "robust operation", "people centered", "loving care", "environmental protection", and "honors".
- The first Social Responsibility Report



2008

- In response to stakeholders' expectations
- Integrating the brand concept of "Together We Achieve" into social responsibility work
- Introduced the "Working Guide of ABC on Corporate Social Responsibility"



2009

- The report was prepared in accordance with *The Global Reporting Initiative (GRI) Guidelines for Sustainable Development Report*, and relevant supplemental guidelines for the financial sector
- Integrated the core concept of corporate culture into social responsibility

2010

- The report was published in both Chinese and English
- Disclosures were made on ABC's social responsibility performances
- Established social responsibility organizational structure



2011

- Summarized social responsibility concepts
- Reviewed the responsibility history of ABC for 60 years
- Established the Social Responsibility Management Committee of ABC

2012

- Established the responsibility philosophy of "giving priority to responsibility, benefiting the general public, taking the lead in fulfilling responsibilities, promoting the well-being of society"
- Determined the theme of "serving 'Sannong', promoting coordinated urban and rural development, and building a beautiful China"
- Introduced the Social Responsibility Indicators system.

2013

- The report's theme was "ABC's dedication to the Chinese Dream"
- Invited outside experts to give training on professional knowledge and skills
- Formulated *ABC's Guidelines on Public Welfare Programs*

2014

- Established the Executive Board for Social Responsibility at branch office level
- In view of stakeholders' expectations, ABC determined the eight major issues which include "serving 'Sannong', supporting the real economy, poverty alleviation, improving people's livelihoods, optimizing services, promoting public good activities, and facilitating employee development"



2015

- Updated the important issues on social responsibility
- Highlighted the Bank's distinctive CSR features

2016

- Adopted the component mode to highlightsocial responsibility
- Actively responded to implementation of national policies and social concerns via "Objectives, Thoughts, and Countermeasures" sections
- Established Youth Volunteer Association



ABC'S Management Model for Promotion of Social Responsibility

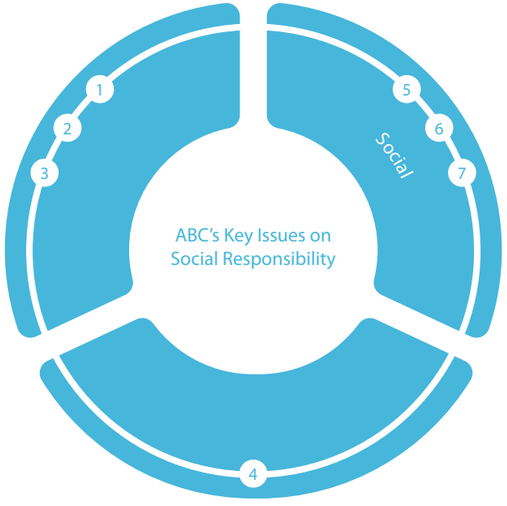


Responsibility Management Mechanism

ABC has established and optimized its social responsibility management system, set up a long-term mechanism to promote social responsibility and developed the *Agricultural Bank of China Guidelines for Social Responsibility, Agricultural Bank of China Guidelines for Public Welfare Projects* and other management rules. ABC has set up a social responsibility management committee under the leadership of the executives of the Head Office and established an Executive Board for Social Responsibility at branch level. The social responsibility work is led by the Corporate Culture Department of the Head Office, with general managers of each department of the Head Office and branch offices responsible for daily social responsibility work.

Screening of Key Issues

ABC identifies issues on social responsibility raised by numerous stakeholders using a sustainable and concrete framework in preparation of this report and development of corporate strategies.



1 Serving "Sannong"

- Sustainable agriculture
- Promotion of farmers' welfare
- Beautiful and livable country sides

2 Supporting the real economy

- Serving "The Belt and Road Initiative" constructions
- Promoting the integrated development of Beijing, Tianjin and Hebei
- Boosting a new leap of the Yangtze River Economic Belt
- Promoting the development of small and micro enterprises

3 Poverty alleviation

- Supporting economic development in poor areas
- Improving the well-being of people in poor areas
- Making more efforts in appointed poverty alleviation

4 Environmental protection

- Innovating green products and supporting green industry
- Escorting green development with green credits
- Advocating green life and green procurement

5 Service improvement

- Safeguarding the interests of customers through perfecting systems
- Innovating products to meet customer demands
- Upgrading services to optimize customer experiences

6 Employee development

- Respecting talents and deepening talent reform
- Fostering abilities and pushing forward employee development
- Giving humanistic care to promote happiness

7 Public welfare

- Improving the volunteer service mechanism
- Carrying out financial knowledge popularization
- Enthusiastically promoting social welfare

Stakeholders

ABC has established close contact with the stakeholders through a variety of channels, listened to their needs, and taken their opinions and suggestions into consideration to improve decision-making.

Stakeholders	Expectations and Demands	Responses and Measures
Government	• To increase support for the real economy • To promote the implementation of national strategies • To provide good rural financial services • To promote the development of small and micro enterprises • To achieve steady growth in tax revenue • To expand employment	• To continue to expand the coverage of financial services in rural areas and increase the intensity of credit • To support strategies such as "The Belt and Road Initiative", "The Yangtze River Economic Zone" and "Beijing-Tianjin-Hebei Integration" • To fully support the development of small and micro enterprises through product and mode innovations
Regulatory authorities	• To operate according to law • To maintain financial stability • To promote general risk management	• To establish a clear, scientific framework of the risk policy system with full coverage • To improve internal management quality, safeguard financial security, and maintain stability of the financial market • To develop measures for reputation and risk management system in an effort to prevent systematic risks and enhance public communication
Shareholders and investors	• To create sustainable value return • To improve corporate governance • To strengthen investor relations management • To fully, truly and accurately disclose information	• To improve corporate governance structure • To create shareholder value • To transform and upgrade the investor hotline
Customers	• To continuously improve service quality • To enhance electronic service capacity • To safeguard consumers' rights and interests	• To, centering on the customers, accelerate product innovation and enhance the overall management capacity • To enhance scientific and technological innovation capacity and establish a first-class information bank with safety in construction, production and operation and advanced IT management system • To earnestly strengthen the protection of consumer rights and interests
Employees	• To protect the legitimate rights and interests of employees • To create diversified career development channels • To improve salary incentives and welfare system	• To strictly abide by the latest national labor laws and regulations, and international practice • To sign labor contracts with employees according to law • To enhance professional abilities and comprehensive quality of employees
Suppliers and partners	• Fair cooperation • Integrity and honoring agreements • To establish long-term and smooth communication mechanism	• To improve purchasing management • To create a sunshine procurement project
The public and society	• To provide quality financial services • To jointly build a civilized community environment • To carry out financial knowledge popularization and education	• To carry out a variety of activities for widespread financial knowledge • To participate in social welfare, and constantly innovate the forms of public welfare
Environment	• To promote environmental and social risk management • To implement green credit • To adhere to green operations	• To follow the national green credit policy and support the green industry • To promote the internationalization of China's green financial bonds • To practice green operations in multiple aspects

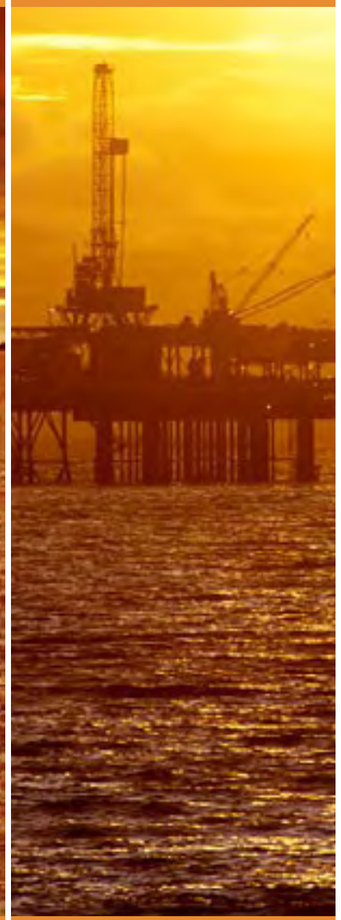
	Objectives	Thoughts	Countermeasures
Sannong	Secure agriculture and food safety	Agriculture needs sustainable development	To increase investment in agriculture
Real Economy	Promote smooth and healthy economic operations	The real economy needs new vitality	Use "financial bounty" to improve quality and effectiveness of real economy
Poverty Relief	To eliminate poverty and hunger	Banks need to increase efforts in financial poverty alleviation	To fully promote precise poverty relief

Economic Prosperity

24 Serving "Sannong" and Promoting Coordinated Development
36 Supporting entities and promoting economic transition
44 Alleviating poverty in the execution of inclusive finance









Serving "Sannong": Innovate Mode to Release the Vitality of Business

The promotion of agricultural supply-side reform is profound in the field of "Sannong". It is a necessary requirement for the establishment of a comprehensive well-off society to make agriculture an admirable industry, make farmer an admired occupation and make countryside a fascinating place. Innovation is the only "golden key" to achieve this goal. In 2016, ABC took giant steps in innovating its systems, products and services, with many highlights.

Innovate "Sannong" Credit Policy System

Credit Policy as Guide

- *The Guidelines for "Sannong" Credit Policy 2016* identified ABC's key areas for credit placement for "Sannong" at county level or below, including the following eight areas: modern agriculture, poverty alleviation and development, integration of the primary, secondary and tertiary industries in rural areas, key agriculture-involved projects, new-pattern urbanization, and personal loans at county level or below. It quantified the credit placement objectives in water conservancy construction, high standard farmland construction and new type of agricultural businesses and other fields.

Coverage for "Sannong" with industrial credit policies	Driving regional development with regional credit policies	Highlighting priorities with special credit policies
• Formulated industrial credit policies for 12 agriculture-related industries including slaughter, dairy products, aquatic products, fertilizers, and etc.	• Established credit policies according to the needs of characteristic industries of old revolutionary base areas and advantageous camellia production areas	• Established differentiated credit policies centering on key water conservancy projects, high standard farmland, poverty alleviation and development, and other key areas.

A Trinity of Differentiated Credit Policy System Serving "Sannong" with Innovative Internet-based Finance

• Via "Kins RONG SHANG TONG" touch-sensitive self-service terminals. • Established a "4-P Finance" Platform capable of providinginclusivefinancial services, e-loan services, comprehensive public services and e-commerce services.	"4-P Finance" Platform	• Comprehensive "Sannong" e-commerce financial service platform integrating HuiNongTong services and e-commerce • Established a "Sannong" internet-based financial ecosystem integrating e-commerce, finance, payment and consumption functions
	ABC e-Manager	
• With the help of the internet and big data technology and integration of online and offline services, serve micro "Sannong" customers with small credit line, bulk, scaled, automatic services • Customers have access to fast and convenient financing services	Kins Quick Rural Loan	• Highlight the "self-financing" experience of customers, enabled through online operations, with simple operations, flexible terms and loan payment on demand • Customers may make loan and repayment while they are at home
	Big-Data-based Online Loan	

Internet-Based Financial Services Platform and Products for Serving "Sannong" Special Innovative Credit Products and Means of Security

Introduce special credit product

- Formulate *The Measures for Administration of Loans to Large and Specialized Businesses (Farms)*
- *Publish The Measures for Administration of Loans for Farmer Cooperatives*

Innovate mode of credit service

- Develop big data-based online loan and promoted it to the leading agricultural industrialization enterprises and their upstream and downstream customers
- Develop "KinsKuai Nong Dai (quick loans for farming households)" product to enable issuance of loans to farmer households in a bulk, standard and modeled way.
- Provide "credit + insurance" services to enhance financial cooperation

Innovate characterized means of security

- Formulate *The Measures for Administration of Mortgage of the Right to Use Collective Construction Land and The Measures for Administration of Forest Property Loans*
- Innovatively introduce means of pledge with vegetable greenhouses, individual fishing boats and agricultural products
- Innovatively introduce characterized means of security such as retail franchise pledge and wine mortgage
- Introduce the means of security such as pledge of the right to contract and charge for rural lands to State-owned agribusiness groups

Innovative Initiatives for Serving New Subjects, New Factors and New Trends of "Sannong"

	New Subject of "Sannong"	
	New Factors of "Sannong"	
	New Trends of "Sannong"	
• The balance of loans granted by the Bank to water conservancy sector is over RMB 270 billion, supporting 57 major national water conservancy projects. ABC also provided RMB 1,440 billion of agriculture-related loans to 13 major grain producing areas throughout China.	Agriculture	
	Farmers	• The balance of loans to farmers was RMB 191.8 billion. ABC supported 275,000 large and specialized businesses, with the balance of loans being RMB 52.8 billion. The Bank also granted RMB 167.6 billion "farmer resettlement loans".
• The Bank has granted urban loans[1] of RMB 400 billion, up 18.8% over the end of the previous year, and approved a total of RMB 21.2 billion of "Beautiful Countryside" series of industrial fund, of which RMB 20.2 billion have been granted.	Rural Areas	

1. In 2016, ABC readjusted its urbanization loans statistics by leaving out loans for commercial housing development at county level, construction of operational properties at county level, and construction of commodity circulation markets.



Sixty-Five Years of "Sannong" Business

Memory of the Past:
Born for Agriculture – Pioneer of Rural Finance in China
(1951-1990)

During the planned economy period, ABC served as the main channel for financial support.

During the period when ABC served as a specialized bank, ABC supported rural and county-level commodity economy development

On the Road:
More Than Agriculture – First-Class Commercial Bank Group Builders
(1991-2016)

During the period of transformation toward a commercial bank, ABC accelerated the reform of the system and urban-rural service pattern.

During the period of shareholding system reform, ABC explored the unique road of coordinated urban-rural development.

Brace for the Future:
Revitalization of Agriculture--The Pioneer of Agricultural Supply-Side Reform.

1951
The predecessor of the Agricultural Bank of China was the Agricultural Cooperation Bank.

1955
- The Agricultural Cooperation Bank, the predecessor of the Agricultural Bank of China, was established. The bank assumed the responsibilities of financial services for the new rural economic and social recovery and development.

1963
- In accordance with the requirements for credit support for agricultural cooperation, the Bank was formally established under the name of "Agricultural Bank of China" to play a key role in supporting agricultural production and restricting and eliminating loan sharks in rural areas.

1979
- According to the requirement for the unified management of national financial support for agriculture, ABC was re-established to support agricultural development. the responsibilities of financial services for the new rural economic and social recovery and development.

1980
- The Agricultural Bank of China was restored and entered into a rapid development stage.

1981-1984
- To support the construction of national commodity grain, cotton and sugar production bases, and grain and cotton production transformation, ABC has made outstanding contributions toward rural and agricultural infrastructure development.

1985-1990
- More than 98% of the loans issued by ABC went to rural areas.

1993
- ABC supported a large number of small and medium-size private enterprises to grow into large backbone enterprises.

1994
- The State Council issued *The Decision on Carrying Out Financial Structural Reforms* which proposed to transform specialized banks into State-owned commercial banks. ABC began its transformation process to become a State-owned commercial bank.

1996
- ABC began to receive policy business.

1999
- ABC delinked itself from rural credit cooperatives.

1994-2006
- With the help of the Great Wall Asset Management Corporation, ABC parted its non-performing assets, and started the commercialization journey.

2007
- The Bank's deposits and loans were 5.96 times and 4.52 times the original figures respectively, laying a solid foundation for the shareholding system reform.

2010
- The Bank made clear the reform strategy of "focusing on 'Sannong' services, undergoing overall shareholding system reform, operating as a commercial bank, and seeking proper IPO opportunities". ABC specifically set up a Sannong Finance Department to serve this purpose.

2011
- On July 15 and 16, ABC issued H-shares and A-shares respectively in Hong Kong and Shanghai.

2014
- ABC celebrated its 60th anniversary of establishment.

2015
- ABC was selected into the G-SIB List.

2016
- ABC began pilot reform to its "Sannong" financial business departments.
- ABC became the first Chinese financial institution to issue green bonds in London.

- ABC deepened the partnership with the Republic of Congo.
- On July 10, ABC celebrated her 65th anniversary of establishment.

Over the past 65 years, what remains unchanged is our pursuit for service excellence.
Over the past 65 years, what remains unchanged is our pioneering spirit.
Over the past 65 years, what remains unchanged is our courage to assume responsibility.

Promote the structural optimization of crops and foods

Promoting the structural reform on the supply side aims to push forward agricultural development through transition from excessive dependence on consumption of resources to satisfy the demands for "quantity" to the pursuit for green ecological sustainability with more focus on meeting the demands for "quality".

–2016 Central Agriculture Work Conference

Agriculture is not only a strategic industry for national peace and stability, but also a key area for supply-side structural reform. Under the guidance of the 13th Five-Year Plan, China must accelerate the agricultural modernization process, shore up the weakness, and raise competitiveness of Chinese agriculture in the international market. ABC is duty-bound to render financial support for the agricultural supply-side reform. We must promote such transformation for sustainable agricultural development by giving support to agricultural infrastructure construction, agricultural science and technology, new types of agricultural businesses and export of agricultural products.


Farmers harvesting super rice with financial support from Guanyang Sub-branch in Guangxi Province

Food is the first necessity of the people. Thus, food safety is key to national stability. In 2016, ABC gave full play to the allocating and regulating functions of financial tools to help relevant sectors to cut excess inventory and make structural adjustment, by following the guiding idea of "One Ensure, One Reduce; One Increase, and One Maintain" to ensure the production of crops, reduce the production of corn outside predominance areas, increase the production of high-quality edible soybean, and maintain a self-sufficiency level of crops, cotton and oils. As a result, we provided credit funds to and made preference policy for 13 major grain-growing areas and 800 counties with the greatest crop production. We provided assistance in an effort to readjust regional breeding strategies in view of the national environmental capacity and rendered financial support to seed producers and breeding bases with international competitiveness so as to ensure high-quality and reliable supplies of powdered milk, poultry and other products for the public. In our allocation of funds, we increased the proportion for ecological agriculture, pollution-free agriculture, organic foods, green foods, so that more people can have healthy foods and water.

How ABC Serves "Sannong"

Modes	Cases	Content
Government credit mode	• Jiangsu Branch "Golden Agricultural Loans" to promote the development of new business entities • Gansu Branch carried out financial services for "Sannong" on the basis of government credit • Chongqing Branch supported county-level infrastructure upgrading on the basis of government procurement of public services • Inner Mongolian Branch promoted new-pattern urbanization by issuing "beautiful village" credit funds	• By strengthening the cooperation between banks and local governments, and giving full play to the multi-lateral support for agriculture, we expanded our "Sannong" financial services to benefit more people • We gave full play to the leveraging role of financial funds to promote the development of new agricultural business entities
Development driven by agricultural business with distinctive local features	• Jiangxi Branch promoted strategy of "one policy for each product" to push forward financial services in the oil-tea camellia industry • Fujian Branch deepened their financial services and developed the economy in the city of tea	• Our financial services cover every stage from growth, processing to sale of oil-tea camellia and tea
Specialized market-driven development	• Hebei Branch innovated its market service modes to boost the development of "Sannong" businesses • Hubei Branch expanded the "three circles" to create new financial services for commodity circulation	• Understanding the highly concentrated wholesales market of agricultural products and the related financial demands, we facilitated mass merchandising and scale operations for client groups
Tourism-driven development	• Sichuan Branch focused on "The Four Full Moving Forwards" to achieve three-dimensional development of tourism services in Jiuzhaigou	• Understanding the financial need of the scenic areas and the various types of business entities around these areas, we made targeted innovation and flexible allocation of new products and traditional ones to achieve full coverage of financial services and generated a variety of services for tourism
Internet Plus of Sannong	• Gansu Branch set up a "4-P Finance" platform to serve Internet plus of Sannong • Shandong Branch worked to upgrade the "Hui Nong Tong" Project with the joint efforts of the banks and the businesses	• With our internet ways of thinking and technology, as well as our service network of agricultural enterprises in rural areas, we extended the scope and quality of our basic financial services in rural areas

Xinghua "Thousand Isles" Vegitable Flowers Scenic Area in Taizhou, Jiangsu Province (Photo by Huang Shurong of Taizhou Branch)



Ensure irrigation in farmlands

What farmlands are to the people irrigation is to farmlands. Irrigation remains the key to the structural supply-side reform. According to the *No. 1 Central* Document in 2016, to achieve agricultural modernization, it is a must to promote the building of high standard farmlands and farmland irrigation. Thus, ABC worked closely with the Ministry of Water Resources, the Ministry of Agriculture and other ministries to strengthen alignment and optimize the service purchasing process of local governments. On the other hand, the Bank opened emergency green channels for key projects including farmland irrigation, high standard farmlands and new water-saving irrigation technologies. We carried out concurrent operations of both the front and back offices to timely review documents submitted, thus securing farmland irrigation as a cornerstone for modern agriculture. By the end of 2016, we had made great supporting efforts on 57 major water conservancy projects through loans with a balance of more than RMB 270 billion. These projects had generated 412.3 billion KWh of power, supplied 114.4 billion cubic meters of water, improved irrigation for 268.94 million Mu of farmlands and benefited flood control areas of 167.42 million Mu of land and up to 490.66 million people.

Enhance agricultural science and technology

Science and technology can fundamentally improve crop production and support agricultural modernization. In recent years, the contribution of agricultural science and technology to food crop production growth increases year by year to 56%. But there remains a huge gap between China and some developed countries. In 2016, ABC made thorough efforts to implement the *National Plan for Agricultural Modernization (2016-2020)* by the State Council. To promote agricultural science and technology, we cooperated with 72 national agricultural science and technology parks to give focused support to the agricultural science and technology enterprises, and agricultural production and processing enterprises within these parks to help them attain innovation abilities leading developing countries. We rendered support for local featured agriculture according to the agricultural development blueprint of "Seven Production Regions and Twenty-Three Industrial Belts". We continued to focus on serving leading enterprises of agricultural industrialization. By the end of 2016, the Bank had extended its financial services to 82% national and 61% provincial-level leading enterprises and worked to give full play to their leading role in the development of modern agriculture.

The increase of farmers' earnings depends on the building of a long-term mechanism in terms of policy. Efforts are required to shorten the income gap between the urban and rural residents by means of developing rural economy, organization of migrant workers for labor or business, increase of property income of farmers and other to help farmers become better off soon.

–Xi Jinping

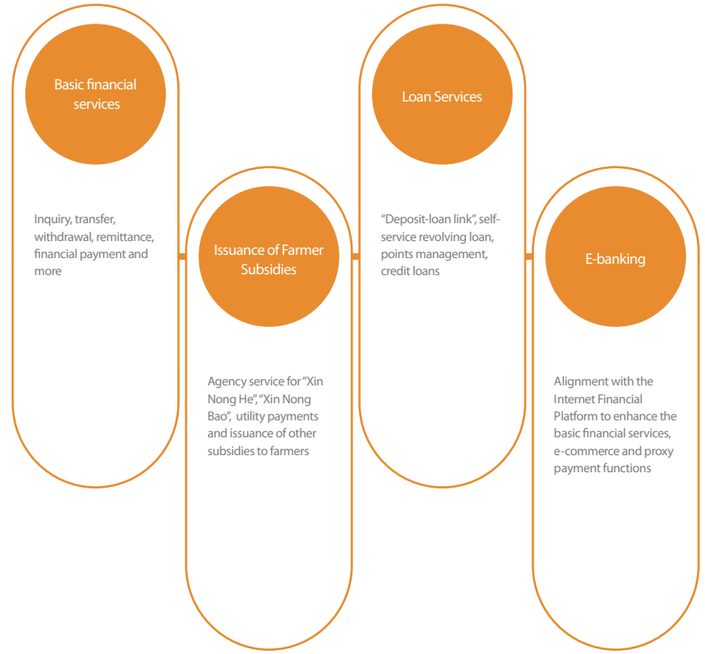
Agriculture is the foundation of today's China and is key to maintaining social stability. To make farmers rich, we must fundamentally break the barriers to build a moderately prosperous society. Under the requirements of the central government, ABC deepened the reform of its "Sannong" financial business department to increase product innovation and credit investment, upgraded the "Kins Hui Nong Tong" project, supported the new agricultural production and business entities, served the integration of the primary, secondary and tertiary industries so that the hundreds of millions of farmers could benefit from the reform and get wealthy with our financial services.

Let farmers enjoy the same financial services as the urban residents do



In 2016, ABC upgraded the "Kins Hui Nong Tong" project to make use of modern electronic devices, opened "Sannong" financial service outlets, and provided multi-functional financial services for farmers with "Kins Hui Nong Card." ABC facilitated the implementation of the "Thousands Villages and Townships Market Project", promoted the agency service of "Xin Nong Bao" (new rural social endowment insurance) and "Xin Nong He"(new rural medical insurance), provided chain-specific financial services to industrial chains, logistics chains and capital chains so that farmers can enjoy the convenience of modern financial services. By the end of 2016, the Bank had issued 194 million Hui Nong cards. Its electronic devices for "Kins Hui Nong Tong" project have covered 75.1% of administrative villages.

"Kins Hui Nong" Card Provides Multi-Functional Financial Services for Farmers



Let skilled farmers and large and specialized family businesses prosper

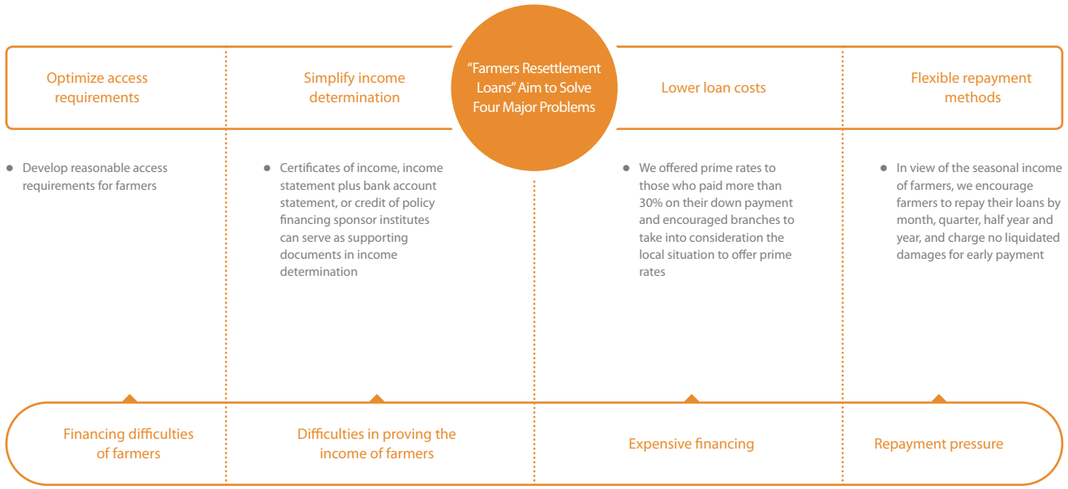
Based on family operations, new agricultural business entities and new agricultural service entities are the backbone of modern agriculture. In 2016, ABC actively supported the development of new agricultural business entities. In light of the development situation of these new agricultural business entities, ABC revised The *Measures for Management of Individual Production and Business Credit in Rural Areas and developed The Measures for Management of Specialized Large Family Businesses (Family Farms) and The Measures for Management of Loans to Specialized Cooperatives of Farmers*. Also, ABC carried out financial training for new agricultural business entities to help them learn and understand the government supporting policies, agricultural technologies and financial knowledge. As of the end of 2016, ABC had issued RMB 52.8 billion of loans to 275,000 large and specialized family businesses and family farms, and givenRMB 518 million of credit support to 172 farmers' cooperatives and RMB 18.3 billion of loans to 106,091 members of these cooperatives.

Expand revenue sources for farmers

To help farmers prosper, we must take full consideration of the primary, secondary and tertiary industries in rural areas to expand revenue sources for farmers, explore revenue potentials within the agricultural industry, and broaden external income channels for rural population. In 2016, ABC supported the integration of such industries with its services. To support the transformation of the agricultural product processing industry and its healthy development in the main grain-producing areas, including deep processing of grains. ABC provided credit funds to rural enterprises to develop leading processing enterprises and famous brands to help farmers increase revenues. To promote the integration of the market systems, ABC implemented the marketing initiative of "shaping logistics networks between urban and rural areas and supporting top 100 markets", supported the development of 100 markets with an annual turnover of more than RMB 5 billion at county level or below, and facilitated the construction of large-scale wholesale markets, new rural logistics network projects and grain storage facilities with a capacity of storing over 100 billion kilograms. At the same time, ABC worked with the Ministry of Agriculture to promote financial services programs to advance the integration of three industries in rural areas and encourage farmers to participate in the integration of industry and benefit from the project.

Further ensure the well-being of farmers

Housing and senior care are two key points of interest of farmers. In 2016, ABC issued T*he Management of Farmers' Housing Property Mortgage Loan (Trial)* to carry out the pilot project of farmer'' housing property mortgage loans to support the transformation of rundown districts and issued "resettlement loans" to encourage farmers to settle down in urban areas. In Hunan, Guizhou and other places, ABC issued "senior care loans" so that those farmers who have lost their farmlands can have a secure old age. By the end of 2016, ABC had issued up to RMB 149.638 billion to renovate rundown districts and RMB 167.6 billion of "farmer resettlement loans."



To push forward the interactive development of new urbanization approach and agricultural modernization through intensive implementation of Mass Entrepreneurship and Innovation". Boost agricultural quality and performance and continued income growth of farmers, and increase areas of agricultural expansion.

–Li Keqiang

In the course of building a new countryside, people must respect the nature and natural laws, and protect the rural culture and local civilization so that residents can enjoy green mountains and clear waters, and have shared memory of their beloved homeland. ABC, with 54% of its outlets and 46% of its staff located in counties and rural areas, is well-positioned to promote the deep integration of rural economic development and rural culture by taking advantage of its extensive business presence both in urban and rural areas.

Make collaborated efforts with local government funds to promote county-level urbanization


Country scene (Photo by Wu Haoxi)

In 2016, *Document No. 1* issued by the Central Government pointed out that "China must direct the focus of government financial support for infrastructure to rural areas, and make great efforts for the construction, management, protection and operation of infrastructure in rural areas to narrow the gap between urban and rural areas."In response to such requirements, ABC took into consideration the features of rural infrastructure construction at county level and in rural areas, and in line with its credit policies for supporting urbanization, fully promoted its credit funds to collaborate with government funding to explore opportunities for making industrial structural readjustment and promoting coordinated regional development. It fully implemented the principles of "providing excellent services, managing risks and promoting sustainable development". ABC actively implemented the "Green Homes for Hundreds of Cities and Thousands of Towns" initiative, established a database for key projects, and vigorously supported national pilot projects for new-pattern urbanization. By the end of 2016, the balance of county-level urbanization loans was RMB 400 billion, RMB 63.4 billion more than that of the previous year, an increase of 18.8%.

Promote the construction of a beautiful and livable countryside via green development

A beautiful China depends on the construction of a beautiful countryside. To meet the requirements for the national construction of new rural areas, ABC cooperated with local governments in Zhejiang, Guizhou, Suzhou, Inner Mongolia and other provinces to render financial support to the pilot projects for building "Beautiful and Livable Countryside". ABC introduced specialized financial service schemes and launched innovative products such as "Beautiful Countryside Loans" and "Beautiful Rural Industry Fund" to actively advocate the concept of shared and green development. It linked the construction of beautiful and livable rural areas with eco-friendly agriculture, tourism agriculture, rural land regulation, ancient villages protection and environmental management in an effort to make rural areas ideal for living, working and travelling.

Beautiful Countryside Construction Chronicle

In November 2013

The Ministry of Agriculture chose 1,100 villages to launch "Beautiful Countryside"pilot construction projects.

In 2014

The Ministry of Agriculture issued 10 models for the construction of beautiful countryside. ABC issued *The Opinions on Rendering Financial Support for "Beautiful Countryside" Construction Projects*.

In 2015

The National Standards Commission issued *Guidance on the Construction of Beautiful Countryside*, which requires that the rate of rural families using clean energy must reach 70% or higher, and the road hardening rate shall reach 100%.

In March 2016

The Ministry of Housing and Urban-Rural Development issued guidance on the construction of green villages.

Starting 2016

The central government decided to grant RMB 1.5 million a year to each village for two consecutive years in a bid to build around 6,000 beautiful villages during the 13th Five-Year Plan period.

Zhejiang Branch entered into a strategic cooperation agreement with Zhejiang Provincial Small Towns Comprehensive Rectification Office to fully participate in the overall environmental rectification projects as a leading bank. Over the next 3 years, ABC will provide a proposed credit line of RMB 100 billion to support the comprehensive rectification of 1000 small towns in Zhejiang. In December 2016, Zhejiang Branch issued *The Management Measures for "Beautiful Countryside" Construction Credit Business (Trial)*. As of the end of 2016, the balance of "Beautiful Countryside" construction loans amounted to RMB 11.6 billion, involving 169 rural townships.

In July 2016, Hebei Branch and the Hebei Provincial Department of Agriculture signed memos on the five-year cooperation and full support for the construction of beautiful villages to provide an intended credit line of RMB 20 billion for such construction. As of the end of 2016, Hebei Branch had participated in 38 Beautiful Countryside construction projects involving RMB 11.5 billion, of which 18 projects and RMB 6.7 billion (including RMB 1.5 billion for a Beautiful Countryside industry project) had been approved, and RMB 1.5 billion of credit funds have been issued.

In September 2016, Ningbo Branch entered into a strategic cooperation agreement with Ningbo City Small Towns Environmental Rectification Office, planning to provide RMB 20 billion of loans for comprehensive management of environmental protection in small towns in three years. In December 2016, Ningbo Branch issued *The Management Measures on Loans for Comprehensive Environmental Rectification in Small Towns*. By the end of 2016, ABC had provided RMB 100 million of credit lines to 3 Beautiful Countryside projects and had issued RMB 72 million of credit loan.

Guizhou Branch focused on the six "Beautiful Countryside" infrastructure construction plans in Guizhou Province, and continued to provide strong credit support for carrying out infrastructure construction and improving living environment in Guizhou. As of the end of 2016, the balance of "Beautiful Countryside" loans had totaled RMB 10.4 billion.

As of the end of 2016, the Inner Mongolia Branch had allocated RMB 35.8 billion of "Beautiful Countryside" industry funds in 13 cities, of which RMB 20.2 billion had been withdrawn to provide a strong support for pastoral infrastructure construction and improve the living condition in underdeveloped areas.

Use "Beautiful Countryside Industrial Fund" to create a new mode of poverty alleviation and getting rich.

We will continue to promote the development of infrastructure construction and social undertakings in rural and pastoral areas so as to comprehensively promote the integration of urban and rural development, accelerate the extension of urban infrastructure in pastoral areas, and expand public services from urban areas to rural areas. In 2016, by issuing industrial funds to the Inner Mongolia Autonomous Region, ABC renovated dilapidated buildings, ensured safe drinking water, hardened country roads for Gacha Village, provided power, television and communications to every village, and renovated school buildings. Also, ABC invested in projects that worked to provide standardized health rooms, cultural activities rooms, convenience chain stores, senior care, and health insurance for permanent population in rural and pastoral areas. These projects improved the infrastructure and living standards for residents in rural and pastoral areas, at the same time, effectively enhanced and created more demand for financial services in those areas. As of the end of 2016, ABC has approved an aggregate of RMB 21.2 billion of "Beautiful Countryside" industrial funds, of which RMB 20.2 billion have been issued.

Facilitate farmers' citizenization with innovative products

Focusing on the "Three 100-Million People" urbanization strategies, ABC is devoted to meeting the financial needs of citizenization. To meet housing demands, ABC, on the basis of rural construction loans, private housing loans and decorating loans, launched "farmers resettlement loans" and made greater efforts to destock the county-level housing inventory to help farmers to settle down in urban areas. To meet the demands for employment and business start-up, ABC provided financial services to encourage entrepreneurship through services such as "industry chain + farming households", "whole village + multi-household joint guarantee", "pioneers + farming households" and "bring industries back to keep moms at home". To meet the need of consumption and social security, the Bank provided the rural immigrants with more financial products, services, health insurance, senior care insurance and other social security services during the citizenization process.



Supporting entities: "The Butterfly Effect" under supply side

Secretary General Xi Jinping pointed out that supply-side structural reform is a momentous decision made on the basis of the judgment of the world economic situation and the new norm of economic development in China. All places and departments should align their thinking and actions with the decision and arrangements of the CPC Central Committee and focus on cutting overcapacity, destocking, deleveraging, reducing cost and shoring up weak spots ("Five Major Tasks"). The Agricultural Bank of China has earnestly met the requirements of the CPC Central Committee, acted on its own to suit and serve the new economic norm, vigorously pushed forward the supply-side structural reform, remained oriented toward the "Five Major Tasks", given top priority to Made in China 2025, modern service industry, new consumption and the financing mode for governmental purchase of service projects, thus effectively supporting government-led projects. ABC has intensified support for enterprises that "go global", injected new vigor into the supply-side structural reform and assisted the real economy in improving quality and benefits.

Measures for Supply Side Structural Reform

Supporting strong industrial bases, transformation and upgrading

- Supporting the manufacturing enterprises that align with the "Made in China 2025" initiative and the orientation of emergingstrategic industries;
- Supporting the development of aerospace equipmentindustries, energy conservation and NEVs;
- Supporting strategic industries such as biomedicine, new energy, new materials and 3D printing;
- Supporting technical upgrading and transformation, projectsM&A and "going global"

Supporting modern service industries

- Supporting productive service industry
- Supporting cultural and tourist industries
- Supporting education industry
- Supporting medical industry

Supporting the industries related to consumption upgrading

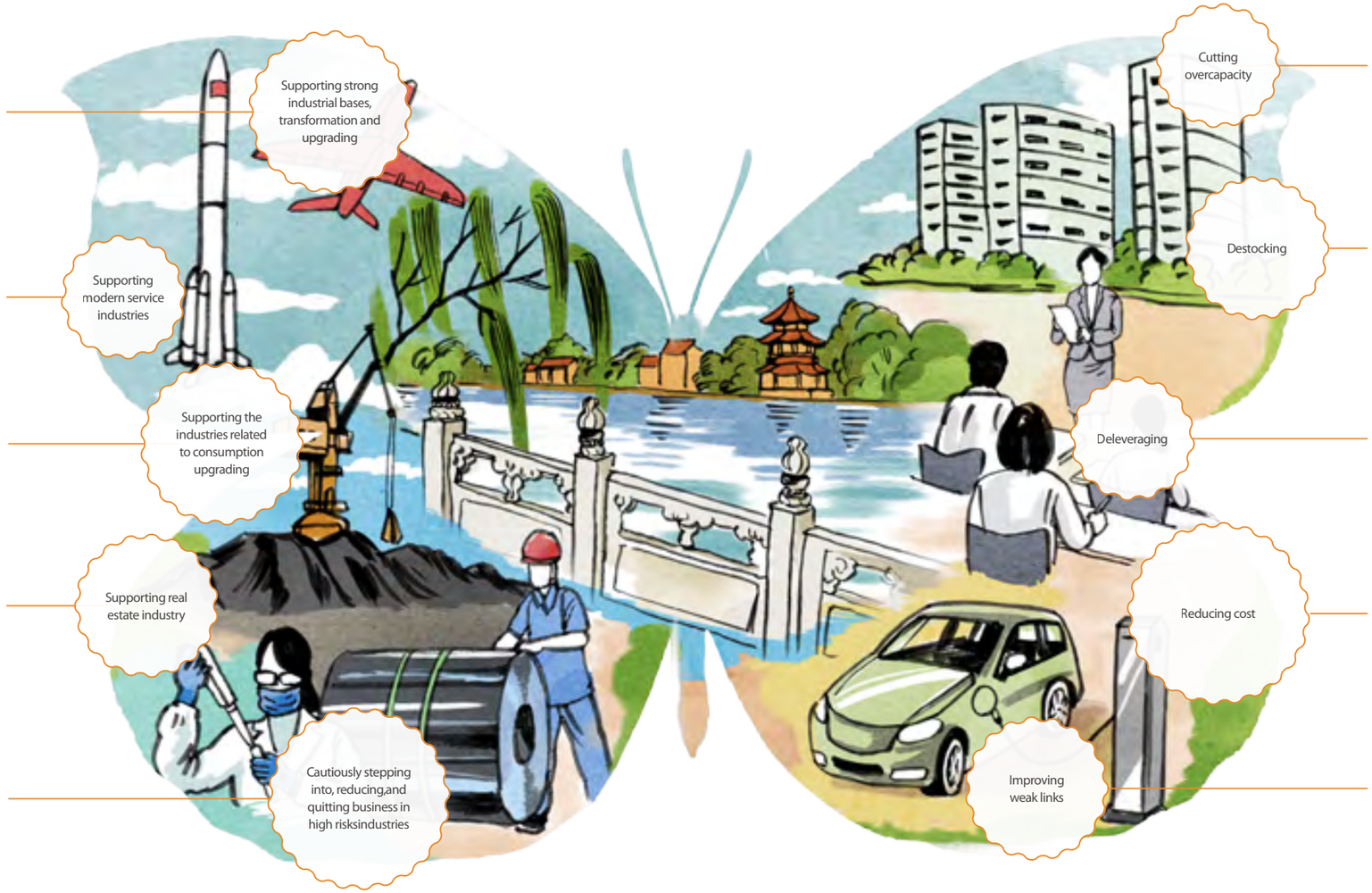
- Tapping the financing demand in consumption fields, e.g. health management and smart home
- Supporting the information network and logistic information platform of a new generation

Supporting real estate industry

- Supporting ordinary commercial housing projectsin tier-1 and tier-2 cities with reasonable supply-demand ratio
- Propelling financial service mode for real estate industrial chain
- Propelling financial services such as personal mortgage and merchant acquiring
- Strengthening risk control of building materials industry

Cautiously stepping into, reducing,and quitting business in high risksindustries

- Strictly controlling the credit for overcapacity industries
- Refusing to grant credit to new projects without legal approval in serious overcapacity industries, e.g. steel and coals
- Reducing and cutting off loans for "zombie enterprises"
- Cautiously stepping into the upstream mining and downstream processing sub-industries of overcapacity industries
- Reducing and cutting off loans for low added value and dependency driven low-end manufacturing industries



Cutting overcapacity

- The loans were reduced by RMB 17.7 billion for 8overcapacity, industries including steel and coal industries, and by RMB 221.9 billion for 12 industries under restrictions

Destocking

- By the end of 2016, the Bank had issued RMB 2.56 trillion of individual housing loans, up 32.9% year on year, including a balance of RMB 763.0 billion in individual home mortgage loans at county level, up 28.3%

Deleveraging

- ABC underwrote RMB 415.1 billion of debt financing instruments and increased its purchase of industrial funds by RMB 88.5 billion; and invested RMB 732.8 billion in local governmental bonds, up 33.1% year on year

Reducing cost

- The enterprise financing cost was 4.66%, 121 base pointsdown from the previous year

Improving weak links

- The loans for small and micro enterprises increased by RMB 115.4 billion from the beginning of the year, chalking up a growth rate of 10.6%, 1.5 percentage points higher than the average level of the whole bank.

Results of Supply Side Structural Reform (As of the end of 2016)

The Agricultural Bank of China works closely with national policies, supports the transition of the economy and society, gives play to traditional advantages and intensifies sustained support to major national strategies, including "The Belt and Road" initiative, integrated development of Beijing, Tianjin and Hebei, Yangze River Economic Belt; conscientiously implements the strategic national deployment of assisting small entities and supporting the development of the real economy, gives priority to mass entrepreneurship and innovations in their access to financial resources, takes all measures, e.g. differentiated credit management and reduction of charges, to strongly support the development of small and micro enterprises.

Serving "The Belt and Road" Construction

Since the implementation of "The Belt and Road" strategy, the Agricultural Bank of China as a large State-owned commercial bank has gone all out to serve the national strategy by continuously infusing financing resources into "The Belt and Road" construction. It has formulated the opinions on implementing "The Belt and Road" construction, which focus on supporting enterprises in "going global" ,agricultural cooperation, interconnection of infrastructure, investment and cooperation in energy resources, international cooperation in economy and trade. To actively expand the major projects in countries along "The Belt and Road", boost the steady progress of financial cooperation with them, and lend a hand in building the "road" toward prosperity and an all-win outcome.

Measures Designed to Help "The Belt & Road" Construction

- **Erecting a platform to enhance cross-border service capability**
  - Setting up ASEAN Business Center, Pan-Asia Business Center and Mongolian Business Center
  - Promoting the trading and conversion between RMB and currencies like Vietnam Dong, Lao Kip, Thai Baht, Mongolian Tugrik and Tajikistani Somoni for establishment of a platform of international financial cooperation and innovations
- **Aiding the construction of infrastructure to create modern traffic hubs**
  - Supporting the strategic plans of the provinces/cities along "The Belt and Road"
  - Assisting Xi'an, Urumqi, Quanzhou and Lianyungang in building traffic hubs
- **Creating products to push enterprises to "go global"**
  - Making innovations in financial products
  - Giving play to the advantages of FTZs in providing package financial solutions, settlement and foreign exchange transactions for "going global" domestic enterprises and "coming in" foreign enterprises
  - A number of products, including "Cross-border RMB Comprehensive Financial Service", were rated as "Examplary Cases of Financial Innovations in Shanghai Free Trade Zone"

Suzhou Branch gave great support for local economic transformation and upgrading in Suzhou (Photo by Zhang Hongru of Jinji Lake Sub-branch, Suzhou Industrial Park)



President of Republic of Congo visited ABC and signed cooperation agreement

On July 4, 2016, President Denis Sassou-Nguesso of the Republic of Congo visited ABC together with his wife and a Congo delegation. Board Chairman Zhou Mubing conducted in-depth exchanges with the President about deepening mutual strategic cooperation in finance, the future development of Sino-Congolese Bank for Africa and the use of RMB in Congo. On July 5, witnessed jointly by President Xi Jinping and President Denis Sassou-Nguesso of the Republic of Congo, Chairman Zhou Mubing and Congolese Minister of Finance, Budget and Treasury Calixte Nganango signed The Agreement Between Republic of Congo and the Agricultural Bank of China for Deepening Financial Strategic Cooperation and Cross-border RMB Financial Service. This is another major cooperation between the two countries in financial field after they signed the "Agreement for Cooperation in Establishing a Joint Venture Bank" in June 2014.

ABC represented at the roundtable dialogue between Vietnamese Premier and CEOs of Chinese enterprises

On September 11, 2016, President Zhao Huan attended a roundtable dialogue held in Nanning, Guangxi Province between Vietnamese Premier and the CEOs of Chinese enterprises. As the only representative of the China's banking industry, he talked about ABC's latest development and shared his views on serving and promoting Sino-Vietnamese economic and trade cooperation with the Premier, the delegation of Vietnamese government and the representatives from the puiblic.

President Denis Sassou-Nguesso of the Republic of Congo visiting and signing a cooperation agreement with ABC



Promoting coordinated development of Beijing, Tianjin and Hebei

The Agricultural Bank of China closely revolves around the strategic vision of "4 centers" of the capital and the objective of coordinated development of Beijing, Tianjin and Hebei, fully connect with *The Outline of Plan for Coordinated Development of Beijing, Tianjin and Hebei*, and regards the integrated traffic, improvement of ecological environment, industrial transfer, integration and upgrading in Beijing, Tianjin and Hebei as the three main points of support.

Measures Taken by the Agricultural Bank of China to Support the Coordinated Development of Beijing, Tianjin and Hebei

One organization

the Head Office specially set up the Leading Group of Financial Services for Coordinated Development of Beijing, Tianjin and Hebei, while the branches in the three places set up their own Leading Group of Financial Services.

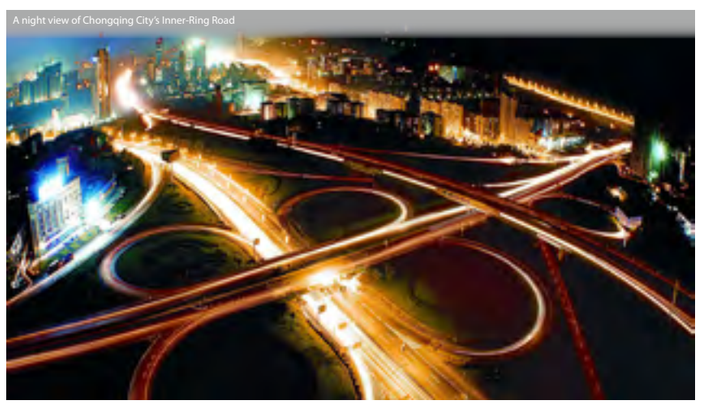
Two policies

Credit Policy Supporting the Coordinated Development of Beijing, Tianjin and Hebei
Guiding Opinions on Supporting the Coordinated Development of Beijing, Tianjin and Hebei

Three aspects

Supporting traffic integration to build a road toward coordinated development	Integrating resource advantages and acting as the engine of transition and development	Aiding the acceptance of industries and building a "nest for migrating birds"
• Leading the syndicated loan project for construction of the new airport in Beijing • Signed a strategic agreement with the Beijing-Tianjin- Hebei Railway Company for RMB 30 billion of intentional financing • Supporting the construction of the passenger transport project of Tianjin-Qinhuangdao Railway	• Successfully completed the first cross-border joint leasing business of Tianjin FTZ • Focusing on supporting 4 leading construction enterprises, including CSCEC and China Communications Construction Co., Ltd. • Setting up several industrial funds in conjunction with central enterprises including CNNC and Shougang Group	• Successfully facilitating the syndicated loans for Beijing-Tangshan Steel Project of Shougang • Supporting the individual customers in industrial transfer

A night view of Chongqing City's Inner-Ring Road



Boosting the new leap of Yangze River Economic Belt

In March 2014, "Building Yangze River Economic Belt by relying on the golden waterway" was officially included in *The Government Work Report*. In recent years, the Agricultural Bank of China has held fast to the opportunity of the development of Yangze River Economic Belt, made continuous innovations in financing instruments, expanded aggregation of credit, optimized credit structure and intensified the support for the infrastructure construction projects and economic transition and upgrading in Yangze River Economic Belt. By the end of 2016, ABC had cumulatively invested RMB 1,990.5 billion of loans to support the construction of Yangze River Economic Belt.

A State-level key energy project supported by Hudong Sub-branch of Fuzhou (Photo by Sun Wei of Hudong Sub-branch of Fuzhou)



Measures Designed to Support Yangze River Economic Belt

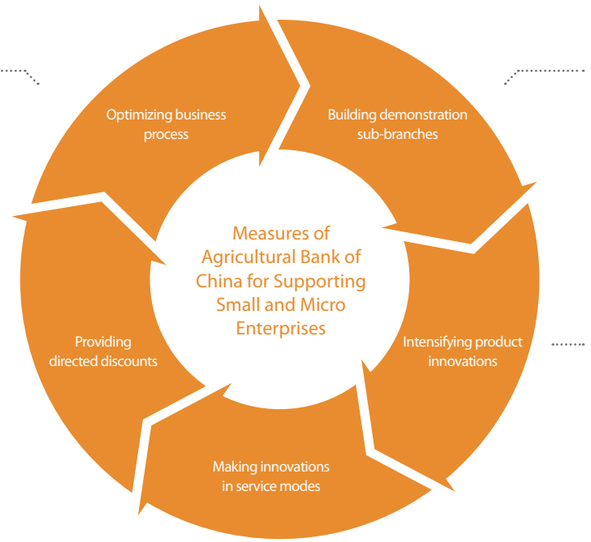
Areas Supported	Measures
Supporting the key areas related to "Sannong"	• Improving regional credit policy: establishing a mechanism for centralized management of customers; improving the operation efficiency of credit business • Intensifying the support for allocation of resources: increasing the priority distribution of credit scale; intensifying the allocation of financial resources; improving the network of outlets • Intensifying efforts to innovate financial products: encouraging the experiment with new products and new policies; studying the creation of Shanghai Product Innovation Base; encouraging branches to carry out product innovations • Improving incentive and examination system • Improving organization system by setting up the Leading Group of Supporting the Development of Yangze River Economic Belt in the Head Office
Supporting the construction of Yangze golden waterway	
Supporting the construction of the integrated traffic corridor of Yangze River Economic Belt	
Supporting the construction of new urbanization	
Supporting industrial transition and upgrading	
Supporting network informatization	
Supporting all-round opening to the outside world	
Supporting the construction of water conservancy and development of hydropower resources	
Supporting the improvement of financial services in people's livelihood	

Boosting the development of small and micro enterprises

Boosting mass entrepreneurship and innovations is necessary to accelerate the implementation of the strategy of driving development and accommodate and lead the new norm of economic development, The Agricultural Bank of China gave play to its financial function and promoted the rapid development of small and micro enterprises through innovations in products and mode, differentiated credit management, reduction or waiver of charges and other measures. By the end of 2016, the balance of loans for small and micro enterprises reached RMB 1,203.6 billion.

湖南分行创新推出“湘通贷”产品，解决中小外贸企业融资难题

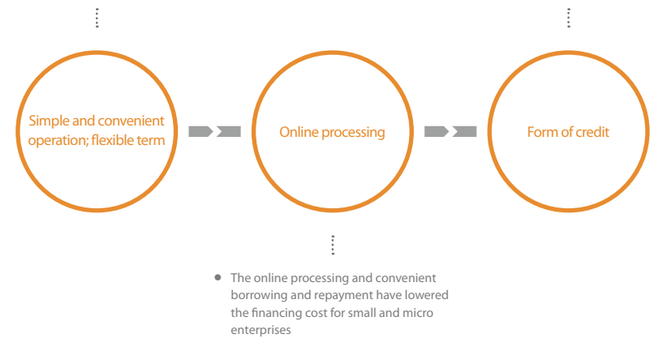




- Issued *The Implementation Opinions on Continuously Promoting the Development of the Financial Business for Small and Micro Enterprises*; formulated specific policies of providing financial support for small and micro enterprises
- Intensify the preferences of reducing or waiving service charges for the small and micro enterprises of quality space for mass innovations and innovation-based business starting
- Widening low-cost credit increase channels, represented by government increase of credit
- Promoting “online accountopening” system to achieve“online booking” and “online collection of customer information”functions
- Exploring the whole-process directory system management of small and micro customers
- Created the first batch of 52 demonstration sub-branches of financial services for small and micro enterprises
- Strengthened the team of internal trainers of financial business for small and micro enterprises
- Developing and spreading distinctive products, e.g.“Shui Yin Tong”,“Data Online Loan” and “Fast Online Loan”
- Developing “Online Loan Application Platform for Small and Medium Enterprises”
- Issued *The Implementation Opinions on Promoting Financing Business via “Government Increase of Credit” for Small and Micro Enterprises*
- ABC introduced 11 small and micro distinctive credit products that can be used throughout the bank, amounting to a credit balance of RMB 132.7 billion
- Launched 29 regional distinctive new products
- Experimenting with the templatization of credit business for small and micro enterprises

Agricultural Bank of China serving the upstream/ downstream small and micro enterprises of core groups by relying on “Data Online Loans”

“Data Online Loans” is an important innovation made by the Agricultural Bank of China through data technology. Connected with the ERP system of core enterprises, it uses the information of historical transactions to evaluate the upstream/downstream small and micro enterprises of core groups, create an ecological circle of information industrial chain and break the restrictions of traditional business.



- The product highlights the “self-financial” experience of customers, realized Internet-enabled online processing,with simple and convenient operations, as well as flexible loan term. Small and micro enterprises can complete borrowing and repayment without the need for their staff to go out. It takes only 2~3 minutes from acceptance of application to issuance of loans
- The product issues loans through credit, thus solving the problems of traditional small and micro loans, e.g. difficult access, difficult approval and difficult guarantee, and starting the mode of inclusive financial services that values credit, belittles guarantee and needs no mortgage.
- The online processing and convenient borrowing and repayment have lowered the financing cost for small and micro enterprises

Publicity pictures of ABC’s financial services for small and micro enterprises



Alleviating poverty in the execution of inclusive finance Alleviating poverty: Let no one "fall behind"

The Decision of CPC Central Committee and State Council on Winning the Battle of Poverty Alleviation points out that banks and other financial institutions should extend their service networks, make innovations in their financial products and increase the credit for poverty-stricken areas. The Agricultural Bank of China has earnestly implemented the decision and deployment of the CPC Central Committee and the State Council, continuously improved top-level design, optimized the product innovation mechanism and opened "green passage" for the products of targeted poverty alleviation that have regional policy advantages and teamed up with local industries. Since the beginning of 2016, ABC has approved 14 distinctive products of financial poverty alleviation in 12 branches, including the "Getting Rich Loans" of Ningxia Branch, "Credit for Industrial Poverty Alleviation" of Jiangxi Branch, "Kins Loans for Targeted Poverty Alleviation" of Jilin Branch and "Colorful Yunnan - Anti-Poverty Loans" of Yunnan Branch. In 2016, ABC cumulatively issued RMB 335.1 billion of loans in 832 key counties of poverty alleviation, with the balance of loans at RMB 704.4 billion, RMB 92 billion more than the balance at the beginning of the year, registering a growth rate of 15%. The services helped 5.6 million poor people on record, 1.06 million more than the number at the beginning of the year.

Seven Modes of the Agricultural Bank of China for Financial Poverty Alleviation

Mode of driving via government increase of credit

- The government increases credit for poor farmer households through professional guarantee companies, risk compensation funds and insurance
- Issuing loans to the objects of credit increase according to a certain ratio of the capital funds of guarantee companies or risk compensation funds
- Joining the government in excellent post-loan management

Mode of driving via particular financing participants

- The particular financing participants accept and repay loans. The repayment of the principal and interest thereof are incorporated into the financial budget of the government, with the government finance bearing risks

Mode of driving via the industrial chain of distinctive agriculture

- Providing package services including financing, settlement and financial management to meet the financial needs of the entire industrial chain of distinctive agriculture, with focus on the backbone enterprises on the industrial chain

Mode of driving via tourist resources

- Over 70% of the scenic zones have a large number of impoverished villages in concentrated distribution around them, which constitute the huge potentials of poverty alleviation via the tourist industry

Mode of driving via leading enterprises

- Supporting the upstream and downstream poor farmer households through the recommendations and guarantee of leading enterprises as well as the closed management of funds

Mode of "Internet + poverty alleviation"

- Strongly promote the platforms of financial services, e.g. "ABC e-Housekeeper", "Yin Xun Tong" mobile payment system and "4-P Finance" platform
- Making innovations in the loan products for farmer households by using big data technology

Mode of bonds + targeted poverty alleviation

- Issuing poverty alleviation bonds to raise funds in a market-oriented manner for investment in poverty alleviation projects to closely link up targeted poverty alleviation with bonds and secure the progress of overall social welfare at lower cost



335.1 billion
In 2016, Cumulatively Issued Loans

704.4 billion
Balance of Loans

92 billion
More than the balance at the beginning of the year

15 %
growth rate

5.6 million people
The number of services helped poor people on record

Credit Policy and Measures of ABC for Poverty Alleviation

Improved organizational propulsionmechanism	Issued financial poverty alleviation plan	Drew up county-specific financial servicesplans	Carried out industrial targeted poverty alleviation
• Set up working group of financial poverty alleviation with the top managerl as leader; formed dedicated poverty alleviation organizations or teams • Established the system of leading cadres on secondment in designated places to guide the county-level sub-branches in the poverty-stricken areas, with the effect being incorporated into the examination of leading cadres	• Issued *The Opinions on Making a Good Job of the Financial Poverty Alleviation in the Period Covered by the 13th Five-Year Plan*, which sets out the objectives, tasks, key jobs and resources support in the forthcoming 5 years	• the Head Office guided county-level sub-branches in poverty-stricken areas one by one in formulating their financial service plans, which clarify objectives, methods and supportive measures of targeted poverty alleviation	• Focusing on supporting the poverty-stricken areas in building up industrial advantages • Set up the mechanism of linking up the interests of poor farmer households and the subjects of industrial development
Pushed forward the innovations in financial products	**Increase the injection of resources**	**Established the special mechanism of evaluation and monitoring**	**Doing a good job of fixed-point poverty alleviation**
• Set up 15 agricultural product innovation based in poverty-stricken areas • Delegated the power of making innovations in the credit products for the distinctive agriculture in poverty-stricken areas to tier-1 branches and implementing differentiated policies for poverty alleviation loan business of government increase of credit	• Issued mandatory credit programs to the sub-branches in 832 national-level key counties of poverty alleviation • Giving priority to the county-level sub-branches in poverty-stricken areas in training resources and employment plans	• Included the issuance of credit to the 832 national-level key counties of poverty alleviation into examination • Distributed *The Special Plan for Evaluating Financial Poverty Alleviation* to place the county-level sub-branches in poverty-stricken areas under penetrative examination • Pegging the results of examination to salary and fee distribution • Accelerating the building of the information system of financial targeted poverty alleviation of the bank	• ABC leaders several times went to the 4 designated counties of the Head Office for poverty alleviation to carry out investigations • the Head Office held two meetings on fixed-point poverty alleviation • Distributed the policy of supporting fixed-point poverty alleviation; implemented the scale of fully ensured credits; set up 11 supportive policies, including the project pre-examination mechanism

"4-P Finance" Mode for Fixed-Point Poverty Alleviation

Provision of comprehensive public services --- to help poor households to dispel the mentality of "fear for difficulties"	Provision of e-loan services --- to innovate the solution of the difficulty of poverty alleviation industries in receiving loans	Provision of inclusive financialservices --- to ease up the difficulties of poor households in depositing and withdrawing money	Provision of e-commerce services--- to address the difficulties of poor households in linking up their small production with the large market
• Contacted the subordinate organizations in many regions to obtain detailed information about the progress of local poverty alleviation projects and the construction of new rural areas • Regularly explaining the latest poverty alleviation policy to villagers and set up bank-villageof joint efforts teams	• Carried out the credit rating of poor households • Exploring the innovations in the mode of financial targeted poverty alleviation of "ABC + poverty alleviation industries/ specialized cooperatives + poor households" • Providing considerate loan processing services	• Making efforts to install "Kins Hui Nong Tong" smart terminals in village shops and specialized cooperatives of beef rearing • Formed publicity teams of financial services to educate villages in the smart terminal • Recommended and popularized cell phone banking APP among young villagers, migrant farmer workers and rural undergraduates	• Helping farmers sell their vegetables and fruits in cities • Helping farmers sell their local specialties in supermarkets

Supporting the economic development of poverty-stricken areas

The Agricultural Bank of China acts on its own to align itself with the development plans of poverty-stricken areas, provides strong support to the construction of infrastructure and assists poverty-stricken areas in improving their conditions and investment environment for economic development. In 2016, ABC provided the 832 key counties of poverty alleviation with RMB 63.7 billion of loans for infrastructure such as traffic, water conservancy and power grids, with a loan balance of RMB 240.2 billion, RMB 29.9 billion more than the balance at the beginning of the year, up 14.2%. ABC issued RMB 500 million of social benefit bond for poverty alleviation, the first of its kind in the country.

Based on the existing resources of poverty-stricken areas, ABC has connected industrial poverty alleviation with targeted poverty alleviation to support leading enterprises, family farms, specialized cooperatives and industrial parks in playing a diffusive role to achieve coordinated poverty relief. By the end of 2016, ABC had supported 3,793 small and micro enterprises within the 832 key counties of poverty alleviation with the balance of loans at RMB 108.9 billion, which was RMB 11.2 billion more than that at the beginning of the year, up 11.5%. The number of supported new farming business entities reached 136,000, and the total balance of loans stood at RMB 33 billion, RMB 3.4 billion more than the balance at the beginning of the year, up 11.5%. The balance of loans for the tourism industry was RMB 7.6 billion, RMB 1.4 billion more than the balance at the beginning of the year, up 23.5%.

Enhancing people's well-being in poverty-stricken areas

The Agricultural Bank of China aims at putting poor households on record, explores the innovation in credit mode through multiple ways, e.g. bank-government cooperation and bank-insurance cooperation, increases the targeted issuance of petty loans for poverty alleviation to support people's livelihood projects in poverty-stricken areas, e.g. medical, education and housing projects, and improve the living standard and public services. By the end of 2016, ABC issued RMB 41.9 billion of petty loans for the farmers in the 832 key counties of poverty alleviation, which supported over 1 million farmer households, with a loan balance of RMB 47.2 billion, RMB 8.9 billion more than the balance at the beginning of the year, up 23.1%; issued RMB 20.9 billion of loans for urbanization and RMB 3.6 billion of loans to hospitals and schools. By the end of the year, the total balance of loans for people's livelihood projects was RMB 64.2 billion, RMB 11.0 billion more than the balance at the beginning of the year, up 20.8%.

ABC has accelerated the layout and implementation progress of "Kins Hui Nong Tong" project, optimized the distribution of physical outlets, increased the number of self-service banking outlets and enhanced the efficiency of machines in the counties of poverty-stricken areas to provide the people there with convenient financial services; vigorously promoted e-commerce platforms, e.g. "ABC e-Housekeeper", "Yin Xun Tong" mobile payment system and "4-P Finance" platform, by relying on rural financial service outlets, strengthened the connection between banking channels and the e-commerce platforms of agricultural enterprises to achieve the interconnection of information and funds, and help poor farmer households embark upon the express train of "Internet + poverty alleviation". By the end of 2016, "Kins Hui Nong Tong" had basically covered all administrative villages with fixed-line telephone communications conditions, and the platform of "ABC e-Housekeeper" had been launched in 30 branches.

Intensifying the support for fixed-point poverty alleviation

To follow out the spirit of the working conference of the CPC Central Committee on fixed-point poverty alleviation, the Agricultural Bank of China continuously intensifies the financial support for the 4 counties of appointed poverty alleviation --- Wuqiang and Raoyang in Hebei, Huangping in Guizhou and Xiushan in Chongqing, distributed *The Policy of the Agricultural Bank of China for Supporting Fixed-Point Poverty Alleviation*, implemented the scale of fully ensured credits and set up 11 supportive policies, including the project pre-examination mechanism. Meanwhile, ABC included Fuping County in Hebei into the scope of appointed support of the Head Office. In 2016, ABC assigned a Deputy Magistrate responsible for poverty alleviation to each of the 4 counties of appointed poverty alleviation and Fuping County in Hebei and dispatched a "First Secretary Village" to Wuqiang and Raoyang. Each year, ABC allocates RMB 1.5 million of special funds poverty alleviation and RMB 100,000 of training fee to each of the counties, plus RMB 200,000 of poverty alleviation funds and RMB 50,000 of training fee for every village.

	Objectives	Thoughts	Countermeasures
Efficient	For responding to global climate changes	ABC needs to push on the shift to greener business operations	Establishing a leading green financial system
Low-Carbon	For supporting green and low-carbon projects	ABC needs to strengthen green financial services	Innovating green financial products and services
Environmental Protection	For disseminating the idea of green environmental protection	ABC needs to intensify the cooperation in green finance	Introducing the technology and experience for green finance

Green Financea

50 "ABC elements" in the climate agreement
52 Green credit driving beautiful China
54 Green products supporting green industries
56 Green operation aimed at implementing the philosophy of environmental protection









“ABC elements” in the climate agreement

Developing green finance is an important measure for achieving green development and also an important part of supply-side structural reform. As a responsible large State-owned commercial bank, ABC conscientiously implements the green development idea of the country, continuously enhances the management of green finance and makes constant efforts in the aspects of service performance, products innovation and intensification of the international cooperation in green finance to speed up the development of green financial business, e.g. green credit, green bonds and carbon finance.

Policy

In 2016, 7 ministries/commissions, including the People’s Bank of China and the Ministry of Finance, jointly distributed the “Guiding Opinions on Building the System of Green Finance”.

Response

Plan

- Formulated *The Opinions on Implementing Green Credit* to improve the working system from the aspects of credit policy, process management and risk control

Measures

- Enhancing strategic management and improving the management system and operation mechanism of green finance
- Adjusting credit structure and accurately determining the fields of green financial services
- Intensifying the green ideas and promoting the innovations in green financial services

Effect

Five Firsts

- First in China to issue green finance bonds worth USD 1 billion in the London Stock Exchange
- First among State-owned commercial banks to introduce clean development mechanism (CDM) advising
- First to cooperate with IFC in creating the securitization standard for green credit assets
- First to team up with Credit Agricole Asset Management to set up “Sino-French International Green Development Fund”
- First to reach an intention of cooperation with the Ministry of Environmental Protection

Digital representation

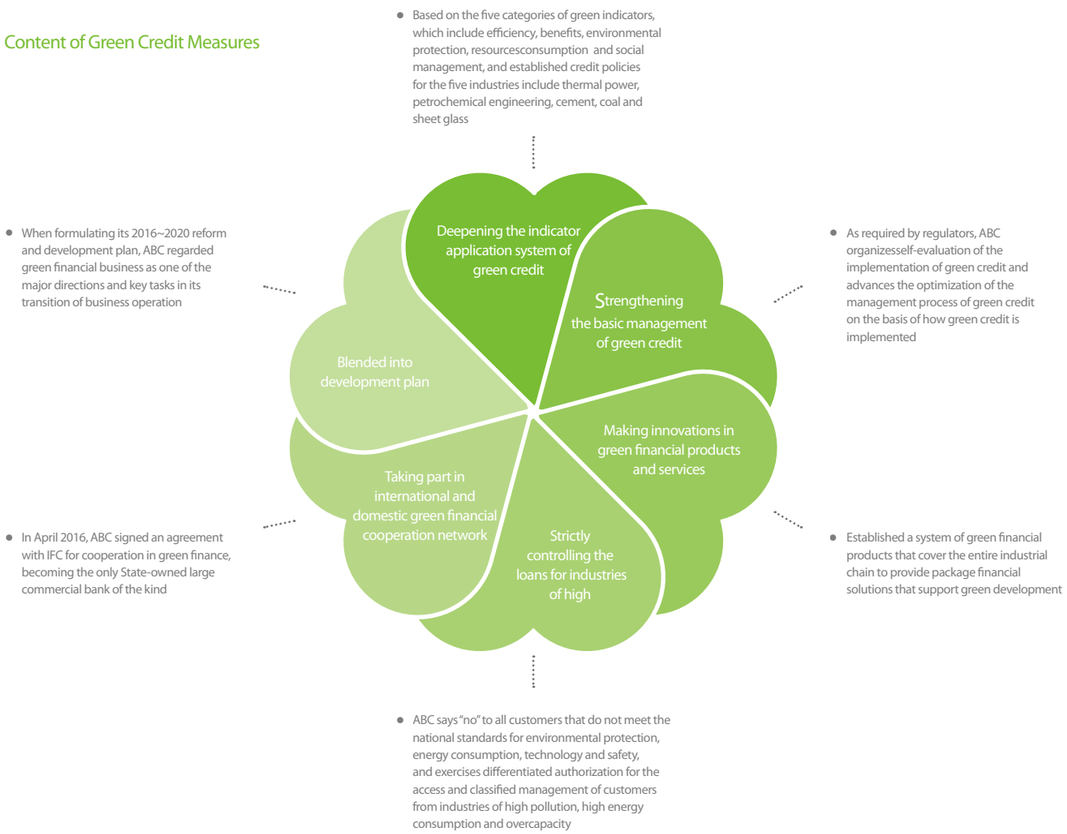
- By the end of 2016, the environmental protection projects supported by ABC saved 27.9 million tons of standard coal and reduced CO2 by 60.09 million tons each year, achieving satisfactory effect of energy conservation and emission reduction



Green credit driving beautiful China

Revolving the national strategy of green development, and in compliance with the Green Credit Guidelines of the China Banking Regulatory Commission, and the Guiding Opinions on Building Green Finance System jointly issued by the People's Bank of China, Ministry of Finance, the National Development and Reform Commission, Ministry of Environmental Protection, China Banking Regulatory Commission, China Securities Regulatory Commission, and China Insurance Regulatory Commission, the Agricultural Bank of China has blended green development into its own development plan, guided the allocation of more monetary resources to green financial development, and worked hard to build green finance into another characteristic in addition to the services it provides for "Sannong". By the end of 2016, the balance of its green credit was RMB 649.4 billion, equal to reduced emission by 27.9 million tons of standard coal, 60.1 million tons of CO2 equivalents, 290,000 tons of COD, 49,000 tons of ammonia nitrogen, 979,000 tons of sulfur dioxide and 1.538 million tons of nitrogen oxides, plus 11.7 million tons of water saved.

Content of Green Credit Measures



Issuance of the first green asset securitization product of China in cooperation with IFC of the World Bank

In 2016, ABC for the first time went into cooperation with IFC of the World Bank to build itself into a green financial bank that is leading at home and first-rate abroad, and obsorbing and digesting advanced international technology and experiences of green finance.

Achievements of Cooperation



In 2016 the two sides completed at the startup stage, worked out implementation plan for docking within ABC, set the objectives and tasks for the system of green finance， innovatively issued the first green asset securitization product certified by the stock exchange in China, invited expertsin the industry, including Dr. Ma Jun, Chief Economist of the Research Bureau of the People's Bank of China, to hold training lectures on green finance for ABC and jointly investigated some of the key green industries.

By now, it has become the consensus throughout ABC to serve "Sannong" and develop "green finance". At the next stage, the two parties will jointly work out the 13th Five-Year strategic plan of ABC for green finance and continuously improve and substantiate the existing system of green products through sustained product innovations and business training to spread the idea of green finance throughout the bank.

Green products supporting green industries

- On July 27, 2016, ABC cooperated with Xinjiang Jinfeng Technology Co., successfully issued the first security supported by green assets in the market --- "ABC Sui Ying • Jinfeng Technology Wind Power Charge Usufruct Security Supported by Green Assets"

- The project received the green certification by DNV GL, with IFC of the World Bank, a leading entity in the international field of green finance, providing evaluation of green performance. It is the first green credit bond in China that received dual certification by world famous green certification institutions



- Within the 5 years of the project, it will cut the emission of greenhouse gas by 2.4 million tons, equal to the saving of 858,000 tons of standard coal

- The scale of issuance is RMB 1.3 billion with a term of 1 to 5 years. The weighted average interest rate is merely 3.98%, 16.22% lower than the benchmark interest rate of loans of the same term a record low interest rate of securities supported by the assets of non-financial enterprises, reflecting the high market recognition of green products

A team of ABC equity directors taking a research tour to Hainan National Tropical Agricultural Park



The equity directors of the Agricultural Bank of China, including Zhao Chao, Zhou Ke, Zhang Dinglong, Chen Jianbo, Hu Xiaohui and Xu Jiandong, went to Hainan Branch on a investigatory trip, focused on the support given to local environmental protection, protective development of tourism, development of low-carbon and green industries, provision of financial services, difficulties encountered during financial support, countermeasures and suggestions.

Green development has become one of the main themes in the 13th Five-Year Plan. The Agricultural Bank of China closely follows the national development strategy, advances the shift to greener business operations, makes innovations in products, e.g. the securitization of green assets, vigorously supports the construction of clean energy projects, e.g. hydropower, photoelectricity and wind power, boosts the development of green industries.

Report on the Use of Proceeds from the Green Bond

On October 13, 2015, ABC issued USD 1 billion of dual-currency green bond at London Stock Exchange. As of September 30, 2016, the net proceeds from the green bond have been fully invested in the green projects, which include the clean transportation and renewable energy categories. The renewable energy projects invested by the net proceeds could replace 1,450,200 tons fossil energy consumption, and cause 3,480,500 tons carbon dioxide (CO_2) emission reduction each year.

Net Proceeds Invested in Eligible Green Projects

Green Industry		Amount(CNY 100 Million)	Green Projects
Clean transportation	Subway construction	10.00	The Subway Line Construction Project in Beijing The length of subway line is around 26 km, the plan is to build 17 stations. In the initial stage (by 2019), the annual passenger flow is expected to reach 327.0 million passengers per year. Meanwhile, the expectations of mid stage (by 2026) and long-term stage (by 2041) are 341.6 million and 389.6 million passengers per year, respectively.
Renewable energy	Wind power generation	44.27	The Wind Power Generation Project in Gansu Province The project installs 24 sets of wind turbines, each with the capacity of 2 MW, thus the total installed capacity is 48MW. The annual grid-in power of the wind power plant is expected to 100,270MWh,, and the average annual operation hour is 2,089 h.
	Photo-voltaic power generation	6.89	The Photo-voltaic Power Project in Qinghai Province The total installed capacity of the project is 530 MW. The grid-in power in the first operational year is expected to 929,372MWh. The average annual grid-in power in 25 years of operations is expected to 837,462.6MWh. The average annual operation hour is 1,519.2 h.
	Biomass power generation	1.90	The Biomass Power Generation Project in Jiangsu Province.The main fuel of this biomass power generation project is the local wood processing residues (bark), with wheat and corn stalks as a supplement. The project installs a 30 MW generating unit and a boiler with 130 t/h capacity. The annual biomass fuel consumption is expected to 196,593 t, and the annual operation hour is 7,000 h. The annual power generation and grid-in power are 210,000 MWh and 185,850 MWh, respectively.
Total Amount		63.06	

Green operation aimed at implementing the philosophy of environmental protection

Energy and environment have become a new global issue confronting mankind. As a large listed company with international influence, ABC attaches great importance to energy conservation and environmental protection and has lifted the management of energy conservation and carbon reduction to the height of strategic management. By the end of 2016, the Head Office itself emitted 557.8 tons of CO_2 directly through greenhouse gas and 16,896.8 tons of CO_2 indirectly through greenhouse gas;reduced power consumption by 1.9 million KWH year on year, which can be converted to 1,166 tons of CO_2 emission. Multiple energy-saving indicators of the Head Office were better than the advanced values of Beijing. The Bank organized or took part in 2,456 environmental protection activities that involved 73,057 employees. Due to the nature of ABC's business, currently, no environmental laws and regulations will cause major impact to the Bank.

Measures and Content of Green Life

Green office work

- Completing *Self-Check Report on Energy Conservation, Report on Utilization of Energy, Report on Verification of Carbon Emission* and performance of contract for carbon transactions as required each year
- Carefully implementing *Energy Management System* and relevant management measures; formulated and distributed *The Energy Management Measures for the Head Office of the Agricultural Bank of China*
- Coordinating the energy management of the whole bank and lifting it to the height of strategy management
- Inviting specialized units to evaluate the energy management of ABC
- Optimizing the energy-saving plan for central air conditioning, lighting system and other key energy consumption equipments
- Carrying out the energy-saving transformation of air conditioning system and the LED lighting transformation of the underground parking garage
- Took the measures of issuing *Energy Conservation Notice* and organizing training in the saving of water and electricity
- Carried out the pilot reform for centralized printing of documents in the Head Office, reducing the scale of document printing by about 61% and intensifying the economization of paper

Green procurement

- Restructured the procurement management system
- Printing procurement response documents on both sides when compiling procurement documents
- Adding the content on green procurement in the procurement documents
- Using electronic documents in lieu of paper documents when releasing procurement documents
- Appropriately reducing the copies of procurement response documents
- Using the electronic version of the materials for meetings of centralized procurement

Supply chain management

- Added "The purchaser has the right to make suggestions on the supplier's employment, appointment, adjustment or replacement of the service personnel for management of major properties" in the terms and conditions of the procurement contract
- Requiring suppliers to assume corresponding social responsibility
- Signing the liability statement for incorruptness in engineering projects
- Clearly requiring suppliers to be eligible as provided by laws and administrative regulations in bidding documents

Public activities for environmental protection joined by employees of Xinjiang Branch Business Department

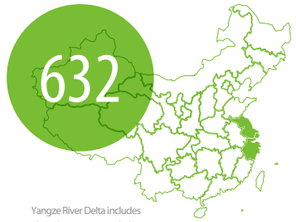


Number of Suppliers of the Agricultural Bank of China suppliers

(By the end of 2016)
Unit: Number of

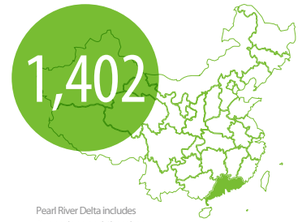


Yangze River Delta



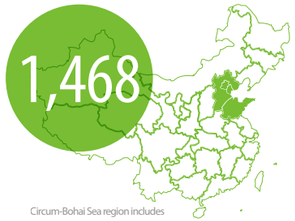
Yangze River Delta includes
Shanghai, Jiangsu and Zhejiang

Pearl River Delta



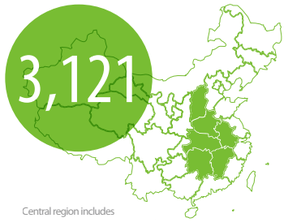
Pearl River Delta includes
Guangdong and Shenzhen

Circum-Bohai Sea



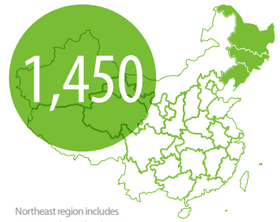
Circum-Bohai Sea region includes
Beijing, Tianjin, Hebei, Shandong and Qingdao

Central



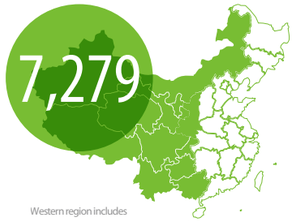
Central region includes
Shanxi, Anhui, Jiangxi, Henan, Hubei and Hunan

Northeast



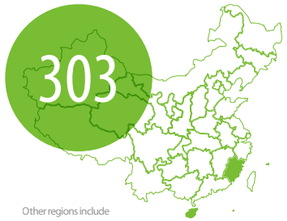
Northeast region includes
Liaoning, Jilin and Heilongjiang

Western



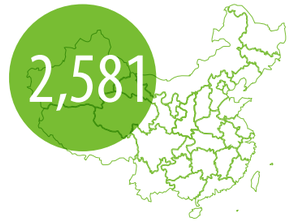
Western region includes
Chongqing, Sichuan, Guizhou, Yunnan, Guangxi, Shaanxi, Gansu, Qinghai, Ningxia, Tibet, Xinjiang and Inner Mongolia

Other



Other regions include
Xiamen, Fujian and Hainan

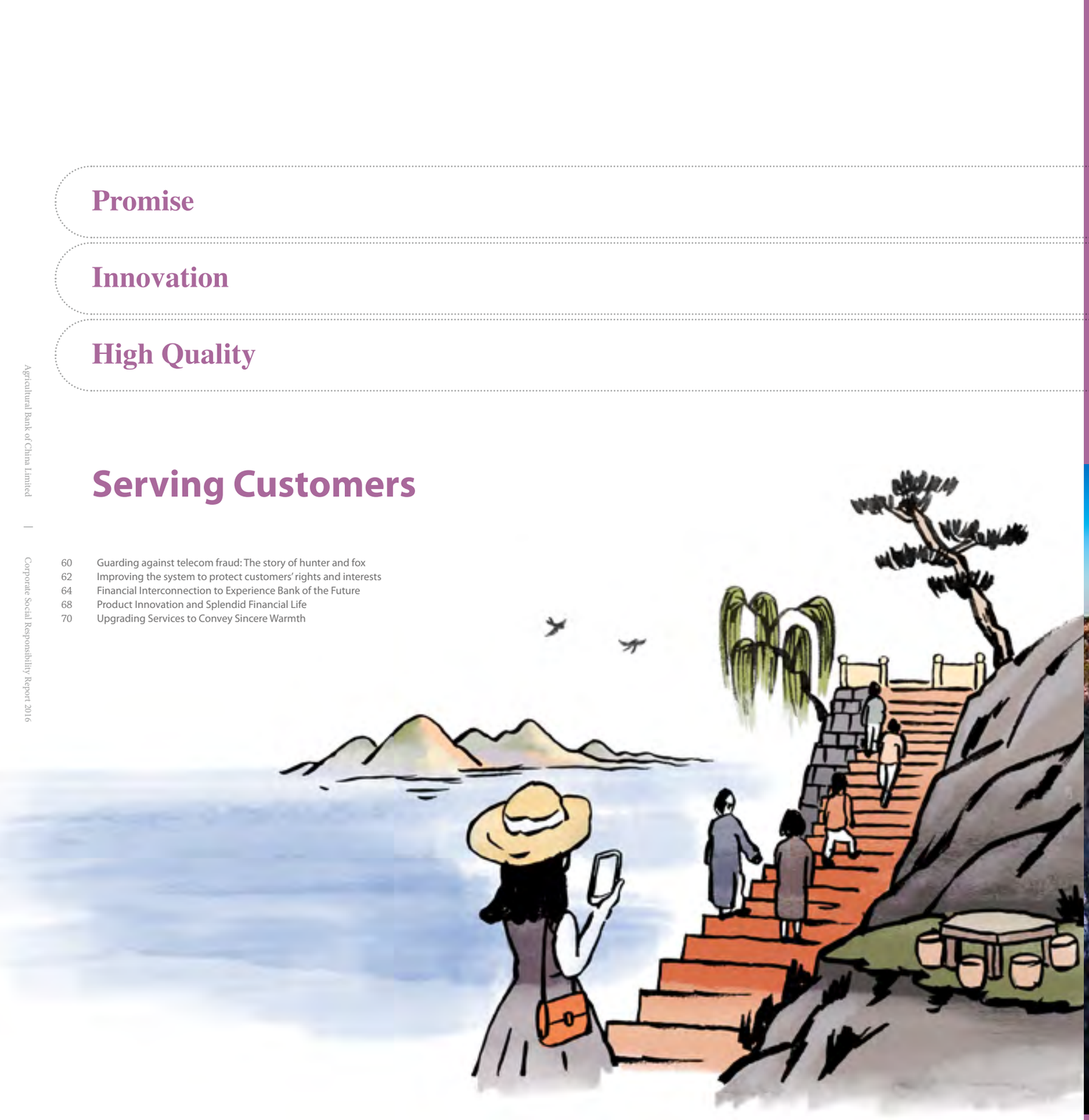
Head office



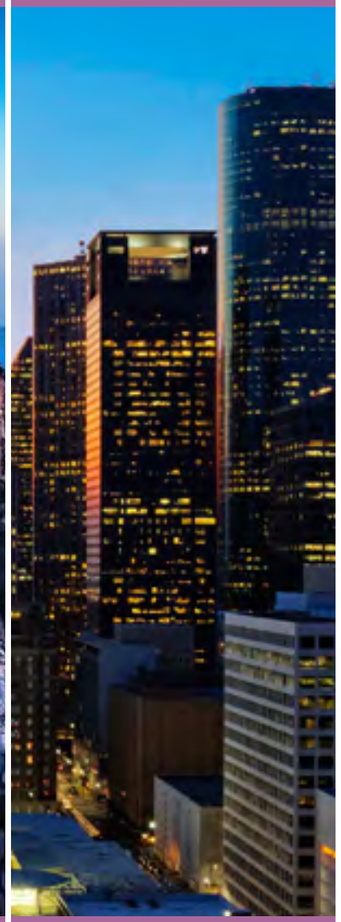
	Objectives	Thoughts	Countermeasures
Promise	To meet customers' diversified financial needs	Banks need integrated operation	To innovate on products and services
Innovation	To respond to the swift development of Internet technology	Banks need to reshape business model	To enhance business operation through Boeing System
High Quality	To improve the quality and efficiency of operation and management	Banks need to transform and upgrade management	To transform to be "customer-centered"

Serving Customers

60 Guarding against telecom fraud: The story of hunter and fox
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70 Upgrading Services to Convey Sincere Warmth



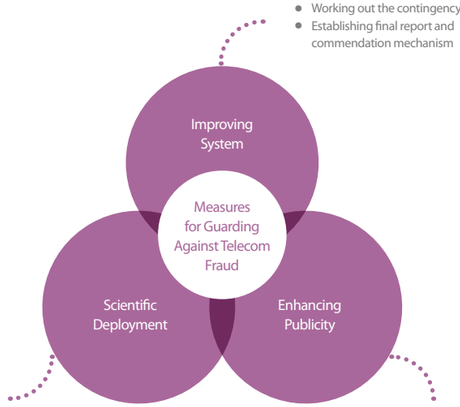






Guarding against telecom fraud: The story of hunter and fox

General-Secretary Xi Jinping, Premier Li Keqiang and other leaders of the CPC Central Committee have respectively given important instructions requiring the severe cracking down on telecom and online fraudcrimes. Six ministries and commissions including the Supreme People's Court, the Ministry of Public Security and the People's Bank of China have jointly issued *The Notification on Guarding Against and Cracking Down on the Telecom and Online FraudCrimes*, ABC has released *The Notice on the Matters Related to Strengthening Payment and Settlement Management and Guarding Against New Types of Telecom and Online Criminal Activities*. The Agricultural Bank of China has conscientiously implemented the requirements of the Central Committee and relevant ministries and commissions, carried out the special anti-fraud actions from sources and financial functions and recieved positive effects.



- the Head Office establishing the leading group for special control of telecom and online fraud
- Making definite the functions of departments
- Establishing the regulation and communication mechanism
- Working out the contingency plan
- Establishing final report and commendation mechanism

- **Auditing newly-opened accounts.** Control of the quantity of new accounts opened by individuals, mechanism for prudent verification of the accounts opened by companies, and auditing of abnormal account-opening acts
- **Managing of existing accounts.** Clearing up the inventory of accounts, suspending the operations of all accounts under the name of the holders involved accounts, and establishing the mechanism for punishing the acts of buying and selling accounts and opening accounts using another's name
- **Monitoring account transfers.** Strictly checking the corresponding relationship between the contact person's phone number and ID number, increase ways of account transfer, adjusting the time of account transfer, strengthening the management of non-counter account transfer, and strengthening the management of the specially-engaged online and offline merchants
- **Protecting customer information.** Keep computer systems, self-service equipments and POS terminals protected and safe, strictly controlling the employees' use of customer information in violation of regulations, and supervising equipment manufacturers

- **Conducting customer education.** Carrying out on-site publicity at business halls, online channels, communities, schools, rural areas, business districts, enterprises and military camps
- **Enhancing employees' abilies.** Compiling training manuals, revising job training materials, and conducting knowledge contests to guarde against telecom and online fraud



Fraud Routine 1:
Be careful of paying for the subsidies offered to you!

Criminal: Hi, are you Madam X? We are the Office of Finance. According to the national childbearing policy, you have a sum of childbearing subsidy to receive.

Victim: How much? 1200! The national policy is really good. Wow!

Criminal: Yes, please go to a nearby bank and find an ATM machine to transmit the number and password of the bank card you use to receive the subsidy. When you get connected with the national treasury, you can get this sum of money. Ha! Take the bait!

Victim: well, well, I'll go at once.

Then this madam came to ABC. While making a phone call, she operated the cash recycling system (CRS). Her unusual actions caused the alertness of ABCstaff, and staff immediately went to inquire, but this customer paid no attention and continued her operation. Seeing the customer is about to press "Enter", the staff made a prompt decision and went forward to press the key "Quit", took the card out and guided the astonished customer to the lobby.

ABC: You've just run into telecom fraud. That person who has called you is a criminal.

Victim: Really? He knows the birth date, and hospital birth of my child and even knows my home address!

ABC: This proves that your personal information has been divulged. If you don't believe that he is a criminal, we can now make a phone call to the Office of Finance for verification.

The staff of ABC contacted the Office of Finance for verification and it turned out that the matter of subsidy was unreal. Then the customer came to understand that she had received phone fraud. Immediately, ABC staff helped the scared customer to query on the automatic terminal. When finding that no money is lost in her card, the woman calmed down.

Fraud Routine 2:
Purchase of initial shares --- a trap on Moments in WeChat

Victim: Excuse me, I want to remit RMB 10,000 yuan to a non-local corporate account, how should I handle it? I've written the account on the paper, please have a look.

Payee: XX High-Tech Biological Product Distribution Company Limited

ABC: Ok, please wait for a minute. Hum? How familiar this name is! It seems that I've seen it somewhere. Right! Isn't the company we saw not long ago on the list of companies suspected of being involved in fraud and illegal fund-raising?

ABC: Hi! Madam X, the company to which you remit money may be involved in fraud. Why are you remitting money to this company?

Victim: Ah? Really? I've seen it on my Moments in WeChat. It says that, if you remit 10,000 yuan to this account, you can purchase the initial shares and afterwards, you can obtain a huge sum of earnings. Some friends of mine have shared thish information, and there shouldn't be any problem.

ABC: Now it can be roughly confirmed that such kind of business carried out by this company is involved in fraud. If you don't believe me, you can read here the related cases and the notice issued by the People's Bank of China for guarding against such kind of fraud!

The staff of ABC then made explanations to the customer and showed her the relevant risk warning information and the screenshot of the notice by the People's Bank of China. Madam X suddenly realized the situation and felt very grateful to the ABC staff for their prompt dissuasion.

Fraud Routine 3:
You'll lose if you're serious with such "increase of amount"!

It has been rather common to use the credit card for settlement in our daily life of consumption. It's not only convenient but also provides various preferential treatments and discounts. Many people have seen in their WeChat Moments that the limit of the credit card can be quickly increased. In fact, the fixed limit of the credit card needs a process of continuous accumulation and may not be increased all at once. If money is needed to increase the fixed limit of the credit card, it's 100% fraud!

Fraud Routine 4:
Don't casually turn to online loans even in urgent need of money

Online loan fraud exists everywhere. If you don't want to be swindled, you must first understand the common online frauds, which mainly include:

They throw in the "baits" ont websites, QQ chat groups and WeChat Moments, and then wait for the victims to "bite".

They pretend to ask the victim to provide all kinds of personal information, including the photo of ID card and the number of deposit card for making loans, which makes it seem real.

The loan conditions are also very attractive, such as low interest rates, no need of guarantees and granting loans within 5 minutes. Those who are in urgent need of money are very easily tricked .

Fraud Routine 5:
Receiving red packets in online purchase

In online purchase, the seller told the consumers that they could receive red packets as discount if they spent an amount of xx. He sent the consumers a QR code for receiving red packets. When they opened the QR code, no red packet appeared; instead they received the information that their bank cards had been fraudulently useed. The consumers immediately called the police. After investigation, the police verified that the QR code sent by the seller contained the Trojan virus which stole the consumers' bank card information.

Fraud Routine 6:
Fraud caused by express delivery

The criminal passes for a courier, asking you to provide your detailed home address and posting fake products to you. After you receive such products, the criminal will phone you for money. ABC reminds you: when you run into such situations, you need to keep important informationsecret , rejectexpress delivery of which you are not sure of, and check mailed items on the spot.

Trigger 7:
Sudden call from the police

Through the number-changing software, the criminal passes for the public security department, saying that you are in trouble. The reasons are usually sensational and mostly related to the violation of law so as to trick the victim into the trap. Then the criminal claims that they need to investigate your funds and tell you to transfer money according to their requirements. They either tell you to open a new account or tell you to transfer your money into a "safe police account", and their ultimate aim is to take the opportunity to steal the victim's money.

Fraud Routine 8:
Trap of converting credits into cash

The criminal uses the false base station to generate random phone number and then send mass text messages, telling you to convert your account credits into cash, and there is a web link in the text message. ABC reminds you: don't readily click onweb links sent from random numbers. If you are in doubt, you can directly dial the merchant's official customer service phone to verify.

Improving the system to protect customers' rights and interests

In *The Plan for Promoting the Development of Inclusive Finance (2016-2020)*, the State Council points out establishing and improving the system for protecting the rights and interests of the inclusive finance consumers, clarifying the obligations and responsibilities of financial institutions in the protection of customers' rights and interests. In 2016, ABC implemented the Guiding Opinions of the General Office of China Banking Regulatory Commission on Strengthening the Protection of Consumer Rights and Interests in the Banking Industry and Resolving Existing Issues of Public Concern and took the protection of consumers' rights and interests as its first priority in fulfilling its social responsibility, continuously deepened the awareness of, and promoted the work of protecting consumers' rights and interests,issued *The Notice on Establishing Relevant Organization for Protection of Consumers' Rights and Interests*, set up the Office for Protection of Consumers' Rights and Interests and carried out special projects such as controlling telecom and online fraud from the source. ABC is the first large commercial bank having connected with the "Platform for the Management of Risk Events of New-Type Telecom and Online Illegal and Criminal Transactions", where the People's Bank of China took the lead in its construction.

ABC's Measures for Safeguarding Consumers' Rights and Interests

1 Being rooted in the concept of protecting consumers' rights and interests

- Actively promoting the fusion of consumers' rights and interests protectionwith corporate governance, corporate culture and operation and management strategies
- Improving the working organization structure suitable for safeguarding consumers' rights and interests
- Intensifying the service concept of "being consistent in putting customers first"
- In the development plan, specifying the major tasks in the protection of consumers' rights and interests and highlighting the important position of consumers' rights and interestsprotection in the development strategy

2 Continuously improving the system for consumers' rights and interests protection

- Issuing *The Notice on Establishing Relevant Organization for Protection of Consumers' Rights and Interests*
- Issuing *The Notice on Strengthening the Work of Protecting Consumers' Rights and Interests*, specifying the organizational structure for protection of consumers' rights and interests, the functions of all tiers and departments, and the work procedures thereof
- Revising the standard contract text for credit card and other businesses, and adding the regulations on payment settlement management, the clauses on customer information protection
- Pushing ahead the control of telecom and online fraud from their sources
- Developing online anti-fraud platform, setting up the blacklist database and strengthening risk monitoring and early warning

3 Improving the mechanism for consumers' rights and interestsprotection

- Establishing the Office for Protection of Consumers' Rights and Interests
- Establishing and improving the mechanism for protecting consumers' rights and interests
- Improving the control mechanism for consumers' rights and interests protectionthat covers the full process of products and services
- Setting up the data lab to conduct data analysis
- Developing ABC Judicial Inquiry and Control System (JICS)
- On the internet, achieving platform information sharing with judicial organizations and regulatory authorities

4 Setting up the system and procedures for consumers' rights and interests protection

- On the pre-sale link, strictly abiding by the State regulations on charges for financial services and establishing the scientific and reasonable pricing principle and strategy
- On the during-sale link, fully respecting consumers' rights to know and choose, actively practicing the duty to inform and strengthening the assessment of financial consumers' suitability to ensure "the sale of appropriate products to the appropriate persons"
- During aftersales services, carrying out online monitoring, spot check of images and on-site inspection, conducting product and after-service evaluation, and perfecting the mechanism for handling consumers' complaints

5 Establishing and improving the long-term mechanism for financial knowledge popularization

- Organizing all the branches to conduct publicity month activities with respect to currency and financial knowledge, personal credit investigation knowledge and knowledge on guarding against telecom and online fraud
- Having conducted bankwide publicity and education activities featuring diverse forms and vivid content and being close to consumers for many years



ABC's Measures for Upgrading the Level of Electronic Technical Prevention

1 Perfecting the framework of information security management system

Proposing ABC's general framework of the organization, system, technology and management mechanism for information security management

2 Improving information security management system

Completing the issuance of *The Measures for Information Security Management* and four sets of implementation rules

Specifying the duties, requirements and procedures for information security management

3 Enhancing the ability of information system security protection

- Constructing bankwide vulnerability scanning system
- Constructing bankwide vulnerability scanning and repair mechanism
- Enhancing the ability of detecting unknown threats
- Optimizing the terminal security protection strategy

4 Perfecting the technical prevention means of customer information protection

Promoting the virtualized desktop application in an experimental manner during system R&D, testing, and operation and maintenance, where there may be access to customer information

Financial Interconnection to Experience Bank of the Future

In *The Plan for Promoting the Development of Inclusive Finance (2016-2020)*, the State Council points out that the financial institutions should be encouraged to use the emerging information technologies such as big data and cloud computing to forge the Internet financial service platform so as to provide customers with all-round financial services containing information, capital and products. In 2016, ABC actively carried out national policies, deeply fused internet information technologies with traditional banking business, actively forged unique internet financial service platform and products and successively launched more internet financial products to provide customers with more intelligent services.

Expanding Financial Service Channels

E-banking channel

- Its function were constantly enriched, its product system was constantly perfected and the customer experience was constantly improved
- The number of registered corporate e-bank customers was 4.5 million; and the number of registered individual e-bank customers was 189.0 million

Mobile banking channel

- Gripping the trends of mobile internet and making efforts to innovate on the modes of mobile financial services
- The number of signed mobile bank customers was 170.0 million, with an accumulative number of 4.3 billion transactions (11.7 million daily on average) and an accumulative amount of RMB 1.5 trillion

E-business

- At the Bank's 37 branches, popularizing the "ABC e-Housekeeper" platform to provide comprehensive e-business financial services such as online transaction, payment settlement, online financing, financial management and sales management

Online payment

- Serving the financial service platform, e-business platform and life and social platform, and forging bankwide unified online payment system featuring multi-scenario coverage, multi-channel complementation, multi-account support, multi-certification support, and integrated service for online and offline merchants

The total number of e-bank customers exceeded 711 million; the number of financial transactions via e-channels was up to 31.5 billion, of which 96.0% were made this year, equal to the replacement of more than 429,900 tellers (converted based on each teller's daily handling of 200 transactions).



ABC's Unique Internet + Products

Apple Pay

- One of the first group of banks
- Based on the payment tokenization technology and with Apple appliences as the carrier, this service stores the customers' credit card information in the safety module of the equipment to realize such functions as online cardissuance, real-time activation, near-field payment and online payment. Only by taking Apple equipments, the customers can make payment at the merchants with UnionPay QuickPass

An accumulative number of 2.6 million transactions with an accumulative amount of RMB 471 million

Three platforms for Internet financial projects

- Financial Service Platform has fully reconstructed ABC's electronic channels including mobile bank and online bank, realizing the fusion of online bank with portal website
- E-Business Platform has integrated "e-Manager" and "ABC e-Housekeeper" to provide the full-process e-business services for the whole industrial chain.
- Social Life Platform has been centered on the construction of the preferential center, marketing center, interactive center and payment center, and oriented to all retail customers to provide the full-scenario integrated services

Quick e-Pay

- Relying on the Token (mobile token) technology, the soft Token generates the dynamic password for each transaction. Such password is related to the transaction factors and there is one password for one transaction so as to prevention the transaction is reset and the transaction factors are tampered

Since it was officially put online on August 18, 2016, the number of signed customers had been up to 20.5 million by the end of 2016, with an accumulative number of 272.9 million transactions

Fast Online Loan (e-quick loans)

- The first kind of internet consumption loan product that is purely online, fully automatic and examined and approved real-time
- It fully considers the residents' consumption financing needs during the internet era, and the customers can apply for, and handle it by themselves via online or mobile banking

Wi-Fi Portal System for Business Outlets

By the end of 2016

22,371
Implemented at Business Outlets

98.9%
Coverage Rate

6.5 million
Registered Users

2.7 million times
Mobile Bank APP Downloads

ABC has constructed the bran-new O2O social portal entrance --- the Wi-Fi Portal System for Business Outlets. Relying on ABC's unified and centralized Wi-Fi basic network for business outlets, it freely provides customers with access to services online. By showing the location-based differentiated contents, it guides customers to know around the unique products of different branches, experience the coordinated online and offline localized services, and enhances the abilities of business outlets to actively servecustomers. The Wi-Fi for business outlets is a powerful weapon for boosting their transformation and is also the new portal for carrying out O2O marketing to customers.

By the end of 2016, it had been implemented at 22,371 business outlets, that's a coverage rate of 98.9%. It achieved more than 6.5 million registered users and more than 2.7 million times of mobile bank APP downloads.

Publicity picture of Wi-Fi service at ABC's outlets



Employees at outlets participating in organized learning activities as Hunan Branch strengthens the building of Party sub-committees at its outlets



"Kins Kuai Nong Dai" (Kins Quick Loans for Farming Households) Products

By the end of 2016

2,719 households
peasant households

169.0 million
The pilot branches had granted a credit line of RMB

2,218 households
Used the Credit Households

133.0 million
loan balance of RMB

It has been issued in order to adapt to the swift development trends of internet finance, enhance ABC's market competitiveness and realize the modeled and standardized granting of peasant household loans. In 2016, ABC selected the 9 branches of Fujian, Zhejiang, Sichuan, Jilin, Ningxia, Shandong, Hebei, Hubei and Chongqing as pilots to conduct the classified studies on the peasant household models, such as unique industry, government credit enhancement, direct financial subsidy, e-business platform, credit village and existing transaction records, and explore the innovation on the design of the new model of peasant household loans --- "Kins Kuai Nong Dai" Products --- via internet finance and big data technologies. "Kins Kuai Nong Dai" went into operation on July 28, and the press conference on "Kins Kuai Nong Dai" products was held in Anxi, Fujian Province on August 3.

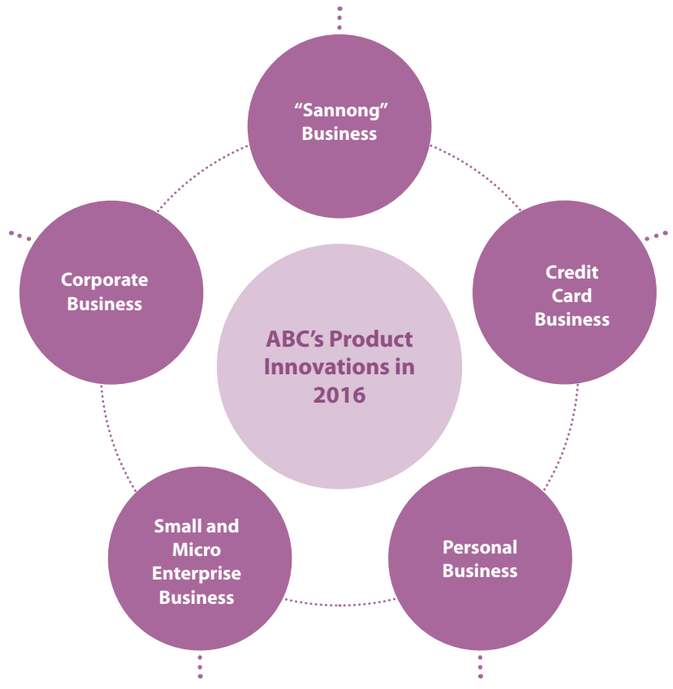
By the end of 2016, the pilot branches had granted a credit line of RMB 169.0 million to 2,719 peasant households, and 2,218 of them used the credit and had a loan balance of RMB 133.0 million.

Publicity picture of "ABC e-Housekeeper"



Product Innovation and Splendid Financial Life

Summary: In 2016, the Head Office had a total number of 622 products, an increase of 15 than that in 2015. the Head Office innovated on 57 products and the branches innovated on 336 products.



"Kins Kuai Nong Dai"

- Selecting 8 pilot branches including Fujian and Hebei to conduct classified studies on peasant household models such as unique industry and government credit enhancement, and explore the innovation on the design of the new model of peasant household loans through internet finance and big data technologies

Online Notes Pool Financing

- Supporting the full-process online handling of the financing operations such as the discount of electronic commercial drafts in the notes pool, the new issuance of new electronic commercial drafts under the financing amount of notes pool or the handling of short-term working capital loans

ETC Credit Card

- Featuring the automatic toll payment function without stopping on expressways, and being integrated with the financial functions of standard UnionPay IC credit card.

Cash Installment Business

- Following the installment products for consumption, bills, merchants and automobile, it is another major installment product launched by ABC and features cash withdrawal, optional number of installments, flexible amount, easy wealth management, and convenience and rapidness

Kins Environmental Protection Card

- China' s first environmental protectionthemedcredit card, jointly issued by ABC and All-China Environment Federation. It is promoted all over China, with the aim of publicizing the concept of environmental protection

"ABC Auto Festival in Hundred Cities and Thousand Stores"

- The event of group purchase of cars by installments via credit card was synchronously launched in 120 cities around China

Ke Chuang Dai (Sci-tech Innovation Loans)

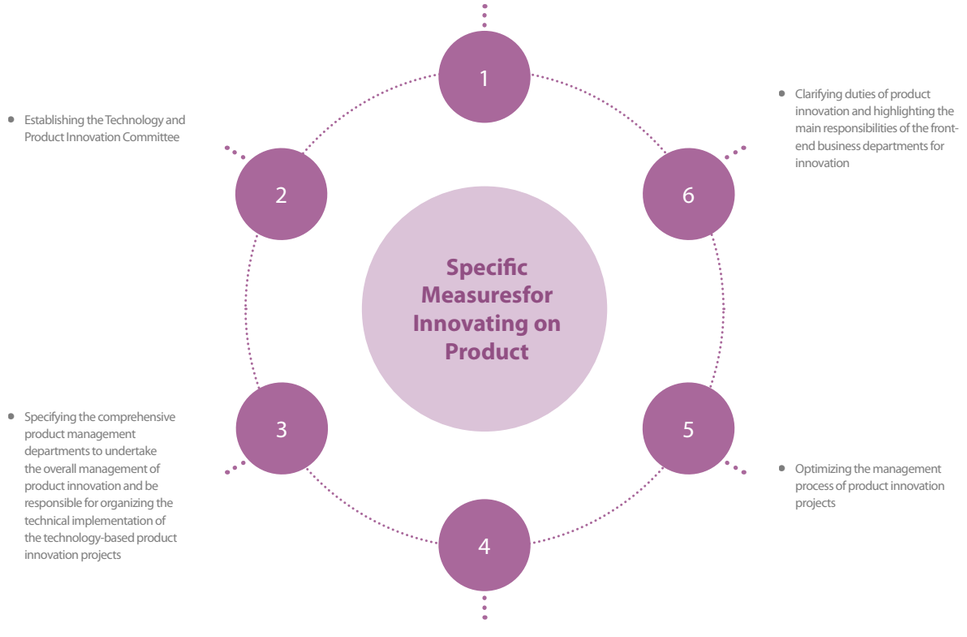
- Being granted to small and medium sci-techenterprises that have been incorporated in the scope of risk compensation fund supported by governments at all levels, and it features high financing amount, low loan interest rate and flexible ways of guarantee

Personal Self-Service Pledge Loan

- Setting pledge based on the customers' financial assets, and it features online self-service application, automatic examination and approval by the system, and real-time granting

Consider what the customers consider and do what the customers demand. ABC has persisted in taking customers' demands as momentum for innovation. To meet the customers' diversified and differentiated demands, ABC has extended its advantages in banking and connected fields to more abundant fields, thus providing people with products and experience beyond their imagination.


Fengcheng Sub-branch of Jincheng city, in Shanxi Province, conducting "Mini Bankers" activity



- Revising *The Working Rules of Technology and Product Innovation Committee, the Management Measures for Product Innovation* and *Management Measures for Science and Technology Projects* and their detailed implementation rules

- Establishing the Technology and Product Innovation Committee

- Clarifying duties of product innovation and highlighting the main responsibilities of the front-end business departments for innovation

- Specifying the comprehensive product management departments to undertake the overall management of product innovation and be responsible for organizing the technical implementation of the technology-based product innovation projects

- Optimizing the management process of product innovation projects

- Collaboration among front, middle and back-end departments

Upgrading Services to Convey Sincere Warmth

Perfecting Rules and Regulations

- Issuing the Measures of ABC for Management of Individual Customers' Complaints
- Perfecting *The Detailed Implementation Rules of ABC Credit Card Center for Handling Customer Complaints* and *The Plan of ABC Credit Card Center for Emergency Disposal of Significant and Sudden Customer Events*
- Continuously optimizing the handling norms and identifying standards of the Customer Service Center for complaints, commendations and errors
- Issuing *The Notice on Further Doing Well in Serving Special Customer Groups* to strengthen the services for special customer groups such as the old, weak, ill, disabled and pregnant
- Issuing *The Notice on Carrying out Publicity, Education and Risk Notification of Guarding Against Illegal Fund Raising* and *The Notice on Carrying Out "Great Journey for Popularizing Financial Knowledge" Activities* in 2016, to strengthen customer risk education and announcement management
- Issuing *The Notice on Establishing Relevant Organization for Protection of Consumers' Rights and Interests* to specify the setup of the organizations and posts for protection of consumers' rights and interests at the Head Office and branches

Bank tellers practicing hand-raising etiquette as Hunan Branch pushes forward the transformation of its outlets



In 2016, ABC continued to follow the service concept of "customers first and always", intensified customer service management, innovated on customer service modes, optimized service procedures and improve hardware facilities and equipment, striving to provide customers with convenient and efficient services.

Improving Mechanisms

- Establishing the mechanism of the Credit Card Center for the negotiation of customer dispute mediation opinions
- Setting up the early warning system of the Credit Card Center for the operation and management of complaint business
- Improving the complaint and linkage system and the Credit Card Center's complaint and linkage system
- Optimizing the complaint handling supervision and management system of the Customer Service Center
- Establishing the mechanism for the negotiation of customer dispute mediation opinions
- Strengthening the service management of business outlets to improve their service quality
- Improving the complete customer complaint handling process of "acceptance, transferred for handling, feedback, urging the handling, and reply"
- Working out the measures for management of individual customers' complaints

Achievements: As of the end of 2016, the 95599 Customer Service Center of the Bank received a total of 321 million incoming calls, and completed 82.5 million manually-handled calls, with a call completing rate of 86.7%.

Notes of Customer Service Center

At 23:00 of April 11, 2016, our Customer Service Center received a phone call from Mr. X, who said that, after he performed a inter-bank transfer between accounts via the mobile bank, the APP sent a reminder that said "uncertain transaction" and didn't display whetherprocedure fee was charged or not. The customer expressed dissatisfaction with the status of transaction and the inability to normally display the charge of procedure fee, and he insisted on a reply from the Bank's higher authorities.

After knowing about the specific circumstance, our employees promptly responded. They first comforted the customer, patiently listened to his appeal and understood the details by asking him questions in good time. They came to know that the customer's funds were the payment for goods, he worried that failure to make payment for long would affect his reputation, and he had a misunderstanding about the charge of procedure fee and his anxiety resulted in his lying awake all night. According to the customer's circumstance, our employees told him of our mobile bank transaction norms and proposed assisting him in inquiring the transactions status, explained our preferential policies of charging fees for account transfer via the mobile bank to defuse the customer's misunderstanding, expressed thanks to the customer for the requirement he put forward during the call to modify the prompts, and told the customer that they would convey it to the business department.

After our employees' patient explanations, the customer's feeling gradually calmed down and expressed satisfaction with the high-qualitied services from our customer service personnel.

	Goals	Thoughts	Measures
Trust	To strengthen the core competitiveness of the talents of the enterprise	The Bank needs a strong team of talents	Deepening the reform of talent development system
Growth	To better protect, give scope to and stimulate the enthusiasm and creativity of the employees in the whole bank	The Bank needs to provide a reliable development platform and mechanism support	Intensifying the education and training of employees
Care	To care for its employees by taking the people-centric approach	The Bank needs to show more care for its employees	Strengthening humanistic care

Respect for Employees

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80 Humanistic care contributing to the creation of happy life
82 Role models forging ahead









“Four Projects” Propping Up the ABC Dreams

In strict compliance with the national labor laws and regulations, ABC has actively performed its legal obligations, developed the Administrative Measures on Labor Contract, Administrative Regulations on Labor Secondment and other rules and regulations, forbidding recruitment of child laborers. The Bank enters into labor contracts with its employees, and offers the benefits and welfare policies on labor remuneration, social insurance, holidays and leave, and labor protection to secure the legitimate rights and interests of laborers. ABC has set up a unified compensation system across the Bank to offer a sound and well-established compensation and welfare structure to its employees. The Bank has set up its pension system and supplemental medical insurance system to offer supplemental pensions, medical security, regular physical checkups, critical illness assistance and other health care services to its employees.

Talents are the most important resource of a commercial bank. The Agricultural Bank of China persists in the principle of placing cadres and talents under the supervision of the Party, continuous to further the “Four Projects” for talent development, and implemented a series of reforms in the selection of leading figures, promotion of professional talents and motivation of core members to protect, mobilize and inspire the enthusiasm and creativity of its 500,000 cadres and employees.

Project for top leader fostering

- Innovated the mechanism of selecting leaders and broadened the vision and channel of selecting and using people to promote the excellent cadres who are loyal to the Party, brave in making innovations, effective in governance and revitalization of the Bank, honest and upright into the leading bodies at all levels, especially to the top leader position
- Intensified the fostering and selection of outstanding young cadres; established and improved the channel and mechanism for them to stand out

Project for the growth and development of professional talents

- Started the selection of talents for the high-grade professional positions in both the Head Office and the branches in a bid to build a contingent composed of professional leading talents and professional core talents
- Improved the job system to establish the promotion and development mechanism favorable for outstanding talents; optimized the dual passages for the growth and development of talents

Project of optimizing grassroot teams

- Promoted the green and efficient service mode of man-machine integration
- Adjusted the configuration structure of grassroot employees to spur the updating of the knowledge structure and competence enhancement of grassroots employees

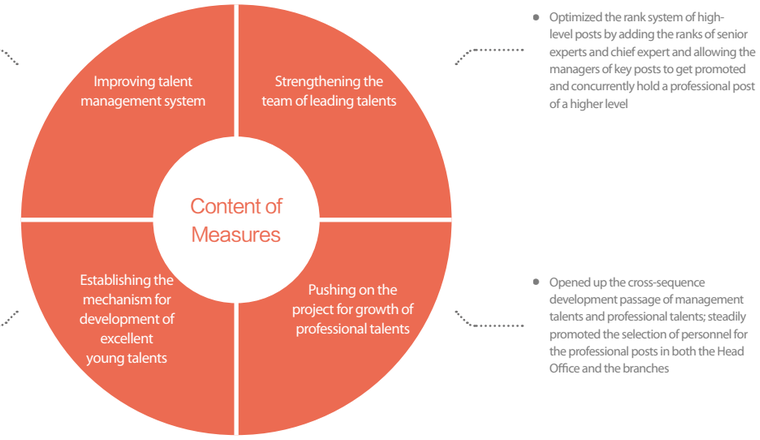
Project of retaining talents

- Focused on retaining talents through career development
- Focused on retaining talents through sound environment
- Focused on retaining talents through remuneration and benefits



Respecting talents and deepening talent-related reform

The Agricultural Bank of China has made innovations in the mechanism of using and promoting talents by issuing *The Opinions on Deepening the Reform of Talent Development System and Mechanism* and *The Opinions on Strengthening Professional Posts*, launched the selection for professional posts throughout the Bank, realized the cross promotion, mutual penetration and effective docking of management sequence and professional sequence, opened up the growth ladder from outlet teller to lobby manager and then to chief expert, unblocked the "dual passages" for the horizontal flow and vertical development of employees, thereby promoting the succession of the new to the old high-level leading talents and enabling the new professional talents to develop, excellent young talents to stand out and field backbone talents to grow steadily.



- Established the target responsibility system for talents to exploit the dominant role of employers in the fostering, attraction and use of talents
- Optimized the rank system of high-level posts by adding the ranks of senior experts and chief expert and allowing the managers of key posts to get promoted and concurrently hold a professional post of a higher level
- Focused on the grassroots as the major ground for training and fostering young officials; implemented the three systems of inter-provincial exchange, exchange of cadres between the Head Office and thebranches, inter-place exchanges. In 2016, ABC selected 332 cadres to take part in inter-provincial exchanges and vertical exchanges; 18 cadres to take part in the doctor service group of the Organization Department of CPC Central Committee or work placement in a local government; 5 cadres to hold temporary posts in designated places of Hebei, Guizhou and Chongqing as part of the efforts made by "the Central Government to win the battle against poverty alleviation"; 1 person to act as the "First Secretary of the Village in Hebei Province
- Opened up the cross-sequence development passage of management talents and professional talents; steadily promoted the selection of personnel for the professional posts in both the Head Office and the branches

Innovating selection method by openly selecting leading personnel

- Two methods: Parallel open selection and normal organizational selection
- Three "Somes": Allocate some posts for open selection of outstanding young leaders; leave some posts for proper use of leaders in all age groups; vacate some posts to leave space for subsequent fostering and stimulating talents with potentials



- Exhibited the confidence and resolve of the new ABC Party Committee to make the contingent of cadres younger, broke territorial restrictions, line barriers and the idea of giving top priority to seniority, spread the idea of selecting and using talents through wider channels and with no regard to set form
- In the second half of 2016, the Head Office implemented the open selection of leaders under its direct jurisdiction twice in a row; selected 11 principals for business departments and subsidiaries; added 35 expert leaders in the prime of their life to the leading bodies of the departments of the Head Office and branches

A kick-off meeting for appraisers



Project of Developing Young Talents in Counties (V2.0)

- Since 2013, ABC has made solid progress in the project of developing young talents in counties, and selected over 4,000 such talents, with 293 of them becoming members of the leading bodies of county-level branches or departmental managers of tier-2 branches and 2,500 acting as chief of outlet. They have become an important leading force in the expansion of grassroot banks

Past

2016

- ABC issued *The Implementation Plan for the Project of Developing the Young Talents in Counties (V2.0)* to create a training-selection chain for them to grow from outlet heads to deputy managers and then managers of county-level sub-branches. The plan started a new round of selection

- ABC will select 5,000 primary, 1000 medium and 200 senior talents every two years, who will be fostered specially in the positions of outlet head, deputy manager and manager of county-level sub-branches. The goal is that, by 2020, the leading body of every county-level sub-branch will have one outstanding young member aged below 35 who has been trained via the project

Future

Ability training to boost the growth of employees

In 2016, ABC formulated and issued *The Opinions on Implementing the "Regulations on Education and Training of Cadres"* and *The Implementation Opinions on Strengthening and Improving the Work of Party School under the New Situation*, which call for broadening the ideas of training, innovating forms of training, enriching the libraries of courses, teaching materials, cases and test questions as well as the electronic library, creation of a diversified learning platform for all employees and making the education and training more adaptive, pertinent and effective. By the end of 2016, ABC held 30,000 training classes that trained 1.7 million employees.

Measures Taken in 2016 to Train Employees

Erecting a diversified learning platform

- Activated the WeChat enterprise number of "ABC University e-Classroom"
- Cooperated with Lausanne International Business School in compiling "Sannong" cases
- Optimized the training content of the online college

Implementing hierarchical and classified training

- Carried out rotational training formanaging personnel in the spirit of the 5th Plenary Session of the 18th CPC Central Committee; held high-end training projects, including the topic study of practicing the "five concepts", risk management, "Sannong" business and overseas training
- Held occupational rotational training, integrated training in "production, training and research" and demonstration training classes for emerging businesses, e.g. investment banking, asset management, cross-border finance and bank-leasing cooperation, for professional talents.
- Held incentive demonstration class for grassroot backbones staff, e.g. outstanding customer managers, operation supervisors and tellers of grassroots operation institutions; conducted job qualification tests for 172,000 employees in 25 professional sequences

Project of Training "Thousand-Hundred-Ten" Internal Trainers

- Strengthening the team of internal trainers to push training downward toward grassroots and help solve the problems of grassroots trainers in teaching and business

Objective | Plan | Execution

- Organized the project of training "thousand-hundred-ten" trainers. The plan is to train 1,000 backbone internal trainers for the Head Office, 100 for tier-1 branches and 10 for tier-2 branches in 3~5 years
- ABC held 5 training demonstration classes of internal trainers, which involved 292 young and middle-aged backbone internal trainers.In 2016, ABC organized activities like the rating entitled "Good trainers of ABC --- I have good courseware", second selection of "Top 10" internal trainers of ABC University and first micro-class contest

"Two Learning andOne Doing" Learning and Education

- ABC carefully implemented the deployment requirements of the CPC Central Committee, solidly promoted learning and education, extended the all-round strict governance of the Party to grassroots. The Party organizations of the Bank at all levels exercised strict supervision for the actual effect of the learning and education through the measure of asking "5 Whether's" (whether the prescribed move is completed; whether the awareness for '3 basics' is intense; whether the prominent problems have been solved effectively; whether the exemplary role has been played well; whether inspection standar are well mastered)

Solid promotion | Implementation of measures | Focus on actual effect

- The members of the Party Committee of the Head Office took the lead in attending subject-based learning, giving lectures, conducted investigations and giving guidance at their respective points of contact. Under their impetus, the members of the leading bodies at all levels set up 16,205 points of contact and gave 42,000 Party lectures; 50,000 persons of them went to the points of contact for investigations. The 32,000 Party branches of the whole bank held 4.6 times of learning on average.
- In commemoration of the 95th anniversary of the founding of the Party, ABC commended 150 outstanding Party members, 100 outstanding Party affairs workers, 100 advanced grassroot Party organizations. The Party Committee of Jiaxing Sub-branch in Zhejiang was cited by the Organizational Department of CPC Central Committee as national advanced grassroots Party organization.
- ABC carried out the knowledge contest entitled "Welcome July 1st and Promote Learning via Competition" and the selection of "Exaplary Party Members" to guide the Party members in conscientiously meeting the requirements, keeping up with advanced personnel, making contributions in their positions and striving to be pacesetters
- ABC strives to turn every outlet into a fortress and every Party member into a banner. In *The Information Bulletin on "Two Learning and One Doing" Learning and Education* of the CPC Central Committee, the experience and practices of the Party organizations of ABC at all levels were recognized 3 times, which were also covered by China Organization and Personnel Newspaper in a front page report entitled *The Agricultural Bank of China Focused on "Two Learning and One Doing" Learning and Education by Asking "Five Whether's"*

"The Voice of ABC" --- First ABC 95599 customer servicelabor skills

To meet the requirements of the ABC Party Committee for "comparing, learning, catching up and surpassing" and work hard to create a leading customer service center in the domestic industry, ABC held its first 95599 customer service labor skill competition in Tianjin in mid May 2016.

Events of Competition

- Refining the job skills that are close to practical work and representative into 7 events of competition, including service ritual, work order entering, language proficiency, application of knowledge base, business marketing, complaint handling and business knowledge

Competitors

- The 60 competitors in 12 teams each exploited their respective advantages, highlighted professionalism and dedication of customer service representatives to bring out the "The voice of ABC" in May

External Recognitions

- This professional competition won the recognition of China Financial Trade Union, China Association of Banking Association and the Financial Customer Service Alliance of the People's Bank of China

Humanistic care contributing to the creation of happy life

The Agricultural Bank of China always regards the care for its employees as an effective method of building a harmonious bank and condensing the positive energy of the contingent. In 2016, ABC continued to proceed with the "six matters of humanistic care", improve the facilities of "Staff Home", provide help for the needy employees, show concern for their physical and mental health, enrich their cultural life, safeguard and develop their interests, promote the internal and external harmonious development of employees.

Measures of Caring for Employees

Help given to employees in need

- Comfort-extending activity during New Year's Day and Spring Festival
- Offering help to the needy employees disabled due to injury suffered in doing what is righteous or the family members of the employees who died in line of duty
- Allocated disaster relief grants to five branches hit by summer flood
- Provided centralized help for 10,140 needy employees

Carried out the construction of "Staff Home"

- Pushed forward the construction of "Staff Home" facilities by 4,68 rural and township outlets, 282 county-level sub-branches, and 695 urban outlets at county level that have such need

Care for the physical and mental health of employees

- Improving the staff checkup system, including the physical examination of all employees, special health check of female employees and health lectures
- Held the fitness exercise (dance) competition of the whole bank and the activity of "sending culture to grassroot branches" to enrich the cultural life of employees
- Paying close attention to the mental health of the employees, launched pilot evaluation of mental health at the Head Office and drafted a plan of providing the spiritual care the employees
- Researched and applied ABC "Health Cloud" cell phone APP to provide the employees with mobile health management services
- the Head Office set up a food safety inspection room, conducted 260 tests of the raw foodmaterials in the year, passed the reexamination for title of "Healthy Mess Hall of Central State Organizations" and was rated "Excellent" in the quantitative classification evaluation by Beijing Municipal Food and Drug Administration

Carried out the humanistic activity of "Care for female employees"

- Launched the activity of care for new mothers and mothers-to-be
- Set up 2025 "Mother-Baby Rooms (Corners)"
- Held social activities to create a platform for dating
- Carried out comfort-extending activity during Spring Festival and "March 8th Women's Day"; provided female employees with the education and training in labor hygiene, occupational safety and healthcare knowledge

Beautiful ABC

"Beautiful ABC" original songs competition



- Organized a six-month long "original songs competition" among the employees across the Bank, which evaluated 181 original songs composed by ABC employees, with 33 songs selected for public performance.
- The employees from across the Bank eulogized the ABC with their own songs, and expressed their appreciation and gratitude to the Bank in their most truthful and unadorned performance.

Exhibition of calligraphic and art works



- A total of 676 calligraphic and painting works were collected, which expressed the love of the ABC employees for the Bank. In addition, ABC completed the compilation and printing of *ACollection of "Beautiful ABC" Themed Calligraphic and Art Works*
- An exhibition of Russian oil paintings was held in the building of the Head Office, with the expert invited from Shanxi Normal University to give lectures on oil painting knowledge

Calligraphic and painting fellowship pen club for high-end customers



- Organized 28 ABCbackbones artists to hold an artistic creation symposium under the theme of "Beautiful ABC" in Jiangxi
- the Head Office joined Jiangxi Branch in planning the event, where some 200 works were created for the customers

Seminar on the stories of ABC



- Issued *The Notice on Telling the Stories and Spreading the Voice of ABC*
- Issued a notice within internally to solicit the most examplary and representative stories under the theme of "Beautiful ABC" and obtained 66 cases reflecting good characteristics and goods people of ABC

Activity of sending culture to grassroot branches



- Organized three such activities

Measures taken by the Customer Service Center Chengdu Branch to show care for female employees

In ABC Customer Service Center Chengdu Branch, female employees are the main force accounting for 80% of the headcount. According to the characteristics of heavy work pressure and 24-hour shift, the branch pays adequate attention to the building of the team of female employees and safeguards their rights and interests by forming humanistic measures with unique characteristics.

Background

- Created a good working environment for the female employees of the customer service center, especially those in the "3 periods" (pregnancy, confinement and lactation)

Plan

- Set up Happy Mother Groups led by those having rich experience in team management, families, marriage, childbearing and recuperation to show care for the female employees during the "3 periods" (pregnancy, birthing and recovery, and breast-feeding)

Measures

- Regularly censuring the childbearing plan of female employees, strengthening the awareness for family planning and improve pregnant and postnatal care
- Assigning separate work areas of good ventilation and lighting for female employees, where added equipment includes humidifiers, air purifiers and air conditioning fans
- Set up restrooms and breastfeeding rooms for female employees in pregnancy and lactation to make sure that they can receive good rest
- Paying attention to the occupational training of female employees after their maternity leaves and strengthening the pertinence of training; motivating and guiding female employees who return to their posts after maternity leaves

External Recognitions

- In more than 4 years of time since establishment, the groups have helped more than 40 female employees smoothly complete the transition from the "3 periods" and return to their posts

Role models forging ahead

"Sannong" Figures



Liu Shanlong

Liu Shanlong, male, 48 years old, CPC member. In 1991, he joined ABC in Chengnan Village in Fuping County, an old revolutionary base area. For more than 20 years, he has always worked silently deep in the Taihang Mountains. Especially in recent years, he stimulated the zeal in villagers to prosper and helped them fulfill the dream of becoming fairly well-off through financial poverty alleviation and the exemplary implementation of the exhortation that "dirt can turn into gold so long as there is confidence" given by Secretary General Xi Jinping when he inspected Fuping. He contributed to the creation of a path for the needy people there, to shake off poverty and become better off. For that he is affectionately called "the walking dictionary" and "close friend" in poverty reduction by the local people, earning himself the honorary titles of "Outstanding Party Worker", "Advanced Individual in Poverty Alleviation", "Advanced Worker in Cultural and Ethical Progress" and "Typical Advanced Individual in Virtues and Credit" granted by the Agricultural Bank of China, Hebei Province, Baoding City and Fuping County.



Dream Fulfiller in Fuping

He has a dream for a well-off life: Enables the villagers in Fuping to get rid of poverty early.

"My roots are in Fuping. The impoverished Fuping needs me even more." In the past few years, he shed sweat and displayed his talents on the barren land imbued with the blood of martyrs. Thanks to his help, one household after another has casted off poverty and become better off.

He has a "new idea": Makes innovations in financial products and implements targeted and moral-based poverty alleviation.

In the past few years, he led his team in tramping over mountains, working from dawn to dusk, visiting villages and households to set up files and cards that record the financial needs of villagers and their economic conditions. He has left his footprints in all the 209 administrative villages and 1,131 natural villages in the county.

He has a sense of responsibility: Leads the people of the county in understanding finance and really shaking off poverty.

He held more than 20 lectures in government offices, schools, townships and enterprises, where he explained the policies and initiatives for financial poverty alleviation to the people from all walks of life, popularized practical financial knowledge that is around the people and help them widen their field of vision and increase understanding.

He has feelings for the people: Money drawing points have become the service center that assists farmers in getting rid of poverty and become better off.

In the 13 townships of the county, he set up 407 money drawing points and turned "Hui Nong Tong" service points into the outlets using "Hui Nong Tong + e-commerce + poor households" mode.

Grassroots Pacesetters



Bu Tongliang

Bu Tongliang is a teller with Liaocheng Branch's Chiping County Sub-branch of ABC, and an NPC deputy. He lost his left leg while rescuing a wounded man in battle. Now he stands fast at the forefront of ABC and has devoted himself silently for 28 years. He was elected "model CPC member", "model employee" and "examplary worker" by ABC Shandong Provincial Branch; "outstanding CPC member" by Liaocheng Branch; "examplary individual" by CYL Liaocheng Prefecture Committee; "outstanding CPC member" by Chiping County Party Committee; one of the "first batch of national financial moral models" by China Financial Trade Union.



Creating uncommonness out of commonness

Wholehearted devotion to work --- for ABC

On every morning, people are awakened by alarm clock or by a sense of responsibility. Bu Tongliang belongs to the latter. In 1987, he obeyed the arrangement of the organization and came to Boping Office of ABC Chiping Sub-branch, where he became a teller. Since then, he has worked for 28 years in this hardest, most monotonous and most common position bearing hardships without complaint.

Quality services --- for customers

Most of the customers of rural outlets are rural residents, who know relatively less about finance and generate more trivial matters during service. Adhering to his duty of serving customers, Bu engages customers in sincere communications and exchanges and has given out uncommon luster in this common position. To ensure the proficiency in business and better servecustomers, he keeps on learning during after-work hours.

Warm-hearted help --- for others

He is a warm-hearted man in both work and life. For him, by doing a bit more and taking one more step in his association with others, he can sometimes save a lot of troubles for others.

He said: "I am just a common field employee. What I do is just things that cannot be more common at the counter. But, I have never forgotten my capacity as a CPC member in loving the job, making no complaint and showing my own value on the common post." It is because of such spirit and perseverance that he has won allthe recognition.

Poverty reducing village official



Li Hao

In September 2015, Li Hao took up the position of first secretary of Beiqihe Village, Raoyang County, Hengshui City. Carrying on the poverty reduction tradition of ABC people, this Youngman born after 1980 has worked with the villagers to find and address the causes of poverty and contributed his bit to the "most magnificent undertaking".



HaoMaking contributions in grassroot poverty alleviation

Infrastructure construction giving the village a new look

"Walking on the road in the village, you get dust all over you in clear days and mud in rainy days." The first thing he did after assuming office was to find out the needs of the villagers. Thus, building the road became the "first battle" in his targeted poverty alleviation. With the RMB 1.2 million of special funds allocated by the province, he led the village cadres and villagers in covering the 3.6 kilometers of main road with cement. Now, the villagers have a sense of happiness when they walk on the wide and flat road.

Assisting the villagers in becoming better off

Li Hao is from the financial department. In targeted poverty alleviation, he took advantage of his own strengths, worked hard to reduce poverty through the "4-P Finance" mode and managed to lift 82 needy households out of poverty, thus boosting the urban-rural integration of financial services and receiving extensive praises.

Launched "4 battles" to make the village more capable of self-development

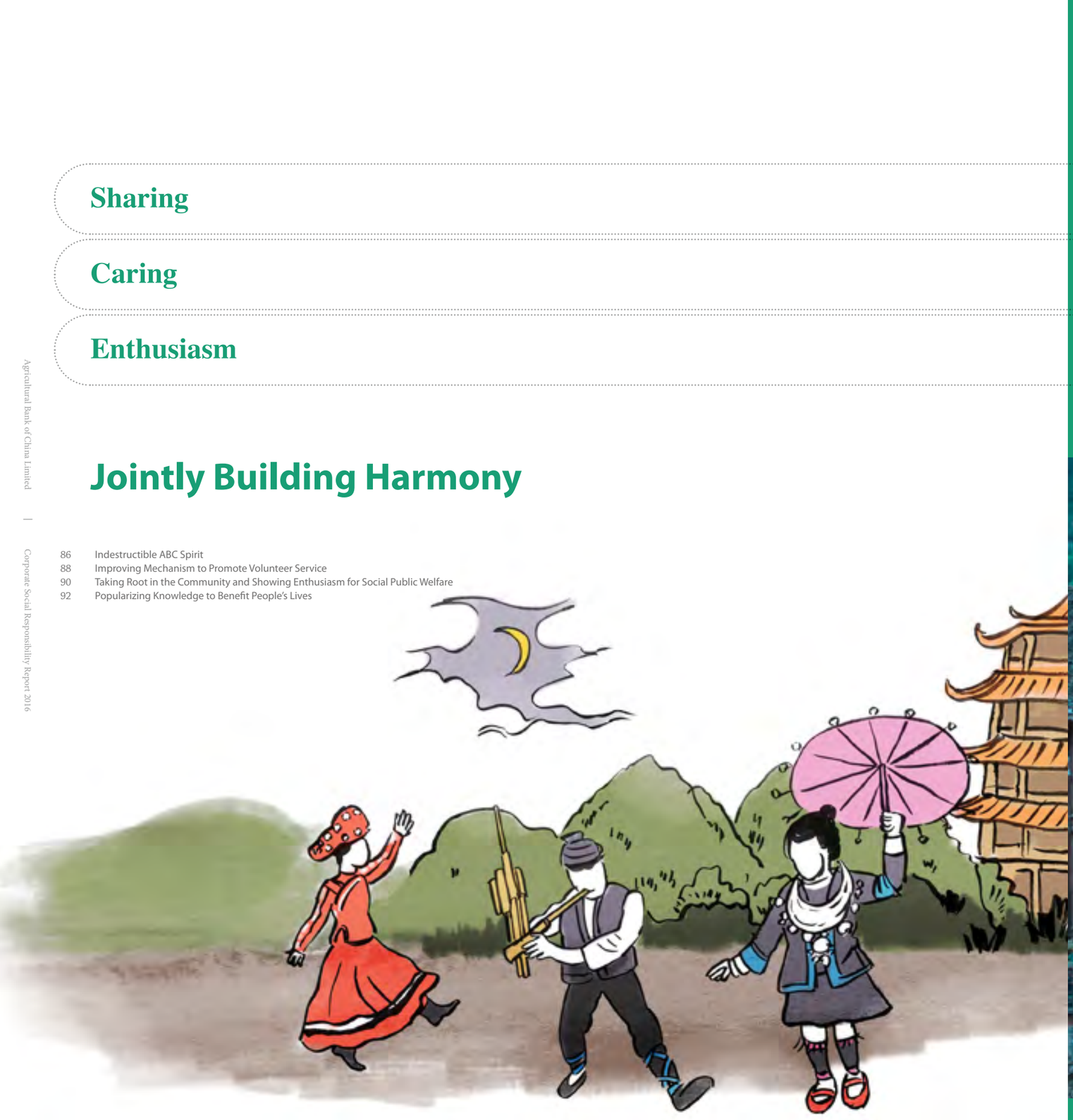
In addition to external assistance in poverty reduction, he attaches more importance to the self-development of the village. As he sees it, in order to develop, the village needs more than just creation of people-enriching industries, but should focus on a series of works, including the appearance improvement of the village. To this end, he masterminded and organized "4 batters": battle of beautification, battle of health, battle of culture and battle of "selenium-rich products".

The present Beiqihe Village features green trees and flat streets. Under the leadership of Li Hao, the villagers are marching forward high and mighty on the road toward prosperity.

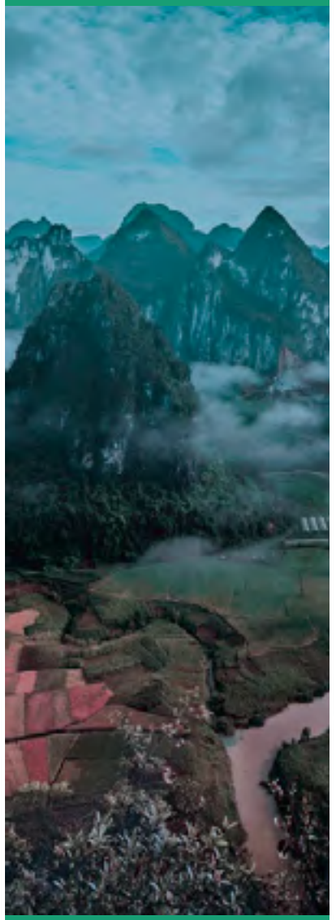
	Objectives	Thoughts	Countermeasures
Sharing	For win-win cooperation	Need to forge sustainable supply chain	Responsible procurement
Caring	For community development	Convey loving care to feed back society	Carrying out pubic charity projects
Enthusiasm	For improving financial qualities	Enhancing the public's level of financial knowledge	Popularizing financial knowledge

Jointly Building Harmony

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Indestructible ABC Spirit

Since the flood period began this year, many provinces, autonomous regions and municipalities of China had suffered from rainstorm and flood disasters, and many branches of ABC and some of its customers had thereby suffered from losses. Faced with the disasters, ABC deliberated and issued many policy measures for supporting the branches to carry out disaster relief and post-disaster reconstruction, made all efforts to fight floods, and do rescue and relief work, painstakingly provided financial services in disaster-stricken areas and actively supported the post-disaster reconstruction. ABC thus deduced the touching stories and expounded the meaning of big love with ABC spirit.

1 Immediately After Disaster Occurrence

- Swiftly starting up the contingency plan and sending three working groups to Anhui, Jiangxi, Hunan and Hubei branchesto participate in disaster relief work
- Actively responding to the requirements of the governments of the disaster-stricken areas, and organizing human, material and financial resources to participated in floodand disaster relief work
- Organizing Party members floodand disaster relief squads, and floodand disaster relief commandos of young employees



2 Restoring Business Operation and Financial Services in Timely

- Implementing the policy of exempting the charges for financial services and opening up the "green channel" for the transfer and payment of the disaster relief funds
- Meeting the customers' demands through such ways as door-door and reservation services
- For the serious disaster-stricken areas, continuing to exempt the charges for eight categories of financial services including the procedure fees for ABC's non-local transfer of accounts
- Strengthening the survey of disaster-stricken customers, doing well in the estimation of customers' losses and actively taking measures to defuse the customer risks

3 Doing Well in Reconstruction of Disaster-Stricken Areas

- Working out the financial service plan for post-disaster reconstruction and establishing the financial service team for post-disaster reconstruction
- Mainly supporting the construction projects listed in the national and provincial plan for post-disaster restoration and reconstruction
- Providing emergency loans to the enterprises engaged in medical assistance, epidemic prevention, and production and transportation
- For the customers unable to repay the principals and interests of loans due to the disaster, not rushinging for collection, not imposing interest penalty and not recording it as bad credit
- Supporting the water, power, gas, traffic, communication, hospital, school and other infrastructure projects of post-disaster reconstruction
- Supporting the projects that had strong driving and supporting roles in the sustainable economic and social development of disaster-stricken areas

ABC President Zhao Huan extending his regards to the front-line employees engaged in disaster-relief operations as Hunan Province fights against a serious flood





Improving Mechanism to Promote Volunteer Service

ABC lays emphasis on cultivating and guiding its employees to build up the social responsibility awareness and encourage the employees to be devoted to volunteer service. In May 2016, ABC established the Young Volunteers Association and adopted *The Constitution of the ABC Young Volunteers Association and the Management Measures of ABC for Registration of Young Volunteers* to better unite the young volunteers around ABC. By the end of 2016, ABC had 51,000 registered young volunteers, who were accumulatively involved in activities 68,000 times of volunteer services and provided a total of 137,000 hours of volunteer services. The ABC Young Volunteers Association was appraised by the Central Committee of the Communist Youth League of China as the winner of the 11th Outstanding Organization Award for Chinese Young Volunteers.

- Actively promoting the orderly implementation of the youth volunteer services at this unit and developing the volunteer work mechanism with the Youth League organization taking the lead in the responsibility and all related departments working closing with each other

- On the basis of continuing to deepen the key projects, the Association has constantly explored the new contents of volunteer service, expanded the new fields of volunteer service, and designed and developed a group of well-known and influential volunteer service projects with ABC characteristics



- Tier-one branches establish the associations and also promote the sub-branches to improve the system of young volunteers organizations in the form of service team and volunteer clubs

- Making full use of the traditional media and the new media such as microblog and WeChat to convey the "good voice" and "positive energy" of ABC volunteer services to the society

In 2016, ABC was actively involved in public interest and volunteer services, including care to the seniors and vulnerable groups, environmental protection, blood donation, educational charities and others, to contribute to the good of society and transfer positive energy.

"Blood donation to win glory for the Party" public welfare activity carried out by the Hexi Sub-branch, Taiyuan, Shanxi



Wuzhou Branch organized volunteer activities to extend care to the seniors on the May Fourth Youth Day (Photo by Zhong Changhuan, Wuzhou Branch)



"Love ABC at Songshan Lake" public welfare activity organized by Dongguan Branch, Guangdong



Taking Root in the Community and Showing Enthusiasm for Social Public Welfare

Community is the foothold of an enterprise and brings us the nutrition and rain for growth and development. While constantly pushing ahead the corporate development, ABC has fully displayed its responsibility and undertaking, actively got involved in the community construction, actively devoted to the public charity activities and carried out the volunteer activities in various forms. Through its practical actions, ABC has called on more people to be devoted to the public welfare activities and accomplished the harmony and happiness of the communities through the feedback of corporate value. By the end of 2016, ABC had donated outside a total of RMB 37.7 million (the base of domestic banks, excluding the amount donated by employees), of which the donations for wefare were RMB 23.1 million.

"Small Credits • Big Dream" Public Welfare Action

The "Small Credits • Big Dream" Public Welfare Action is a voluntary public welfare brand forged by ABC, through which the loving care credits of ABC credit card holders are pooled together and converted into the public welfare funds to support 4 public welfare programs, namely, "Happy Reading of Hope Project", "Health Growth of Left Behind Children", "Protecting the Mother River" and "Passion at Summer Camp". In the Third Competition of Chinese Young Volunteer Service Projects jointly held by the Central Committee of the Communist Youth League of China, the Central Civilization Office, the Ministry of Civil Affairs, the Ministry of Water Resources, China Federation of Disabled Persons and China Volunteer Service Federation, ABC's "Small Credits Big Dreams", as one of the two projects participating in the competition on behalf of the financial sector, won the National Bank Award.

Now it has opened multi-channel donation platform including special website, e-bank, phone bank, text message and WeChat. By the end of 2016, it has raised ABC credit card credits and public welfare donations, totaling RMB 2.86 million. Such charity funds will be used for social public good programs such as carrying out "Happy Reading of Hope Project" in the village schools of poverty-stricken areas, subsidizing the healthy growth of left behindchildren, and ecological and environmental protection. The funds raised from this project can help 215 classes of rural primary schools to set up happy reading corners in 28 provinces and municipalities, subsidizing one years' living allowances for 464 leftover children in the countryside and support the construction of 300 Mu (equivalent to about 20 hectares) of green ecological forests.

Four Public Welfare Programs

Happy Reading of Hope Project

One book influences a lifetime of rural children

Subsidizing the classes of rural primary schools to set up happy reading corners and offer happy reading lessons, making the rural children spend their childhood with books and start their life of wisdom in happy reading

Education Fund for Left Behind Children

Healthy growth of left behind children

Mobilizing the forces of the whole society to provide rural left behind children at the stage of compulsory education with learning and living subsidies to help them finish their studies and realize their dreams

Protecting the Mother River

Increase greenness, reduce haze and rebuild blue sky

Advocating the awareness of greenness and civilization, and naming and constructing ecological forests in the valleys of big rivers and in the major areas of national ecological and environmental control

Passion at Summer Camp

Jointly realize dream with deep passion

Helping Xinjiang teenagers to understand the economic, social and cultural development of our motherland, increasing their lover of the Party and the motherland, and enhancing their feelings of all ethenicities as a warm family

"Small Credits Big Dreams" helping 215 classes of "Hope Primary Schools" to set up happy reading corners, subsidizing 464 rural leftover children to finish their studies, organizing 160 Xinjiang teenagers to participate in Passion at Summer Camp in the inland, and supporting the construction of 300 Muof green ecological forests


Kids having fun in learning


Passion at Summer Camp





ABC carrying out the event of "Public Welfare and Poverty-Alleviation at ABC"

October 17, 2016 was the third "Poverty Alleviation Day" in China. ABC launched the event of "Public Welfare and Poverty Alleviation at ABC" and held the unveiling ceremony of the product display store named "Benefiting Farmers and Merchants ·Public Welfare and Poverty Alleviation". Aiming at poverty alleviation and following the purpose of public welfare, this event set up a public welfare and poverty alleviation platform for all the organizations and employees of ABC to get involved and making their contributions. As the service window and poverty alleviation carrier for the event, the public welfare and poverty alleviation product display store officially went into operation on the same day. The display store carefully chose the agricultural products from the designated impoverished counties supported by ABC's Head Office, opened up the brand marketing and charity-sale channels and facilitated the Head Office employees' experience, purchase and booking at the store, and it is committed to establish the sustainable development mode of "helping the enterprises of the impoverished counties, benefiting the households in financial distress and giving discounts to ABC employees and customers".

Popularizing Knowledge to Benefit People's Lives

To cultivate all the people's good and right financial qualities and behaviors, ABC has issued *The Notice on Carrying Out "Great Journey for Popularizing Financial Knowledge" Activities in 2016* and *The Notice on Carrying out the Publicity and Service Month Events of "Financial Knowledge Popularization Month"*and *Financial Knowledge Going into Thousands of Households in 2016*, and organized all the branches to conduct publicity activities with respect to currency and financial knowledge, personal credit investigation knowledge and knowledge on guarding against telecom and online fraud.

In 2016, more than 20,000 business outlets of 37 branches involved in the public financial education activities, accumulatively conducted 41, 958 activities and distributed 3,096 publicity materials for an audience of 39.0 million consumers, and this was reported by the media 4,565 times.

Participating in the Third National Network Security Publicity Week

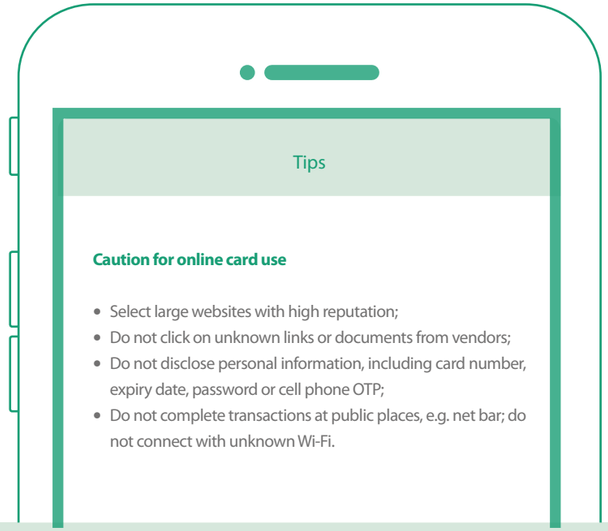
From September 19 to 25, 2016, ABC participated in the event of the Third National Network Security Publicity Week and popularized network and financial security knowledge in an all-round manner by various means. During the publicity week, ABC set up the exhibition booth themed "Jointly Building Network Security and Sharing Financial Services" through the network security fair, and by means of on-site advocacy, knowledge manual and product experiences, publicized the financial network security knowledge to the general public in an all-round manner. In addition, ABC brought into full play the advantages of its outlets in size and coverage and organized almost all its outlets to get involved in the publicity. Meanwhile, ABC also used the public platforms such as internal website, microblog and text message and the social platforms such as WeChat groups, Moments and QQ chat to widely publicize the information on the event, thus effectively enhancing the financial network security awareness of the general public.

Great Journey for Popularizing Financial Knowledge

ABC and Visa jointly went deep into the old revolutionary areas to carry out the event of "2016 Kins-Visa Great Journey for Popularizing Financial Knowledge. Through diversified activities, they sent high-quality financial products and services to the people of the old revolutionary areas including Ji'an, Hong'an, Yan'an and Tumd Left Banner to enhance their financial qualities, and help such areas to accelerate the pace of financially shaking off poverty.

Financial Knowledge Publicity Activities by Credit Card Center

In 2016, the Credit Card Center conducted the publicity of knowledge related to safe use of cards, such as "safely using cards to prevent text message fraud", how to well keep your beloved card", and "don't panic when running into telecom fraud, remember a rhyme to help you in time of need", to improve the holders' abilities of safe use of cards and guard against fraud risks in card use. In July, 2016, the Center continuously popularized the safety consciousness of card holders through telecom and online fraud cases, such as safety precaution --- "pie" or "trap" that drops from the sky; and improving knowledge --- help you identify these "impostor's tricks" within a minute, to warn the holders of keeping away from fraud traps and enhance their safety consciousness.




Tongnan Branch delivering financial knowledge in campus (Photo by Chen Rong)


A public campaign by Rong Chang Sub-branch to promote publicity on treasure bonds, in conjunction with Yong Chuan PBOC (Photo by He Feiran)


Educating kids on how to detect authentic and counterfeit money, and ways of taking good care of RMB

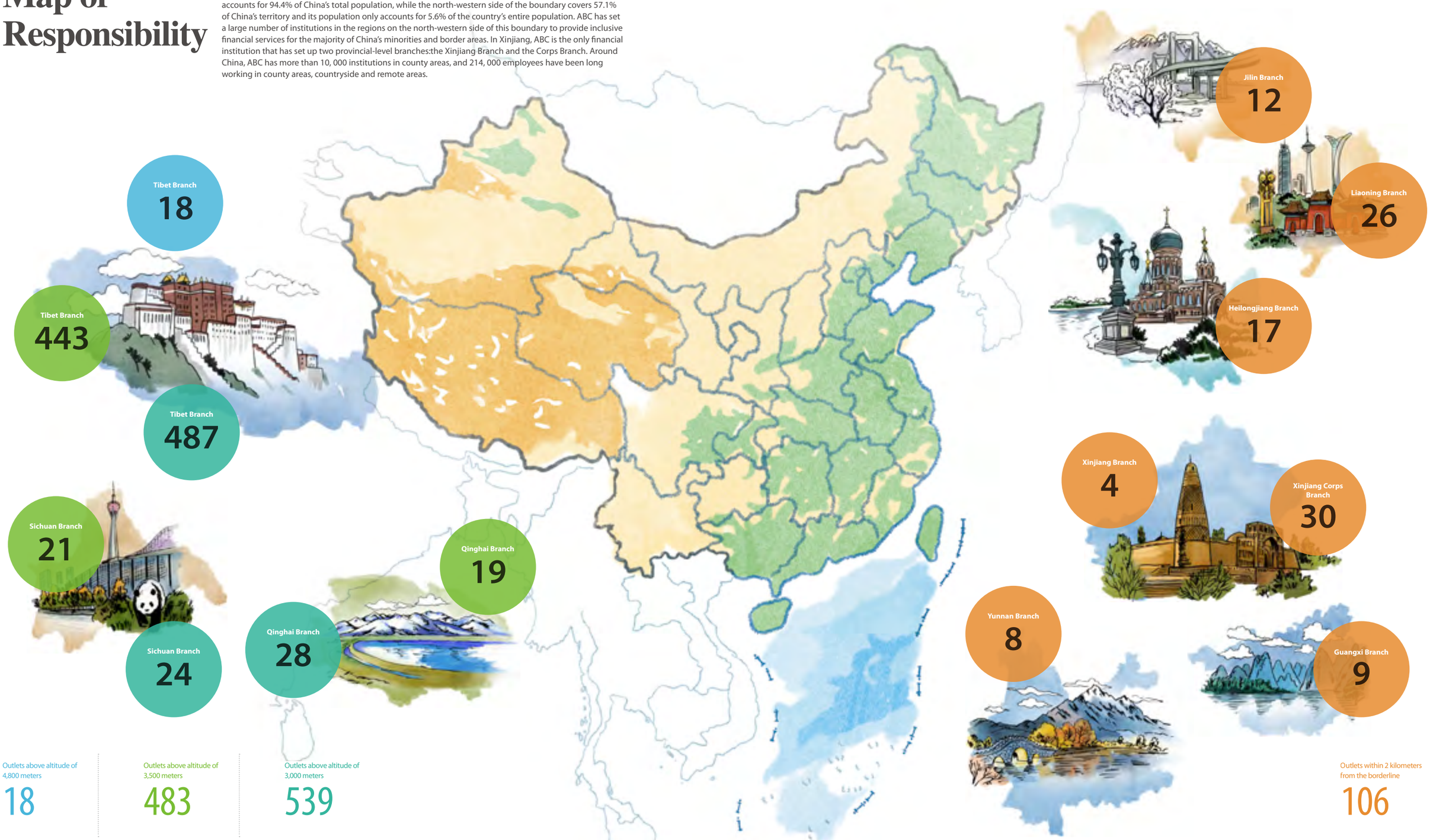
Deeply Rooted in China, and Help Inherit Traditional Chinese Culture

In 2016, ABC actively supported the inheritance of fine Chinese culture, and extended greater efforts to help promote Chinese poems. ABC exclusively sponsored the Chinese Poetry Conference TV show to increase the public awareness and recognition of the value of China's fine traditional culture. The TV program started a public boom of learning ancient Chinese poems and inspired the cultural affiliation of millions of Chinese for traditional Chinese culture. The TV show has won widespread attention and recognition in China.



Map of Responsibility

From Heihe of Heilongjiang Province to Tengchong of Yunnan Province, there is a "population geography boundary". The south-eastern side of the boundary covers 42.9% of China's territory and its population accounts for 94.4% of China's total population, while the north-western side of the boundary covers 57.1% of China's territory and its population only accounts for 5.6% of the country's entire population. ABC has set a large number of institutions in the regions on the north-western side of this boundary to provide inclusive financial services for the majority of China's minorities and border areas. In Xinjiang, ABC is the only financial institution that has set up two provincial-level branches:the Xinjiang Branch and the Corps Branch. Around China, ABC has more than 10, 000 institutions in county areas, and 214, 000 employees have been long working in county areas, countryside and remote areas.



Outlets above altitude of 4,800 meters
18

Outlets above altitude of 3,500 meters
483

Outlets above altitude of 3,000 meters
539

Outlets within 2 kilometers from the borderline
106

Branch Case Study

Beijing Branch

CASE

Fully Supporting Beijing-Tianjin-Hebei Coordinated Development

The Beijing-Tianjin-Hebei coordinated development is a major national strategy. As the main financial force of the Beijing, ABC Beijing Branch is keenly aware of the responsibility to provide full support to the development. To this end, the Branch actively involved itself in the development of urban infrastructure, rail transportation, clean energy, non-capital functions and the Winter Olympic Games and other key projects in the Beijing-Tianjin-Hebei region, and provided comprehensive, multi-level support with the combination of syndicated loans, debt financing, financial leasing and other market-oriented financial measures.



Measures and Results of Supporting Beijing-Tianjin-Hebei Coordinated Development

In the area of organizational system, the Branch has established the financial services leading group for Beijing-Tianjin-Hebei coordinated development and the financial services leading group for the Winter Olympics	
In the area of coordination mechanism, routine meetings of Beijing-Tianjin-Hebei leading group of the Branch and coordination meetings on Beijing-Tianjin-Hebei leading work have been held each quarter	
In the area of urban infrastructure construction, the Branch has supported Beijing New Airport, Beijing New Airport City, the second Beijing administrative center, Universal Studios and other important State-level construction projects	• As the exclusive leader and agent of the syndicated loan for the Beijing New Airport project, the Branch has issued the first syndicated loan with the amount of RMB 50 million • Money has been put into the construction of the second administrative center in Beijing
In the area of transportation integration, the Branch has supported the construction of inter-region and inter-city transportation networks with credit funds, focusing on the Beijing-Shenyang railway, Beijing-Zhangzhou railway and other projects	• The Xinglong-Yanqing high-speed project loan has been reviewed and approved • The Branch has become the exclusive leader of global theme park syndicated loan • In 2016 the Branch has approved and granted RMB 18.5 billion of credit for the Beijing-Tianjin-Hebei inter-city railway project
In the area of clean energy, the Branch has supported the Asuwei Circular Economy Park project and the wind and photovoltaic power generation projects in the Beijing-Tianjin-Hebei region from China Huaneng Group, China Three Gorges Corporation and China General Nuclear Power Corporation	• The Branch has been providing construction fund to support clean energy projects and the relevant loans have amounted to RMB 1.65 billion
In the area of Winter Olympics services, the Branch has been trying to become the sponsor of the 2022 Winter Olympic Games and provide exclusive financial services for equipment manufacturing and event services	

Tianjin Branch

100 Outlets Setting up 'Loving Care Lounge' for Sanitation Workers

On October 26, 2016 or the Sanitation Workers Festival, 'Loving Care Lounges' set up at the outlets of the Branch were officially unveiled and put into use. Among over 350 outlets in city, the Tianjin Branch selected 100 outlet close to the main road and important streets to open 'Loving Care Lounges' for sanitation workers in all urban districts, counties and the Binhai New Area. Workers can easily access the lounges and park their sanitation vehicles by the front door. 'Loving Care Lounges' provide resting area, services and all kinds of equipment including chairs, allowing sanitation workers to take a rest during bad weather. Free drinking water was also provided.



An outlet provides convenience services for sanitation workers



Fuping: Exploring New Ways of Poverty Alleviation

Fuping County in Hebei Province is an old revolutionary base area, located in the western part of Baoding City hidden at the foot of the Taihang Mountains. It is not only the Yanshan-Taihang Mountains area poverty alleviation pilot counties, but also the national tourism and poverty alleviation pilot area. Fuping County is short of financial resources, and ABC is the only financial institution among the four major commercial banks to establish a Branch in the county.


A potato production base of Hongji Agricultural Sci-Tech Development Co., Ltd. supported by Zhangjiakou Branch

- Fuping Branch actively followed the pace of tourism integration and upgrade in the county, and seized the opportunity of developing the "Tianshengqiao Bridge" as a 5A tourism attraction by incorporating the project into the poverty alleviation work with the power of finance.

- Agricultural insurance can be the key to introduce finance to the rural areas and work should be done with the idea of "insurance first, loan follows". The bank actively promoted the "joint insurance" model between local government and insurance companies, and focused on the overall development of the county's edible fungus industry to help alleviate poverty with financial measures.

Selecting projects to expand poverty alleviation channels

Combining Branch and outlets to alleviate poverty with e-commerce

Government working with business to ensure precise implementation of poverty alleviation work

- The Branch actively promoted the development of "Kins Hui Nong Tong" program to provide Hui Nong Tong card, e-commerce and mobile services. With this card, farmers can enjoy fast and easy financial services within their villages. By the end of 2016 the Branch has set up 407 service sites and put in place 1,154 telephones for money transfer. All the administrative villages have been covered with electronic devices. At the same time the Branch introduced the "Hui Nong Tong + E-commerce + Poor household" model to offer loans to the service sites and gradually turn the sites into sales centers of villagers' agricultural products and communication centers of information concerning how to get rich with the power of science and technology.

By the end of 2016

407

A total of service stations have been set upbeen set up

1,154

Wire transfer telephones have been deployed

100%

Coverage of villages with electronic machines



Actively Supporting the Development of Green Industries

Shanxi Branch focused on building green finance. In accordance with the requirement for "high-carbon industries to develop in a low-carbon way", the Branch increased support to enterprises with high industrial concentration, low resource consumption, and less environmental pollution. By closely following the State regulation and control policy of "reducing overcapacity, destocking, deleveraging, cost reduction and shoring up weak spots", an in view of the actual condition of each enterprise, the Branch made "four adjustments", namely adjustments to the main body, variety, guarantee, and industries, to help coal enterprises to introduce new technology, new equipment, new process and lean management models in an attempt to achieve safe, green and efficient mining.




Yanhu Sub-branch holds "Guess Lantern Riddles" event. (Yanhu Sub-branch, Yuncheng)

- The Branch has supported Tongmei Datang Tashan Second Power Generation Company in its 2 × 660 MW mine mouth power plant project, Tongmei Yanggao Thermoelectric Co., Ltd. in its 2 × 350 MW low calorific value coal power generation project, etc

Integrated development of coal mining and power generation

Green and clean energy projects

- The Branch has cumulatively invested RMB 1.407 billion into 11 photovoltaic and wind power projects and supported rural power grids transformation project wroth RMB 80 million

- The Branch has cumulatively issued RMB 2.378 billion of loans for transportation and relevant infrastructure construction, including major projects like the Shanxi-Henan-Shandong railway, the Inner Mongolia-Jiangxi railway, and Shenhua Huaichi railway

Green transportation development across the province

High-end equipment manufacturing, new materials and other emerging green industries

- The Branch has cumulatively granted RMB 7 billion of credit and issued RMB 4.4 billion of loans to the high-end equipment manufacturing, new energy and clean energy projects

By the end of 2016

24.026 billion

RMB of "Kins Fu Nong Dai" have been granted

668

Covering townships

5,766

Villages, and

525,900

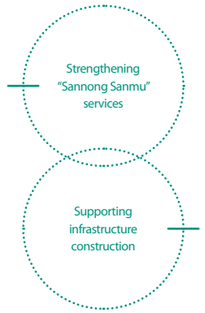
Farming households

Quality Service Winning the "National May 1 Labor Award"

The Inner Mongolia Branch improved the "Sannong Sanmu" service capabilities and supported the development of animal husbandry, herdsmen and pastoring areas.

In 2016 the Inner Mongolia Branch was honored the National May 1 Labor Award by All-China Federation of Trade Unions (ACFTU).

- With "Kins Qiang Nong Dai" (farmers get-strong loans) and "Kins Fu Nong Dai" (farmers get-rich loans) as the core and 8 financial poverty alleviation loan models such as "specialized farmer and herdsman cooperative + farmer and herdsman households + risk compensation fund" as the main body, the Branch has made progress in the "Financial Poverty Alleviation Project". By the end of 2016 the Branch has issued RMB 24.026 billion of "Kins Fu Nong Dai" loans covering 668 towns and 5,766 administrative villages, supporting 525,900 farming and herdsman households. The Branch has also issued RMB 2.39 billion of "Kins Qiang Nong Dai" loans supporting 189 leading poverty alleviation enterprises.



- The Branch established the "Beautiful Countryside" industrial fund to support local government in the development of "10 Full Cover" projects such as dilapidated housing renovation in rural pastoring areas, safe drinking water, rural network transformation, street pavement, school building, clinic, cultural activity room, TV broadcasting for every home, and convenient supermarket.



An ABC employee explains eligibility conditions for "Farmers Get-rich Loans" to local herdsmen



Collective Wedding in the Outlet

It was a wedding at the best time with beautiful music. Couples to be married walked slowly into the venue to receive applause and blessings from the guests. Five brides from the ABC Minzhu Road Branch in Liaoyang of Liaoning Province surely were under the spotlight.

"Organizing collective wedding for young employees is an important measure to promote civility and build a harmonious home. These five brides have been working with diligence and devotion, nothing less than the male employees. We will make their wedding the happiest moment in their lives." In order to hold a low-key wedding, preparation can be described as meticulous. A day before the wedding, under the leadership of the outlet director or the "chief planner" of the wedding, members of the executive team had their own task: pasting the Chinese character representing "happiness", pasting couplets, blowing up balloons, decorating doors with flowers, etc. Everywhere was full of laughters and joy. All preparations came from the collective wisdom. Even though the colleagues were sacrificing their own resting time to prepare the wedding, they did it joyfully.

On the wedding day, the guests blessed the five pairs of newly-weds with flowers, gifts and photos they took together. The whole place was full of laughters and lasting applause.

An employee canteen in Qinghua Sub-branch under Liaoning Branch





By the end of 2016

34.1 billion

The balance of urbanization loans

120 million

The balance of loans for public service institutions such as county hospitals and schools

1.01 billion

Balance of loans for county warehousing, logistics, large-scale malls, tourism development and other relevant industries

Boosting New Urbanization

The Jilin Branch focused on the planning and requirement for the new urbanization, giving full play to the joint development of both urban and rural areas. With 7 national new urbanization areas such as Changchun City and Fusong County, and 18 town empowering pilot areas as the focus of work, ABC Jilin Branch optimized business process, created new business cooperation model, expanded credit, and actively provided more credit support to the development of urban infrastructure, rural power grid transformation and industries relevant to urbanization. Financial support of relevant industries and public services were also strengthened.

By the end of 2016 the balance of urbanization loans is RMB 34.1 billion, which means the Branch has boosted new urbanization in Jilin province with the power of finance. The balance of loans for public service institutions such as county hospitals and schools is RMB 120 million. And the balance of loans for county warehousing, logistics, large-scale malls, tourism development and other relevant industries is RMB 1.01 billion.



Outlets within 2 kilometers from the borderline

Jilin Branch

12



Wearing CPC Member Emblem, Showing Identity, Building Image and Being a Pioneer

Heilongjiang Branch: Another Spring in the Kingdom of Grain

February 4, 2016 was the beginning of spring. On this day, Qianfeng Farm of Jiansanjiang Branch of Heilongjiang Farm and Land Reclamation Administration, which is renowned as the "first place to see the sun", saw a long queue of farmers waiting to buy seeds.

The total grain output of Heilongjiang's farmland exceeded 22 billion kilograms and has been increasing for 12 consecutive years in 2015. Behind this amazing result are not only the successful experiments of comprehensive modern agricultural reforms implemented in the "two plains", but also strong support from ABC. Since 2015, ABC Heilongjiang Branch and the farming area have established new cooperation modes to become the "Flagship Bank" to help transform and upgrade Heilongjiang's modern agriculture, as well as the "Supporting Bank" to help enterprises and farmers in the farming area.



Outlets within 2 kilometers from the borderline

Heilongjiang Branch

17



An ABC client manager makes a field visit to learn about the harvest

"Da Hu Dai" (loans for big farming households) dispels worries for grain growers

- The farming area had strong financial needs but there was no individual rights for the arable land, nor real mortgage value, and the farm workers applying for loans faced guarantee problems. Heilongjiang Branch developed a new model where big farming households jointly guaranteed the repaying of the loan to raise credit line and simplify the approval process, which was well recognized among the big farming households. There were more innovations such as the "Da Hu Dai" model featuring "scalable operation, big household guarantee, joint guarantee, and farming area supervision". The Branch also designed two credit models for Beidahuang Group: unified borrowing and repayment by the Group and loans guaranteed by individual farms.

New policy serves "Da Nong Ken" (agricultural reclamation)

- ABC Heilongjiang Branch designed a comprehensive credit granting scheme for Beidahuang Group (Heilongjiang Farm and Land Reclamation Administration) and offered new credit products and systems for the farming area. Mortgage business of the rights to land charges was opened, and cooperation fields such as agricultural machinery and animal husbandry were expanded. As of the end of 2016 the Branch has increased RMB 10 billion of credit and the support for leading industrial agricultural enterprises such as Beidahuang Group, helping them to "go global". The Branch has also granted RMB 1.28 billion of loans to the "Beidahuang Sanjiang Plain Irrigation Project" to facilitate the development of high-standard ecological farmland in the Heilongjiang area. Moreover, ABC Heilongjiang Branch has served the development of animal husbandry in the farming area and established husbandry risk compensation funds to solve the guarantee problems.

Being the Trailblazer of the "Road of Dream"

As the pivot of the ancient Maritime Silk Road, Shanghai was once an important port for overseas trade in China. ABC Shanghai Branch has been pumping strong "financial energy" to Shanghai in the development of the Belt & Road Initiative, and vigorously supporting Shanghai in accelerating the building of the international economic center, financial center, trade center and shipping center.



Clear positioning to create "sea" and "sky" features

- Tongsheng Investment Group is the main body of investment and financing for Shanghai port and waterway construction. It is responsible for the construction and development of Yangshan Deep-water Port and Shanghai inland waterway. As early as the Group was established in 2002, the Shanghai Branch had already been providing financial support. In 2016, Shanghai Branch issued RMB 3.186 billion of Free Trade loans to Tongsheng Investment Group to support the development and construction of Yangshan Port in Shanghai. In addition, the Branch also provided cross-border two-way capital pool products, opened up capital channel between Chinese enterprises and Africa, and strongly supported the Port of Djibouti construction project. ABC Shanghai Branch also promoted the development of air transportation enterprises, and supported Shanghai in strengthening its function as an international air transport hub.

Relying on Free Trade Zone platform to "sail on others' ships"

- Shanghai Free Trade Area was established more than two years ago. It is an important platform for Shanghai to serve the national strategy of the Belt & Road. To accelerate the layout for businesses to "go global", the Shanghai Branch actively responded to customer needs and strengthened financial innovation. Innovations like the product of "internal guarantee of the loan" can provide financing for companies and lower corporate financing costs. Special marketing activities were held for international business of small and micro enterprises. In 2016 the Branch has expanded a total of 64 such customers, with new settlement amounting to 131 million US dollars, new sales volume of 132 million US dollars.

Providing comprehensive services to help business "go global"

- ABC Shanghai Branch clearly positioned supporting domestic enterprises in "going out" as a strategic business for the whole Branch and focused on creating special a brand for "going global" financial services. For example the Branch has issued RMB 603 million of loans to Shanghai Maling Aquarius Co., Ltd. for its foreign M&A project, RMB 3.5 billion of Free Trade loans to Zhenhua Heavy Industries Co., Ltd. for its production and operation, RMB 3.062 billion of Free Trade and M&A loans to COSCO Shipping Development Co., Ltd., and RMB 430 million of Free Trade loans to Shanghai Municipal Investment (Group) Corporation's project company in Shanghai Free Trade Zone for the construction of Shanghai Tower, etc.



Shanghai Yangshan Port

Jiangsu Branch Makes Vigorous Efforts to Nurture Skilled In-house Trainers

In 2016, Jiangsu Branch officially launched the "Hundred-Ten-Five" program to nurture in-house trainers and made vigorous efforts to build a reasonably structured, excellently skilled team of in-house trainers.

This training program is effectively aligned with the "Thousand-Hundred-Ten" project of the Head Office, and strived to nurture 100, 10 and 5 in-house trainers for the Branch itself, tier-2 branches and tier-1 sub-branches respectively. Selected trainers must be ideologically correct, have rich experience, extensive potential, solid theoretical foundation, and love the education and training career. The bank established effective incentive measures, resource sharing mechanism and dynamic management to meet all levels of needs for training, teaching, research and development to provide strong protection for operation management and post-transformation development.





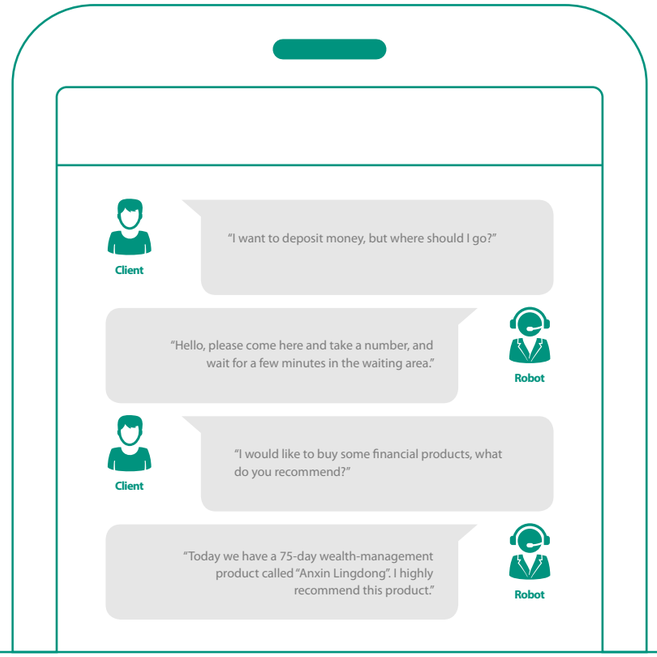
Taizhou Branch holds "Vigors and Passions" young employees fashion show

Zhejiang Branch

Robots and New Customer Experience

In Wenzhou Branch, two 90 cm-tall robots attracted the attention of everyone. Robots can not only receive and part with visitors in a timely manner and understand what they need, but also help with customer sorting, business consulting, marketing, publicity, interactive exchanges and so on. Equipped with a touchscreen, any robot may introduce products to customers and inform them of necessary procedures and precautions via voice, images, video and other forms of communication. If necessary, they may give improvised performances.

The bank took the lead in introducing intelligent service robot in outlets, opened a new era for "robot intelligent services" and brought a new customer experience.

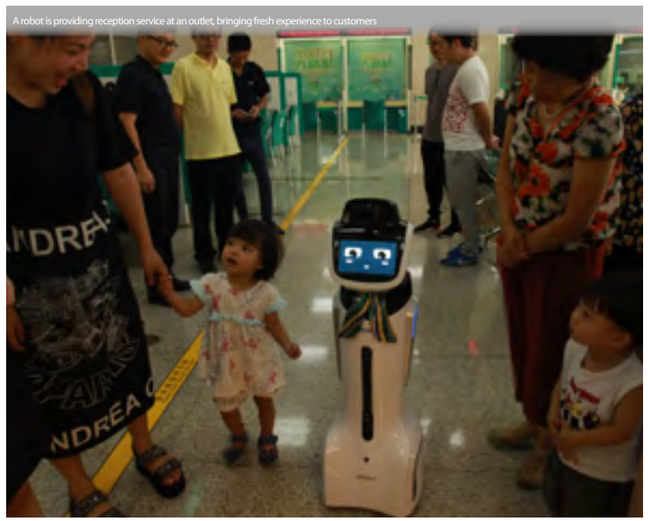


It's the first time that I have seen such a robot. He is so interesting, and he even introduces products to me.

--- Aunt Zhang, Customer



A robot is providing reception service at an outlet, bringing fresh experience to customers



Anhui Branch

"Nong Dan Tong" Helps Farmers Find Their Fortune

Looking at his crops, which were so close to ripeness, Farmer Wang Lin could by no means cheer himself up. Because he had to buy seeds, fertilizers and other agricultural materials and pay his land transfer rent of more than RMB 400,000. "You can never borrow enough money from relatives and friends. But if you want to borrow from banks, you cannot find a suitable pledge."

Understanding Wang Lin's situation, Yongqiao Sub-branch in Suzhou, Anhui, recommended "Nong Dan Tong" loan product to him. If he can apply for "Nong Dan Tong", he no longer had to worry about mortgaged properties and interest rates. Very soon, Wang Lin received his RMB 300,000 of loans. Wang Lin praised gratefully the bank as "a bank of service, of people and of help".

"Nong Dan Tong" is a loan product supported by the joint effort of Anhui Branch and Anhui Agricultural Credit Guarantee Co., Ltd., and is designed exclusively for new agricultural business entities including leading enterprises in agricultural industrialization, family farms and large and specialized family businesses. By the end of 2016, Anhui Branch had issued 1,199 "Nong Dan Tong" loans involving RMB 590 million.



By the end of 2016

1,199

"Nong Dan Tong" loans have been issued

590 million

Involving RMB

Innovative "Nong Dan Tong" loan product helps fruit growers reap harvest



Fujian Branch

Thriving Oceanic Economy

Fuzhou has long been the starting point of the Maritime Silk Road, the trading port of the east and the bridge between China and the West. Now, Fujian is positioned as the "core area of the 21st century Maritime Silk Road." Thus, ABC Fujian Branch have been focusing on the construction strategies of Fuzhou New District, Fuzhou Free Trade Zone, and the hub city of the 21st century Maritime Silk Road, leveraging its financial advantage to play a leading role in supporting the development of Fuzhou.


Fuqing Nuclear Power Plant. (Fuqing Sub-branch, Fuzhou, photo by Lin Jie)

- ABC established strategic partnership with China-ASEAN Marine Product Exchange and thus became the first financial organization to carry out banking and commercial business with the exchange. The Branch carried out deep-level cooperation with the exchange and its upstream and downstream customers at the same time in cross-border two-way RMB pool, electronic banking and other areas.

- Fujian Branch provided businesses with tailored financial services including letters of credit, documentary bills, cross-border trade financing among others. By leveraging its global network, massive data and quality resources, ABC helped the port to pave a new maritime "silk road".



Being the vanguard of the construction of Fuzhou Free Trade Zone

Giving relentless support for "going global" strategy

Vitalizing port-driven development

- ABC Fujian Branch focused on the core role of the trading port to expand the scope of services and vigorously supported harbor-related industries and shipbuilding industries.

Jiangxi Branch

Vanguard of Financial Poverty Alleviation

Jiangxi Branch made active efforts to serve the poverty alleviation strategy by increasing credit for the industrial development of poor areas and poor family farms. Besides, by implementing measures including industrial poverty alleviation, government credit and e-commerce poverty alleviation, the Branch strived to be the vanguard of financial poverty alleviation and provide new solutions for financial poverty alleviation.

By the end of 2016

48,100

Poverty alleviation loans have been granted to farming households (those identified in the poverty-alleviation archive system)

2.219 billion

Involving RMB


Learn from Lei Feng and care about special education



- The Branch always focused on featured industries and financial innovations. For example, the Branch has launched "Kins Oil-Tea Camellia Loan", "Kins Tea Loan", "Kins Navel Orange Loan", "Kins Orange Loan", "Kins Grape Loan" and many other financial products for poverty alleviation to support industrial poverty alleviation. The bank guided county-level sub-branches to focus their supporting efforts on one or two leading or featured industries. By the end of 2016, by leveraging featured products and new products, Jiangxi Branch had issued RMB 2.219 billion of loans to 48,100 families for poverty alleviation.

Industrial poverty alleviation leads poor families out of poverty

E-commerce poverty alleviation embarks on a new journey

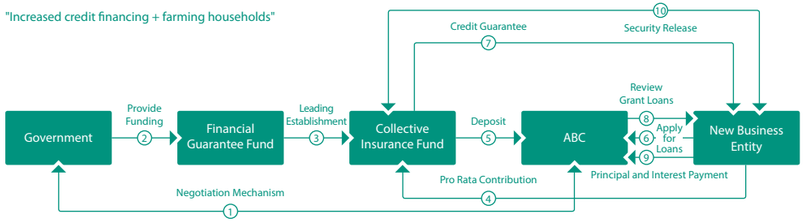
- In 2015, e-commerce poverty alleviation was listed by the State Council Office of Poverty Alleviation as one of the top 10 projects for poverty alleviation. Jiangxi Branch played an active role in building a financial system for poverty alleviation to provide loans to e-commerce companies. In Nankang District, the Branch worked with e-commerce companies to implement an "agricultural order + e-commerce" model and ensured a bottom price. Besides, the Branch set up an e-commerce base in villages to handle orders online and leave farmers with no future worries.

Government Increased Credit Farmers' Loan Innovation

Shandong Branch has made active efforts to integrating resources and taking advantages of external supports. The Branch focused on using government increased credits as a breakthrough, and explored four new models of loans including "Increased credit financing + farming households", "Secured loans + farming households", "Policy guarantee corporation + farming households" and "Insurance company + farming households".

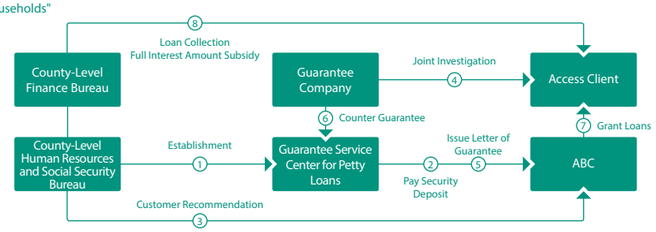


"Increased credit financing + farming households"



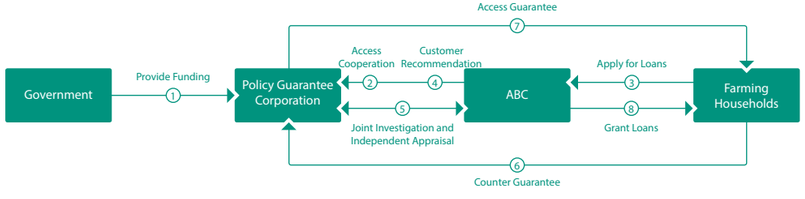
- By the end of 2016, Shandong Branch had carried out pilot programs of increased credit financing in 35 counties (cities or districts), issued RMB 265 million of loans and supported 447 family farms and large and specialized family businesses.

"Secured loans + farming households"



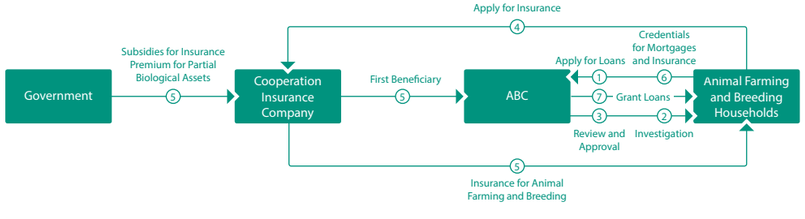
- By the end of 2016, the Branch had cumulatively issued RMB 70.4 million of loans and RMB 4 million of interest subsidies to 1,489 farming households with a loan balance of RMB 27.29 million.

"Policy guarantee corporation + farming households"



- As of the end of 2016, in Shandong, there are 107 State funded policy guarantee organizations (excluding Qingdao) and 26 authorized organizations. By the end of the year, the balance of loans guaranteed by theses policy guarantee organizations had reached RMB 25 million.

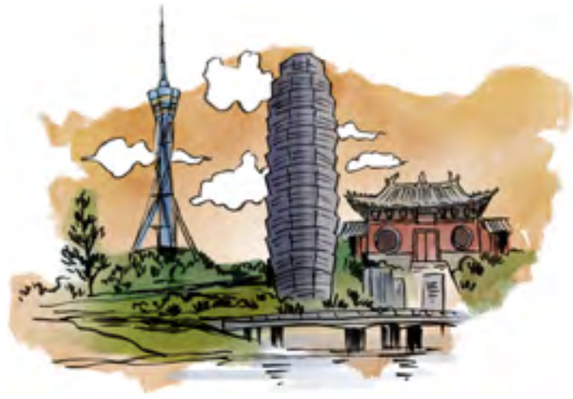
"Insurance company + farming households"



Timely Loans for Construction Projects

Rundown district renovation projects in Tiexi, Xinxiang, were in the middle of construction. Workers and dozens of engineering vehicles were working nervously as scheduled... "Thanks to ABC, we cannot continue the construction without your timely loans," said Manager Li of Xinxiang Investment Group. The first phase of Tiexi rundown district transformation required demolition of natural villages including Dongshuidong, Shilipu and Shenxiaoying, and related compensation and alternative accommodation, involving 2,300 households and 7,200 residents.

Xinxiang Branch set up working groups for loans for the transformation, delegates responsibilities to specific individuals and makes clear requirements for projects. Besides, working groups strived for the support from service departments of the bank and multilevel cooperation. Importantly, working groups worked on site and made plans for rating, investigation and review. By the end of 2016, the Branch had issued RMB 900 million of the approved RMB 1.65 billion loans, giving vigorous support for local construction projects.



Big buses take off-farm workers back to their homes for free for the Chinese New Year festival.



"Photovoltaic Poverty Alleviation Loan" Illuminates Old Revolutionary Base Areas

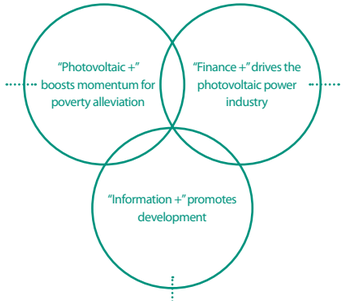
Hong'an County is in the hinterland of Mt Dabie, and is famously known as "General County" and the birthplace of the Red Fourth Army. More importantly, the county has long been a key area for national poverty alleviation strategies. In Hong'an, there remain 22,000 families and 50,500 people living below the poverty line.

Leveraging the local government-led poverty alleviation industries, Hong'an Branch launched the first photovoltaic poverty alleviation loan product called "Glimmers of Light", and helped the county to get rid of poverty.



A Corner of Wuhan Optics Valley Future Science and Technology City Photo by Liu Yuntao

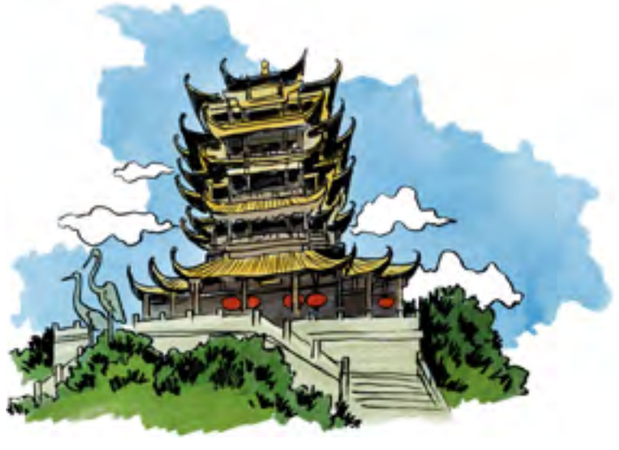
- Photovoltaic power is not only clean and environmentally friendly. Such energy can bring stable revenue, scale for power station of any size and play an active role in agriculture and forestry as a part of "photovoltaic +" application. ABC focused on industrial poverty alleviation, and photovoltaic power generation has become the major poverty alleviation industry.



- Understanding the Photovoltaic Poverty Alleviation Plan, Hong'an Branch strengthened cooperation with local governments to launch "Glimmers of Light" photovoltaic poverty alleviation loan product. With the success of the "finance +" model, the county not only ensured farmers' income sources for their credit loans but also increased their revenues.

- To meet the needs of customers more quickly, Hong'an Branch made clever use of "information +" to streamline and standardize the procedure for large-scale petty loans.

- By the end of 2016, Hong'an Branch had issued RMB 56.16 million of Photovoltaic Poverty Alleviation Loans to effectively raise 7,020 poor families out of poverty. Looking forward, the bank would take into consideration the construction progress of photovoltaic power stations in the county and steadily raise 17,000 poor families out of poverty.



Becoming the Mainstay of Changjiang River Economic Belt

Located in the middle section of the Changjiang River Economic Zone, Yueyang city covers 163 kilometers of golden waterway of Changjiang River and is a gateway of Hunan Province in reaching out to the sea and the world. Yueyang Branch made relentless efforts to support local development programs including "Big Gateway", "Big Rivers and Lakes", "Big Transportation" and "Big Production Bases", and provided a steady stream of financial support for the economic take-off of Yueyang.





A morning meeting at an outlet. Hunan Branch is pushing hard for the bank's network transformation

Being a vanguard

- Making Yueyang a new economic center. The Branch implemented a "physical outlets + ATM + marketing teams" service mode to turn Yunxi Sub-branch and Chenglingji Sub-branch located in the Hunan Chenglingji Harbor New District into sub-branches with distinctive characteristics, setting up specialized service teams to provide around-the-clock financial services for clients in the district. Since 2014, Yueyang Branch has cumulatively approved RMB 3.15 billion of credit line to clients in this New District, of which RMB 2.26 billion have been issued.

Utilizing the waters

- The "Four Lakes & Two Rivers" Project, which focuses on Nan Lake, Bajiao Lake, Dongfeng Lake, Jijia Lake, Wangjia River and Beigang River, is the largest water conservancy project in Yueyang. The Branch has issued RMB 1.65 billion of loans for river dredging and supporting infrastructure.

Writing a "song of transportation"

- Meng-Hua Railway is currently the longest coal carrying railway. The construction of its extension line to the Port will be started soon. Huadian Pingjiang power plant, Shenhua Guohua Huarong power plant and other major projects, which are all located along this extension line, are beginning to break ground. As a pioneer of syndicated loans, Yueyang Branch has granted a credit line of RMB 3.5 billion to Huadian Pingjiang Power Plant and issued RMB 810 million of syndicated loans to support construction projects including Meng-Hua Railway and Wuhan-Shenzhen Railway to improve the regional transportation system.

Setting up the Financial "Air Silk Road"

The stretching Pearl River across the city connects Guangzhou, inland China and the rest of the world. As a carrier of her thousands of years of history, the river is showing her new vitality following the "Belt & Road" strategy. Guangdong Branch seized the historic opportunity to strengthen its cross-district, cross-border and cross-industry cooperation to accelerate product innovation and vigorously develop cross-border RMB business.

A Russian customer sends an oil painting of Guangdong Branch buildings as a gift to show her gratitude for the meticulous services provided by Guangdong Branch





- Guangdong Branch and China Southern Airlines Group have signed a strategic cooperation agreement to further deepen the cooperation between banks and enterprises. Over the next 3 years, ABC will granted an intended RMB 150 billion credit line to China Southern Airlines to meet its strategic needs and support the "13th Five-Year" development strategy.

- The Branch gave relentless support for cross-border settlement, financial transactions and financing to Poly Real Estate, Guangdong Province Nongken Group when these enterprises were expanding their businesses abroad.

Establishing the "Air Silk Road"

Building a city of future

Helping Chinese enterprises to go global

- After the construction of the Guangdong Free Trade Zone was approved, Nansha, covering a total area of 60 square kilometers, became both a national new district and a Free Trade Zone. As the first branch in the Zone, Nansha Branch has recommended and helped 1,800 enterprises to set up companies there. Over the past year, the Branch has achieved three "first" in its free trade business – the first cross-border RMB pool in the Free Trade Zone, the first overseas RMB loan business, the first individual cross-border RMB business in the Free Trade Zone.

Guangxi Branch
9
Outlets within 2 kilometers from the borderline



Making Local Landscape Greener

Guilin Branch fulfilled its "green responsibilities" and promoted "green economic growth" by issuing "green loans" and supporting "green agriculture", "green energy" and "green tourism". Since 2015, the Branch has issued nearly RMB 20 billion of loans and acceptance bills to support the construction of "international tourist destination" and other municipal construction projects, and importantly the development of tourism industry in Guilin. In support of tourism development, Guilin Branch paid great attention to the relationship between development and protection and focused more on the latter. The Branch gave great support for the large-scale urban environmental protection project "Two Rivers & Four Lakes" and the transformation project "One Road & Two Rivers", to transform the polluted waters of Guilin into a cultural sight. Besides, the Branch also supported the waste incineration and non-pollution treatment project, Li River water replenishment project, and many county-level sewage treatment projects. The Branch gave great support for green energy, helps State-owned enterprises in eight wind power projects in building the largest wind power base in Guangxi, capable of generating nearly 4 billion kwh of electricity annually which is equivalent to saving 1 million tons of standard coal annually or 3 large-scale reservoirs.

A scene of tea farms. (Sanjiang County Sub-branch)



Hainan Branch

Helping Haikou Ride the Crest of a New Wave

Haikou is not only the only provincial capital city in the Round-Beibu-Bay area and the vanguard for China's South Sea strategies, but also a key point in the construction of the Belt & Road and a hub connecting China's southeast coast and Southeast Asia. Hainan Branch made vigorous efforts to help Haikou in becoming a key link of the maritime silk road.



Paving way to the skyline

- In support for the development of Meilan International Airport, the Branch approved RMB 4 billion of loans for the second phase of the expansion project of Meilan Airport and raised RMB 1.5 billion for the construction. Besides, the Branch supported the construction of round-the-island high-speed railways. Now passengers can take only 6 hours to travel around the whole island.

Helping enterprises find their fortune overseas

- Yangpu Port is in the main international maritime transport center of East Asia and Southeast Asia. The Branch provided relentless support for large-scale projects including the construction of petrochemical bases, oil reserve bases, PET industry bases to provide enterprises with trading and financing services.

Assisting Haijiao Group in going global

- In June 2016, Hainan Branch and Hainan Nongken Group signed a strategic cooperation agreement. The bank agreed to provide an intended credit line of RMB 30 billion to Nongken Group within 3 years and carried out active negotiations with ABC International and ABC Singapore Branch to help its subsidiary company, Haijiao Group, to issue bonds overseas.

Hainan Branch signs a strategic cooperation agreement with Hainan Nongken Group



Sichuan Branch

"Starting Point" of Changjiang River Makes Vigorous Efforts for Green Development

Yibin, located in junction of the Sichuan-Yunnan-Guizhou area, where Jinsha River, Min River and Changjiang River meet, is thus named as the "starting point of Changjiang River". Therefore, Yibin is not only the "South Gate" to the outside world, but also a hub of water transport. In recent years, Yibin Branch played an active role in serving many key projects in the Changjiang River economic belt. Besides, the Branch helped the local government in the construction of "the starting point of Changjiang River" and industrial ecological port to accelerate the economic development.

Since 2014

4.085 billion

Loans have been issued to small and macro enterprises

Supporting the green development along Changjiang River

- Providing more comprehensive financial services for strategic emerging enterprises of electronic information, new energy, biotechnology and new medicine, high-end equipment and other industries
- Since 2014, the bank has issued RMB 4.085 billion of loans to small and micro enterprises

Promoting the transformation and upgrading of traditional industries

- Create new loan products to allow wine production, energy and other traditional industries to mortgage on original wine
- Increasing investment in small and medium-sized enterprises in the production of wine bottles and caps, food suppliers and other alcohol-related industries
- Creating e-commerce sale model for alcohol-related enterprises
- Supporting coal mining enterprises to introduce strategic investment partners and carry out strategic restructuring

Supporting the construction of comprehensive transportation

- The Branch made tailored service strategies for highway, railways, water transportation and other key areas
- Issuing over RMB 507 million of loans and focus on construction projects including the construction of Section A of Yibin Port Binjiang Road
- Issuing loans to promote the construction of transportation system of Lingang New Town and Lingang Industrial Park in Yibin

Rendering full support for Yibin Port development





Outlets above altitude of 3,000 meters

Sichuan Branch **24**

Sichuan Branch **21**

Outlets above altitude of 3,500 meters

Chongqing Branch

By the end of 2016

3.5 billion

Credit line has been granted to land reclamation projects

3.3 billion

An cumulative RMB of loans have been granted

28,000 mu

Supporting reclamation of land

Pengxi River Bridge along the Chongqing-Yibin Expressway



Creating New Investment and Financing Models to support the Construction of High Standard Farmlands

Since 2016, Chongqing Branch has created new investment and financing models, increased loans for land reclamation, and provided financial services for post-reclamation construction, agricultural and aqua-cultural development and other areas in Chongqing to accelerate the construction of high standard farmlands.

By the end of 2015, Chongqing Branch and Chongqing Agricultural Development Office had signed a strategic cooperation agreement to promote the construction of high standard farmlands by means of policy guidance and financing support. In the implementation of the agreement, the bank lowered requirements for loans, established "green channels" for review of loans and streamlined the review procedure for eligible projects. Besides, the bank provided more loans for land reclamation of homesteads and abandoned construction sites and devised more financial products to meet the needs for land reclamation. By the end of 2016, Chongqing Branch had cumulatively granted credit lines of RMB 3.5 billion and issued RMB 3.3 billion of loans for land reclamation projects covering 28,000 mu of land, without nonperforming loans.



Guizhou Branch

A demonstration project in Tianjiagou Village, Meitan, Guizhou Province



Building "Beautiful Countryside" as the Focus of Supporting Efforts

107 million

RMB of loans have been issued in Huangguoshu Scenic Area in Zhenning, Jiucaiping Scenic Area in Bijie, Tongzi, Chishui, Panxian and many other scenic spots for developing rural tourism

In recent years, Guizhou Branch focused on the construction strategy for new rural area, and worked with local governments to launch pilot projects for the construction of a "Beautiful and Hospitable Countryside". The Branch developed special-purpose financial products including "Beautiful Countryside Loans" and "Beautiful Rural Industrial Fund".

Guizhou is one of the provinces that implements the pilot strategy of building a "Beautiful Countryside". To promote the smooth implementation of this strategy, Guizhou Branch took into consideration the overall situation to approve RMB 5.2 billion of credit for "New-look Farming Households • Beautiful Countryside" construction projects. Besides, the Branch laid emphasis on supporting the tourism development strategy of Guizhou Province to transform from scenic spot-oriented tourism to diversified tourism.

The Branch also launched rural tourism loans and granted RMB 107 million of loans to 697 families for developing rural tourism in Huangguoshu Scenic Area in Zhenning, Jiucaiping Scenic Area in Bijie, Tongzi, Chishui, Panxian and many other scenic spots. Besides, the Branch gave full support for the upgrading of farm tourism and rural hotels, and helped to develop local sightseeing tours, wax prints, handicraft, etc. These measure contributed to easing local employment pressure, promoting rural development, and increasing revenues for local people.



Making the Most of Yunnan's Green Mountains

By the end of 2016

2.683 billion

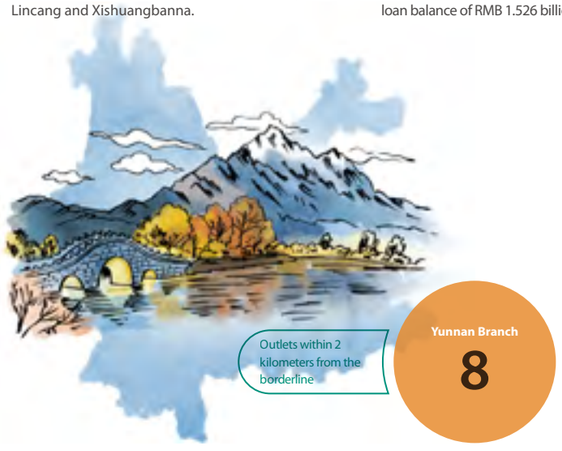
RMB of loans have been issued to help develop unique highland agriculture

2.765 billion

With a loan balance of RMB

Yunnan is a land of treasure, countless fruits, famous medicinal herbs, and fragrant Pu'er tea. The abundance and variety of resources alone make local agricultural industries unique enough. To make the most of Yunnan's green mountains, Yunnan Branch continued to increase support for leading enterprises of local agriculture and new agricultural business entities in developing unique agriculture and alleviating regional poverty. ABC is the vanguard in serving "Sannong" (meaning agriculture, rural areas and farmers). Yunnan Branch provides full-range services for both mega projects and individual farmers, including hydropower, highway and subway projects which are Yunnan's pillar industries, and the construction of new rural areas in the border areas of Honghe, Lincang and Xishuangbanna.

By the end of 2016, Yunnan Branch had cumulatively issued RMB 2.683 billion of loans for distinctive agriculture with a balance of RMB 2.765 billion. These loans had mainly flowed to sugar, fruits, vegetables and rubber industries. Besides, the bank has also launched "Colorful Yunnan Tobacco Loan", "Colorful Yunnan Immigration Loan", "Colorful Yunnan Poverty Alleviation Loan" and "Hui Nong Tong-Boutique Service Project" and many other credit products. In terms of agricultural industrialization, the Branch issued 393 loans to leading enterprises of agricultural industrialization, totaling RMB 4.324 billion, with a balance of RMB 4.826 billion. The Branch had 268 new clients from new agricultural business entities including large and specialized family businesses and family farms, with a loan balance of RMB 1.526 billion.



Lianghe Sub-branch supports farming households in growing black fungus to increase income. (photo by Liang Zhiqiang)



Lang Ka Zi County Sub-branch provides mobile financial services at Pu Ma Jiang Tang, a town at the highest altitude in the world



Tibetan Voice Service Available in Self-Service Banking

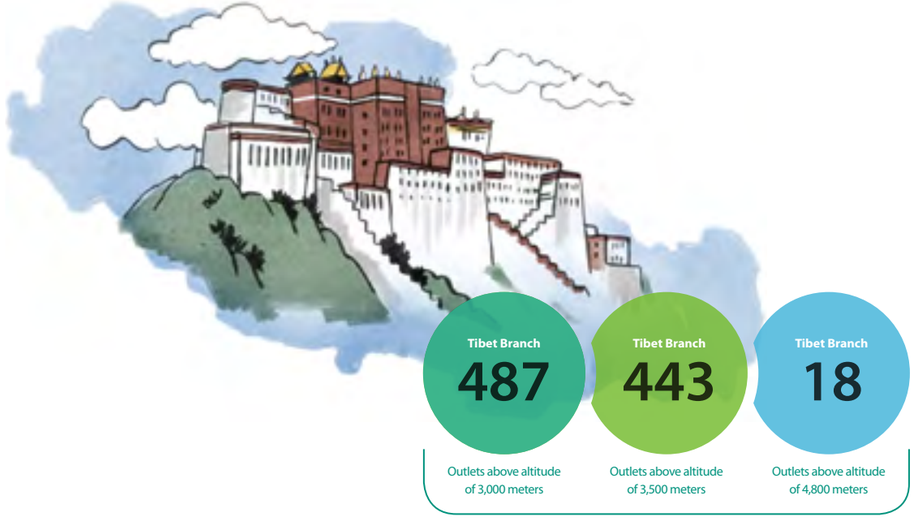
By the end of 2016

600

Transaction self-service machines have been installed at county leve

With the rapid development of Internet and mobile finance, trading habits of customers will also change greatly. A great number of self-service banking transactions will shift online. Because farmers and herdsmen make up the majority of customers in local counties, the Branch launched "Zhi Fu Tong" (e-banking service) to provide wired or wireless Tibetan voice service. After half year's translation, recording, research, development, testing, improvement and production, Tibetan voice service for cash operation is now available across the region. The success of such service has received acclamation among farmers and herdsmen.

By the end of 2016, over 600 self-service machines have been installed in local counties, accounting for 75% of the 800 self-service machines for cash operation within Tibet. The Branch ranks first in terms of the number of cash-based self-service equipment installed both in Tibet and in local counties.



Shaanxi Branch

By the end of 2016

34.166 billion

The balance of loans to poverty-stricken areas

Shoring Up Weak Spots

Shaanxi is located at the junction of three poverty-devastated areas, Mt Qinba, Mt Liupan and Mt Luliang. In March 2012, the State Council Poverty Alleviation and Development Leading Group Office listed 592 counties for poverty alleviation, of which 56 are in Shaanxi. Poverty has long been a constraint to the economic and social development in Shaanxi. Shaanxi Branch focused on the industrial features of these poverty-stricken counties, created a new guarantee mode, strengthened the linkage between the bank and local governments, promoted the basic financial services in the poverty-stricken areas, and vigorously supported the economic and social development of the poverty-stricken areas. By the end of 2016, the balance of loans issued to the poverty-stricken areas had amounted to RMB 34.166 billion.

Creating new financial products

- The Branch launched new loan products to allow farmers to mortgage on operation rights of orchards and woodlands. Besides, the Branch created new guarantee modes including "operation right of rural lands + sheds" and "operation right of rural lands + farm machinery". In 2016, the Branch increased loans to new agricultural entities by RMB 350 million, with a balance of RMB 2.03 billion.

Achieving industry-driven development

- The small size of orchards has long been a constraint for the development of the apple industry. Shaanxi Branch gave active support for land transfer of leading enterprises. Via land transfer, the leading enterprises or specialized cooperatives can take over orchards and develop the apple industry in a more standardized and centralized manner. Shaanxi Branch has given support to 64 leading agricultural enterprises in poverty-stricken areas to achieve integrated operation from growing, breeding, production, purchasing to sales. Besides, the Branch has given support for 101 agricultural specialized cooperatives, with a balance of RMB 113,211,200.

Banks and governments establishing partnership for new development

- The Branch promoted four credit modes, including policy-related guarantee companies, risk compensation funds, insurance products and financial subsidy guarantee. In early February 2016, Shaanxi Branch and Shaanxi Poverty Alleviation Office signed a strategic cooperation agreement to further strengthen the cooperation between banks and governments.



Baoji Branch offering assistance to wind power development projects.



Gansu Branch

By the end of 2016

525 million

Credit funds have been issued

Gansu Branch Promotes Water Conservancy Construction to Benefit Local People

Gansu Branch relied on water conservancy loans to serve "Sannong" and the well-being of people. By leveraging multiple targeted measures, the Branch made vigorous efforts to support water supply, hydropower, reservoirs and river channels, sewage treatment and other key construction projects that benefit the well-being of the general public. At the beginning of 2016, Gansu Branch sorted out the industrial information and market situation of the local water conservancy industry, and included eight water conservancy projects and other top-quality hydropower projects as reserved credit resources. At the same time, the Branch made efforts to look for hydropower projects suitable for bridge loans. The Branch determined nine target hydropower clients with a total of installed capacity of 172.6 MW. By the end of 2016, the Branch had issued RMB 525 million of credit funds. Besides, the Branch granted a cross-regional credit line of RMB 150 million to cantilevered hydropower projects in Huihai, Qiemo County located in the Qarqan River valley of Xinjiang and issued RMB 130 million of joint loans through cross-province cooperation with other ABC branches. It not only broke the regional barrier in issuance of hydropower loans but also promoted the transformation of energy development in Northwest China.

By the end of 2016, the Branch had issued RMB 1.246 billion of hydropower loans, with a balance of RMB 5.079 billion.





Support to the construction of theterraced fields in Huining County, Baiyin City

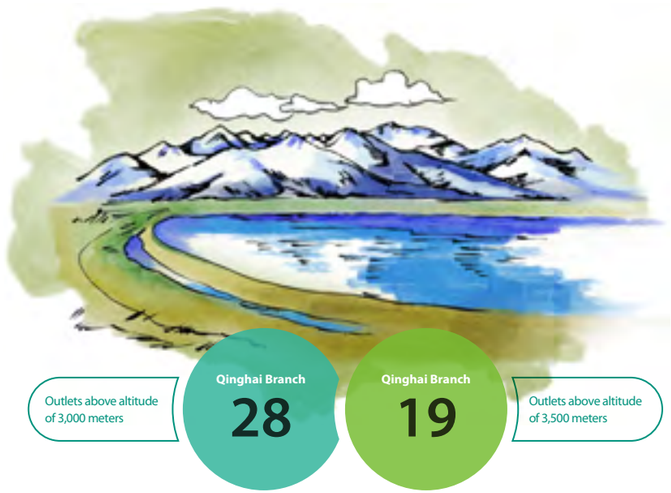
Qinghai Branch

Introducing Rural Homestead Property Mortgage Loans to Meet Urgent Needs of Farmers

In 2015, Huangyuan County was identified as the only pilot county in Qinghai Province in the National Rural Homestead System Reform. Qinghai Branch seized the favorable opportunity in piloting the Rural Homestead System Reform. Relying on the mountains, vegetation, grassland and other natural advantages in the region and giving overall consideration of the perspectives of governments, banks and farmers, Qinghai Branch took homestead property as collateral and received letter of guarantee from a guarantee company as the third party in granting RMB 420,000 of loans to 11 farming households in Machangtai Village of Heping Township in Huangyuan County in April 12, 2016. The loans were provided to help restructure "Happy Farmhouse" leisure and tourism industry and develop rural tourism economy.

To be honest, the current policy is excellent. ABC loans not only met my urgent need for running Happy Farmhouse business, but also brought a 'cornucopia' to our home!

---Dong Shengji, villager from Machangtai Village of Heping Township in Huangyuan County




Granting loans to new business entities in QinghaiProvince

Ningxia Branch

Waging a Battle of "Financial Poverty Alleviation"

Liupan Mountain is the last mountain the Red Army crossed during the Long March and well known to the Chinese people because of Mao Zedong's poem "Liupan Mountain". The Liupan Mountain Area is also one of the 14 Concentrated and Contiguous Destitute Areas in China. In 2000, Liupan Mountain Area was approved as China's first pilot area to "alleviate poverty via developing tourism". Liupan Mountain Area covers 21 townships and has 400,000 poor population, including Jingyuan, Xiji, Haiyuan, and Yuanzhou regions. Ningxia Branch regarded Liupan Mountain Tourism Poverty Alleviation Pilot Area as the main battlefield and wage a battle of "financial poverty alleviation".

- Liupan Mountain Tourism Poverty Alleviation Pilot Area has been known as "a national forest park" but is inconvenient when it comes to communication with the outside world due to its location in deep mountains. Xiji is the only county in the Pilot Area that has no express highway. Ningxia Branch raised RMB 2 billion through internal syndicates and inter-bank syndicates to fully support the construction of Xigu Highway. Ningxia will accomplish the task of "connecting every county with highways" in 2017.

Pinpointing effort to make mountains accessible

RMB 7 billion of loans in 3 years to help farming households in poverty area

- Ningxia Branch signed a credit cooperation agreement with each city and county government in the Pilot Area, and established over 20 guarantee models such as "government + farming households", "company + farming households", "public servants + farming households", "cooperatives + farming households", "joint guarantee of farming households + risk deposit", etc. Ningxia Branch supported the development of a number of rural demonstration bases including a "vegetable base providing supplies to Hong Kong" and "Liupan Mountain Chinese medicine base". Through introducing measures such as "enterprises leading farmers", "bosses leading countrymen" and "industrial bases leading farming households", more farmers have returned to their hometown and increased their income. Over the past three years Ningxia Branch has issued RMB 7 billion of loans to 140,000 farming households, of which 13,000 were poor households identified in the poverty-alleviation archive and information system.


Staff from cooperative branch having an on-site investigation of Pian Ci Cattle breeding



Supporting the Construction of Core Areas on the Xinjiang Silk Road

With the ongoing construction of the core areas of the Xinjiang Silk Road economic zone, Xinjiang Branch, relying on Xinjiang's resources and regional characteristics,increased its support to the financial supply-side reform, and offered real financial services by leveraging the advantages of urban and rural linkage.

Expanding the scope of "Sannong" services	• Xinjiang Branch focused its efforts to align with the Region's agricultural optimization philosophy of "stabilizing food supply, adjusting cotton production, improving fruit and developing animal husbandry", and expanding the scope of "Sannong" services. By the end of 2016 the Branch had approved a total of RMB 39.452 billion of agricultural loans, served 6 rural cooperatives and granted an aggregate amount of RMB 4.746 billion loans for agricultural industrialization, covering 91% and 79%of the leading enterprises at national level and regional level respectively, and changing the way of "Sannong" service from "single point service" to "chain service".
Innovating "Sannong" service models	• The Branch strengthened support for the main bodies of new cultural production and operation, introduced roster management and focused on premium loans to farming household, agricultural production and operation loans, and simple and speedy loans as the main products of the Branch. In addition, Xinjiang Branch supported local key projects, specialized and large-scalefarming households, family farms, agriculture-related small and micro enterprises, leading enterprises of agricultural industrialization and professional farming cooperatives to expand the coverage of new cultural production and operation bodies.
Assisting farmers to get rich and improving agricultural results	• The Branch took into consideration the characteristics of economic development in four prefectures in South Xinjiang and adopted differentiated management approaches. It also strengthened support for the ethnic minority areas to develop special agriculture, for example the hot wind drying and cooling storage project for South Xinjiang's fruit and vegetables. Xinjiang Branch had granted a total loan of RMB 7.09 billion to the four prefectures in South Xinjiang, which significantly supported the development of special agriculture in those areas, very effective in helping farmers to get rich and improving agricultural results.



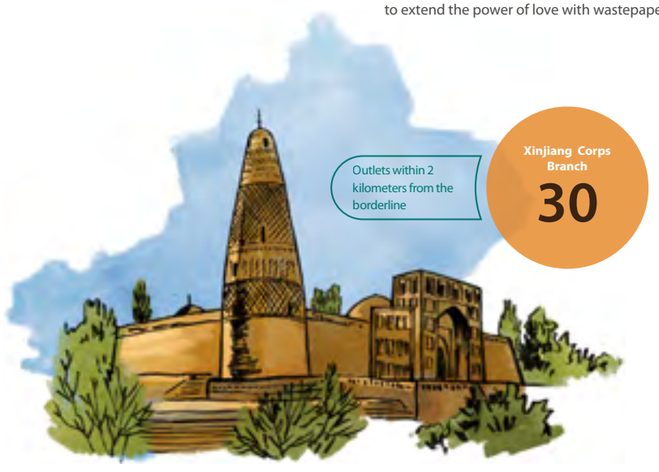

A cotton picker picking cotton



Joining Hands with Xinjiang Corps Charity Foundation to Promote the "Extending Love with a Piece of Paper" Campaign

On February 29, 2016, Xinjiang Branch joined hands with Xinjiang Corps Charity Foundation in launching the "Extending Love with a Piece of Paper" charity campaign in all 14 cities and 176 agriculture and pasturing farms in South Xinjiang to extend the power of love with wastepaper.

Xinjiang Corps Branch actively communicated with the Xinjiang Corps Charity Foundation and achieved successful cooperation, resulting in the opening of a charity special account with a time deposit of RMB 5 million. On February 1, 2016, the Xinjiang Corps Branch officially launched the campaign in the areaand sent out 2,500 co-branded cards in the name of "Extending Love with a Piece of Paper". Xinjiang Corps Branch took the lead in collecting and donatingthe wastepaper (newspaper, documents, books and magazines) for charity proceeds to be used to save children with congenital heart disease from remote poverty-stricken families on pasturing farms.



Dalian Branch



Launching a Month-long Anti-counterfeit Money Publicity Campaign

Dalian Branch established an anti-counterfeit money unit, and organized a variety of anti-counterfeit money publicity activities by combining in-store promotion with publicities in villages, schools, shopping malls, supermarkets and other places. On September 21, 2016, the office of Liangjia Outlet of Jinzhou Branch set up an anti-counterfeit money workstation in the largest supermarket in Liangjia Town and held an anti-counterfeit money activity for rural areas, with prized quiz, publicity handouts, and Q&As on the spot, plus a variety of shows and performances.

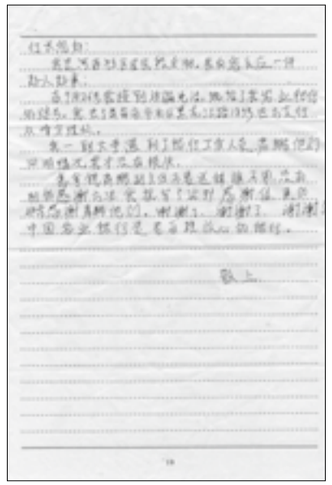




Qingdao Branch

Employees of Qingdao Branch went down to communities to spread financial knowledge





Recognition for Efforts in Fighting Telecommunication Fraud

"Thank you so much! Thank you! ABC is a bank we trust. "

The quotes came from a thank-you letter written by an aged customer. Employees from ABC Sifang Branch in Qingdao helped prevent a telecommunication fraudand saved him from monetary losses.



In face of various and frequent telecommunication fraud incidents and their ever-changing tricks, ABC Qingdao Branch established a leading group specialized in dealing with telecommunication fraud and put forward "Five Musts" and "Three Forbids", i.e. duty and responsibilitymust be carried out; policies must be well understood, work and mission must be accomplished well in time, challenges must be faced, and overall arrangement must be in place; forbid checking and approving at the same time, forbid negative opinions, and forbid inaction or action without reason. The Branch joined with Qingdao TV in producing a sitcom based on cases where telecommunication fraud was successfully stopped to educate the public with different fraud tricks and advices on prevention.

In 2016 the Branch won the "Award for Excellence for Advanced Unit in Qingdao's Fight Against Telecommunication Fraud and Money Laundering".

Ningbo Branch

By the end of 2016

48.5 billion

The balance of loans to the manufacturing industry was RMB

42.6 %

ABC's loans to corporate legal persons

Supporting the Construction of China's First "Made in China 2025" Pilot City

In August 2016, Ministry of Industry and Information Technology, Chinese Academy of Engineering, Xinhua News Agency and Ningbo Municipal Government jointly held a press conference for "Made in China 2025" pilot demonstration city, officially announcing that Ningbo would become the first "Made in China 2025" pilot demonstration city. On September 22, ABC entered into a comprehensive strategic cooperation agreement with Ningbo Municipal Government, under which a total of no less than RMB 50 billion will loaned during the 13th Five Year Plan for Ningbo's "Made in China 2025" projects.

On November 4, Ningbo Branch initiated its efforts of bringing "Made in China 2025" financial services into businesses, focusing on the projects and enterprises in the "3511" new industrial systems and 8 sub-sectors in Ningbo. The Branch matched its 100 senior managers with 100 major "Made in China 2025" projects, and connected 500 public account managers with 2,000 manufacturing enterprises to deeply understand their needs for business operations and financial services, in an effort to fully support the upgrading of Ningbo's manufacturing industry. By the end of 2016, the balance of manufacturing industry loans of Ningbo Branch had reached RMB 48.5 billion, accounting for 42.6% of all corporate loans of the Branch.



Supporting the construction of China's first "Made in China 2025" pilot city



Xiamen Branch

"ABC Children On Duty" Season Two

On July 16, 2016, Xiamen Branch successfully launched the second season of the "ABC Children On Duty", a reality show based on financial positions, and organized relevant trainings. The 49 children the Branch selected out of 300 applicants throughout the city were dressed in uniformed T-shirts with "ABC Children" badges. They would learn about the ABC culture, financial and business knowledge, experience cash-counting, and visit the "best 100 outlets". The children would take part in pre-service training, visit banking outlets, and practice in certain positions to experience the results of the Branch's effort to offer service with "the best environment, the best processes, the best products, the best customer channel and the best team". In addition, the children would use a painting brush to record what they saw and experiencedduring the activity.



ABC Children learning the work flow for lobby manager



Shenzhen Branch

A Warm Home That Retains Talents

In line with the practical and frugal principles, Shenzhen Branch set up a home of employees in 15 first-tiersub-branches, which greatly improved the accommodation, dining and leisure activities for the employees, which achieved remarkable results and improved employee satisfaction.

Regardless of their sizes, these homes are all equipped with a drinking room, refrigerator, drinking fountain, microwave oven, induction cooker and other facilities for staff to have tea breaks and meals. The branches transformed their conference room into reading rooms, equipped with TV, projector, audio and other AV devices for reading, learning, meeting, training and after-work entertainment.

In order to provide employees with safe and good food, Shenzhen Branch managed to build canteens in its head office and 15-tiersub-branches to meet the need for lunch for most employees. For outlets not served by the canteens, the Branch arranged deliveries to employees. With its concerted efforts in different approaches, the Branch made great efforts to solve the lunch problem for employees. In addition, the Branch head officeoffered 844 dorms to single staff and the sub-branches offered 393 dorms to single staff, which together could meet the need of accommodation for the new recruits when they joined ABC.

Engagement in public welfare – Building special brands, and organizing "ABC Inviting You for Shows" event

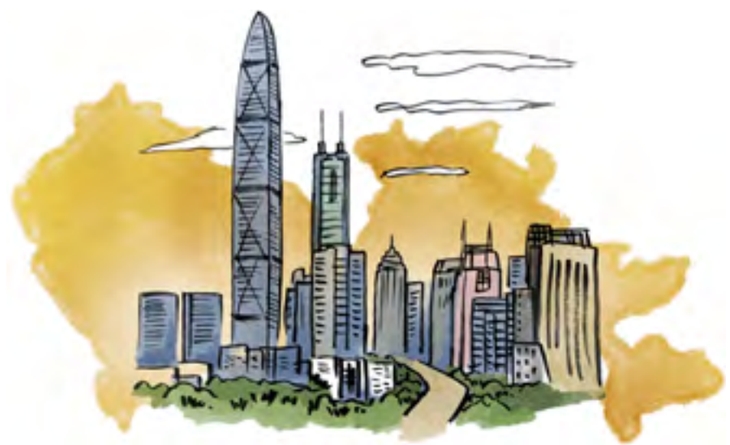


844 units

The number of dormitories for single employees at ABC's branch headquarters

393 apartments

The number of dormitories for single employees at ABC's sub-branch level



Dubai International Financial Center



Supporting HEI's "Dubai Hassyan Clean-Coal Power Project" in the Belt & Road Initiative

"Dubai Hassyan Clean-Coal Power Project" is an independent electric power plant jointly developed, financed, constructed, operated and maintained by Harbin Electric International Co., Ltd. (HEI), Saudi-based ACWA Power, Dubai Electricity and Water Authority (DEWA) and Silk Road Fund. With HEI as the general contractor, theproject had a designed production capacity of 2,400 MV, and the total contract value reached nearly 2.35 billion US dollars. It was the first time for a Chinese company to serve as a general contractor in the Middle East power market as an investor and EPC contractor, which is a great boost to the Chinese companies to enter the high-end power market in the Middle East. The project has significant and positive influence on China's implementation of the Belt & Road Initiative in the Gulf countries. ABC's support to such projects demonstrates its strongsense of social responsibility and financial power.



Singapore Branch

Actively Participating in the "Belt & Road" Syndicated Loan Project

Singapore Branch and Guangxi Branch jointly participated in the Alliance Steel (M) Sdn Bhd's syndicated loan project and made the first withdrawal on October 25, 2016. Alliance Steel (M) Sdn Bhd was jointly invested and established by Guangxi Beibu Gulf Port Group and Guangxi Shenglong Metallurgical Co., Ltd. in Malaysia as a key project in implementing the "Belt & Road" strategy. It was also the first major project in the Malaysia-China Kuantan Industrial Park (MCKIP), an industrial area jointly set up by China and Malaysia. The investment of the project reached 1.41 billion US dollars, of which 200 million US dollars came from Singapore Branch and Guangxi Branch in a syndicated loan. The project started in 2015 and was expected to be completed and put into production by the end of 2017. Once the construction is completed, the park will attract a large number of enterprises across the value chain and develop a local steel industry base that can significantly boost local economic.


Attending the signing ceremony of the Alliance Steel (M) Sdn Bhd's syndicated loan project during the joint promotion of the Malaysia-China Kuantan Industrial Park



Tokyo Branch



Organizing Charity Event

On August 26, 2016, Tokyo Branch and the local public welfare group Family House jointly organized a charity event for children who came a long way to see a doctor in Tokyo. Family House is a nonprofit public welfare organization that provides super-low-cost accommodation and other services for sick children and their families who live elsewhere but seek medical treatment in Tokyo. Currently Family House has 12 institutions in Tokyo that serve sick children and their families from Japan and around the world. On the event day, employees of ABC Tokyo Branch donated foods and daily necessities to Family House, and made sanitary tools to offer physical support and mental comfort to the sick children and their families.

Hong Kong Branch



Hong Kong Branch actively participating in "I Am a Banker" public welfare event

Actively Participating in "I Am a Banker" Public Welfare Event

On July 12, 2016, Hong Kong Branch participated in the public welfare event "I am a banker" organized by the Hong Kong Association of Banks. The main purpose of the event was to help Hong Kong students interested in the financial industry to learn more ABC's business philosophy and Hong Kong Branch's development philosophy to be actively involved in ABC's global development and the joint actions between the head office and branches. More than 40 secondary school students across Hong Kong participated in the event. Employees from Hong Kong Branch were also involved. 5 volunteer employees from private wealth management, information technology, finance, law and compliance didexcellent preparationsfor the event and made explicit presentations during the interaction for a wonderful training session to the students. Volunteers also encouraged students to seize the opportunities of "Belt & Road" and be proactive in contributing to a harmonious society in the future.



Responsibility Performance

Economic Indicators



Total assets (RMB 100 million)

2016	195,700.61
2015	177,913.93
2014	159,741.52

Total loans and advances (RMB 100 million)

2016	97,196.39
2015	89,099.18
2014	80,980.67

Non-performing loan ratio[2] (%)

2016	2.37
2015	2.39
2014	1.54

Capital adequacy ratio[3] (%)

2016	13.04
2015	13.40
2014	12.82

Net profits (RMB 100 million)

2016	1,840.60
2015	1,807.74
2014	1,795.10

Return on average total assets[4] (%)

2016	0.99
2015	1.07
2014	1.18

Return on weighted average equity[5] (%)

2016	15.14
2015	16.76
2014	19.57

Taxes[6] (RMB 100 million)

2016	904
2015	901.74
2014	965.12

Shareholder's equity (RMB 100 million)

2016	13,215.91
2015	12,118.85
2014	10,326.19

Shareholder's dividends (RMB 100 million)

2016	576.15
2015	565.76
2014	587.88

Social Indicators



Social contribution value of each share[7] (RMB yuan)

2016	1.98
2015	2.036
2014	2.02

Total county area loans and advances (RMB 100 million yuan)

2016	31,775
2015	28,601.93
2014	26,516.46

Balance of farmer loans[8] (RMB 100 million yuan)

2016	1,917.70
2015	1,676.95
2014	1,546.09

Number of county-level branch outlets

2016	12,736
2015	12,711
2014	12,715

Total Hui Nong Cards issued (10000)

2016	19,407
2015	17,427
2014	16,077

Number of farmer households benefiting from Hui Nong Cards[9] (10000 households)

2016	9,400
2015	9,200
2014	9,000

Proportion of administrative villages covered by Hui Nong Tong electronic devices (%)

2016	75.1
2015	75
2014	75.2

Balance of loans to small and micro businesses[10] (RMB 100 million yuan)

2016	12,035.78
2015	10,882.28
2014	9,749.20

Balance of loans of village & township banks (VTBs)[11] (RMB 100 million yuan)

2016	14.02
2015	11.98
2014	11.71

Totalamount of donations[12] (10000 yuan)

2016	3,771.08
2015	4,867.24
2014	4,180

Total loans and advances to western regions[13] (RMB 100 million yuan)

2016	21,582.67
2015	19,759.29
2014	18,097.34

Total loans and advances to ethnic minority areas[14] (RMB 100 million yuan)

2016	6,009.24
2015	5,633.94
2014	5,266.11

Balance of loans for affordable housing projects (RMB 100 million yuan)

2016	703.27
2015	416.43
2014	270.58

Total number of employees

2016	496,698
2015	503,082
2014	493,583

Total number of county-level employees

2016	214,366
2015	216,533
2014	220,484

Proportion of female employees (%)

2016	46.7
2015	46.6
2014	45.79

Proportion of ethnic minority employees (%)

2016	8.12
2015	8.07
2014	8.09

Total number of employee trainings (10,000 person/times)

2016	169.05
2015	170.98
2014	186.34

Number of employees working overseas

2016	788
2015	722
2014	584

Total number of domestic branchoutlets

2016	23,682
2015	23,670
2014	23,612

Environmental Indicators



Electronic channel transactions as proportion of total transactions (%)

2016	96
2015	93
2014	72.56

Balance of green credit (RMB 100 million yuan)

2016	64,94.32
2015	54,31.31
2014	46,99.97

Water consumption per capita in office (m3/person)

2016	13.60
2015	12.96
2014	13.11

Electricity consumption per capita in office (kwh/person)

2016	21,66.90
2015	2,311.43
2014	2,574.96

Gas consumption per capita in office (m^3/person)

2016	19.98
2015	21.05
2014	23.97

2. Non-performing loan ratio equals the balance of non-performing loans divided by total loans and advances.
3. The data are calculated according to the Measures for Management of the Capital of Commercial Banks (For Trial) and other relevant regulations.
4. Return on average total assets equals the net profit divided by the average value of total assets at year beginning and total assets at year end.
5. Return on weighted average equity is calculated in accordance with the "Rules for the Compilation and Submission of Information Disclosure by Companies that Offer Securities to the Public No.9 - Computation and Disclosure of Return on Equity and Earnings per Share" (Revision in 2010) issued by CSRC.
6. Taxes equal the total of corporate income tax (current), business tax and surcharges and other taxes.
7. Social contribution value per share = basic earnings per share + (taxes + employee compensation and benefits + interest expense + amount of donations)/capital stock.
8. Balance of farmer loans includes the balances of petty loans for farmers, production and operation loans for rural persons, house building loans for the farmers in quake-hit areas, loans for farm machines, loans for farmers going abroad to work, loans for farmers purchasing or building houses, other "Sannong" personal loans and other loans for production and operations.
9. Number of farmer households benefiting from Hui Nong Cards = Number of cards issued per household + Number of cards issued per capita/4, and the number of cards issued per capita is converted based on 4 persons per household.
10. In accordance with the "Opinions of China Banking Regulatory Commission on Deepening the Financial Service for Small and Micro Enterprises" (Yin Jian Fa [2013] No. 7), ABC has adjusted its statistical scope of the loans for small and micro enterprises to include the loans for individual businesses and the loans for owners of small and micro enterprises.
11. The number of village and township banks (VTBs) was 6.
12. The amount of donations means the amount donated by the Bank (domestically) and does not include the amount donated by its employees.
13. Western regions include Inner Mongolia, Guangxi, Chongqing, Sichuan, Guizhou, Yunnan, Tibet, Shaanxi, Gansu, Qinghai, Ningxia and Xinjiang (including Xinjiang Production and Construction Corps).
14. Ethnic minority areas include Inner Mongolia, Guangxi, Tibet, Ningxia and Xinjiang (including Xinjiang Production and Construction Corps).

Appendix

Main Honors and Awards

《金融时报》

Best "Sannong" Financial Service Bank

中国扶贫基金会

Loving Care Award for Poverty Alleviation in 2015

第一财经

Best Bank of Green Finance

人民网

Enterprise Award of the Year

中国金融认证中心（CFCA）

Best Online Bank

Beijing Patriotic Sanitation Campaign Committee

Beijing Model Unit for Smoking Control

《投资者报》

Most Personalized Credit Card Center of the Year

Best Innovative Credit Card Center of the Year

《证券时报》

Best Universal Bank - Investment Bank

Best Bond Underwriting Bank

Best Syndicate Financing Bank

国际数据公司

2016 Best Innovation Award in Chinese Financial Industry (New-Generation Core Business System of ABC --- BoEing)

金融界网

Award for Outstanding Chinese-Funded Banks

Social Responsibility Award

《经济观察报》

Most Respected Chinese Enterprise in 2016

Outstanding Chinese-Funded Bank in 2015-2016

《中国经营报》

National Commercial Bank with Outstanding Competitiveness in 2016

Online Financial Bank with Outstanding Competitiveness in 2016

每日经济新闻

Innovation Award for Wealth Management Products of Banks

Outstanding Consumer Finance Brand

中华英才网

Top 50 Best Employers for Chinese University Students

Top 15 Best Employers in Financial Industry

《财资》杂志

Best Asset Securitization Project

Best M&A Financing Project (Sydney Branch)

《银行家》杂志

2016 年中国金融创新奖

金融理财

年度金牌财富管理银行

China Asset Securitization Institute

Best Structure Award for ABS (Corporate) of Green Finance in 2016

《二十一世纪经济报道》

Award for Internet Financial Business Innovation in 2016

Award for Best Corporate Culture in 2016

Green Finance Innovation Bank

Outstanding Retail Bank

2016 Commercial Bank with Most Transmissibility

《亚洲银行家》杂志

The Best National Cash Management Bank in China

Best Global Offshore RMB Bond Issuer

EUROMONEY

Best Private Bank in China - SRI/Social Impact Investing

Best Private Bank in China - Innovation Technology - Client Experience

Specialized Committee for Customer Relations Management, China Federation of IT Promotion; Customer Contact Center Standard

Best Award for Credit Card Customer Services (Customer Service Center Hefei Branch)

Best Management Innovation Award (Customer Service Center Hefei Branch)

Best Customer Experience Award (Customer Service Center Chongqing Branch)

中国银行业协会

Award for Financial Institution with Most Social Responsibility in 2015

Best Manager Award for Social Responsibility in 2015

Best Outlet Award for Special Contribution to Social Responsibility in 2015

Excellent Project Award for Public Charity in 2015

Advanced Unit for Legal Risk Management in 2015

Best Performance Award for Syndicate Financing Business

the Organizing Department of CPC Central Committee and the Ministry of Human Resources and Social Security

National Advanced Collective for the Work for Veteran Cadres

National Advanced Worker for Veteran Cadres (Jiang Wenxian from Henan Branch)

the Central Committee of the Communist Youth League of China, the Central Civilization Office, the Ministry of Civil Affairs, the Ministry of Water Resources, China Federation of Disabled Persons and China Volunteer Service Federation

National Silver Award for "Small Credits • Big Dream" Young Volunteer Public Welfare Action

中国上市公司协会

上海证券交易所

深圳证券交易所

Top 20 Boards of Supervisors of Listed Companies in Best Practice

《贸易金融》杂志

中国贸易金融网

Best Cross-Border Financial Service Bank

Gold Silk Road Global Brand Forum (London Summit)

2016 Silk Road Global Top 500 Brands

Specialized Committee for Social Responsibility of the Chinese Institute of Business Administration; CSR Promotion Center of China Federation of Industrial Economics; China Think Tank for Research on Industrial Corporate Social Responsibility; and Beijing Rongzhi CSR Institute

Model Award for Public Transparency

Independent practitioner's assurance report

2017/SH-123

To the Board of Directors of Agricultural Bank of China Limited

We have been engaged to perform a limited assurance engagement on the selected 2016 key data (the "key data") in the 2016 Social Responsibility Report of the Agricultural Bank of China Limited ("the Bank").

Key data

We carried out limited assurance procedures on the following key data of the Bank's 2016Social Responsibility Report:

- Total amount of donation
- Balance of farmer loans
- Total number of employees
- Total number of county-level employees
- Proportion of female employees
- Proportion of ethnic minority employees
- Total number of employee trainings
- Total number of domestic branch outlets
- Number of county-level branch outlets
- Water consumption per capita in office
- Electricity consumption per capita in office
- Gas consumption per capita in office

Our assurance was with respect to the selected key data of the 2016 Social Responsibility Report only and we have not performed any procedures with respect to any other elements included in the 2016 Social Responsibility Report or information in 2015 and earlier periods.

Criteria

The criteria of the preparation of the key data in the Bank's 2016 Social Responsibility Report are listed in the basis of reporting of the key data (the "basis of reporting") after this assurance report.

Responsibilities of the Board of Directors

The Board of Directors of the Bank is responsible for the preparation of the key data in the 2016 Social Responsibility Report. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the key data of the Social Responsibility Report that is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Control

We have complied with the independence and other ethical requirement of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibilities

It is our responsibility to express a conclusion on the key data in the 2016 Social Responsibility Report based on limited assurance engagement.

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". This standard requires that we plan and perform our work to form the conclusion.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion on any matter that would materially affect the key data in the 2016 Social Responsibility Report. Our work involves assessing the risks of material misstatement in key data in the 2016 Social Responsibility Report whether due to fraud or error, and responding to the assessed risks. The extent of procedures selected depends on our judgment and assessment of the engagement risk. Within the scope of our work, we have only performed the following procedures in the Head Office of the Bank. We did not perform assurance work in other branches. The procedures we performed comprised:

- Interviews with management and personnel in the departments involved in providing information in relation to the selected key data for inclusion in the Social Responsibility Report;
- Analytical procedure;
- Sampling of selected key data in the Social Responsibility Report;
- Recalculation;
- Other procedures deemed necessary.

Inherent Limitation

We remind the users to note that, the absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the selected key data in the 2016 Social Responsibility Report are not prepared, in all material respects, in accordance with the basis of reporting.

Restriction on Use

Our report has been prepared for and only for the board of directors of the Bank and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the content of this report.

Supplementary observations

We have also gained an understanding of the Bank's application of the Sustainability Reporting Guidelines (G4) pertained to the principles of stakeholder inclusiveness and materiality by making inquiries and holding interviews with the Bank's social responsibility management team. Our work was restricted to gaining an understanding of the Bank's application of the principles of stakeholder inclusiveness and materiality of the Sustainability Reporting Guidelines (G4). Hence, we do not express any assurance opinion as to whether the Bank has adhered to the principles of the Sustainability Reporting Guidelines (G4).

We have the following observations:

Stakeholder inclusiveness

The Bank has a social responsibility goal of "Being a Responsible Bank", takes the social responsibility principles of "Giving Priority to Responsibility and Benefiting All the People; Taking Responsibility, and Promoting Prosperity in Our Society", and has established social responsibility management framework. The Bank has identified its key stakeholders and established various communication channels to understand their expectations and needs as the basis for determining the key topics to be included in the Social Responsibility Report. We suggest that the Bank should continuously improve the stakeholder communication mechanisms so as to further identify and analyse stakeholders' expectation and to respond accordingly.

Materiality

The Bank took into account its own development strategy, and engaged stakeholders to determine the key topics disclosed in the Social Responsibility Report. We suggest that the Bank should further improve the current standards and procedures for materiality assessment and the organization's boundary identification in accordance with the Sustainability Reporting Guidelines (G4), so as to facilitate the identification, assessment and reporting of significant issues that are relevant to Social Responsibility Report.

PricewaterhouseCoopers Zhong Tian LLP

Shanghai, China March 27, 2017

Basis of reporting of key data

Social performance

Balance of farmer loans:

the balances of petty loans for farmers, production and operation loans for rural persons, house building loans for the farmers in quake-hit areas, loans for farm machines, loans for farmers going abroad to work, loans for farmers purchasing or building houses, other "Three-farming", personal loans and other loans for production and operations.

Number of county-level outlets:

the number of county branches and licenced below-county outlets under the management of the 37 tier-1 branches in mainland. County branches are the branches located within the jurisdictions of "county" or equivalent administrative divisions that are determined by the national government, including county-level city, county, autonomous county, banner, autonomous banner, special district at county-level, and forestry district. Below-county outlets are the branches that are within the jurisdictions of below-county areas or equivalent administrative divisions, or administrative unit below county level, including town, township, sumu, ethnic township and ethnic sumu. The statistics includes all licensed county branches, including the ones licensed but not yet opened.

Total amount of donation:

amount of donations made for public welfare and other similar contributions. Donations for public welfare is made to the public welfare, as defined in the *Law of the People's Republic of China on Donations for Public Welfare,* through public welfare organizations or governments at county-level or above.

Total number of employees:

number of employees who hold labour contracts within the group level, including those working in domestic and overseas branches and domestic subsidiaries.

Total number of county-level employees:

number of employees who hold labour contracts and work at county-level branch outlets within the group level. County-level branch outlets are defined as county branches and licenced below-county outlets under the management of the 37 tier-1 branches in mainland. County branches are the branches located within the jurisdictions of "county" or equivalent administrative divisions that are determined by the national government, including county-level city, county, autonomous county, banner, autonomous banner, special district at county-level, and forestry district. Below-county outlets are the branches that are within the jurisdictions of below-county areas or equivalent administrative divisions, or administrative unit below county level, including town, township, sumu, ethnic township and ethnic sumu.

Proportion of female employees:

proportion of female employees is defined as number of female employees divided by the number of employees. The number of employees is defined as the number of employees who hold labour contracts within the group level, including those working in domestic and overseas branches, domestic subsidiaries and rural banks. The number of female employees is defined as the number of female employees who hold labour contracts within the group level.

Proportion of ethnic minority employees:

proportion of ethnic minority employees is defined as number of ethnic minority employees divided by the number of employees. The number of employees is defined as the number of employees who hold labour contracts within the group level, including those working in domestic and overseas branches, domestic subsidiaries and rural banks. The number of ethnic minority employees is defined as the number of ethnic minority employees who hold labour contracts within the group level.

Total number of employee trainings:

defined as the number of employee attending in the face to face trainings for which the ABC sends formal notices. The scope includes the headquarters, 37 tier-1 branches and 3 training colleges.

Total number of domestic branch outlets:

domestic branch outlets includes the headquarters, exclusive institutions at the headquarters, tier-1 branches (directly subordinate), tier-2 branches (operation departments of provincial branches), tier-1 sub-branches (municipal cities, operation departments of directly subordinate branches and operation departments of tier-2 branches), operation departments of local branches and other institutions. The statistics includes all licensed branches, including the ones licensed but not yet opened.

Environmental Performamce

Water consumption per capita in office (m^3/person):	total water consumption at the headquarters in 2016 divided by the number of employee at the headquarters.
Electricity consumption per capita in office (kwh/person):	total electricity consumption at the headquarters in 2016 divided by the number of employees at the headquarters.
Gas consumption per capita in office (m^3/person):	total gas consumption at the headquarters in 2016 divided by the number of employees at the headquarters.

GRI4.0 Comparison Chart

GRI Indexes	Serial No.	Content	Disclosure Status
Strategy and Analysis	G4-1	Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability	Adopted
	G4-2	Provide a description of key impacts, risks and opportunities	Adopted
Organizational Profile	G4-3	Report the name of the organization	Adopted
	G4-4	Report the primary brands, products, and services	Adopted
	G4-5	Report the location of the organization's headquarters	Adopted
	G4-6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	Adopted
	G4-7	Report the nature of ownership and legal form	Adopted
	G4-8	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	Adopted
	G4-9	Report the scale of the organization, including: • Total number of employees • Total number of operations • Net sales (for private sector organizations) or net revenues (for public sector organizations) • Total capitalization broken down in terms of debt and equity (for private sector organizations) • Quantity of products or services provided	Adopted
	G4-10	Report the total number of employees by employment contract and gender	Adopted
		Report the total number of permanent employees by employment type and gender	Not Adopted
		Report the total workforce by employees and supervised workers and by gender	Not Adopted
		Report the total workforce by region and gender	Not Adopted
		Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors	Not Adopted
		Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries)	Non Applicable
	G4-11	Report the percentage of total employees covered by collective bargaining agreements	Non Applicable
	G4-12	Describe the organization's supply chain	Adopted
	G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain, including: • Changes in the location of, or changes in, operations, including facility openings, closings, and expansions • Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations) • Changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination	Adopted
	G4-14	Report whether and how the precautionary approach or principle is addressed by the organization	Not Adopted
	G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	Adopted
	G4-16	List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization: • Holds a position on the governance body • Participates in projects or committees • Provides substantive funding beyond routine membership dues • Views membership as strategic	Adopted
Identified Material Aspects and Boundaries	G4-17	List all entities included in the organization's consolidated financial statements or equivalent documents	Adopted
		Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report	Not Adopted
	G4-18	Explain the process for defining the report content and the Aspect Boundaries	Not Adopted
		Explain how the organization has implemented the Reporting Principles for Defining Report Content	Not Adopted
	G4-19	List all the material Aspects identified in the process for defining report content	Adopted
	G4-20	For each material Aspect, report the Aspect Boundary within the organization	Adopted
	G4-21	For each material Aspect, report the Aspect Boundary outside the organization	Adopted
	G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements	Non Applicable
	G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries	Adopted
Stakeholder Engagement	G4-24	Provide a list of stakeholder groups engaged by the organization	Adopted
	G4-25	Report the basis for identification and selection of stakeholders with whom to engage	Not Adopted
	G4-26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process	Adopted
	G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns	Adopted
Report Profile	G4-28	Reporting period (such as fiscal or calendar year) for information provided	Adopted
	G4-29	Date of most recent previous report (if any)	Adopted
	G4-30	Reporting cycle (such as annual, biennial)	Adopted
	G4-31	Provide the contact point for questions regarding the report or its contents	Adopted
	G4-32	Report the 'in accordance' option (either core or comprehensive) the organization has chosen	Not Adopted
		Report the GRI Content Index for the chosen option	Adopted
		Report the reference to the External Assurance Report, if the report has been externally assured. GRI recommends the use of external assurance but it is not a requirement to be 'in accordance' with the Guidelines	Adopted

GRI Indexes	Serial No.	Content	Disclosure Status
Report Profile	G4-33	Report the organization's policy and current practice with regard to seeking external assurance for the report	Adopted
		If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided	Non Applicable
		Report the relationship between the organization and the assurance providers	Adopted
		Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report	Adopted
Governance	G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts	Adopted
	G4-35	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	Adopted
	G4-36	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body	Not Adopted
	G4-37	Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body	Adopted
	G4-38	Report the composition of the highest governance body and its committees	Adopted
	G4-39	Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement)	Adopted
	G4-40	Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members	Adopted
	G4-41	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders	Not Adopted
	G4-42	Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts	Adopted
	G4-43	Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	Adopted
	G4-44	Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment	Adopted
		Report actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice	Not Adopted
	G4-45	Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes	Not Adopted
		Report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities	Adopted
	G4-46	Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics	Not Adopted
	G4-47	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	Not Adopted
	G4-48	Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered	Adopted
	G4-49	Report the process for communicating critical concerns to the highest governance body	Adopted
	G4-50	Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them	Not Adopted
	G4-51	Report the remuneration policies for the highest governance body and senior executives	Not Adopted
		Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives	Not Adopted
	G4-52	Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization	Not Adopted
	G4-53	Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable	Not Adopted
	G4-54	Report the ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country	Not Adopted
	G4-55	Report the ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country	Not Adopted
Ethics and Integrity	G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	Adopted
	G4-57	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as help lines or advice lines	Adopted
	G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistle blowing mechanisms or hotlines	Adopted
Economic	G4-EC1	Direct economic value generated and distributed by the organization	Adopted
	G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Adopted
	G4-EC3	Coverage of the organization's defined benefit plan obligations	Adopted
	G4-EC4	Financial assistance received from government	Not Adopted
	G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	Not Adopted
	G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	Not Adopted
	G4-EC7	Development and impact of infrastructure investments and services supported	Adopted
	G4-EC8	Significant indirect economic impacts, including the extent of impacts	Adopted
	G4-EC9	Proportion of spending on local suppliers at significant locations of operation	Not Adopted

GRI Indexes	Serial No.	Content	Disclosure Status
Environmental	G4-EN1	Materials used by weight or volume	Non Applicable
	G4-EN2	Percentage of materials used that are recycled input materials	Non Applicable
	G4-EN3	Energy consumption within the organization	Adopted
	G4-EN4	Energy consumption outside of the organization	Not Adopted
	G4-EN5	Energy intensity	Not Adopted
	G4-EN6	Reduction of energy consumption	Not Adopted
	G4-EN7	Reductions in energy requirements of products and services	Not Adopted
	G4-EN8	Total water withdrawal by source	Not Adopted
	G4-EN9	Water sources significantly affected by withdrawal of water	Non Applicable
	G4-EN10	Percentage and total volume of water recycled and reused	Non Applicable
	G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Non Applicable
	G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	Adopted
	G4-EN13	Habitats protected or restored	Adopted
	G4-EN14	Total number of IUCN red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	Not Adopted
	G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	Adopted
	G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Adopted
	G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	Not Adopted
	G4-EN18	Greenhouse gas (GHG) emissions intensity	Not Adopted
	G4-EN19	Reduction of greenhouse gas (GHG) emissions	Adopted
	G4-EN20	Emissions of ozone-depleting substances (ODS)	Not Adopted
	G4-EN21	NOx, SOx, and other significant air emissions	Adopted
	G4-EN22	Total water discharge by quality and destination	Not Adopted
	G4-EN23	Total weight of waste by type and disposal method	Not Adopted
	G4-EN24	Total number and volume of significant spills	Non Applicable
	G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention 2 Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	Non Applicable
	G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff	Non Applicable
	G4-EN27	Extent of impact mitigation of environmental impacts of products and services	Adopted
	G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	Non Applicable
	G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Non Applicable
	G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	Adopted
	G4-EN31	Total environmental protection expenditures and investments by type	Not Adopted
	G4-EN32	Percentage of new suppliers that were screened using environmental criteria	Adopted
	G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	Not Adopted
	G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	Non Applicable
Labor Practices and Decent Work	G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Adopted
	G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Not Adopted
	G4-LA3	Return to work and retention rates after parental leave, by gender	Not Adopted
	G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	Not Adopted
	G4-LA5	Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs	Not Adopted
	G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Not Adopted
	G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	Non Applicable
	G4-LA8	Health and safety topics covered in formal agreements with trade unions	Not Adopted
	G4-LA9	Average hours of training per year per employee by gender, and by employee category	Not Adopted
	G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Adopted
	G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Not Adopted
	G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Not Adopted
	G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	Not Adopted
	G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	Adopted
	G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	Not Adopted
	G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	Not Adopted

GRI Indexes	Serial No.	Content	Disclosure Status
Human Rights	G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Not Adopted
	G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	Adopted
	G4-HR3	Total number of incidents of discrimination and corrective actions taken	Not Adopted
	G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	Non Applicable
	G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	Non Applicable
	G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	Non Applicable
	G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	Not Adopted
	G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	Non Applicable
	G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	Not Adopted
	G4-HR10	Percentage of new suppliers that were screened using human rights criteria	Adopted
	G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	Not Adopted
	G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	Non Applicable
Society	G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Not Adopted
	G4-SO2	Operations with significant actual and potential negative impacts on local communities	Not Adopted
	G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	Not Adopted
	G4-SO4	Communication and training on anti-corruption policies and procedures	Adopted
	G4-SO5	Confirmed incidents of corruption and actions taken	Not Adopted
	G4-SO6	Total value of political contributions by country and recipient/beneficiary	Not Adopted
	G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	Non Applicable
	G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Not Adopted
	G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	Adopted
	G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	Not Adopted
	G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	Not Adopted
Product Responsibility	G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Not Adopted
	G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	Not Adopted
	G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	Not Adopted
	G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	Not Adopted
	G4-PR5	Results of surveys measuring customer satisfaction	Adopted
	G4-PR6	Sale of banned or disputed products	Non Applicable
	G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	Not Adopted
	G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Not Adopted
	FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/sme /large) and by sector.	Not Adopted
	FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	Adopted
	FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	Adopted
	FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues.	Adopted
	FS11	Percentage of assets subject to positive and negative environmental or social issues.	Not Adopted

ESG Comparison Chart

Indexes	Content		Disclosure Status
A. Environmental			
Aspect A1: Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide , methane, nitrousoxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.		P69-80
	KPI A1.1	The types of emissions and respective emissions data.	P71, P79-80
	KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P71
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P71
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P77-80
	KPI A1.5	Description of measures to mitigate emissions and results achieved.	P71-80
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	P167-168
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.		P77-78
	KPI 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).	P179
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P179
	KPI A2.3	Description of energy use efficiency initiatives and results achieved.	P77-78
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	P77-78
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Non Applicable
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimizing the issuer's significant impact on the environment and natural resources.		P70-72
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P70-72, P77-78
B. Social			
Employment and Labor Practices			
Aspect B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		P76-77
	KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	P179
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	P179
Aspect B2: Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.		P110
	KPI B2.1	Number and rate of work-related fatalities.	Non Applicable
	KPI B2.2	Lost days due to work injury.	Non Applicable
	KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	P110

Indexes	Content		Disclosure Status
Aspect B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.		P107-110
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P107
	KPI B3.2	The average training hours completed per employee by gender and employee category.	P107
Aspect B4: Labor Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.		P104
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labor.	P104
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Non Applicable
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.		P77-78
	KPI B5.1	Number of suppliers by geographical region.	P79-80
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	P79-80
Aspect B6: Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.		P86-87
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Non Applicable
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	P98-99
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Non Applicable
	KPI B6.4	Description of consumer data protection and privacy policies, how they are implemented and monitored.	P86-88
Aspect B7: Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.		P18
	KPI 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.	Non Applicable
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	P18
Community			
Aspect B8: Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.		P121
	KPI B8.1	P122-125	P122-125
	KPI B8.2	P122	P122

Acknowledgements

Both ABC's head office and its branch organizations rendered plentiful assistance and support in the course of compilation of this Report. For some photos, credits were not given as the editors were unable to identify the creators, to whom we hereby give our hearty thanks.

Reader Feedback Form

Thank you for reading our Corporate Social Responsibility Report 2016. To provide you and other stakeholders with even more valuable information and improve our ability to fulfill CSR, we sincerely welcome any opinions and suggestions you may offer on the report via:

Fax: 010-85107284
Postcode: 100005
Mail to: 69 Jianguomennei Street, Dongcheng District, Beijing, PRC
Attention: Corporate Culture Department, the Agricultural Bank of China Limited

Which of the following stakeholder types apply to you?

☐ Government ☐ Regulatory Authority ☐ Shareholder and Investo ☐ Customer ☐ Employee ☐ Supplier and Partner ☐ Public and Community ☐ Environmental ☐ Others

Do you think the Report has fully satisfied your expectations for the Agricultural Bank of China?

☐ Yes ☐ No Which of your expectations do you think is not reflected in this Report?

Do you think the Agricultural Bank of China has met your expectations well?

☐ Yes ☐ No Which of your expectations do you think has not been met well?

Do you think the arrangement of content and layout design of the Report provide easy reading?

☐ Very good ☐ Good ☐ Average ☐ Below average

What other opinions and suggestions do you have on our fulfillment of social responsibility and this Report?

Notes on the Report

Scope of the Report:

Scope of time covered: This is an annual report that covers the period from January 1 to December 31, 2016.

Part of the content is in excess of the above scope.

Scope of Organization

The Report covers the Head Office, tier-1 (directly subordinate) branches within the territory, the training colleges, directly subordinate organizations and overseas organizations of the Agricultural Bank of China Limited (referred to as "ABC" and "the Bank" herein).

Basis for Compilation of the Report

This Report was prepared in accordance with *The Sustainable Development Reporting Guidelines of the Global Reporting Initiative (GRI 4.0) and its Financial Service Sector Supplemental Guidelines; ISO26000 Social Responsibility Guidelines (2010); The Opinions on Strengthening Social Responsibilities of Banking Institutions* issued by the China Banking Regulatory Commission (CBRC); *The Guidelines on Corporate Social Responsibility of Banking Institutions of the China Banking Association (CBA); The Guidelines of the Shanghai Stock Exchange on Environmental Information Disclosure of Listed Companies and The Guidelines for the Preparation of Reports on Performance of Corporate Social Responsibilities of the Shanghai Stock Exchange; SEHK Environmental, Social and Governance Reporting Guide* and other relevant opinions and guidelines.

Notes on Data

Some financial data in this Report were originally included in the Bank's annual financial statement for 2016 (which had been audited by PWC). Other data mainly originated from internal system statistics and the affiliates of the Bank for 2016.

Assurance Method

To ensure its truthfulness and reliability, this Report is submitted to PWC for limited assurance of the key data disclosed therein in accordance with *The International Standard on Assurance Engagements 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information.*

Publication

This Report is released both in hardcopy and electronic form. The latter is available at the Bank's website (www.abchina.com).

This Report is published in Simplified Chinese, Traditional Chinese and English. Should there be any discrepancies between the three versions, use the Chinese version as the standard.

Contact Information: Corporate Culture Department of Agricultural Bank of China Limited
Address: No. 69 Jianguomennei Street, Dongcheng District, Beijing, PRC
Postcode: 100005
Fax:86-10-85108214

Editor's Notes

It is the large crowds of people that make our meeting accidental and casual;
It is true love that makes affection exceptionally irreplaceable;
It is responsibility that makes the world a unique place of beauty.

What is the beauty of responsibility?
It is our affection for our home and mother nation with a global vision,
It is our loyalty and commitment, diligently and practically performed; and
It is the moment that I meet your demands.

As we often hear, a true friend is someone who sits with you at darkness until dawn comes; and the real responsibility comes from someone who holds an umbrella when it rains.
That person is ABC, who stays forever by your side and never leaves you.

With the approaching of the brightly colorful spring of 2017, I look forward to building the bright prospects and future of the China Dream with the corporate culture of ABC.