

OS AA01

Statement of details of parent law and other
information for an overseas company



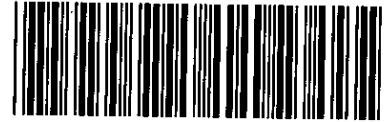
Companies House

P.O. 1216682/20

☒ What this form is for
You may use this form to
accompany your accounts
disclosed under parent law.

☐ What this form is NOT
You cannot use this form
an alteration of manner
with accounting requirer.

MONDAY



A15

A87SQ6PD
17/06/2019
COMPANIES HOUSE

#7

Part 1 Corporate company name

Corporate name of
overseas company ① CHINA CITIC BANK CORPORATION LIMITED

UK establishment
number B R 0 1 7 2 6 3

→ Filling in this form
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

① This is the name of the company in
its home state.

Part 2 Statement of details of parent law and other
information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited.

Legislation ② Company Law of the People's Republic of China

② This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts.

A2 Accounting principles

Accounts Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box.

☐ No. Go to Section A3.

☒ Yes. Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3.

③ Please insert the name of the
appropriate accounting organisation
or body.

Name of organisation
or body ③ PRC Accounting Standards and the IFRS

A3 Accounts

Accounts Have the accounts been audited? Please tick the appropriate box.

☐ No. Go to Section A5.

☒ Yes. Go to Section A4.

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A4

Audited accounts

Audited accounts

Have the accounts been audited in accordance with a set of generally accepted auditing standards?

Please tick the appropriate box.

☐ No. Go to **Part 3 'Signature'**.

☒ Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to **Part 3 'Signature'**.

❶ Please insert the name of the appropriate accounting organisation or body.

Name of organisation or body ❶

Auditing standards of mainland China and Hong Kong SAR

A5

Unaudited accounts

Unaudited accounts

Is the company required to have its accounts audited?

Please tick the appropriate box.

☐ No.

☐ Yes.

Part 3

Signature

I am signing this form on behalf of the overseas company.

Signature

Signature

X

許金雷

X

This form may be signed by:
Director, Secretary, Permanent representative.

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Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

Company name China CITIC Bank Corp Ltd

Address 5th Floor, Gresham Street

Post town London

County/Region

Postcode E C 2 V 7 N G

Country UK

DX

Telephone 0207 710 9100



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.



Important information

Please note that all this information will appear on the public record.



Where to send

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ. DX 33050 Cardiff.

Scotland:

The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, EH3 9FF. DX ED235 Edinburgh 1 or LP - 4 Edinburgh 2 (Legal Post).

Northern Ireland:

The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, BT2 8BG. DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



以信致远 融智无限

(於中華人民共和國註冊成立的股份有限公司)
股份代號:0998

努力做您的最佳綜合金融服務企業

2018年 年度報告

公司簡介

本行成立於1987年，是中國改革開放中最早成立的新興商業銀行之一，是中國最早參與國內外金融市場融資的商業銀行，並以屢創中國現代金融史上多個第一而蜚聲海內外，為中國經濟建設做出了積極貢獻。2007年4月，本行實現在上海證券交易所和香港聯合交易所A+H股同步上市。

本行以建設最佳綜合金融服務企業為發展願景，充分發揮中信集團金融與實業並舉的獨特競爭優勢，堅持「以客為尊」，秉承「平安中信、合規經營、科技立行、服務實體、市場導向、創造價值」的經營理念，向企業客戶和機構客戶提供公司銀行業務、國際業務、金融市場業務、機構業務、投資銀行業務、保理業務、託管業務等綜合金融解決方案，向個人客戶提供零售銀行、信用卡、消費金融、財富管理、私人銀行、出國金融、電子銀行等多元化金融產品及服務，全方位滿足企業、機構及個人客戶的綜合金融服務需求。

截至2018年末，本行在國內146個大中城市設有1,410家營業網點，同時在境內外下設6家附屬公司，包括中信國際金融控股有限公司、信銀(香港)投資有限公司、中信金融租賃有限公司、浙江臨安中信村鎮銀行股份有限公司、中信百信銀行股份有限公司和阿爾金銀行。其中，中信國際金融控股有限公司子公司中信銀行(國際)有限公司，在香港、澳門、紐約、洛杉磯、新加坡和中國內地設有38家營業網點。信銀(香港)投資有限公司在香港和中國內地設有3家子公司。中信百信銀行股份有限公司為本行與百度公司發起設立的國內首家具有獨立法人資格的直銷銀行。阿爾金銀行在哈薩克斯坦設有6家營業網點和1個私人銀行中心。

30多年來，本行堅持服務實體經濟，穩健經營，與時俱進。經過30餘年的發展，本行已成為一家總資產規模超6萬億元、員工人數近6萬名，具有強大綜合實力和品牌競爭力的金融集團。2018年，本行在英國《銀行家》雜誌「全球銀行品牌500強排行榜」中排名第24位；本行一級資本在英國《銀行家》雜誌「世界1000家銀行排名」中排名第27位。

重要提示

本行董事會、監事會及董事、監事、高級管理人員保證年度報告內容真實、準確、完整，不存在虛假記載、誤導性陳述或重大遺漏，並承擔個別和連帶的法律責任。

本行董事會於2019年3月26日通過了本行2018年年度報告全文及摘要。應參會的9名董事全部出席會議，其中，萬里明董事因事委託黃芳董事代為出席併表決。本行監事列席了本次會議。

本行根據中國會計準則和國際財務報告準則編製的2018年年度財務報告已經普華永道中天會計師事務所(特殊普通合夥)和羅兵咸永道會計師事務所分別根據中國和香港審計準則審計，並分別出具了標準無保留意見的審計報告。

本行董事長李慶萍、副行長兼財務總監方合英、財務會計部總經理李佩霞，保證本行2018年年度報告所載財務報告真實、準確、完整。

利潤分配預案：本報告第五章「董事會報告—普通股利潤分配政策及股息分配」披露了經董事會審議通過的，擬提交2018年年度股東大會審議的2018年年度利潤分配方案，每10股現金分紅2.30元人民幣(稅前)。本年度不實施資本公積金轉增股本方案。

前瞻性陳述的風險提示：本報告中涉及的未來計劃、發展戰略等前瞻性陳述不構成本行對投資者的實質承諾，投資者及相關人士均應當對此保持足夠的風險認識，並且應當理解計劃、預測與承諾之間的差異。

重大風險提示：報告期內，本行未發現存在對本行未來發展戰略和經營目標產生不利影響的重大風險。本報告詳細描述了本行在經營管理中面臨的主要風險及本行採取的應對措施，具體請查閱本報告第四章「經營情況討論與分析」中「風險管理」和「前景展望」相關內容。

本報告除特別說明外，金額幣種為人民幣。本報告以中英文兩種語言編制，如有歧義，以中文報告為準。



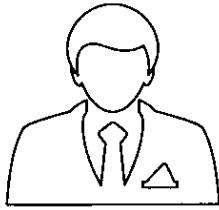
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使命願景



經營概覽

	經營業績：	經營收入	淨利潤
		1,657.66 億元	445.13 億元
		總資產	淨利潤增速創近五年最高
		60,667.14 億元	4.57%
	盈利能力指標：	平均總資產回報率(ROAA)	成本收入比
		0.77%	30.71%
		平均淨資產收益率(ROAE)	淨息差
		11.36%	1.94%
	資產質量指標：	撥備覆蓋率	
		不良貸款率	157.98%
		1.77%	貸款撥備率
			2.80%
	基礎客群：	對公客戶	手機銀行客戶
		62.99 萬戶	3,670 萬戶
		零售客戶	信用卡發卡量
		8,832 萬戶	6,706 萬張

釋義

BBVA	Banco Bilbao Vizcaya Argentaria S.A. (西班牙對外銀行)
百度公司	福建百度博瑞網絡科技有限公司
報告期	2018年1月1日至2018年12月31日之間
本集團／本銀行集團	中信銀行股份有限公司及其附屬公司
本行／中信銀行	中信銀行股份有限公司
保利集團	中國保利集團有限公司
公司章程	《中信銀行股份有限公司章程》
國務院	中華人民共和國國務院
臨安中信村鎮銀行	浙江臨安中信村鎮銀行股份有限公司
上交所	上海證券交易所
審計師	普華永道中天會計師事務所(特殊普通合夥)和羅兵咸永道會計師事務所
香港聯交所	香港聯合交易所有限公司
香港上市規則	《香港聯合交易所有限公司證券上市規則》
新湖中寶	新湖中寶股份有限公司
信銀投資	信銀(香港)投資有限公司(原振華國際財務有限公司)
央行／中央銀行／人民銀行	中國人民銀行
原中國銀監會	原中國銀行業監督管理委員會
中國財政部／財政部	中華人民共和國財政部
中國會計準則	中國《企業會計準則》
中國煙草	中國煙草總公司
中國銀保監會／銀保監會	中國銀行保險監督管理委員會
中國證監會／證監會	中國證券監督管理委員會
中信百信銀行	中信百信銀行股份有限公司
中信股份	中國中信股份有限公司(2014年8月更名前為中信泰富有限公司)
中信國際資產	中信國際資產管理有限公司
中信國金	中信國際金融控股有限公司
中信集團	中國中信集團有限公司(2011年12月改制更名前為中國中信集團公司)
中信金融租賃	中信金融租賃有限公司
中信泰富	中信泰富有限公司
中信銀行(國際)	中信銀行(國際)有限公司(原中信嘉華銀行有限公司)
中信有限	中國中信有限公司(2014年8月更名前為中國中信股份有限公司)

(註：本釋義條目以漢語拼音排序)

結合財務報告披露口徑，本報告所涉及本集團、本行的地理區域定義為：

「長江三角洲」指本集團下列一級分行及附屬機構所在地區：上海、南京、蘇州、杭州和寧波；以及臨安中信村鎮銀行；

「珠江三角洲及海峽西岸」指本集團下列一級分行所在地區：廣州、深圳、東莞、福州、廈門和海口；

「環渤海地區」指本集團下列一級分行及附屬機構所在地區：北京、天津、大連、青島、石家莊和濟南；以及中信金融租賃、中信百信銀行；

「中部地區」指本集團下列一級分行所在地區：合肥、鄭州、武漢、長沙、太原和南昌；

「西部地區」指本集團下列一級分行所在地區：成都、重慶、西安、昆明、南寧、呼和浩特、烏魯木齊、貴陽、蘭州、西寧、銀川和拉薩；

「東北地區」指本集團下列一級分行所在地區：瀋陽、長春和哈爾濱；

「總部」指本行總行機關和信用卡中心；

「境外」包括信銀投資、中信國金及其子公司和阿爾金銀行。



李慶萍

董事長・執行董事

董事長致辭

各位股東：

2018年是中國改革開放40週年。本行以經濟新常態下應有的信心和定力，穩中求進，銳意改革，創造價值，實現了2018-2020年發展規劃實施的良好開局，保持了穩健發展態勢。2018年，本集團實現淨利潤445.1億元，增長4.6%，增速創近五年最高；實現撥備前利潤1,125.6億元，增長4.2%；實現營業淨收入1,657.7億元，增長5.4%；不良率和撥備覆蓋率分別為1.77%、157.98%，達到目標要求。在全年未從外部引進一級資本的情況下，2018年本集團核心一級資本、一級資本充足率分別比上年末提高0.13、0.09個百分點。

區域差異化發展是本行2018-2020年發展規劃提出的重要改革舉措之一，目的是為了結合國家重點區域發展戰略，加強分行分類管理與協同發展。我們抓住統籌資源要素配置這個「牛鼻子」，努力實現「一加一大於二」的效果。2018年，本行戰略支點分行營收達到605億元，增速高於分行平均增速7.3個百分點；存貸款佔比分別達到54.1%、44.7%，分別提高2.2、0.9個百分點。重點區域分行湧現不少新亮點，有的分行營收增幅達到9.2%。我們將繼續通過「引」的激勵政策和「限」的約束措施，進一步優化資源要素配置，加快形成佈局合理、重點突出、特色鮮明的區域梯次發展格局。與此同時，作為中國改革開放中最早成立的新興商業銀行之一，以及中國最早參與國內外金融市場融資的商業銀行，近年來我們加大對國際化發展佈局的關注。2018年，本行倫敦分行申設方案進入當地監管機構正式審批流程，籌備工作進入最後階段，香港分行申設、悉尼代表處升格分行也正在積極推進中。本行完成對阿爾金銀行多數股權收購，成為首家在哈薩克斯坦通過併購進入當地市場的中資銀行。我們將發揮阿爾金銀行自身優勢，同時依託本行控股股東中信集團平台，積極打造「一帶一路」沿線市場大協同。我們將努力確保國際化經營與差異化發展相得益彰，全力支持本行邁向「最佳金融服務企業」的願景。

資源要素優化配置的更大效應，是助推金融供給側結構性改革。近年來，我們堅持增量與存量並重，統籌把握好進與退，不斷提升以信貸資產為核心的金融供給的適應性和靈活性，更有質量地支持實體經濟發展。這項工作已經產生積極效應。2018年末，本集團對公貸款餘額、個人貸款餘額分別為2.12萬億元、1.48萬億元，分別比年初增加1,586億元、2,529億元；積極支持類行業授信佔比提升4.65個百分點，嚴格控制類行業、壓縮退出類行業授信佔比分別下降0.94個、1.8個百分點；主動退出低質低效授信客戶1,590戶，金額達595.4億元，信用評級A等級以上授信客戶佔比提升5.79個百分點。發展綠色金融是普遍共識。2018年本行綠色貸款629億元，較年初增加49.9億元。在推進金融供給側結構性改革過程中，我們注意與區域差異化發展統籌謀劃，本行成為首家為雄安集團發放貸款的商業銀行，截至2018年末，本行京津冀、長三角、粤港澳三個區域的人民幣一般對公貸款餘額較年初增長430億元，佔比達到52.5%。在國家推進設立科創板的過程中，我們將加大對科創企業的關注，加強資源儲備和孵化，為金融供給側結構性改革增加新動力。

我們的目標不止於此，還有更深一層改革的需要——深入推進業務結構調整，為增長創造空間、增加後勁。近年來，我們著力推進零售業務轉型，努力推動對公、零售和金融市場業務形成「三駕馬車」的良好結構。通過堅持推進體系建設、強化「以客為尊」理念、緊跟市場創新產品、加強人工智能應用，零售產能加快釋放。2018年，本集團零售營業淨收入、中間業務收入佔比分別達到34%、61%；本行零售客戶超過8,830萬戶，比上年增長22.65%，其中：信用卡帶動借記卡客戶新增550萬戶，手機銀行客戶超過3,600萬戶，僅2018年就增加900餘萬戶，交易額同比增長48.6%。零售AUM邁向1.8萬億元台階，年增2,985億元；本集團個人存款7,125億元，年增1,791億元；個貸餘額達到1.48萬億元；信用卡交易量超2萬億元，跨行交易市場份額接近7%。時間和成效堅定了我們未來進一步推進零售業務轉型的立場。

董事長致辭

零售業務轉型成效是顯而易見的，但這不是我們追求的業務結構調整的全部。一定程度上而言，近年來本行傳統對公業務優勢為零售業務轉型提供了壓艙石的作用，隨著零售業務轉型步入良性軌道，我們決定現在是同時推動對公業務全面轉型的時候了，為面對更加開放的市場做好準備，為實現高質量發展打好基礎。實際上，從2017年下半年以來，本行對公業務就啟動了改革，對公業務部門開始承接貸後管理職能，承擔一道防線職責。2018年，我們在對公業務全面轉型方面進一步做了大量基礎性、體系性、開創性工作，比如，完善法人客戶統一授信制度體系和管理模式，強化客戶部門在授信業務中的主體作用；強化對公客戶一體化服務，紮實推進對公客群建設，努力做大客戶規模，做強優質核心客戶，做實供應鏈金融，深化網點綜合服務功能。2018年，本行對公客戶數達到63萬戶，比年初增長3.5萬戶，其中對公有效客戶增長5,995戶，交易銀行對公結算有效戶達到11.35萬戶。對公業務全面轉型是著眼長遠的重要責任，我們將堅定不移地做下去。

「三駕馬車」業務結構的實現，離不開金融市場業務的貢獻。我們堅持輕資本導向，緊跟「一帶一路」、自貿區等國家戰略，做強跨境服務全鏈條產品，做實人民幣國際化配套產品，做優本外幣一體化跨境服務。2018年，面對市場利率總體下行等外部環境，本行準確把握市場機會與投資節奏，進一步鞏固了金融市場、國際業務、託管等特色業務優勢，市場競爭力和業務貢獻度明顯提升。2018年，本行實現輕資本收入274.1億元，增長5.2%；結售匯、國際收付匯、跨境人民幣收付匯量保持領先；資產託管規模達8.44萬億元，較年初增長4.8%；「同業+」平台簽約客戶1,216戶，增長49.02%，平台交易量1.43萬億元，增長12.77%。全年本行人民幣貨幣市場交易量達21.90萬億元，同比增長48%，遠超市場25%的增長率，體現了本行的交易能力和市場影響力。本行全球交易平台籌建與海外分行籌建同頻共振，金融市場上海分中心籌建緊隨上海自貿區建設步伐，這些是本行不斷拓寬金融市場業務外延的重要部署。未來，我們將在進一步提升專業水平中實現金融市場業務特色化發展。

在推進業務結構調整的過程中，我們從涵養市場活力、儲備動能出發，積極發展普惠金融，支持民營經濟。2018年，我們全面加強普惠金融頂層設計，加強重點分行體制機制改革，強化分支機構營銷，努力解決好「做正確的事」和「正確地做事」這兩個層面的問題。2018年末，本行銀保監會「兩增兩控」考核口徑普惠金融貸款餘額1,364億元，比上年末增加445億元，增幅48.45%，有效幫助小微企業突破融資困難。一位服裝加工行業的小微企業主，受益於本行中小供應商貸款，2018年年底之前提早讓應收賬款變為現款，解決了多年來飽受困擾的催收應付賬款問題，用他的話講，「在2018年寒冬中感受到了別樣的溫暖」。我們為此感到欣慰。我們發佈支持民營經濟「十四條」針對性措施，綜合運用多種金融產品，包括創設全國首單民企中長期風險緩釋工具，服務好優質民營企業。截至2018年末，本行民營企業貸款餘額佔比近40%。未來，我們將確保發展普惠金融和支持民營經濟的努力取得更大實效。

作為本行創新管理委員會主席，我思考得最多的是，我們能否抓住未來趨勢，贏得明天的競爭優勢。我們超越金融多一點還是科技多一點的爭論，加強金融科技創新，通過建立重大創新和科技創新專項獎勵機制、為科技人員搭建類互聯網式晉陞激勵機制、構建信息技術與業務融合式團隊工作模式等措施，促進金融與科技在思維、理念、業務模式、管理模式等全方位融合。2018年，本行推出「中信大腦」，已初步具備為零售、對公、託管、合規等多領域提供智能化服務的能力。我們加強金融服務移動化和場景化，積極嘗試技術服務輸出，以開放的心態推進金融開放共享生態下IT合作。我們推出的國內首個區塊鏈福費廷交易系統，鏈上發生業務量超過100億元。我們發佈了首個「區塊鏈+供應鏈」試點創新項目，以區塊鏈技術構建開放合作的新型供應鏈生態圈，開啟了本行供應鏈金融發展新模式。我們推出的自助式票據貼現產品「信秒貼」，年內上線至今簽約客戶數已超過1,400戶，交易金額超過115億元。本行與百度公司聯合創立的中信百信銀行，在高科技領域積極探索與實踐，開業第一年即實現總資產359億元，用戶超過1,200萬戶，在線發放近800億元普惠貸款，撥備覆蓋率超過300%。「百信模式」正成為互聯網銀行創新發展新模式，中信百信銀行成為首家獲得國家高新技術企業認定的國有控股銀行，這不是偶然。未來，我們將全面構建金融科技生態系統，歡迎更多金融科技創新人士加入。

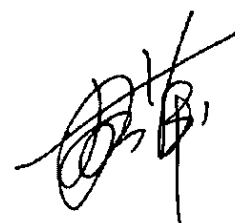
我們在積極改革創新的同時，沒有忘記商業銀行經營本源，其中爭取核心存款增長有力尤為重要。互聯網時代，用戶行為從線下向線上遷移，線上獲客的手段和方式發生著深刻變化。2018年全社會企業類存款和機關團體存款較2017年同比減少2.6萬億元。這些都是客觀事實。但我們深知，核心存款增長的本質是客戶經營，而贏得客戶的最好方式，莫過於證明我們確實瞭解客戶、能為客戶創造價值。為此，我們從客戶服務一體化做起，全力推動向「以客戶為中心」轉變、向「流程銀行」轉變，加強對客戶需求的全面準確掌握，更好地統籌客戶、產品、風險、定價、資源等要素，提升客戶綜合服務能力。此外，我們從三大業務板塊入手，已經明確2019年負債結構調整的方向，比如，對公業務將在供應鏈金融和現金管理上實現突破，強化票據池、B2B電子商務等拳頭產品的增存作用，深挖互聯網交易場景、銀聯代付市場；零售銀行將找準金融科技方向，加強支付結算功能，帶動存款的沉澱與增長；金融同業將加強與基金託管聯動，推廣規模穩定且有成本優勢的產品，豐富「同業+」平台，拉動結算性資金。我們要確保，本行核心存款增長從來不是受機會的陣風擺佈的。

資產質量管理是商業銀行經營另一個永恒的本源。我們用嚴肅、冷靜、堅定的態度對待風險管控責任，戰略上堅持穩中求進，在改革發展中解決問題，戰術上抓住突出矛盾，解決重點問題。2018年，本集團在保持利潤增長的同時，計提撥備582億元，比上年增長4.4%；逾期90天以上貸款與不良比例為92.41%，比上年末下降16.97個百分點，資產質量進一步夯實。2018年，不良額、不良率有所上升，這其中有大環境的原因，也與我們更加嚴格認定問題貸款等有關，這些舉措從短期看對資產質量數據形成了一定壓力，但從長遠看對本行夯實發展基礎是必要的。此外，未來本行資產質量管理也有一些有利條件，比如近年來本行深化經營轉型、大類資產配置不斷優化、對公授信結構更趨合理、問責體系不斷完善、全行風險防範意識不斷提升、風險量化工具深入應用、問題資產經營管理體系更加健全等。我們有決心堅持風控紀律，提升專業水平，確保資產質量管理取得穩健、持久的成效。

要為將來帶來希望，沒有比點亮心靈、激發活力更好的方法。近年來，本行積極探索人力資源管理新模式，釋放各級機構活力，統籌各類人才隊伍建設，加快核心人才培養，打造一批中信銀行「大工匠」和行業領軍人物。我們讓所有員工知道，成功取決於工作的力量而不是偶然性。本行有一位理財經理，從半路出家到如今管理著近15億元的資產，為了客戶，兢兢業業，這是她成功實現工作「逆襲」、贏得客戶信任的秘籍。我為她感到驕傲。同時，我們深知，銀行不是每個個體、各個部分的簡單總和，還有更深、更廣、更持久的東西，這就是企業文化，其中最重要的是責任心，不僅包括對中信銀行事業的責任，也包括對社會的責任。近年來，本行把握金融應有的社會屬性，積極探索精準扶貧新模式，開展了「中信銀行·新長城高中自強班」教育扶貧、「中信銀行·愛佑童心」醫療扶貧、在西藏自治區謝通門縣、新疆維吾爾族自治區阿克蘇市和伽師縣以及甘肅省宕昌縣等地區開展扶貧、派駐扶貧幹部，同時在營業網點廣泛開展溫情金融服務、助盲服務、助殘服務及老年服務。2018年，本行被人民日報授予「社會責任年度企業獎」。我們祝這個獎項是對未來行動的召喚，將繼續履行好社會責任。

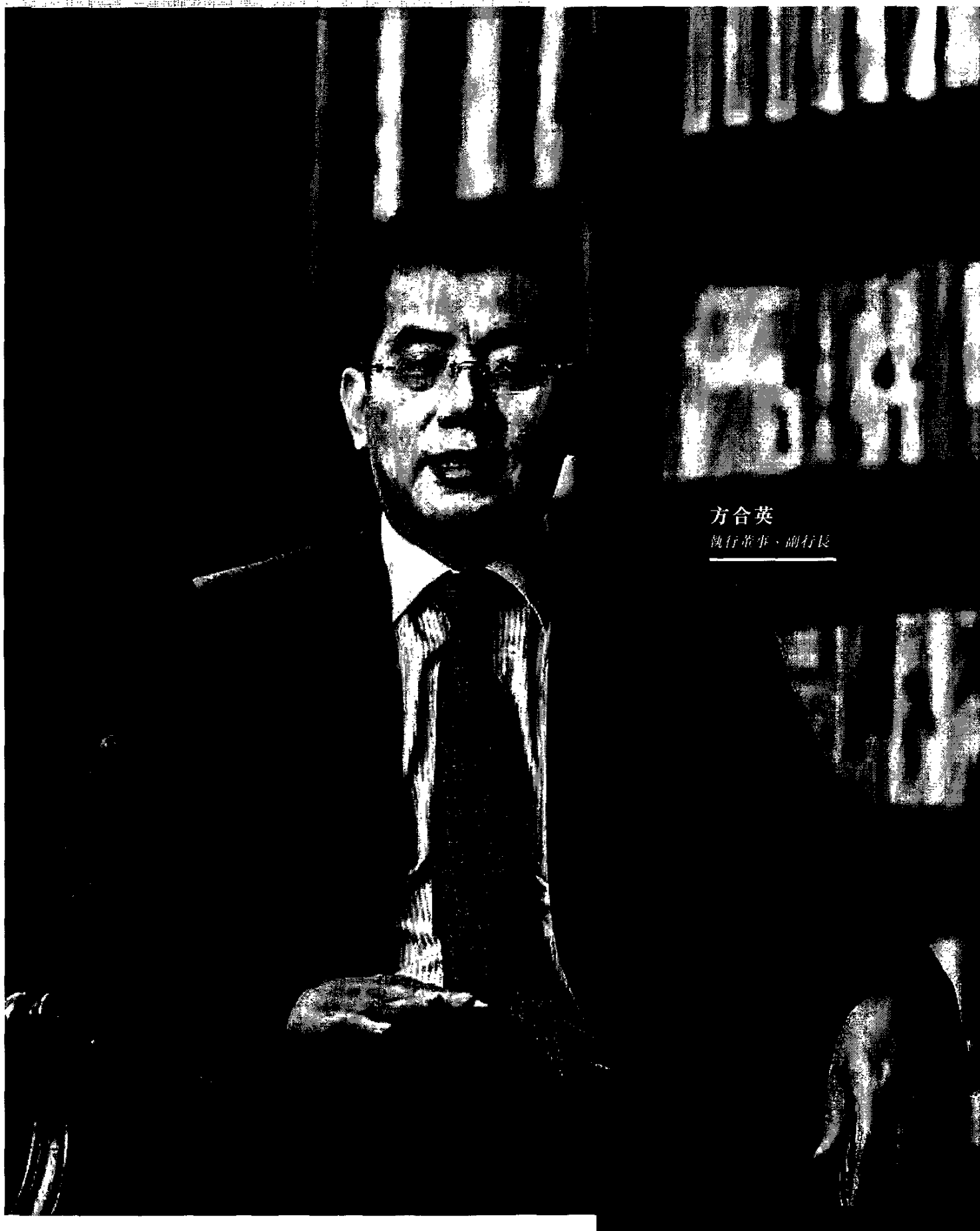
各位股東，孫德順先生因年齡原因不再擔任本行行長、執行董事，董事會對孫德順先生任職期間為本行所做出的突出貢獻表示衷心感謝。董事會決定聘任方合英先生為行長，方合英先生是本行長期培養的優秀人士，希望股東對董事會，對方合英先生和管理層一如既往給予支持。

2018年，我們一路走來，從未有過捷徑或鬆懈。2019年，我們將繼續改革，實現更多積極改變。



董事長、執行董事
李慶萍

2019年3月26日



方合英

執行董事、副行長

行長致辭

各位股東：

2019年3月，經董事會聘任，我將接替孫德順先生擔任中信銀行行長。在此，我代表因年齡原因離任的孫德順先生，以及管理層班子，向各位報告一下中信銀行2018年經營發展取得的業績。

過去的一年，是國內外經濟和金融環境劇烈震盪的一年，也是本行2018-2020年發展規劃實施的開局之年。管理層按照董事會工作部署，持續推進戰略實施，積極深化經營轉型，成功經受住了考驗。全年，本集團實現營業收入1,657.66億元，同比增長5.43%；在保持高撥備計提力度基礎上，實現歸屬於本行股東的淨利潤445.13億元，同比增長4.57%；經過進一步嚴格不良確認標準，年末不良率1.77%，同比略升0.09個百分點，總體保持了持續穩健的發展態勢。

這一年，本行的發展基礎進一步夯實。一是業務結構更加均衡。相對均衡的業務結構，能夠幫助銀行更好抵禦經濟週期的波動。本行新三年規劃的重要目標之一，就是打造公司銀行、零售銀行、金融市場三大業務板塊「三駕齊驅」的發展格局。過去的一年，我們全面啟動公司銀行業務轉型，在廣泛市場調研分析基礎上，制定了《2018-2020年公司業務轉型實施方案》，進一步明確了公司業務的發展定位、轉型方向及推動舉措，爭取通過推動傳統對公業務改革創新，繼續保持並擴大競爭優勢。我們持續推動零售銀行和金融市場業務轉型發展，效果逐步顯現。報告期內，本行零售存款、零售管理資產分別增長1,538億元和2,985億元，均創歷史新高；金融市場板塊克服外部環境不利影響，營業收入同比增長超過70%，貢獻較上年明顯提升。報告期內，本集團公司銀行、零售銀行、金融市場三大板塊稅前利潤佔比分別為44.6%、29.0%和25.3%，盈利結構更加合理，可持續發展能力進一步提升。

二是客戶基礎更加牢固。中型銀行能否在日益激烈的同業競爭中脫穎而出，關鍵在於是否真正獲得客戶的支持。近年來，我們遵循「以客為尊」理念，突破傳統經營思維和管理模式的束縛，按照客戶經營、服務、管理一體化原則，對業務流程進行重塑，追求將客戶體驗做到極致。我們的努力正在取得成效。截至報告期末，本行升級對公有效客戶和基礎客戶營銷服務，加快拓展優質民營企業和上市公司合作，全年對公客戶增長超過3萬戶，客戶群體進一步壯大。本行零售銀行客戶達到8,831.8萬戶，同比增長22.6%，動卡空間和手機銀行兩大APP月活躍用戶分別達到1,113萬和687萬戶，同比增長77%和52%。「金融同業+」平台簽約客戶同比增長近50%，全新打造的自助式票據貼現產品「信秒貼」年內上線至今，簽約客戶數已超過1,400戶，交易金額超過115億元。

三是資產質量更加紮實。銀行資產質量背後，反映的是整體信貸資產結構和風險管控水平。近年來，我們順應國內社會經濟發展趨勢，信貸投入向零售業務傾斜，貸款分佈結構明顯優化。報告期內，本集團零售貸款增長2,529億元，佔全部新增貸款的61%，零售貸款餘額佔比較年初進一步提高2.62個百分點至41.14%，零售信貸不良率（不含信用卡貸款）0.64%，比上年末下降0.17個百分點，對全行資產質量保持平穩形成了有力支撐。本集團進一步嚴格不良貸款認定標準，主動將逾期90天以上的貸款納入不良貸款，逾期90天以上貸款與不良的比例92.41%，同比大幅下降16.97個百分點。在努力控制新增不良的同時，我們持續投入資源消化存量不良包袱，本集團年內共核銷不良貸款469.4億元，計提資產撥備582.3億元，過去三年累計撥備計提達到1,663.1億元，在可比同業中排名前列，中長期發展基礎得到持續夯實。

行長致辭

這一年，本行的經營管理進一步提升。一是輕型發展模式不斷深化。我們按照「提轉速、調結構」的思路，加快表內資產流轉速度，推動業務結構向輕型化方向轉變。報告期內，本行累計對外轉出各類資產2,275億元，節約風險資產約1,550億元，在獲取了可觀轉讓收益、進一步優化存量資產結構的同時，有效釋放信貸規模空間，減少了資本佔用。在未從外部補充一級資本的情況下，本集團核心一級、一級資本充足率全年分別提高0.13、0.09個百分點，資本內生能力得到市場檢驗。我們將內評法在資本管理中的考核權重提高至100%，加大低資本佔用類業務的發展力度。報告期內，本行資產託管業務收入實現逆市增長，託管資產規模突破8.4萬億元；本行聯合中信信託等推出的家族信託業務取得了良好市場反響，市場佔有率達到15%。我們希望，隨著輕型發展模式的持續深入，本行將逐步擺脫對外部資本的依賴，業務發展與資本內生補充進入良性循環。

二是風險管理能力持續加強。風險管理是銀行的「生命線」，也是近年來投資者最為關注的方面。一直以來，我們將風險管理作為經營管理的重中之重，不斷創新管理手段和方式，努力打造與業務模式轉型充分融合的風控體系。我們通過加強法人統一授信管理，強化客戶部門在授信業務中的主體作用。在充分總結過去幾年風險案例經驗基礎上，推出新增授信客戶「名單制」准入和存量資產「四分類」管理機制，對存量客戶按照「支持、維持、壓縮、退出」等分類進行梳理，有針對性地採取策略，加大不符合風控標準的客戶退出力度。報告期內，本行共完成3.01萬戶對公客戶「四分類」，退出授信客戶1,590戶，信貸客戶結構得到明顯優化。我們進一步加強不良資產主動經營，及時研判市場走勢，抓住不良資產轉讓窗口期，回收率等效益指標成功跑贏大市。2018年，本行共完成現金清收287.2億元（含收回以前年度已核銷資產24.4億元），處置不良資產本金733.1億元，均創歷史新高，最大限度降低了資產損失。

三是改革創新進程不斷加快。銀行經營轉型的根本，在於管理體制和創新機制的變革。報告期內，我們進一步完善創新委員會機制，制定中長期創新規劃，建立重大創新專項獎勵機制，全年上線18項一類創新項目，推動4人類7項重要任務攻堅，成功落地了「雲鏈」等一批特色化「鏈金融」模式創新項目，全行上下以創新促發展的氛圍日益濃厚。我們加速構建智能化、平台化的金融科技融合發展體系，積極推動大數據、人工智能等新技術在客戶經營、產品創新、風險控制等領域的應用。本行順應金融與科技融合趨勢推出的「中信大腦」（AI技術平台），已初步具備支持量化交易、營銷、風控、服務、運營等多領域智能化應用能力。我們希望，通過我們的努力，未來的中信銀行能夠成為一家具有先進管理理念、創新科技思維、領先科技人才的商業銀行。

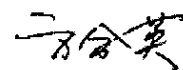
這一年，本行的轉型方向進一步堅定。一是區域差異化戰略穩步推進。本行新三年發展規劃提出差異化推動區域特色發展，在充分結合各區域經濟特點和本行實際的基礎上，加強面向分行的分類管理和差別施策，資源政策向資本消耗少、使用效率高、價值創造多的區域傾斜，提升優勢區域發展速度，從而帶動全行整體實力提升。一年來，本行通過推動差異化定價授權、加大人力和信貸資源投入、優先支持業務創新等方式，推動「北上廣深寧杭」等戰略支點區域分行加快發展，上述區域對公一般貸款佔比提升至43.3%，同比提高2.8個百分點。本行成立京津冀、長三角、粵港澳區域協調發展委員會，努力發揮核心地區分行輻射帶動作用，引領周邊地區分行協同發展，爭取打造形成以點帶線、以線帶面、各地區齊頭並進的良好局面。我們期待，通過三年左右的時間，形成佈局合理、重點突出、特色鮮明的區域梯次發展格局，充分發揮中型銀行業務優勢，更好地為國家區域經濟發展貢獻力量。

二是普惠金融體系更加完善。我們將普惠金融視為銀行適應環境變化，開拓市場需求的重要方向，也將其作為本行轉變發展方式、優化業務結構、培養未來核心客戶的戰略選擇。當前，普惠金融業務發展正面臨前所未有的政策機遇和生態環境。本行抓住時機，進一步強化普惠金融頂層設計，成立總行普惠金融一級部，搭建「審查、審批、放款、貸後」四集中的運營管理平台，組織架構不斷完善，體系運行日趨順暢。本行充分利用大數據等技術手段，從客戶渠道、營銷模式、信用評級等方面，著力推動模式創新，在風險有效控制的前提下，加大考核和費用等政策傾斜力度，全面促進普惠金融業務加快發展。截至報告期末，本行符合人民銀行定向降准統計口徑的普惠金融貸款合計1,427億元，同比增長402億元，成功達到定向降准最高檔考核標準，為下一步發展贏得了更大空間。

三是信用卡發展步入快車道。近年來，本行加速推進金融科技創新在信用卡領域的應用，運用大數據技術搭建了相對完善的基礎平台，滿足了客戶不同階段金融服務需求，初步打造形成差異化領先優勢。2018年末，本行信用卡貸款餘額4,420.5億元，比2015年末增長超過150%，信用卡交易量近三年年均複合增速達到36.1%。報告期內，受現金貸等行業亂象影響，國內信用卡貸款不良率有所提升，市場上出現了一些對於信用卡風險的擔憂情緒。我們認為，對比國際經驗看，當前中國居民槓桿率、信用卡應償餘額佔比、人均持卡量等前瞻指標仍處於較安全水平，信用卡業務仍有廣闊發展空間；從自身實際看，經過持續多年的系統建設和資源投入，本行信用卡全流程業務體系和風控體系均已相對成熟。面對複雜變化的市場環境，我們仍將進一步保持信用卡業務的投入力度，並有信心通過持續強化精細化管理，將業務風險控制在合理水平。

此外，我們與百度公司聯合發起設立的中信百信銀行，作為國內首家獨立法人制直銷銀行，聚焦傳統銀行服務相對薄弱的領域，主要通過線上、線下場景批量智能獲客，重點開展支付、融資、理財等小額高頻業務。2017年11月開業以來，中信百信銀行用戶規模已突破1,200萬，資產規模超350億元，累計為400多萬個人用戶和58萬小微企業主在線發放普惠貸款近800億元，展現出良好的發展潛力，與本行錯位經營、差異化互補的協同效應逐步顯現。報告期內，本行和百度公司共同向中信百信銀行增資20億元，補充股本支持其快速發展，表明了雙方股東對其成長前景充滿信心。我們希望中信百信銀行能夠走出一條有別於傳統銀行的創新發展之路，也冀望其在金融科技等領域的探索，能夠為本行未來發展帶來更多啟發和支持。

舊歲已展千重錦，來年更進百尺竿。2019年是新中國70年華誕，也是中信集團成立40週年。經過32年的發展，中信銀行已經初步發展成為資產超6萬億，員工近6萬名，擁有一定國內外知名度的中大型商業銀行，並正朝著更高的目標穩步前進。作為一名已為中信銀行服務二十餘年的「老中情人」，擔任行長我深感責任重大。未來，我將與管理層各位成員一道，在董事會領導下，與全行幹部員工齊心協力，順應國家戰略方向，不忘初心，加快發展，「一棒接著一棒跑下去」，為將中信銀行建設成為「最佳綜合金融服務企業」努力奮鬥！



執行董事、副行長¹

方合英

2019年3月26日

¹ 2019年2月26日，本行董事會審議通過相關議案，同意聘任方合英先生為本行行長，自中國銀保監會核准其任職資格之日起正式就任，在其任職資格獲核准前，方合英先生代為履行本行行長職責。

第一章 公司基本情況簡介

1.1 公司信息

法定中文名稱	中信銀行股份有限公司(簡稱「中信銀行」)
法定英文名稱	CHINA CITIC BANK CORPORATION LIMITED(縮寫「CNCB」)
法定代表人	李慶萍
董事會秘書	蘆葦
聯席公司秘書	蘆葦、甘美霞(FCS, FCIS)
證券事務代表	王琚威
註冊地址	北京市東城區朝陽門北大街9號
註冊地址郵政編碼	100010
辦公地址	北京市東城區朝陽門北大街9號
辦公地址郵政編碼	100010
互聯網網址	www.citicbank.com
聯繫電話／傳真	+86-10-85230010/+86-10-85230079
電子信箱	ir@citicbank.com
香港營業地址	香港皇后大道東183號合和中心54樓
信息披露報紙	《中國證券報》、《上海證券報》、《證券時報》
信息披露網站	刊登A股年度報告的中國證監會指定網站： www.sse.com.cn 刊登H股年度報告的香港聯交所指定網站： www.hkexnews.hk
年度報告備置地點	北京市東城區朝陽門北大街9號 中信銀行董事會辦公室
中國內地法律顧問	北京天達共和律師事務所
中國香港法律顧問	高偉紳律師事務所
境內審計師	普華永道中天會計師事務所(特殊普通合夥) 上海市黃浦區湖濱路202號企業天地2號普華永道中心11樓(郵編：200021)
境內簽字註冊會計師	朱宇、李燕
境外審計師	羅兵咸永道會計師事務所 香港中環太子大廈22樓
境外簽字註冊會計師	陳廣得
持續督導保薦機構一	中信證券股份有限公司
辦公地址	北京市朝陽區亮馬橋路48號中信證券大廈23層
簽字保薦代表人	馬小龍、程越
持續督導期間	2019年3月19日至2020年12月31日(如持續督導期屆滿尚未完成可轉債全部轉股，則延長至可轉債全部轉股)
持續督導保薦機構二	中國國際金融股份有限公司
辦公地址	北京市朝陽區建國門外大街1號國貿大廈2座27、28層
簽字保薦代表人	高聖亮、石芳

持續督導期間	2019年3月19日至2020年12月31日(如持續督導期屆滿尚未完成可轉債全部轉股，則延長至可轉債全部轉股)				
A股股份登記處	中國證券登記結算有限責任公司上海分公司 上海市浦東新區陸家嘴東路166號中國保險大廈3層				
H股股份登記處	香港中央證券登記有限公司 香港灣仔皇后大道東183號合和中心1712-1716號舖				
股份上市地點、 股票簡稱和股票代碼	A股	普通股	上海證券交易所	中信銀行	601998
		優先股	上海證券交易所	中信優1	360025
	H股	普通股	香港聯合交易所	中信銀行	0998

1.2 聯繫人和聯繫方式

姓名	董事會秘書 蘆葦	證券事務代表 王珺威
聯繫地址	北京市東城區朝陽門北大街9號	北京市東城區朝陽門北大街9號
聯繫電話	+86-10-85230010	+86-10-85230010
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電子信箱	ir@citicbank.com	ir@citicbank.com

1.3 公司業務概要

1.3.1 公司從事的主要業務

本行以建設最佳綜合金融服務企業為發展願景，充分發揮中信集團金融與實業並舉的獨特競爭優勢，堅持「以客為尊」，秉承「平安中信、合規經營、科技立行、服務實體、市場導向、創造價值」的經營理念，向企業客戶和機構客戶提供公司銀行業務、國際業務、金融市場業務、機構業務、投資銀行業務、保理業務、託管業務等綜合金融解決方案，向個人客戶提供零售銀行、信用卡、消費金融、財富管理、私人銀行、出國金融、電子銀行等多元化金融產品及服務，全方位滿足企業、機構及個人客戶的綜合金融服務需求。具體信息請參見本報告第四章「經營情況討論與分析」。

第一章 公司基本情況簡介

1.3.2 公司主要資產發生重大變化情況的說明

本集團主要資產包括發放貸款及墊款、存放同業款項、拆出資金、買入返售金融資產、金融投資、現金及存放中央銀行款項。截至報告期末，上述資產佔本集團總資產的比例為97.5%，比上年末上升1.1個百分點。本集團主要資產的變化情況請參見本報告第四章「經營情況討論與分析—財務報表分析」。

1.3.3 核心競爭力分析

本行堅持效益、質量、規模協調發展，不斷提升核心競爭力，努力建設成為業務特色鮮明、盈利能力突出、資產質量較好、重點區域領跑的最佳綜合金融服務企業。

治理經營科學高效。本行始終堅持市場化運行，不斷完善公司治理和業務運營體制機制，形成了管理高效、分工專業的組織架構體系。根據法律法規、監管規定和將黨建工作寫入公司章程的總體要求，本行結合實際，在公司章程中增加國企黨建工作有關內容。參照現代銀行發展理論與實踐，本行搭建「三會一層」公司治理架構，按照前台、中台、後台相分離的原則，建立起涵蓋總行部門條線和分支行板塊的矩陣式管理模式。本行積極適應外部形勢和監管要求，搭建以發展規劃為導向、資本管理為核心、價值回報為目標的精細化管理平台，通過資本的規劃、配置、監測和考核，優化業務結構，合理配置資源，提升資本回報水平。

業務全面均衡發展。本行秉承傳統優勢和基因，形成以公司銀行為主體、零售銀行和金融市場為兩翼的業務結構，並逐步向「三駕齊驅」方向發展。本行以公司銀行為轉型支撐點，依託傳統業務優勢，打造客戶精準營銷服務體系和特色化產品服務體系，進一步鞏固市場地位；以零售銀行為轉型突破口，圍繞個人客戶全方位需求，提供大零售綜合服務，打造良好客戶體驗，努力為客戶創造價值；以金融市場為新興增長點，搭建覆蓋貨幣市場、資本市場、國際金融市場的產品體系，創新服務模式，持續提升多元化資產和負債經營能力。報告期內，本集團公司銀行、零售銀行、金融市場稅前利潤佔比分別為44.6%、29.0%和25.3%，盈利結構更趨均衡，可持續發展能力進一步提升。

金融科技促進創新。本行高度重視金融科技創新應用，以科技引領創新發展，在互聯網金融、數字化、智能化轉型方面積極探索、不斷創新。本行積極研發基於大數據、人工智能等新技術的金融產品，提高客戶金融服務的可獲得性和便利性，提升客戶服務精準度。本行對接實體企業互聯網平台，持續創新產品，優化系統，改進流程，為企業及其上下游客戶提供體驗更佳的傳統銀行服務，更好服務實體經濟。本行聯合百度公司發起設立中信百信銀行，充分融合兩方股東金融與科技基因，以科技和數據雙輪驅動，打造智能普惠金融服務平台。

綜合協同優勢明顯。協同是中信集團的發展戰略和特色，是本行建設最佳綜合金融服務企業的重要組成，是本行獨特的競爭優勢。本行遵循2018-2020年發展規劃的總體要求，整合內外部資源，從集團、區域、跨境、母子、板塊、組織六個維度，打造批量獲客、穩存增存、風險防範、價值創造的新動能。截至報告期末，本行聯合中信集團各子公司為企業客戶提供融資金額達人民幣6,258.43億元；本行與中信金融租賃、中信百信銀行合作投放資金127.25億元；與中信銀行（國際）、信銀投資的跨境融資合作規模達2,212.79億元。

風險防控科學有效。本行持續推進風險體制改革，全面培育風險合規文化，以建體系、建制度、建流程為抓手，不斷完善全面風險管理體系，落實「三道防線」風險管理職責，強化經營機構風險防控意識，提升全員風險管理專業水平。踐行差異化發展戰略，持續優化授信業務結構，大類資產配置日趨合理，抗經濟週期風險能力有效提升。本行增強風險的主動管控能力，強化問題資產主動經營，嚴格不良貸款認定標準，全面夯實授信資產質量。積極探索人工智能、大數據分析技術應用，不斷提升風險量化技術應用水平，推動風險的信息化、智能化管理，各類風險管理水平穩步提升。報告期內，本集團進一步嚴格不良貸款認定標準，主動將逾期90天以上的貸款納入不良貸款，逾期90天以上貸款與不良的比例為92.41%，同比下降16.97個百分點。

品牌影響持續提升。經過三十多年的發展，本行已搭建起覆蓋中國境內主要大中城市的分支機構網絡，並在倫敦、悉尼、香港、澳門、紐約、洛杉磯、新加坡等地設有分支機構，通過全面的金融產品和優質的客戶服務，在境內外市場享有較高的美譽度和影響力。「以信致遠 融智無限」品牌口號引領本行品牌戰略的推進。2018年，本行在英國《銀行家》雜誌「全球銀行品牌500強排行榜」中排名第24位；本行一級資本在英國《銀行家》雜誌「世界1000家銀行排名」中排名第27位。在2018年5月《福布斯》公佈的「全球企業2000強排名」中，本行位居第85位。

第二章 榮譽榜



排名和品牌价值獎項

2018年2月本行在英國《銀行家》雜誌發佈的「全球銀行品牌500強排行榜」中，本行排名第24位。

2018年5月本行在《福布斯》公佈的「全球企業2000強」排名中，本行排名第85位。

2018年7月本行在英國《銀行家》雜誌公佈的「世界1000家銀行排名」中，本行一級資本排名第27位。

2018年11月本行在中華英才網舉辦的「中國雇主2018品牌盛典」中獲評「中國大學生最佳雇主TOP50」及「中國大學生最佳雇主金融行業TOP15」。

2018年12月本行在金融時報社舉辦的「2018中國金融機構金牌榜」評選中，本行獲評「年度最佳品牌建設銀行」。

綜合金融服務獎項

公司業務

2018年6月本行獲評中國銀行業協會「最佳國際結算銀行」。

2018年11月本行獲評中國銀行業協會「銀團貸款最佳業績獎」；獲評中國汽車流通協會「2018中國汽車流通行業汽車金融服務創新企業」。

2018年12月本行被《財經》雜誌評為2018年「年度最佳供應鏈金融服務銀行」；獲評21世紀財經2018年度「普惠金融業務銀行」、「卓越大客戶金融服務銀行」。

零售業務

2018年3月本行私人銀行獲評《亞洲貨幣》「最佳全國性股份制銀行私人銀行獎」。

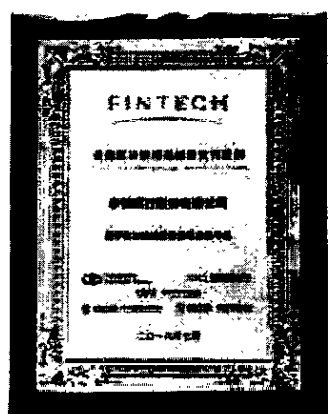
2018年11月本行被《亞洲銀行家》評為「中國最具進步私人銀行獎」；被《經濟觀察報》評為「年度卓越私人銀行」。

金融同業業務

2018年1月本行被全國銀行間同業拆借中心評為銀行間本幣市場「核心交易商」、「優秀同業存單發行人」、「優秀貨幣市場交易商」；獲評中國銀行間市場交易商協會「優秀綜合做市機構」；獲評中國外匯交易中心「核心交易商」、「優秀衍生品市場交易商」。

2018年3月本行獲評中國外匯交易中心2017年度「最佳做市獎」、「最佳交易獎」、「最佳即期交易獎」、「最佳遠掉交易獎」、「最受歡迎遠掉做市機構獎」、「最佳技術做市機構獎」、「最佳後臺支援做市機構獎」、「最佳期權會員獎」、「期權最具做市潛力獎」。

2018年4月本行被中國銀行間市場交易商協會評為銀行間債券市場「優秀綜合做市機構」；獲評上海黃金交易所「2017年度金融類優秀會員」、「銀行間詢價市場優秀做市商」。



The Banker
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WORLD BANKS 2018
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China Citic Bank
World Ranking 27
Country Ranking 10



金融科技獎項

2018年1月本行「基於區塊鏈的國內信用證資訊傳輸系統」被中國金融科技創新大會組委會授予「2017年度中國金融科技創新榜創新獎」。

2018年5月本行獲評《亞洲銀行家》「年度風險合規技術實現獎」、「年度金融市場成就獎」、「年度最佳區塊鏈創意、應用或程式獎」、「中國最佳客戶關係管理CRM專案」、「中國最佳託管系統實施獎」。

2018年9月在財視中國舉辦的「2017-2018年度金融科技介甫獎」評選中，本行獲評「貿易金融創新獎」。

2018年10月在中國金融認證中心(CFCA)舉辦的「2018中國金融科技創新榜」評選中，本行手機銀行獲評「金融科技創新應用優秀方案」。

2018年11月本行獲評中國金融認證中心(CFCA) 2018年「網路金融創新獎」和「最佳企業網上銀行獎」。

企業社會責任獎項

2018年3月本行獲評中國扶貧基金會「2017年傑出貢獻獎」。

2018年6月本行獲評中國銀行業協會「最佳綠色金融獎」和「最佳社會責任管理者獎」。

2018年12月本行在人民網舉辦的第13屆人民企業社會責任獎評選中，本行獲評「年度企業獎」。

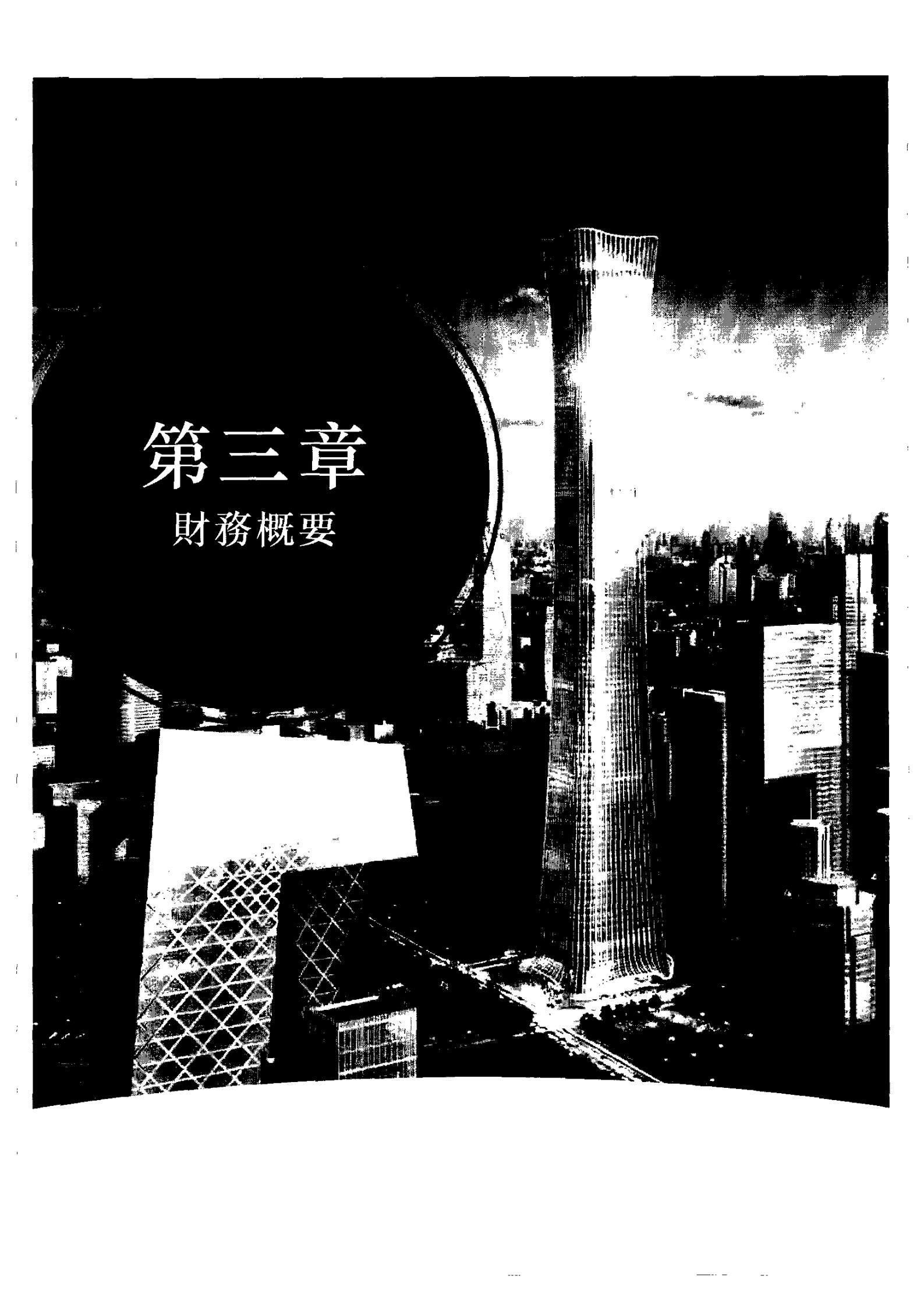
綜合類獎項

2018年4月本行獲評中國銀行業協會「最佳中間業務收入貢獻獎」、「中間業務專委會特殊貢獻獎」。

2018年8月本行獲評上海證券交易所「2017-2018年度資訊披露工作評價A類」。

2018年11月本行獲評《IFR Asia》2018年度「中國最佳貸款銀行」。

2018年12月本行發行的美元離岸債券項目被《財資》雜誌授予「最佳銀行債券」獎；被中央國債登記結算有限責任公司授予「優秀金融債發行人獎」及「優秀ABS發起機構獎」；獲評新浪財經「最佳投資者關係管理上市公司獎」。



第三章

財務概要

第三章 財務概要

3.1 經營業績

單位：百萬元人民幣

項目	2018年	2017年	增幅(%)	2016年
經營收入	165,766	157,231	5.43	154,159
利潤總額	54,326	52,276	3.92	54,608
歸屬於本行股東的淨利潤	44,513	42,566	4.57	41,629
經營活動產生的現金流量淨額	102,316	54,074	89.21	218,811
每股計				
基本每股收益(元)	0.88	0.84	4.76	0.85
稀釋每股收益(元)	0.88	0.84	4.76	0.85
每股經營活動產生的現金流量淨額(元)	2.09	1.11	88.29	4.47

單位：百萬元人民幣

項目	2018年度			
	第一季度	第二季度	第三季度	第四季度
經營收入	39,792	41,588	40,474	43,912
歸屬於本行股東的淨利潤	12,166	13,555	11,078	7,714
經營活動產生的現金流量淨額	(56,207)	68,607	164,832	(74,916)

3.2 盈利能力指標

項目	2018年	2017年	增減	2016年
平均總資產回報率(ROAA) ⁽¹⁾	0.77%	0.74%	0.03	0.76%
平均淨資產收益率(ROAE) ⁽²⁾	11.36%	11.63%	(0.27)	12.58%
成本收入比(不含稅金及附加) ⁽³⁾	30.71%	30.05%	0.66	27.75%
信貸成本 ⁽⁴⁾	1.40%	1.64%	(0.24)	1.67%
淨利差 ⁽⁵⁾	1.85%	1.64%	0.21	1.89%
淨息差 ⁽⁶⁾	1.94%	1.79%	0.15	2.00%

- 註： (1) 平均總資產回報率為淨利潤除以期初和期末總資產餘額的平均數。
 (2) 平均淨資產收益率為歸屬於本行普通股股東的淨利潤除以期初和期末歸屬於本行普通股股東權益總額的平均數。
 (3) 成本收入比為經營費用減稅金業務及管理費除以經營收入。
 (4) 信貸成本為當年計提發放貸款及墊款減值損失除以發放貸款及墊款平均餘額。
 (5) 淨利差為生息資產平均收益率減付息負債平均成本率。
 (6) 淨息差為利息淨收入除以生息資產平均餘額。

3.3 規模指標

單位：百萬元人民幣

項目	2018年 12月31日	2017年 12月31日	增幅(%)	2016年 12月31日
總資產	6,066,714	5,677,691	6.85	5,931,050
發放貸款及墊款總額 ⁽¹⁾	3,608,412	3,196,887	12.87	2,877,927
—公司貸款	1,881,125	1,857,847	1.25	1,846,274
—貼現貸款	242,797	107,456	125.95	75,047
—個人貸款	1,484,490	1,231,584	20.54	956,606
總負債	5,613,628	5,265,258	6.62	5,546,554
吸收存款總額 ⁽¹⁾	3,616,423	3,407,636	6.13	3,639,290
—公司活期存款 ⁽²⁾	1,521,684	1,651,180	(7.84)	1,691,065
—公司定期存款	1,382,230	1,223,018	13.02	1,390,212
—個人活期存款	262,960	234,961	11.92	232,960
—個人定期存款	449,549	298,477	50.61	325,053
同業及其他金融機構存放款項 ⁽¹⁾	778,113	798,007	(2.49)	981,446
拆入資金 ⁽¹⁾	115,117	77,595	48.36	83,723
歸屬於本行股東的權益總額	436,661	399,638	9.26	379,224
歸屬於本行股東的每股淨資產(元)	8.92	8.17	9.18	7.75
歸屬於本行普通股股東的每股淨資產(元)	8.21	7.45	10.20	7.04

註：(1) 為便於分析，資產負債規模指標均不含相關應收利息或應付利息數據。

(2) 公司活期存款包括對公客戶活期存款和匯出及應解匯款。

3.4 資產質量指標

項目	2018年12月31日		2017年12月31日		增減實際值	2016年12月31日	
	監管值 ⁽¹⁾	實際值	監管值	實際值		監管值	實際值
不良貸款率 ⁽¹⁾	—	1.77%	—	1.68%	0.09	—	1.69%
撥備覆蓋率 ⁽²⁾	≥140%	157.98%	≥150%	169.44%	(11.46)	≥150%	155.50%
貸款撥備率 ⁽³⁾	≥2.1%	2.80%	≥2.5%	2.84%	(0.04)	≥2.5%	2.62%

註：(1) 不良貸款率為不良貸款餘額除以發放貸款及墊款總額。

(2) 撥備覆蓋率為發放貸款及墊款減值準備餘額除以不良貸款餘額。

(3) 貸款撥備率為發放貸款及墊款減值準備餘額除以發放貸款及墊款總額。

(4) 根據原銀監會《關於調整商業銀行貸款損失準備監管要求的通知》(銀監發[2018]7號)規定，對各股份制銀行實行差異化動態調整的撥備監管政策。

3.5 其他主要監管指標

項目 ⁽¹⁾	監管值	2018年 12月31日	2017年 12月31日	變動 百分點	2016年 12月31日
資本充足情況					
核心一級資本充足率	≥7.50%	8.62%	8.49%	0.13	8.64%
一級資本充足率	≥8.50%	9.43%	9.34%	0.09	9.65%
資本充足率	≥10.50%	12.47%	11.65%	0.82	11.98%
槓桿情況					
槓桿率	≥4%	6.37%	6.18%	0.19	5.47%
流動性風險					
流動性覆蓋率 ⁽²⁾	≥100%	114.33%	97.98%	16.35	91.12%
流動性比例					
其中：人民幣	≥25%	50.80%	45.29%	5.51	40.98%
外幣	≥25%	59.85%	84.11%	(24.26)	63.37%

註：(1) 以上數據均按中國銀行業監管口徑計算，除流動性比例指標為本行口徑外，其他指標均為集團口徑。

(2) 根據《商業銀行流動性風險管理辦法》（中國銀行保險監督管理委員會令2018年第3號）要求，商業銀行的流動性覆蓋率應當在2018年底前達到100%，在過渡期內，應當不低於90%。

3.6 境內外會計準則差異

本集團根據中國會計準則和國際財務報告準則計算的2018年末淨資產與報告期淨利潤無差異。

3.7 五年財務概要

項目	單位：百萬元人民幣				
	2018年	2017年	2016年	2015年	2014年
經營業績					
經營收入	165,766	157,231	154,159	145,545	124,839
利潤總額	54,326	52,276	54,608	54,986	54,574
歸屬於本行股東的淨利潤	44,513	42,566	41,629	41,158	40,692
經營活動產生的現金流量淨額	102,316	54,074	218,811	(20,835)	34,150
每股計					
基本每股收益(元)	0.88	0.84	0.85	0.88	0.87
稀釋每股收益(元)	0.88	0.84	0.85	0.88	0.87
每股經營活動產生的現金流量淨額(元)	2.09	1.11	4.47	(0.43)	0.73
規模指標					
總資產	6,066,714	5,677,691	5,931,050	5,122,292	4,138,815
發放貸款及墊款總額	3,608,412	3,196,887	2,877,927	2,528,780	2,187,908
總負債	5,613,628	5,265,258	5,546,554	4,802,606	3,871,469
吸收存款總額	3,616,423	3,407,636	3,639,290	3,182,775	2,849,574
歸屬於本行股東權益總額	436,661	399,638	379,224	317,740	259,677
歸屬於本行股東的每股淨資產(元)	8.92	8.17	7.75	6.49	5.55
歸屬於本行普通股股東的每股淨資產(元)	8.21	7.45	7.04	6.49	5.55
盈利指標					
平均總資產回報率(ROAA)	0.77%	0.74%	0.76%	0.90%	1.07%
平均淨資產回報率(ROAE)	11.36%	11.63%	12.58%	14.26%	16.77%
成本收入比(不含稅金及附加)	30.71%	30.05%	27.75%	27.87%	30.41%
信貸成本	1.40%	1.64%	1.67%	1.51%	1.06%
淨利差	1.85%	1.64%	1.89%	2.13%	2.19%
淨息差	1.94%	1.79%	2.00%	2.31%	2.40%
資產質量指標					
不良貸款比率	1.77%	1.68%	1.69%	1.43%	1.30%
撥備覆蓋率	157.98%	169.44%	155.50%	167.81%	181.26%
貸款撥備率	2.80%	2.84%	2.62%	2.39%	2.36%
資本充足率					
核心一級資本充足率	8.62%	8.49%	8.64%	9.12%	8.93%
一級資本充足率	9.43%	9.34%	9.65%	9.17%	8.99%
資本充足率	12.47%	11.65%	11.98%	11.87%	12.33%

3.8 財務報表列報變化及分析口徑說明

財政部於2018年發佈了《關於修訂印發2018年度金融企業財務報表格式的通知》(財會[2018]36號)，本集團已按照上述通知要求編製了2018年度財務報表，比較期間財務報表不作調整。

根據通知要求，基於實際利率法計提的金融工具利息應包含在相應金融工具的賬面餘額中，並反映在資產負債表相關項目中，不再單獨列示「應收利息」及「應付利息」項目。為便於分析，本報告第三章「財務概要」及第四章「經營情況討論與分析」中涉及的資產負債規模指標均不含相關應收利息或應付利息數據。

第四章

經營情況
討論與分析

CITIC



中信銀行

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第四章 經營情況討論與分析

4.1 外部宏觀環境和經營業績概況

4.1.1 經濟、金融和監管環境

2018年，全球經濟維持復甦態勢但分化明顯，在貿易摩擦、美聯儲收緊貨幣政策、地緣政治衝突等因素影響下，全球經濟下行風險逐漸增大。中國經濟運行總體平穩，繼續保持在合理區間，發展質量進一步提高。全年，國內生產總值同比增長6.6%；居民消費價格上漲2.1%，工業生產者出廠價格上漲3.5%，城鎮調查失業率保持在5%左右，消費對經濟增長的貢獻率提高18.6個百分點，規模以上工業企業資產負債率下降0.5個百分點。但是，受複雜嚴峻的外部環境影響，中國經濟運行穩中有變、變中有憂，一些經濟指標增速回落，部分企業經營困難，經濟面臨下行壓力。

中國監管部門圍繞黨的十九大、全國金融工作會議和中央經濟工作會議要求，提升金融服務實體經濟水平，堅決打好防範化解重大風險攻堅戰。中國人民銀行繼續實施穩健的貨幣政策，對金融機構實施降准，疏通貨幣政策傳導機制，從債券、信貸、股權三個渠道加大對民營企業支持。銀保監會深化市場整治，加大對商業銀行違規行為處罰力度，防範和化解重點領域風險，出台《商業銀行流動性風險管理辦法》、《商業銀行理財業務監督管理辦法》等多項新規。中國國內貨幣增速維持低位運行，信貸和社會融資規模保持合理增速。截至報告期末，國內廣義貨幣(M2)餘額182.67萬億元，比上年末增長8.1%；人民幣貸款餘額136.3萬億元，比上年末增長13.5%；社會融資規模存量200.75萬億元，比上年末增長9.8%。

4.1.2 本行經營業績概況

報告期內，面對國內外經濟形勢的深刻複雜變化，本行認真貫徹2018-2020年發展規劃，保持戰略定力，堅持「穩中求進」總基調，突出「回本源、強合規、促轉型」工作要求，各項業務保持良好發展勢頭，管理效能得到進一步提升。

經營實力穩步提高。報告期內，本集團經營效益穩步提升。實現歸屬於本行股東淨利潤445.1億元，比上年增長4.6%，為近五年來最大增幅；實現營業淨收入1,657.7億元，比上年增長5.4%。資產質量有所夯實，逾期90天以上貸款佔不良貸款的比率92.41%，比上年末下降16.97個百分點，全年累計核銷不良貸款469.4億元，同比多核銷112.5億元；撥備覆蓋率和撥貸比分別為158%和2.8%，均滿足監管要求；資產保持合理增長，總資產突破6萬億元，比上年末增加3,890億元，增幅6.9%；貸款總額3.61萬億元，比上年末增長12.9%；客戶存款總額3.62萬億元，比上年末增長6.1%。

業務結構持續優化。報告期內，本行對公客群建設紮實推進，對公結算有效戶增加1.39萬戶，戰略客戶「五總模式」²全面落地，機構客戶重點領域合作深化，對公客戶數達63萬戶。信貸資源繼續向零售業務傾斜，個人貸款佔比達41.1%，比上年末提升2.6個百分點。本集團零售盈利貢獻度進一步提升，零售非息收入372.5億元，同比增長9.0%，零售非息佔比61.1%，上升1.7個百分點。金融市場競爭力不斷提升，實現輕資本收入136億元，增長15.3%，佔全行輕資本收入的49.6%。根據形勢變化進一步調整資產結構，同業資產及結構化投資合計減少1,932億元，降幅達21.8%。結售匯、國際收付匯、跨境人民幣收付匯量居股份制銀行領先地位。



特色發展有序推進。本行持續推動與中信集團及本行子公司的業務協同聯動，強化集團內板塊聯動，聯合中信集團旗下公司為客戶提供聯合融資6,258.43億元，聯合中信銀行（國際）、信銀投資為客戶提供跨境融資2,212.79億元。特色業務價值穩步提升，超短融承銷規模、出國金融業務、家族信託規模、跨境實交易量等均排名市場前列。本行啟動普惠金融體制改革，成立普惠金融領導小組，設立普惠金融一級部。報告期內，本行符合人民銀行定向降准口徑的普惠金融貸款合計1,427.29億元，同比增長402.42億元，成功達到定向降准最高檔考核標準。

風險防控不斷完善。本行加強客戶法人統一授信管理，強化客戶部門在授信業務中的主體作用，實施存量客戶「四分類」和新客戶「名單制」，積極推進風險問題資產主動經營。報告期內，本行處置不良資產本金733.09億元，完成現金清收287.23億元，其中，已核銷資產現金清收24.41億元，同比提升67.00%。不良貸款利息回收13.14億元，同比增長20.99%。本行注重加強風險文化建設，通過金融亂象治理和「413」合規行動³，促進各部門協同聯動，主動合規氛圍得到進一步加強。

基礎保障更加有力。本行進一步優化資源配置，以「綜合回報」為核心，實施分行定價差異化授權，加大戰略支點分行的自主定價權限，戰略支點區域分行對公貸款佔比提升至43.29%，比上年末提高2.78個百分點。本行有序推進資產流轉，對外轉出各類資產2,278億元，節約風險資產約1,550億元，有效釋放信貸規模空間，減少了資本佔用。本行推出「中信大腦」（AI技術平台），為零售、對公、託管、合規等多領域提供智能化服務的能力。牽頭建立國內信用證聯盟，區塊鏈國內信用證系統獲得《亞洲銀行家》科技創新獎。推進「雙百雙千」工程，全面建成員工崗位資格認證培訓體系。落實金融科技戰略，大力度、多渠道、高效率引進科技人才。

² 指本行針對戰略客戶開展的「總對總整體談判、總對總項目獲取、總對總平行作業、總對總資源配置、總對總風險管控」經營模式。

³ 指本行圍繞制度執行「渡航行動」、行為管理「排雷行動」、亂象治理「亮劍行動」和壓查壓犯「治理行動」開展的四個專項行動，以及實施重檢業務流程、制定合規手冊、強化制度執行、落實兼職幹部制度、遏制不當交易行為、開展案防飛行檢查、強化宣導警示教育、督導持續性整改、滾動自查自糾、開展源頭整改、明確合規紅線、落實排查整改和持續跟蹤評價等十三項舉措。

4.2 財務報表分析

4.2.1 利潤表項目分析

報告期內，本集團實現歸屬於本行股東的淨利潤445.13億元，比上年增長4.57%。下表列出報告期內本集團主要利潤表項目變化。

單位：百萬元人民幣

項目	2018年	2017年	增減額	增幅(%)
經營收入	165,766	157,231	8,535	5.43
—利息淨收入	104,772	99,645	5,127	5.15
—非利息淨收入	60,994	57,586	3,408	5.92
經營費用	(52,600)	(48,913)	(3,687)	7.54
信用及其他資產減值損失 ⁽¹⁾	(58,233)	(55,787)	(2,446)	4.38
利潤總額	54,326	52,276	2,050	3.92
所得稅	(8,950)	(9,398)	448	(4.77)
淨利潤	45,376	42,878	2,498	5.83
其中：歸屬於本行股東的淨利潤	44,513	42,566	1,947	4.57

註：(1) 2017年為原金融工具準則「資產減值損失」項目金額。

4.2.1.1 經營收入

報告期內，本集團實現經營收入1,657.66億元，比上年增長5.43%。其中，利息淨收入佔比63.2%，非利息淨收入佔比36.8%。

項目	2018年(%)	2017年(%)	2016年(%)
利息淨收入	63.2	63.4	68.8
非利息淨收入	36.8	36.6	31.2
合計	100.0	100.0	100.0

4.2.1.2 利息淨收入

報告期內，本集團實現利息淨收入1,047.72億元，比上年增加51.27億元，增長5.15%。利息淨收入增長主要源於生息資產收益率上升。

下表列示出本集團生息資產、付息負債的平均餘額和平均利率情況。其中，資產負債項目平均餘額為日均餘額。

單位：百萬元人民幣

項目	2018年			2017年		
	平均餘額	利息	平均 收益率/ 成本率(%)	平均餘額	利息	平均 收益率/ 成本率(%)
生息資產						
發放貸款及墊款	3,405,578	165,608	4.86	3,064,369	141,336	4.61
金融投資 ⁽¹⁾	1,142,526	49,474	4.33	1,625,937	61,462	3.78
存放中央銀行款項	456,515	7,049	1.54	490,041	7,633	1.56
存放同業款項及拆出資金	353,672	10,675	3.02	339,891	9,263	2.73
買入返售金融資產	38,077	987	2.59	36,910	1,068	2.89
小計	5,396,368	233,793	4.33	5,557,148	220,762	3.97
付息負債						
吸收存款	3,526,276	66,254	1.88	3,346,853	53,190	1.59
同業及其他金融機構存放款項 及拆入資金	842,701	29,778	3.53	1,089,966	39,902	3.66
已發行債務憑證	496,358	22,416	4.52	459,737	19,171	4.17
向中央銀行借款	271,306	8,937	3.29	196,804	6,151	3.13
賣出回購金融資產款	57,115	1,623	2.84	92,397	2,691	2.91
其他	496	13	2.62	490	12	2.45
小計	5,194,252	129,021	2.48	5,186,247	121,117	2.33
利息淨收入		104,772			99,645	
淨利差 ⁽²⁾			1.85			1.64
淨息差 ⁽³⁾			1.94			1.79

註：(1) 2018年金融投資包括以攤餘成本計量的金融投資和以公允價值計量且其變動計入其他綜合收益的金融投資。2017年金融投資包括原金融工具準則下可供出售金融資產、持有至到期投資、應收款項類投資。

(2) 淨利差為生息資產平均收益率減付息負債平均成本率。

(3) 淨息差為利息淨收入除以生息資產平均餘額。

第四章 經營情況討論與分析

本集團利息淨收入受規模因素和利率因素變動而引起的變化如下表所示：

單位：百萬元人民幣

項目	2018年對比2017年		
	規模因素	利率因素	合計
資產			
發放貸款及墊款	15,730	8,542	24,272
金融投資	(18,273)	6,285	(11,988)
存放中央銀行款項	(523)	(61)	(584)
存放同業款項及拆出資金	376	1,036	1,412
買入返售金融資產	34	(115)	(81)
利息收入變動	(2,656)	15,687	13,031
負債			
吸收存款	2,853	10,211	13,064
同業及其他金融機構存放款項及拆入資金	(9,050)	(1,074)	(10,124)
已發行債務憑證	1,527	1,718	3,245
向中央銀行借款	2,332	454	2,786
賣出回購金融資產款	(1,027)	(41)	(1,068)
其他	—	1	1
利息支出變動	(3,365)	11,269	7,904
利息淨收入變動	709	4,418	5,127

淨息差和淨利差

報告期內，本集團淨息差為1.94%，比上年上升0.15個百分點；淨利差為1.85%，比上年上升0.21個百分點。

4.2.1.3 利息收入

報告期內，本集團實現利息收入2,337.93億元，比上年增加130.31億元，增長5.90%，主要受益於央行降低存款準備金率、本集團業務結構優化調整及加強定價管理等。發放貸款及墊款利息收入是利息收入的主要組成部分。

發放貸款及墊款利息收入

報告期內，本集團發放貸款及墊款利息收入為1,656.08億元，比上年增加242.72億元，增長17.17%，主要由於發放貸款及墊款平均餘額增加3,412.09億元及平均收益率上升0.25個百分點所致。

按期限結構分類

單位：百萬元人民幣

項目	2018年			2017年		
	平均餘額	利息收入	平均 收益率(%)	平均餘額	利息收入	平均 收益率(%)
短期貸款	1,199,731	54,522	4.54	1,138,694	47,935	4.21
中長期貸款	2,205,847	111,086	5.04	1,925,675	93,401	4.85
合計	3,405,578	165,608	4.86	3,064,369	141,336	4.61

按業務類別分類

單位：百萬元人民幣

項目	2018年			2017年		
	平均餘額	利息收入	平均 收益率(%)	平均餘額	利息收入	平均 收益率(%)
公司貸款	1,886,203	95,562	5.07	1,852,573	89,053	4.81
貼現貸款	177,579	8,645	4.87	91,921	4,004	4.36
個人貸款	1,341,796	61,401	4.58	1,119,875	48,279	4.31
合計	3,405,578	165,608	4.86	3,064,369	141,336	4.61

金融投資利息收入

報告期內，本集團金融投資利息收入494.74億元，比上年減少119.88億元，下降19.50%，主要由於本集團壓縮證券定向資產管理計劃及理財產品投資規模，平均餘額減少4,834.11億元所致。

存放中央銀行款項的利息收入

報告期內，本集團存放中央銀行款項利息收入為70.49億元，比上年減少5.84億元，下降7.65%，主要是受央行下調人民幣法定存款準備金率影響，存放中央銀行款項平均餘額下降335.26億元所致。

存放同業款項及拆出資金利息收入

報告期內，本集團存放同業款項及拆出資金利息收入106.75億元，比上年增加14.12億元，增長15.24%，主要由於存放同業款項及拆出資金平均收益率上升0.29個百分點所致。

買入返售金融資產利息收入

報告期內，本集團買入返售金融資產利息收入為9.87億元，比上年減少0.81億元，下降7.58%，主要由於買入返售金融資產平均收益率下降0.30個百分點所致。

第四章 經營情況討論與分析

4.2.1.4 利息支出

報告期內，本集團利息支出1,290.21億元，比上年增加79.04億元，增長6.53%，主要是付息負債成本率2.48%，比上年上升0.15個百分點。

吸收存款利息支出

報告期內，本集團吸收存款利息支出為662.54億元，比上年增加130.64億元，增長24.56%，主要由於吸收存款平均餘額增加1,794.23億元及平均成本率上升0.29個百分點所致。

單位：百萬元人民幣

項目	2018年			2017年		
	平均餘額	利息支出	平均成本率(%)	平均餘額	利息支出	平均成本率(%)
公司存款						
定期	1,389,757	40,952	2.95	1,303,396	32,833	2.52
活期	1,505,852	13,408	0.89	1,507,450	12,571	0.83
小計	2,895,609	54,360	1.88	2,810,846	45,404	1.62
個人存款						
定期	386,994	11,201	2.89	311,517	7,169	2.30
活期	243,673	693	0.28	224,490	617	0.27
小計	630,667	11,894	1.89	536,007	7,786	1.45
合計	3,526,276	66,254	1.88	3,346,853	53,190	1.59

同業及其他金融機構存放款項及拆入資金利息支出

報告期內，本集團同業及其他金融機構存放款項及拆入資金利息支出為297.78億元，比上年減少101.24億元，下降25.37%，主要由於本集團加強業務結構調整，同業及其他金融機構存放款項及拆入資金平均餘額減少2,472.65億元所致。

已發行債務憑證利息支出

報告期內，本集團已發行債務憑證利息支出224.16億元，比上年增加32.45億元，增長16.93%，主要由於已發行債務憑證平均成本率上升0.35個百分點及平均餘額增加366.21億元所致。

向中央銀行借款支出

報告期內，本集團向中央銀行借款支出89.37億元，比上年增加27.86億元，增長45.29%，主要由於向中央銀行借款平均餘額增加745.02億元所致。

賣出回購金融資產款利息支出

報告期內，本集團賣出回購金融資產款利息支出為16.23億元，比上年減少10.68億元，下降39.69%，主要由於賣出回購金融資產款平均餘額減少352.82億元所致。

4.2.1.5 非利息淨收入

報告期內，本集團實現非利息淨收入609.94億元，比上年增加34.08億元，增長5.92%。

單位：百萬元人民幣

項目	2018年	2017年	增減額	增幅(%)
手續費及佣金淨收入	45,148	46,858	(1,710)	(3.65)
交易淨收益	6,519	6,583	(64)	(0.97)
投資性證券淨收益	9,046	3,757	5,289	140.78
套期淨收益	(1)	1	(2)	(200.00)
其他經營淨收益	282	387	(105)	(27.13)
合計	60,994	57,586	3,408	5.92

4.2.1.6 手續費及佣金淨收入

報告期內，本集團實現手續費及佣金淨收入451.48億元，比上年減少17.10億元，下降3.65%。其中，銀行卡手續費比上年增加22.03億元，增長7.23%，主要由於信用卡手續費及收單業務收入增長所致；託管及其他受託業務佣金比上年減少26.93億元，下降30.82%，主要由於資管新規、增值稅新規等因素影響，理財業務手續費收入下降所致；擔保及諮詢手續費比上年減少7.45億元，下降11.72%，主要由於諮詢顧問收入下降所致。

單位：百萬元人民幣

項目	2018年	2017年	增減額	增幅(%)
銀行卡手續費	32,656	30,453	2,203	7.23
託管及其他受託業務佣金	6,044	8,737	(2,693)	(30.82)
擔保及諮詢手續費	5,613	6,358	(745)	(11.72)
代理業務手續費	4,839	4,534	305	6.73
結算與清算手續費	1,269	1,215	54	4.44
其他手續費	318	390	(72)	(18.46)
小計	50,739	51,687	(948)	(1.83)
手續費及佣金支出	(5,591)	(4,829)	(762)	15.78
手續費及佣金淨收入	45,148	46,858	(1,710)	(3.65)

第四章 經營情況討論與分析

4.2.1.7 交易淨收益、投資性證券淨收益

報告期內，本集團交易淨收益、投資性證券淨收益合計155.65億元，比上年增加52.25億元，主要由於實施新金融工具準則後，部分業務計量方式改變，由確認利息收入改為確認非利息收入，及資產證券化投資收益增加。

4.2.1.8 經營費用

報告期內，本集團經營費用526.00億元，比上年增加36.87億元，增長7.54%。本集團推進落實新三年發展規劃，在確保有效支撐戰略實施與業務發展的前提下，進一步深入推進運營成本精細化管控，成本收入控制在合理水平，本集團成本收入比(扣除稅金及附加)為30.71%，比上年上升0.66個百分點。

單位：百萬元人民幣

項目	2018年	2017年	增減額	增幅(%)
員工成本	29,599	27,416	2,183	7.96
物業及設備支出及攤銷費	9,255	9,104	151	1.66
其他一般及行政費用	12,047	10,733	1,314	12.24
合小計	50,901	47,253	3,648	7.72
稅金及附加	1,699	1,660	39	2.35
合計	52,600	48,913	3,687	7.54
成本收入比	31.73%	31.11%	上升0.62個百分點	
成本收入比(扣除稅金及附加)	30.71%	30.05%	上升0.66個百分點	

4.2.1.9 信用及其他資產減值損失

本集團採用新金融工具準則，以預期信用損失模型為基礎計提信用減值損失。報告期內，本集團信用及其他資產減值損失合計582.33億元，比上年增加24.46億元，增長4.38%。

單位：百萬元人民幣

項目	2018年	2017年	增減額	增幅(%)
發放貸款及墊款	47,753	50,170	(2,417)	(4.82)
應收利息	3,034	4,212	(1,178)	(27.97)
金融投資 ⁽¹⁾	1,074	947	127	13.41
同業業務 ⁽²⁾	(23)	(32)	9	(28.13)
其他應收款	6,098	295	5,803	1,967.12
表外項目	(50)	(77)	27	(35.06)
抵債資產	347	272	75	27.57
合計	58,233	55,787	2,446	4.38

- 註： (1) 2017年金融投資減值損失包括原金融工具準則下可供出售金融資產、持有至到期投資、應收款項類投資的減值損失。
(2) 同業業務包括存放同業款項、拆出資金、買入返售金融資產的減值損失。

4.2.1.10 所得稅

報告期內，本集團所得稅費用為89.50億元，比上年減少4.48億元，下降4.77%。本集團有效稅率為16.47%，比上年下降1.51個百分點。主要由於本集團國債、地方債等永久性差異納稅調減金額增加所致。

4.2.2 資產負債項目分析

4.2.2.1 資產

截至報告期末，本集團資產總額60,667.14億元，比上年末增長6.85%，主要由於本集團發放貸款及墊款、金融投資增加。

單位：百萬元人民幣

項目	2018年12月31日		2017年12月31日	
	餘額	佔比(%)	餘額	佔比(%)
發放貸款及墊款總額	3,608,412	59.5	3,196,887	56.3
以攤餘成本計量的發放貸款及墊款減值準備	(101,022)	(1.7)	(90,903)	(1.6)
發放貸款及墊款淨額	3,507,390	57.8	3,105,984	54.7
金融投資總額 ⁽¹⁾	1,588,416	26.2	1,448,319	25.6
以攤餘成本計量的金融投資減值準備	(3,354)	(0.1)	(3,021)	(0.1)
金融投資淨額	1,585,062	26.1	1,445,298	25.5
對聯營及合營企業投資	3,881	0.1	2,341	—
現金及存放中央銀行款項	538,513	8.9	568,300	10.0
存放同業款項及拆出資金	274,326	4.5	296,419	5.2
買入返售金融資產	10,784	0.2	54,626	1.0
其他 ⁽²⁾	146,758	2.4	204,723	3.6
合計	6,066,714	100.0	5,677,691	100.0

註：(1) 2017年12月31日金融投資包括原金融工具準則下以公允價值計量且其變動計入當期損益的金融資產、可供出售金融資產、持有至到期投資、應收款項類投資。

(2) 其他包括貸出金、衍生金融資產、應收利息、固定資產、無形資產、投資性房地產、商譽、遞延所得稅資產以及其他資產等。

發放貸款及墊款

截至報告期末，本集團發放貸款及墊款總額36,084.12億元，比上年末增長12.87%。發放貸款及墊款淨額佔總資產比例為57.8%，比上年末上升3.1個百分點。以攤餘成本計量的發放貸款及墊款佔全部發放貸款及墊款比例為97.3%。本集團發放貸款及墊款按計量屬性分類情況如下表所示：

單位：百萬元人民幣

項目	2018年12月31日		2017年12月31日
	餘額	佔比(%)	餘額
以攤餘成本計量的發放貸款及墊款	3,511,892	97.3	—
以公允價值計量且其變動計入 其他綜合收益的發放貸款及墊款	96,520	2.7	—
發放貸款及墊款總額	3,608,412	100.0	3,196,887

有關本集團發放貸款及墊款分析參見本章貸款質量分析部分。

第四章 經營情況討論與分析

金融投資

截至報告期末，本集團金融投資總額15,884.16億元，比上年末增加1,400.97億元，增長9.67%，主要是本集團債券、基金投資增加所致。

本集團金融投資按產品分類情況如下表所示：

單位：百萬元人民幣

項目	2018年12月31日		2017年12月31日	
	餘額	佔比(%)	餘額	佔比(%)
債券投資	944,623	59.5	730,982	50.4
投資基金	189,176	11.9	121,547	8.4
證券定向資產管理計劃	228,502	14.4	268,247	18.5
資金信託計劃	178,068	11.2	126,794	8.8
存款證及同業存單	40,763	2.6	60,347	4.2
權益工具投資	7,168	0.4	1,356	0.1
理財產品投資	116	—	139,046	9.6
金融投資總額	1,588,416	100.0	1,448,319	100.0

本集團金融投資按計量屬性分類情況如下表所示：

單位：百萬元人民幣

項目	2018年12月31日		2017年12月31日
	餘額	佔比(%)	餘額
以公允價值計量且其變動計入損益的金融投資	308,872	19.4	—
以攤餘成本計量的金融投資	773,178	48.7	—
以公允價值計量且其變動計入 其他綜合收益的金融投資	503,659	31.7	—
指定以公允價值計量且其變動計入 其他綜合收益的金融投資	2,707	0.2	—
金融投資總額	1,588,416	100.0	1,448,319

債券投資

截至報告期末，本集團債券投資9,446.23億元，比上年末增加2,136.41億元，增長29.23%，主要由於本集團優化資產配置結構，加大輕稅負、輕資本的政府債投資規模所致。

債券投資發行機構分類

單位：百萬元人民幣

項目	2018年12月31日		2017年12月31日	
	餘額	佔比(%)	餘額	佔比(%)
同業及其他金融機構	207,254	21.9	146,627	20.1
政府	491,368	52.0	314,813	43.1
政策性銀行	118,121	12.5	130,509	17.9
企業實體	125,796	13.3	137,879	18.7
公共實體	2,084	0.2	1,154	0.2
合計	944,623	100.0	730,982	100.0

重大金融債券投資明細

下表為2018年12月31日本集團持有重大金融債券投資明細情況：

單位：百萬元人民幣

債券名稱	賬面價值	到期日 (日/月/年)	票面利率(%)	計提減值準備
債券1	4,371	20/08/2029	5.98%	—
債券2	4,289	18/02/2021	2.96%	—
債券3	3,993	06/07/2028	4.04%	—
債券4	3,758	04/03/2019	2.72%	—
債券5	3,500	20/12/2021	3.79%	0.41
債券6	3,497	28/04/2020	4.20%	0.41
債券7	3,081	27/02/2023	3.24%	—
債券8	2,997	08/03/2021	3.25%	0.77
債券9	2,790	07/01/2019	2.77%	—
債券10	2,498	22/11/2021	3.25%	0.29
合計	34,774			1.88

註：上述金融債券發行人財務狀況在報告期內沒有發生重大變化，減值準備為根據新金融工具準則的要求，以預期損失模型計提的減值準備。

第四章 經營情況討論與分析

對聯營及合營企業投資

截至報告期末，本集團對聯營及合營企業投資淨額38.81億元，比上年末增長65.78%。其中，對合營企業投資27.59億元，比上年末增長130.69%，主要是收購阿爾金銀行及對中信百信銀行增資。報告期末，本集團對聯營及合營企業投資減值準備餘額為零。相關詳情請參閱財務報告附註30「對聯營及合營企業投資」。

項目	單位：百萬元人民幣	
	截至2018年 12月31日	截至2017年 12月31日
對合營企業投資	2,759	1,196
對聯營企業投資	1,122	1,145
減值準備	—	—
對聯營及合營企業投資淨額	3,881	2,341

衍生金融工具

項目	2018年12月31日			2017年12月31日		
	名義本金	公允價值		名義本金	公允價值	
		資產	負債		資產	負債
利率衍生工具	1,845,632	6,106	5,974	1,611,988	2,553	2,312
貨幣衍生工具	2,595,674	24,826	24,501	3,347,855	62,030	62,368
其他衍生工具	59,464	1,059	1,171	51,586	868	257
合計	4,500,770	31,991	31,646	5,041,429	65,451	64,937

抵債資產

項目	單位：百萬元人民幣	
	2018年12月31日	2017年12月31日
抵債資產原值	2,928	2,449
—土地、房屋及建築物	2,429	1,931
—其他	499	518
抵債資產減值準備	(725)	(400)
—土地、房屋及建築物	(449)	(80)
—其他	(276)	(320)
抵債資產賬面價值合計	2,203	2,049

減值準備變動

單位：百萬元人民幣

項目	2017年 12月31日	期初準則 轉換影響	本期計提 ／轉回	本期核銷	其他 ⁽¹⁾	2018年 12月31日
發放貸款及墊款 ⁽²⁾	90,903	7,002	47,753	(46,938)	2,512	101,232
金融投資 ⁽³⁾	3,021	973	1,074	(689)	30	4,409
同業業務 ⁽⁴⁾	1	261	(23)	—	4	243
應收利息	3,946	1,024	3,034	(3,606)	(4,398)	—
其他應收款	2,201	133	6,098	(1,182)	4,729	11,979
表外項目	402	4,155	(50)	—	36	4,543
信用減值準備小計	100,474	13,548	57,886	(52,415)	2,913	122,406
抵債資產	400	—	347	(7)	(15)	725
其他資產減值準備小計	400	—	347	(7)	(15)	725
合計	100,874	13,548	58,233	(52,422)	2,898	123,131

註：(1) 其他減值準備變動包括收回已核銷、應收利息的重分類以及由於匯率變動產生的影響。

(2) 發放貸款及墊款減值準備包括以攤餘成本計量的發放貸款及墊款減值準備和以公允價值計量且其變動計入其他綜合收益的發放貸款及墊款減值準備。

(3) 金融投資減值準備包括以攤餘成本計量的金融投資減值準備和以公允價值計量且其變動計入其他綜合收益的金融投資減值準備。

(4) 同業業務減值準備包括存放同業款項、拆出資金、買入返售金融資產。

4.2.2.2 負債

截至報告期末，本集團負債總額56,136.28億元，比上年末增長6.62%，主要由於吸收存款、已發行債務憑證增加。

單位：百萬元人民幣

項目	2018年12月31日		2017年12月31日	
	餘額	佔比(%)	餘額	佔比(%)
向中央銀行借款	281,580	5.0	237,600	4.5
吸收存款	3,616,423	64.4	3,407,636	64.7
同業及其他金融機構存放款項及拆入資金	893,230	15.9	875,602	16.6
賣出回購金融資產款	120,280	2.1	134,500	2.6
已發行債務憑證	548,328	9.8	441,244	8.4
其他 ^(註)	153,787	2.8	168,676	3.2
合計	5,613,628	100.0	5,265,258	100.0

註：其他包括交易性金融負債、衍生金融負債、應付職工薪酬、應交稅費、應付利息、預計負債、遞延所得稅負債以及其他負債等。

第四章 經營情況討論與分析

吸收存款

截至報告期末，本集團吸收存款總額36,164.23億元，比上年末增加2,087.87億元，增長6.13%；吸收存款佔總負債的比例為64.4%，比上年末下降0.3個百分點。本集團公司存款餘額為29,039.14億元，比上年末增加297.16億元，增長1.03%；個人存款餘額為7,125.09億元，比上年末增加1,790.71億元，增長33.57%。

單位：百萬元人民幣

項目	2018年12月31日		2017年12月31日	
	餘額	佔比(%)	餘額	佔比(%)
公司存款				
活期	1,521,684	42.1	1,651,180	48.5
定期	1,382,230	38.2	1,223,018	35.8
其中：協議存款	86,739	2.4	28,092	0.8
小計	2,903,914	80.3	2,874,198	84.3
個人存款				
活期	262,960	7.3	234,961	6.9
定期	449,549	12.4	298,477	8.8
小計	712,509	19.7	533,438	15.7
合計	3,616,423	100.0	3,407,636	100.0

吸收存款幣種結構

單位：百萬元人民幣

項目	2018年12月31日		2017年12月31日	
	餘額	佔比(%)	餘額	佔比(%)
人民幣	3,251,691	89.9	3,053,751	89.6
外幣	364,732	10.1	353,885	10.4
合計	3,616,423	100.0	3,407,636	100.0

按地理區域劃分的存款分佈情況

單位：百萬元人民幣

項目	2018年12月31日		2017年12月31日	
	餘額	佔比(%)	餘額	佔比(%)
總部	13,018	0.4	12,361	0.4
環渤海地區	880,790	24.4	806,528	23.7
長江三角洲	883,353	24.4	823,925	24.2
珠江三角洲及海峽西岸	648,245	17.9	619,598	18.2
中部地區	483,987	13.4	478,097	14.0
西部地區	373,770	10.3	378,958	11.1
東北地區	82,789	2.3	62,311	1.8
境外	250,471	6.9	225,858	6.6
合計	3,616,423	100.0	3,407,636	100.0

4.2.3 股東權益

報告期內，本集團股東權益變動情況如下表所示：

單位：百萬元人民幣

項目	2018年							合計
	股本	其他權益工具	資本公積	其他綜合收益	盈餘公積及一般風險準備	未分配利潤	非控制性權益股權益	
2017年12月31日	48,935	34,955	58,977	(11,784)	105,434	163,121	12,795	412,433
會計政策變更				4,544	(939)	(9,502)	(235)	(6,132)
2018年1月1日	48,935	34,955	58,977	(7,240)	104,495	153,619	12,560	406,301
(一)淨利潤						44,513	863	45,376
(二)其他綜合收益				12,509			(47)	12,462
(三)所有者投入資本							3,343	3,343
(四)利潤分配					4,210	(18,312)	(294)	(14,396)
2018年12月31日	48,935	34,955	58,977	5,269	108,705	179,820	16,425	453,086

4.2.4 貸款質量分析

報告期內，本集團資產質量總體可控，信貸資產規模平穩增長，不良貸款率略升，撥備覆蓋保持穩健水平。截至報告期末，本集團貸款總額36,084.12億元，較上年末增長12.87%；不良貸款率1.77%，較上年末略升0.09個百分點；不良貸款撥備覆蓋率157.98%，較上年末下降11.46個百分點；貸款撥備率2.80%，較上年末下降0.04個百分點。

第四章 經營情況討論與分析

按產品劃分的貸款集中度

截至報告期末，本集團公司類貸款(不含票據貼現)餘額18,811.25億元，比上年末增加232.78億元，增長1.25%；個人貸款餘額14,844.90億元，比上年末增加2,529.06億元，增長20.54%。個人貸款增長速度高於公司貸款，餘額佔比為41.14%。票據貼現餘額比上年末有所增加，增加1,353.41億元。本集團公司不良貸款(不含貼現)餘額比上年末增加69.09億元，不良貸款率比上年末上升0.34個百分點；個人不良貸款餘額比上年末增加34.87億元，不良貸款率比上年末上升0.07個百分點。

單位：百萬元人民幣

	2018年12月31日				2017年12月31日			
	餘額	佔比(%)	不良貸款餘額	不良率(%)	餘額	佔比(%)	不良貸款餘額	不良率(%)
公司貸款	1,881,125	52.13	49,122	2.61	1,857,847	58.12	42,213	2.27
個人貸款	1,484,490	41.14	14,906	1.00	1,231,584	38.52	11,419	0.93
票據貼現	242,797	6.73	0	0.00	107,456	3.36	16	0.01
貸款合計	3,608,412	100.00	64,028	1.77	3,196,887	100.00	53,648	1.68

按擔保方式劃分的貸款分佈情況

截至報告期末，本集團貸款擔保結構基本保持穩定，抵質押貸款餘額20,670.80億元，比上年增加1,996.36億元，佔比為57.28%，比上年末下降1.14個百分點；信用及保證貸款餘額12,985.35億元，比上年末增加765.48億元，佔比為35.99%，比上年末下降2.23個百分點。

單位：百萬元人民幣

擔保方式	2018年12月31日		2017年12月31日	
	餘額	佔比(%)	餘額	佔比(%)
信用貸款	806,153	22.34	708,164	22.15
保證貸款	492,382	13.65	513,823	16.07
抵押貸款	1,658,485	45.96	1,510,366	47.25
質押貸款	408,595	11.32	357,078	11.17
小計	3,365,615	93.27	3,089,431	96.64
票據貼現	242,797	6.73	107,456	3.36
貸款合計	3,608,412	100.00	3,196,887	100.00

按地區劃分的貸款集中度

截至報告期末，本集團貸款餘額36,084.12億元，比上年末增加4,115.25億元，增長12.87%。本集團環渤海、長三角和珠三角地區貸款餘額居前三位，分別為11,232.93億元、7,847.22億元和5,494.91億元，佔比分別為31.13%、21.75%和15.23%。從增速看，環渤海、長三角、東北地區貸款增長最快，分別達到16.06%、13.53%和11.94%。本集團不良貸款主要集中在環渤海、長江三角洲和中部地區，不良貸款餘額共計426.75億元，佔比66.65%。從不良貸款增量看，環渤海地區增加最多，為98.25億元，不良貸款率上升0.66個百分點；其次是東北地區，增加27.97億元，不良貸款率上升3.34個百分點。

不良貸款區域分佈變化的主要原因包括：一是報告期內，沿海及經濟發達地區的民營中小企業，普遍面臨原材料漲價、運輸成本上升、環保檢查趨嚴、外貿出口困難等壓力，企業壓力較大，對銀行資產質量形成影響。二是部分地區產能過剩行業的結構調整壓力仍存，風險集中爆發，致使該地區不良貸款增加較多。

單位：百萬元人民幣

	2018年12月31日				2017年12月31日			
	餘額	佔比(%)	不良貸款餘額	不良率(%)	餘額	佔比(%)	不良貸款餘額	不良率(%)
環渤海地區 ⁽¹⁾	11,232.93	31.13	25,050	2.23	967,864	30.29	15,225	1.57
長江三角洲	7,847.22	21.75	9,146	1.17	691,183	21.62	9,672	1.40
珠江三角洲及海峽西岸	5,494.91	15.23	7,679	1.40	493,118	15.42	6,029	1.22
西部地區	433,143	12.00	7,136	1.65	389,152	12.17	7,809	2.01
中部地區	463,100	12.83	8,479	1.83	421,810	13.19	10,705	2.54
東北地區	75,682	2.10	5,068	6.70	67,609	2.11	2,271	3.36
中國境外	178,981	4.96	1,670	0.82	166,151	5.20	1,937	1.17
貸款合計	36,084.12	100.00	64,028	1.77	3,196,887	100.00	53,648	1.68

註：(1) 環渤海地區包括總部。

按行業劃分的貸款集中度

截至報告期末，本集團公司貸款中，房地產業和製造業居前兩位，貸款餘額分別為3,129.23億元和2,950.05億元，合計佔全部貸款的16.85%，比上年末下降3.71個百分點。從增速看，租賃和商業服務、水利、環境和公共設施管理業、電力、燃氣及水的生產和供應業、建築業增長速度相對較快，分別比上年末增長27.46%、16.43%、3.42%、1.55%，均高於公司貸款平均增長率。

第四章 經營情況討論與分析

截至報告期末，本集團公司不良貸款主要集中在製造業和批發零售業兩個行業，不良貸款餘額佔全部不貸款餘額比重達到53.89%。兩行業不良貸款餘額比上年末分別增加47.99億元和21.83億元，不良貸款率比上年末分別上升2.14個百分點和2.99個百分點。

不良貸款行業分佈變化的主要原因包括：一是由於部分製造業、批發零售業、租賃和商務服務企業受產能過剩、市場需求不足等多重因素影響，行業內競爭加劇、盈利下降，出現信用風險；二是房地產市場出現分化，房地產開發貸款風險有所上升。

截至報告期末，本集團交通運輸、倉儲和郵政業、電力、燃氣及水的生產和供應業、租賃和商業服務業、房地產業，不良貸款餘額分別比上年末增加13.20億元、6.27億元、6.21億元和2.27億元，不良貸款率分別上升0.88、0.83、0.08和0.09個百分點。建築業、水利、環境和公共設施管理業不良貸款餘額分別比上年末減少9.05億元、1.65億元，不良貸款率分別下降1.19、0.11個百分點。

單位：百萬元人民幣

	2018年12月31日				2017年12月31日			
	餘額	佔比(%)	不良貸款餘額	不良率(%)	餘額	佔比(%)	不良貸款餘額	不良率(%)
製造業	295,005	8.18	21,642	7.34	324,029	10.14	16,843	5.20
房地產業	312,923	8.67	1,082	0.35	333,055	10.42	855	0.26
批發和零售業	151,391	4.20	12,863	8.50	193,818	6.06	10,680	5.51
交通運輸、倉儲和郵政業	151,038	4.19	2,091	1.38	152,851	4.78	771	0.50
水利、環境和公共設施管理業	208,922	5.79	267	0.13	179,441	5.61	432	0.24
建築業	79,086	2.19	1,158	1.46	77,878	2.44	2,063	2.65
租賃和商業服務	282,699	7.83	2,042	0.72	221,786	6.94	1,421	0.64
電力、燃氣及水的生產和供應業	72,938	2.02	1,310	1.80	70,523	2.21	683	0.97
公共及社會機構	13,366	0.37	0	0.00	18,566	0.58	0	0.00
其他	113,757	8.69	6,667	2.12	285,900	8.94	8,465	2.96
公司貸款小計	1,881,125	52.13	49,122	2.61	1,857,847	58.12	42,213	2.27
票據貼現	242,797	6.73	0	0.00	107,456	3.36	16	0.01
個人貸款	1,484,490	41.14	14,906	1.00	1,231,584	38.52	11,419	0.93
貸款合計	3,608,412	100.00	64,028	1.77	3,196,887	100.00	53,648	1.68

公司類貸款客戶集中度

本集團重點關注對公司類貸款客戶的集中風險控制。報告期內，本集團符合有關借款人集中度的監管要求。本集團將單一借款人定義為明確的法律實體，因此一名借款人可能是另一名借款人的關聯方。

主要監管指標	監管標準	2018年 12月31日	2017年 12月31日	2016年 12月31日
單一最大客戶貸款比例 ⁽¹⁾	≤10	2.44	2.25	2.71
最大十家客戶貸款比例 ⁽²⁾	≤50	14.49	16.88	16.40

註：(1) 單一最大客戶貸款比例=單一最大客戶貸款餘額/資本淨額。

(2) 最大十家客戶貸款比例=最大十家客戶貸款合計餘額/資本淨額。

單位：百萬元人民幣

		2018年12月31日		
		餘額	估貸款總額 百分比(%)	估監管資本 百分比(%)
借款人A	金融業	14,243	0.39	2.44
借款人B	房地產業	12,417	0.34	2.13
借款人C	公共管理、社會保障和社會組織	9,484	0.26	1.63
借款人D	房地產業	8,849	0.25	1.52
借款人E	製造業	7,182	0.20	1.23
借款人F	金融業	6,966	0.19	1.19
借款人G	房地產業	6,800	0.19	1.17
借款人H	交通運輸、倉儲和郵政業	6,364	0.18	1.09
借款人I	房地產業	6,200	0.17	1.06
借款人J	製造業	6,000	0.17	1.03
貸款合計		84,505	2.34	14.49

截至報告期末，本集團最大十家公司類貸款客戶的貸款餘額合計845.05億元，佔貸款總額的2.34%，佔資本淨額的14.49%。

第四章 經營情況討論與分析

貸款五級分類情況

本集團根據原中國銀監會制定的《貸款風險分類指引》衡量及管理本集團信貸資產質量。《貸款風險分類指引》要求中國商業銀行將信貸資產分為正常、關注、次級、可疑、損失五類，其中後三類貸款被視為不良貸款。

報告期內，本行持續加強貸款分類集中化管理，不斷完善信貸資產風險分類管理體制，在堅持「貸款回收的安全性」這一核心標準基礎上，充分考慮影響信貸資產質量的各項因素，針對不同級別的貸款採取不同的風險管理措施。

本行實行的貸款風險分類認定流程依次為業務部門執行貸後檢查，分行授信主辦部門提出初步意見、分行信貸管理部門初步認定、分行風險總監審定和總行最終認定。本行對風險狀況發生重大變化的貸款實施動態分類調整。

單位：百萬元人民幣

	2018年12月31日		2017年12月31日	
	餘額	佔比(%)	餘額	佔比(%)
正常類	3,459,343	95.87	3,074,855	96.18
關注類	85,041	2.36	68,384	2.14
次級類	26,141	0.72	21,931	0.68
可疑類	30,779	0.85	25,157	0.79
損失類	7,108	0.20	6,560	0.21
貸款合計	3,608,412	100.00	3,196,887	100.00
正常貸款	3,544,384	98.23	3,143,239	98.32
不良貸款	64,028	1.77	53,648	1.68

註： 正常貸款包括正常類貸款和關注類貸款，不良貸款包括次級類貸款、可疑類貸款和損失類貸款。

截至報告期末，本集團正常類貸款餘額比上年末增加3,844.88億元，佔比95.87%，比上年末下降0.31個百分點；關注類貸款餘額比上年末增加166.57億元，佔比2.36%，比上年末上升0.22個百分點。本集團按照監管風險分類標準確認的不良貸款餘額為640.28億元，比上年末增加103.80億元；不良貸款率1.77%，比上年末上升0.09個百分點。

報告期內，本集團不良貸款餘額、不良率有所上升。主要影響因素包括：一是本行嚴格不良貸款認定，對於逾期90天以上貸款納入不良，不良貸款增加較多；二是受國內經濟增長乏力影響，中小企業和民營企業經營壓力增大，部分企業經營困難；三是由於持續去槓桿，一些負債率高的企業面臨較大的資金壓力；四是由於美國貿易保護政策影響，部分外貿企業出口開始受到一定衝擊。這些因素使得部分企業信用風險暴露持續增加。

本集團於2018年初對貸款質量的變化趨勢做了充分預期和應對準備，採取了針對性的風險防範和化解措施，不良貸款變動情況處於本集團預計和控制範圍內。報告期內，本集團努力改善貸款質量，進一步加大了不良貸款處置力度，通過清收和核銷等手段，消化不良貸款本金733.24億元。

貸款遷徙情況

下表列示了報告期內本行貸款五級分類遷徙情況。

	2018年 12月31日	2017年 12月31日	2016年 12月31日
正常類遷徙率(%)	2.53	1.96	2.09
關注類遷徙率(%)	48.27	35.16	28.94
次級類遷徙率(%)	73.53	46.05	55.37
可疑類遷徙率(%)	41.91	32.05	43.67
正常貸款遷徙至不良貸款遷徙率(%)	1.63	1.45	1.58

截至報告期末，本行正常貸款向不良遷徙的比率為1.63%，比上年末上升0.18個百分點，主要原因是本行嚴格不良貸款認定，對於逾期90天以上貸款降級不良，不良貸款增加較多所致。次級類和可疑類貸款的遷徙率同比均有所上升。

逾期貸款

單位：百萬元人民幣

	2018年12月31日		2017年12月31日	
	餘額	佔比(%)	餘額	佔比(%)
即期貸款	3,511,853	97.32	3,105,363	97.14
貸款逾期 ⁽¹⁾				
1-90天	37,391	1.04	32,842	1.03
91-180天	13,181	0.37	13,207	0.41
181天及以上	45,987	1.27	45,475	1.42
小計	96,559	2.68	91,524	2.86
客戶貸款合計	3,608,412	100.00	3,196,887	100.00
逾期91天及以上的貸款	59,168	1.64	58,682	1.84
重組貸款 ⁽²⁾	21,588	0.60	23,245	0.73

註：(1) 逾期貸款是指本金或利息已逾期一天或以上的貸款。

(2) 重組貸款是指原已逾期或降級但對金額、期限等條件重新組織安排的貸款。

第四章 經營情況討論與分析

報告期內，受外部經濟環境影響，本集團逾期貸款有所增加。截至報告期末，逾期貸款965.59億元，比上年末增加50.35億元，佔比較上年末下降0.18個百分點。其中3個月以內短期性、臨時性的逾期貸款佔比1.04%。逾期90天以上貸款佔比為1.64%，較上年末下降0.20個百分點。逾期貸款增加主要由於一些地區和行業的風險暴露有所增加所致。

本集團對貸款重組實施嚴格審慎的管控。截至報告期末，重組貸款215.88億元，比上年末減少16.57億元，佔比較上年末下降0.13個百分點。

貸款損失準備分析

本集團採用新金融工具準則，以預期信用損失模型為基礎，基於客戶違約概率、違約損失率等風險量化參數，結合宏觀前瞻性調整，充足計提貸款損失準備。

	截至2018年 12月31日	截至2017年 12月31日
期初準則轉換影響	7,002	—
期初餘額	97,905	75,543
本期計提 ⁽¹⁾	47,753	50,170
轉出及其他 ⁽²⁾	(7)	(586)
核銷	(46,938)	(35,691)
收回以前年度已核銷貸款及墊款	2,441	1,467
期末餘額	101,154	90,903

註： (1) 等於在本集團合併損益表中確認為本集團計提的貸款減值損失淨額。
(2) 包括貸款轉為抵債資產而釋放的貸款損失準備、匯率變動及其他。

本集團按照審慎、真實的原則計提貸款損失準備。截至報告期末，本集團貸款損失準備金餘額1,011.54億元，期初準則轉換後本集團貸款撥備損失準備金餘額為979.05億元，本期較期初增加32.49億元。貸款損失準備餘額對不良貸款餘額的比率（即撥備覆蓋率）、貸款損失準備餘額對貸款總額的比率（即貸款撥備率）分別為157.98%和2.80%，撥備覆蓋率比上年末下降11.46個百分點，貸款撥備率較上年末下降0.04個百分點。

報告期內，本集團計提貸款損失準備金477.53億元，同比減少24.17億元。撥備計提變動主要原因：一是本行不良貸款認定標準趨嚴，對於逾期90天以上貸款納入不良。二是本行加大不良資產處置及核銷力度，對於撥備消耗增加。

4.2.5 主要表外項目

截至報告期末，本集團主要表外項目及餘額如下表所示：

單位：百萬元人民幣

項目	2018年 12月31日	2017年 12月31日
信貸承諾		
—銀行承兌匯票	393,851	427,561
—開出保函	158,813	195,746
—開出信用證	92,924	88,772
—不可撤銷貸款承諾	40,029	72,360
—信用卡承擔	434,590	310,315
小計	1,120,207	1,094,754
經營性租賃承諾	12,934	13,614
資本承擔	5,356	7,385
用作質押資產	473,399	460,646
合計	1,611,896	1,576,399

4.2.6 現金流量表分析

經營活動產生的現金淨流入

本集團經營活動產生的現金淨流入為1,023.16億元，比上年增加482.42億元，主要由於吸收存款增加、同業業務增加、金融投資減少導致的現金流入，抵銷發放貸款及墊款增加導致的現金流出，產生的現金淨流入比上年增加所致。

投資活動產生的現金淨流出

本集團投資活動產生的現金淨流出為1,445.73億元，比上年增加108.78億元，主要由於金融投資淨流出比上年增加所致。

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籌資活動產生的現金淨流入

本集團籌資活動產生的現金淨流入為740.42億元，比上年增加345.97億元，主要由於發行同業存單及債券收到的現金，抵銷償還到期同業存單及債券支付的現金產生的現金淨流入比上年增加所致。

單位：百萬元人民幣

項目	2018年	比上年 增幅(%)	主要原因
經營活動產生的現金淨流入	102,316	89.21	
其中：金融投資減少現金流入	17,850	(96.55)	實施新金融工具準則，證券定向資產管理計劃及 資金信託計劃投資分類至投資活動
吸收存款增加現金流入	196,044	上年為負	各項存款增加
同業業務 ^(註) 增加現金淨流入	91,758	上年為負	上年同業資產規模縮減
發放貸款及墊款增加現金流出	(450,950)	23.36	各項貸款增加
投資活動產生的現金淨流出	(144,573)	8.14	
其中：收回投資現金流入	1,396,004	38.60	出售及兌付金融投資規模增加
支付投資現金流出	(1,535,459)	35.69	金融投資規模增加
籌資活動產生的現金淨流入	74,042	87.71	
其中：發行債務憑證現金流入	922,161	6.87	發行同業存單及債券
償還債務憑證現金流出	(815,230)	1.72	償還到期同業存單及債券
償還債務憑證利息支付的現金	(21,837)	23.38	償還同業存單及債券利息增加
分配股利支付的現金	(14,395)	18.52	支付現金股利增加

註：同業業務包括存放同業款項、拆出資金、買入返售金融資產、同業及其他金融機構存放款項、拆入資金、賣出回購金融資產款。

4.2.7 主要會計估計與假設

本集團在應用會計政策確定相關資產、負債及報告期損益，編製符合《國際財務報告準則》報表時，會作出若干會計估計與假設。本集團作出的會計估計和假設是根據歷史經驗以及對未來事件的合理預期等因素進行的，並且對這些估計設計的關鍵假設和不確定因素的判斷會持續予以評估。本集團作出的估計和假設，均已適當地在變更當期以及任何產生影響的以後期間予以確認。

本集團財務報表編製基礎受估計和判斷影響的主要領域包括：發放貸款及墊款、金融投資的分類和計量、金融投資的減值、金融工具的公允價值、所得稅、退休福利負債、對投資對象控制程度的判斷等。

4.2.8 會計報表中變動幅度超過30%以上主要項目的情況

單位：百萬元人民幣

項目	2018年末/ 2018年	比上年末/ 上年增幅(%)	主要原因
貴金屬	4,988	49.0	自持貴金屬增加
以公允價值計量且其變動計入當期損益的金融資產	—	—	新金融企業財務報表格式取消項目
衍生金融資產	31,991	(51.1)	貨幣類衍生金融工具重估值減少
買入返售金融資產	10,790	(80.2)	境內買入返售債券減少
應收利息	—	—	新金融企業財務報表格式取消項目
金融投資	1,600,163	—	新金融企業財務報表格式新增項目
—以公允價值計量且其變動計入損益	308,872	—	新金融企業財務報表格式新增項目
—以攤餘成本計量	778,238	—	新金融企業財務報表格式新增項目
—以公允價值計量且其變動計入其他綜合收益	510,346	—	新金融企業財務報表格式新增項目
—指定以公允價值計量且其變動計入其他綜合收益	2,707	—	新金融企業財務報表格式新增項目
可供出售金融資產	—	—	新金融企業財務報表格式取消項目
持有至到期投資	—	—	新金融企業財務報表格式取消項目
應收款項類投資	—	—	新金融企業財務報表格式取消項目
對聯營及合營企業投資	3,881	65.8	收購阿爾金銀行及對中信百信銀行增資
拆入資金	115,358	48.7	向境內非銀行金融機構拆入資金增加
衍生金融負債	31,646	(51.3)	貨幣類衍生金融工具重估值減少
應交稅費	4,920	(44.5)	應交所得稅餘額減少
應付利息	—	—	新金融企業財務報表格式取消項目
預計負債	5,013	529.8	表外業務減值準備增加
其他綜合收益	5,269	上年末為負	新金融工具準則分類和計量期初轉換影響及 本期金融投資重估儲備增加
投資性證券淨收益	9,046	140.8	1、實施新金融工具準則，部分業務計量方式 改變，由確認利息收入改為確認投資性收益 2、資產證券化投資收益增加
資產減值損失	—	—	新金融企業財務報表格式取消項目
信用減值損失	(57,886)	—	新金融企業財務報表格式新增項目
其他資產減值損失	(347)	—	新金融企業財務報表格式新增項目

第四章 經營情況討論與分析

4.2.9 分部報告

4.2.9.1 業務分部

本集團的主要經營分部包括公司銀行業務、零售銀行業務和金融市場業務。

單位：百萬元人民幣

業務分部	2018年度				2017年度			
	分部 經營收入	佔比(%)	分部 稅前利潤	佔比(%)	分部 經營收入	佔比(%)	分部 稅前利潤	佔比(%)
公司銀行業務	87,184	52.6	24,244	44.6	87,080	55.4	20,743	39.7
零售銀行業務	57,139	34.5	15,732	29.0	54,353	34.6	20,283	38.8
金融市場業務	18,057	10.9	13,744	25.3	11,080	7.0	8,764	16.8
其他業務及未分配項目	3,386	2.0	606	1.1	4,718	3.0	2,486	4.7
合計	165,766	100.0	54,326	100.0	157,231	100.0	52,276	100.0

4.2.9.2 地區分部

下表列示了按地區劃分的分部經營狀況。

單位：百萬元人民幣

地區分部	2018年12月31日				2018年度	
	總資產 ⁽¹⁾		總負債 ⁽²⁾		稅前利潤	
	金額	佔比(%)	金額	佔比(%)	金額	佔比(%)
總部	2,445,696	40.5	2,084,629	37.1	25,144	46.3
長江三角洲	1,184,230	19.6	1,191,150	21.2	10,980	20.2
珠江三角洲及海峽西岸	812,520	13.5	800,478	14.3	8,020	14.8
環渤海地區	1,255,616	20.8	1,228,822	21.9	6,532	12.0
中部地區	594,775	9.8	596,075	10.6	4,134	7.6
西部地區	539,071	8.9	524,880	9.4	(229)	(0.4)
東北地區	97,329	1.6	106,680	1.9	(3,537)	(6.5)
境外	338,573	5.6	282,868	5.0	3,282	6.0
抵銷	(1,224,270)	(20.3)	(1,201,970)	(21.4)	—	—
合計	6,043,540	100.0	5,613,612	100.0	54,326	100.0

註： (1) 總資產不包括遞延所得稅資產。
(2) 總負債不包括遞延所得稅負債。

單位：百萬元人民幣

地區分部	2017年12月31日				2017年度	
	總資產 ⁽¹⁾		總負債 ⁽²⁾		稅前利潤	
	金額	佔比(%)	金額	佔比(%)	金額	佔比(%)
總部	2,300,101	40.7	2,466,613	46.8	27,022	51.7
長江三角洲	1,288,981	22.8	1,135,639	21.6	3,323	6.4
珠江三角洲及海峽西岸	916,081	16.2	820,311	15.6	4,402	8.4
環渤海地區	1,228,113	21.7	1,079,757	20.5	8,884	17.0
中部地區	626,587	11.1	565,919	10.7	3,456	6.6
西部地區	574,942	10.2	483,560	9.2	1,396	2.7
東北地區	94,618	1.7	86,047	1.6	47	0.1
境外	307,796	5.4	266,293	5.1	3,746	7.1
抵銷	(1,681,353)	(29.8)	(1,638,889)	(31.1)	—	—
合計	5,655,866	100.0	5,265,250	100.0	52,276	100.0

註：(1) 總資產不包括遞延所得稅資產。
 (2) 總負債不包括遞延所得稅負債。

4.3 業務綜述

本節內容和數據均從本行角度進行分析。

4.3.1 公司銀行業務

2018年，本行全面啟動對公業務轉型，實施新客戶「名單制」准入和存量客戶「四分類」管理，推出授信客戶分層分類管理，強化客戶部門主導作用，加大低質低效客戶退出力度，風控制度體系進一步完善。強化對公客群建設，全面落地戰略客戶「五總模式」，深化機構客戶重點領域合作，強化基礎客戶和有效客戶營銷服務，客群基礎進一步夯實。深挖客戶全產業鏈價值，創新推出「酒商貸」、「雲鏈」等特色供應鏈融資項目，對公產品建設取得新的突破。債券承銷、跨境併購、銀團貸款、股權融資落地一批標桿式首單項目，成功保持投資銀行同業優勢地位。

報告期內，本行公司銀行業務實現經營淨收入817.87億元，同比下降0.20%，佔全行經營收入的52.25%。其中，公司銀行非利息淨收入129.41億元，佔本行非利息淨收入的22.23%。

4.3.1.1 對公客戶經營

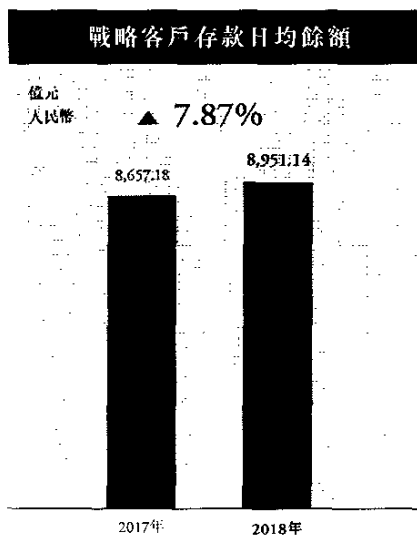
報告期內，本行戰略客戶和機構客戶經營取得成效。截至報告期末，本行對公客戶數63萬戶，比上年增長3.5萬戶，基礎客戶數¹比上年增長8,600戶，有效客戶²比上年增長約6,000戶。

¹ 指日均存款10萬元及以上對公客戶。
² 指日均存款50萬元及以上對公客戶（不含非小企業授信客戶）。

戰略客戶經營

本行按照「一戶一策、一戶一團隊」的原則，為戰略客戶提供差異化優質金融服務，客戶範圍覆蓋世界500強、中國500強及行業龍頭中的優質企業。報告期內，本行繼續按照「總對總整體談判、總對總項目獲取、總對總平行作業、總對總資源配置、總對總風險管控」經營模式，深耕重點客戶，實現客戶需求和商業銀行服務的無縫銜接，降低銀企溝通成本。本行深入推動「鏈式營銷」，圍繞汽車、互聯網、地產、家電、白酒等5大行業，在為戰略客戶提供優質金融服務的同時，著力將服務範圍拓展至客戶所在行業上下游產業鏈相關企業，持續延伸戰略客戶經營價值。

報告期內，本行戰略客戶存款日均餘額8,951.14億元，比上年增長7.87%；戰略客戶經營實現業務收入308.26億元，比上年增長4.69%；通過銀行貸款、債券承銷等工具，累計為戰略客戶提供綜合融資2.38萬億元。截至報告期末，客戶貸款質量總體良好。



機構客戶經營

本行發揮機構業務特色優勢，持續創新專業化、智慧化機構客戶經營模式，加快構築「資金安排、資源整合、資本運作、資產管理」的新型銀政合作關係。報告期內，本行進一步深化與各級機構客戶的合作，參與交通運輸部交通投融資體制改革頂層設計，再次獲得工信部重大技改項目唯一股份制合作銀行資格，並與甘肅省人民政府等多個地方政府簽署戰略合作協議。本行抓住「互聯網+政務」和普惠金融發展機遇，成功上線「銀法通」和教育領域「慧繳付」平台，進一步豐富機構客戶「慧繳付」體系產品功能，為機構客戶及其服務的社會公眾提供繳費管理和在線貸款服務，有效增強了客戶合作黏性。



截至報告期末，本行各類機構客戶3.35萬戶⁶，貸款餘額2,995.86億元，比上年末增長8.81%，貸款主要投向市政建設、國土住建、交通、教科文衛等領域，不良率為0.14%。報告期內，機構客戶日均存款（不含協議存款）10,788.59億元，比上年增長3.79%，佔全行對公存款日均餘額（不含協議存款）的39.86%，比上年提升0.53個百分點。

4.3.1.2 對公存款業務

本行在繼續加大低成本結算存款營銷的同時，順應市場形勢變化及客戶多元化需求，適當加大了市場化存款吸收力度，對公存款成本保持同業較低水平。報告期內，本行對公存款日均餘額2.78萬億元，比上年增加845.11億元；截至報告期末，對公存款成本率1.89%，比上年末提升0.25個百分點。

4.3.1.3 對公貸款業務

本行持續優化資產結構，將信貸資源向重點區域、重點行業和重點客戶傾斜。北京、上海、廣州、深圳、南京、杭州等戰略支點區域分行對公貸款比上年末增加448.85億元，戰略支點區域分行對公貸款佔比提升至43.29%，比上年末提高2.78個百分點。新增貸款主要投向積極支持和優化調整類行業。醫藥製造、商務服務業等積極支持和優化調整行業貸款餘額比上年末增加566.31億元，批發業、金屬製品、低端製造業等嚴格控制及壓縮退出類行業貸款餘額比上年末下降501.78億元。

截至報告期末，本行對公貸款餘額19,168.98億元，比上年末增長8.59%；對公貸款實際平均利率為5.11%，比上年末上升0.23個百分點。

4.3.1.4 對公重點業務情況

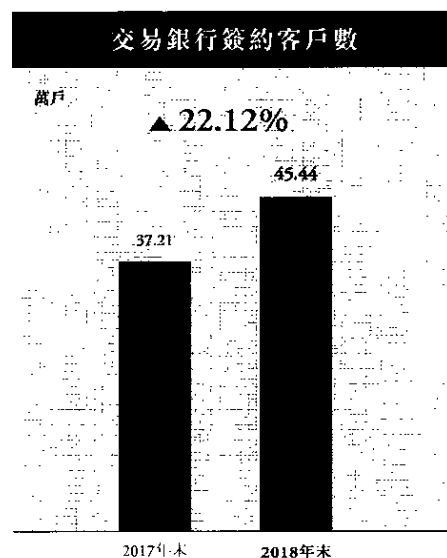
交易銀行業務

本行依託公司銀行業務發展優勢，持續強化交易銀行綜合化服務能力。報告期內，本行全面上線交易銀行2.0項目，有效實現1,000多項產品功能在數據、應用以及電子渠道入口層的整合。全新推出企業網銀、企業手機銀行、銀企直聯服務渠道，進一步增強交易銀行一站式金融服務能力。上線單位結算卡、協議收款、銀聯快付等一系列創新結算產品，根據客戶需求靈活組合形成結算服務方案，成功將本行產品服務嵌入客戶日常交易環節，為客戶提供更加便捷的線上化服務。

截至報告期末，本行交易銀行簽約客戶45.44萬戶，比上年末增加8.23萬戶，增長22.12%。報告期內，交易銀行實現交易筆數7,556.79萬筆，比上年增長0.12%；實現業務收入6.91億元，比上年增長3.13%。

投資銀行業務

本行將投資銀行業務作為踐行最佳綜合金融服務企業戰略的重要支點，以「回歸本源、服務實體」為導向，大力發展債券承銷、併購融資、銀團貸款、投貸聯動等業務和產品，保持了穩健較快的發展速度。



⁶ 因本行對公客戶管理需要，針對存量機構客戶進行了重新劃分調整，年初基數已相應回歸計算。

第四章 經營情況討論與分析

本行併購融資業務成功助力一批支持實體經濟發展、踐行「一帶一路」國家戰略、服務供給側結構性改革的併購項目。本行緊跟國家戰略導向和市場創新方向，推動一批民企專項支持項目落地，包括承銷首單地方國企發行的民企專項支持債務融資工具。隨著企業資產證券化邁入常態化發展階段，本行資產支持票據ABN承銷規模突破百億元，成功落地全國首單綠色出行ABN、景區門票ABN、購房款ABN和國企商業物業抵押ABN。

報告期內，本行投資銀行業務實現業務收入89.72億元，承銷債務融資工具481只，承銷規模3,755.10億元，均位列全市場第五位⁹。

國際業務

本行堅持以客戶經營與專業服務為核心，在合規經營前提下持續鞏固和深化「傳統基礎業務、跨境投融资、對公外幣資負」三駕馬車的經營發展格局。報告期內，本行嚴格執行和落實各項監管政策，在2018年度國家外匯管理局銀行執行外匯管理規定情況考核中，獲得A類銀行。在外匯管理持續深化和人民幣匯率市場化改革不斷推進大背景下，搶抓市場機遇，積極服務實體經濟。緊跟「一帶一路」建設需要，順應中資企業「走出去」發展趨勢，出口信貸項目立項30個，中資企業海外發債落地34筆。有序推進自貿區業務發展，自貿區跨境放款同比增長73.21%，並成功在上海自貿區發行本行首筆非居民非擔險外幣理財產品。積極開展電子化創新，區塊鏈國內信用證系統獲得《亞洲銀行家》「年度最佳區塊鏈創意、應用或程序獎」、2017年度人民銀行科技發展二等獎、銀行業協會金融創新獎。持續推進集約化運營模式，國際業務運營中心完成第二批分行單證業務上收，累計上收27家分行單證業務，通過集中處理進一步降低運營成本和操作風險。

報告期內，本行累計實現結售匯量1,398.31億美元，市場份額達3.64%；排名升至股份制銀行首位，位列全行業第5位⁹；國際收支收付匯量2,590.81億美元，市場份額達3.69%，繼續保持股份制銀行首位¹⁰。跨境人民幣收付匯量3,011.13億元人民幣，同比增長94.54%，位列股份制銀行首位¹⁰。本行全面加強外幣貸款風險管理，外幣資產質量持續提升。截至報告期末，本行外幣不良資產餘額6.81億元，不良率1.44%，比上年末分別下降69.07和0.46個百分點。

資產託管業務

本行堅持並不斷深化「商行+投行+託管」業務發展模式，持續完善託管營運和機構體系建設。報告期內，本行繼續鞏固多元發展格局，公募基金、券商資管、信託資產、銀行理財、第三方監管、私募基金等六個萬億級大單品發展態勢良好，成功中標中央國家機關事業單位職業年金計劃託管人資格，特色化競爭優勢逐步形成。本行資產託管新一代營運系統「ACE·π FASTER」已成功上線，初步實現「操作簡便化、流程智能化、配置一體化、監控實時化」的建設目標。

報告期內，本行克服天弘餘額寶因監管壓降分流導致規模下降的不利影響，資產託管規模實現增長3,849.82億元，期末總規模達8.44萬億元，比上年末增長4.78%。在行業託管業務收入普遍下降的情況下，本行實現資產託管條線業務收入35.35億元，比上年增長7.06%，收入總量在股份制銀行中位居第二，收入增量及增速均居首位¹¹；其中，實現養老金收入1.54億元，比上年增長16.20%。

⁹ 根據Wind資訊數據排名。

¹⁰ 根據國家外匯管理局統計月報2018年12月末數據。

¹¹ 同上。

¹² 根據中國人民銀行統計月報2018年12月末數據。

¹³ 根據中國銀行業協會公佈的統計數據。

專題：普惠金融業務

本行積極響應國家關於大力發展普惠金融的有關政策導向，積極推動普惠金融業務體系建設。報告期內，本行在成立由董事長任組長、行長和分管副行長任副組長的普惠金融領導小組基礎上，組建橫跨多部門的聯合作業小組，設立總行普惠金融一級部，並在分行加快設立普惠金融部，搭建「審查、審批、放款、貸後」四集中的運營管理平台，普惠金融組織架構逐步完善。本行通過給予考核利潤補貼、配置專項費用支持、實施差異化撥備計提政策、優先保證信貸規模供應等多種方式加強政策保障和資源投入，積極支持普惠金融業務發展。

本行結合普惠金融客戶「短、頻、快」的資金需求特點，基於真實場景和真實用途，以「簡、明、廣、宜」為定位，聚焦重點領域推動標準化產品開發，在有效防控風險的同時，加快推進業務流程再造，大幅簡化授信流程和提升業務效率。為降低小微企業財務成本，本行推出線上化隨借隨還業務功能和無還本續貸業務功能，形成涵蓋基礎產品、特色產品和創新產品三大類的普惠金融產品體系。

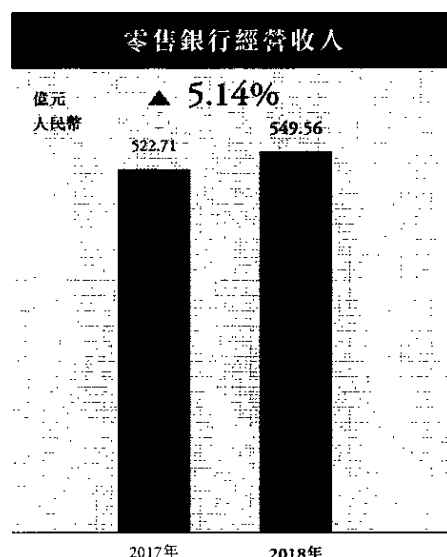
本行「以網絡化、數據化、智能化」為目標，積極打造線上融資渠道，實現貸款申請、合同簽訂、提款還款的全流程線上化、自助式辦理。本行借助大數據和互聯網開發自動化審批和智能化貸後風控模型，實現普惠金融業務的參數化管控和快捷化處理。

報告期內，本行順利完成銀保監會「兩增兩控」考核要求，達到人民銀行最高檔定向降準條件。截至報告期末，銀保監會考核口徑普惠金融貸款¹⁴餘額1,363.53億元，比上年末增長445.03億元，增幅48.45%，高出各項貸款增速34.93個百分點；有貸款餘額客戶數8.22萬戶，比上年末增加2.23萬戶，增幅37.18%；貸款利率6.10%，比上年末下降0.22個百分點，在緩解小微企業融資貴問題上取得了積極成效；國標口徑小微企業貸款¹⁵不良率2.53%，滿足「不超過各項貸款不良率2個百分點」的風險容忍要求。截至報告期末，本行符合人民銀行定向降準口徑的普惠金融貸款¹⁶餘額1,427.29億元，比上年末增長402.42億元，增量佔全行貸款新增量的10.52%。

4.3.2 零售銀行業務

報告期內，面對財富管理行業競爭加劇、金融科技日趨成熟等內外部經濟金融形勢，本行零售銀行業務以建設「客戶最佳體驗銀行」為目標，踐行「客戶為尊」的經營理念，聚焦客戶、產品、渠道和基礎能力建設，持續發力薪金煲、智能投顧、出國金融、家族信託、全權委託資產管理、手機銀行、信用卡等特色產品，重點推動資產業務、財富管理、支付結算三大業務，積極創新移動渠道和獲客模式，借助大數據和精準營銷技術，不斷提升客戶經營和服務體驗，實現業績持續較快增長。

報告期內，本行零售銀行業務實現經營淨收入549.56億元，比上年增長5.14%，佔本行經營淨收入的35.11%；零售銀行非利息淨收入366.22億元，比上年增長9.14%，佔本行非利息淨收入的62.91%，提升0.52個百分點。其中，信用卡非利息淨收入308.15億元、佔本行非息淨收入的52.94%，銀行卡及支付結算中間業務收入10.60億元，比上年增長3.11億元，增幅41.45%，取得新突破。



¹⁴ 指單戶授信總額1000萬元(含)以下的小型微型企業貸款。

¹⁵ 指符合工信部等四部委《中小企業劃分標準規定》相關要求的小型企業、微型企業貸款和個體工商戶、小微企業主經營性貸款。

¹⁶ 指單戶授信小於500萬元的小微企業貸款、個體工商戶和小微企業主經營性貸款、農戶生產經營貸款、創業擔保貸款、建檔立卡貧困人口消費貸款和助學貸款。

第四章 經營情況討論與分析

4.3.2.1 個人客戶經營

本行通過客戶精準營銷，強化客戶分層經營，實現個人客戶的系統經營和服務，客戶數量保持較快增長。截至報告期末，本行個人客戶總數8,831.76萬戶，比上年末增長22.65%；零售中高端客戶¹⁵數73.50萬戶，比上年末增長25.11%。

本行通過經營體系搭建、線上線下渠道整合、活動場景獲客等方式，強化面向中老年、女性、青年客戶(合稱三大客群)的零售銀行品牌塑造，並在本行「中信紅」權益體系為三大客群設置專屬權益。截至報告期末，本行老年客戶數1,240.23萬人，比上年末增長23.14%；女性客戶數754.88萬戶，比上年末增長25.42%，青年客戶數3,023.32萬戶，比上年末增長22.13%。

本行持續強化對公、零售業務聯動機制，實現優質對公、零售客戶資源的相互轉化。截至報告期末，本行通過公私聯動實現有效代發工資客戶數489.43萬戶，對應客戶零售管理資產2,050.74億元；報告期內，新開發零售高端客戶5,706戶，實現對公基礎客戶¹⁶新增2,507戶。

4.3.2.2 個人存款業務

本行從客戶需求及體驗出發，發力產品和營銷，多措並舉推動個人存款規模增長。產品方面，本行大力推動負債業務產品化，推出月月息、個人大額存單、結構性存款等具有市場影響力的重點負債產品，同時通過產品功能優化、產品類型拓展、產品定價分層等措施，給予客戶更豐富的產品選擇和更好的服務體驗。本行持續依託產品銷售場景創新產品，推出面向大額結算客戶的活期煲產品、面向已交納購房誠意金客戶的信約寶產品等，並根據城鄉結合部拆遷客戶需求，推出個人大額存單紙質持有憑證。營銷方面，本行加強過程管理，做好客戶到期資金承接和老年客戶、低風險承受能力客戶需求匹配，為客戶提供適應性產品。截至報告期末，本行個人存款餘額5,900.94億元，比上年末增長35.26%，年度增量創歷史新高。

4.3.2.3 個人貸款業務

本行積極響應國家政策導向，大力發展個人貸款業務，實現效益、質量、規模協調快速發展。報告期內，本行通過提升獲客能力、改進產品、優化流程，進一步提升個人貸款業務水平。在獲客方面，繼續完善「在線獲客、渠道獲客及客戶轉介客戶」三大獲客方式。在產品方面，建立標準化個貸產品體系，進一步優化抵押、信用、質押等基礎類產品的業務流程和產品功能。同時大力推進個人消費貸款多場景應用，上線手機銀行端的「信秒貸」等產品，持續拓展信用數據渠道，不斷擴大消費信貸基礎客群。截至報告期末，本行累計接入公積金和稅金直連數據、非直連式數據渠道逾140家。

報告期內，本行繼續遵照中國各級政府房地產調控要求，開展住房按揭貸款業務。住房按揭貸款餘額6,292.15億元，比上年末增長1,364.52億元，增速比上年提高10.54個百分點。截至報告期末，本行個人貸款(不含信用卡)餘額10,164.84億元，比上年末增長15.94%；報告期內，新發放貸款加權平均利率6.20%，比上年提升0.18個百分點。

¹⁵ 指本行日均管理資產在50萬以上的客戶。

¹⁶ 指本行日均賬戶餘額大於等於1萬的客戶。

4.3.2.4 零售重點業務情況

財富管理業務

本行積極應對市場變化，緊貼客戶需求，強化創新，財富管理業務保持較快發展。銀行理財方面，本行積極應對資管新規要求，全力推動產品淨值化轉型，截至報告期末，個人淨值型理財產品存量規模佔比較上年末提升25.98%；代銷基金方面，本行結合市場情況，大力推動債券型基金銷售，非貨幣基金銷量比上年增長152.67%；本行大單品薪金優待持續受到客戶關注，截至報告期末，新簽約客戶數達209.40萬戶，比上年增長5.84%；本行積極研發籌備智能投顧項目，報告期內，推出智能投顧服務「信智投」¹⁷，為用戶提供基金組合一鍵購買、調倉優化、投資月報、基金診斷等功能，報告期內產品組合累計收益率成功跑贏市場對標指數。

截至報告期末，本行個人客戶管理資產17,846.26億元，比上年末增長20.09%，貴賓客戶管理資產餘額8,457.76億元，比上年末增長23.48%；報告期內，管理資產日均餘額16,865.76億元，比上年增長20.23%。

私人銀行業務

本行貫徹私人銀行「利潤中心、管營合一、上管下營」的發展定位，圍繞「為客戶創造價值」的經營理念，提出「用信念守護傳承的溫度」的品牌主張，制定了私人銀行業務2018-2020年發展規劃，依託集團資源優勢，立足精細化管理、專業化經營，完善私人銀行體制機制，為廣大私人銀行客戶提供領先的金融與非金融綜合服務解決方案。

報告期內，本行成立了15家分行私人銀行中心，加強區域服務及經營能力；為私行客戶提供業內首創的鑽石管家服務，實現網上銀行、線上坐席等私行專屬全渠道服務；圍繞家族傳承，整合專家資源，家族信託和全權委託兩大單品已形成市場口碑，市場佔有率和客戶滿意度均位居業內前列。私人銀行客戶綜合經營能力顯著提高，客戶價值貢獻持續釋放。

截至報告期末，本行私人銀行客戶數3.39萬戶，比上年末增長7,203戶，增長27.02%，私人銀行管理資產4,862.03億元，比上年末增長998.61億元，增長25.85%，榮獲《亞洲貨幣》評選的「最佳全國性股份制私人銀行」等20餘個國內外獎項，贏得了廣泛的市場美譽。



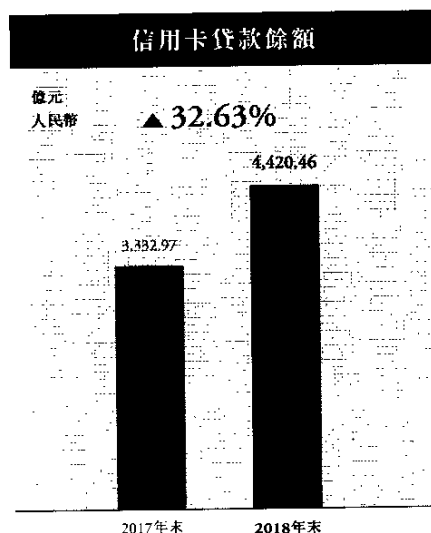
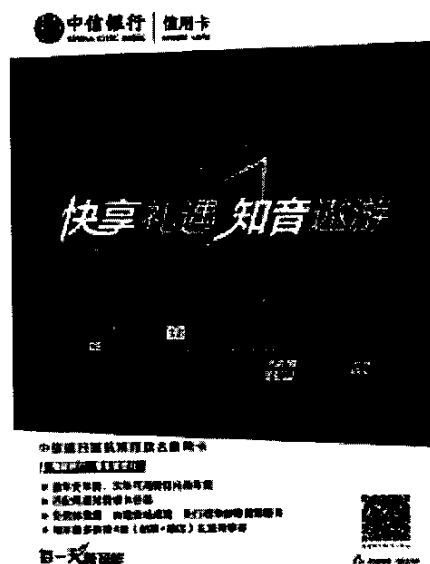
¹⁷ 「信智投」是本行融合數據分析、量化模型的定量分析和專家團隊定性研究成果的一鍵式個人財富解決方案。在全市場的公募基金中甄選基金構建投資組合，通過智能分析用戶的客戶畫像，精準推薦基金組合方案，實時跟蹤市場動態，為用戶的投資組合提供診斷分析及動態再平衡服務。

第四章 經營情況討論與分析

信用卡業務

本行信用卡業務持續推行「智慧發展」經營理念，堅持「以客為尊」，全面深化全流程、各環節經營，發力打造客戶「首卡之選」，塑造差異化競爭優勢，以開放、共贏的合作胸襟，跨界聯合眾多行業優秀企業，深挖渠道潛力，構建覆蓋生活、娛樂、文化、商旅等全消費場景的「無界金融生態圈」，為客戶提供更加人性化、個性化的產品與服務。

本行加快「金融+」體系建設，持續推進「金融+商旅」戰略，攜手四川航空、奧凱航空、河北航空、Luxury Card發行聯名信用卡，聯合國航、攜程共同發行三方聯名信用卡，為用戶打造商旅出行極致服務體驗；加速「金融+零售」佈局，攜手永輝超市發行首張永輝聯名信用卡，並作為唯一信用卡產品入駐永輝金融超市，共創金融超市全新場景模式；探索「金融+體育」跨界新可能，攜手皇家馬德里俱樂部聯合推出皇馬國內首張球迷專屬信用卡，為廣大皇馬球迷提供專屬的特色金融服務，深受市場好評與喜愛；推出業內首個「金融+健康」一站式服務平台「健康銀行」，為持卡人提供掛號、問診、體檢、潔牙、基因檢測等全方位的健康便捷服務，聯合眾安保險首發互聯網保險聯名信用卡，為客戶提供貼合需求的全方位生活安全保障。



截至報告期末，本行信用卡累計發卡6,705.69萬張，比上年末增長35.27%；信用卡貸款餘額4,420.46億元，比上年末增長32.63%。報告期內，新增發卡1,748.61萬張，比上年增長43.44%，信用卡交易量達20,815.83億元，比上年增長39.48%。報告期內，本行實現信用卡業務收入460.23億元，比上年增長17.81%，其中分期業務收入193.10億元。本行積極推動信用卡資產證券化業務，本行通過加快信用卡資產流轉，有效節約資本佔用。報告期內，累計發行信用卡分期債權資產證券化產品1,052.66億元，信用卡不良資產證券化產品14.33億元。

出國金融業務

出國金融是本行零售銀行特色單品業務，推出至今已有20年，累計服務出國客戶超過2,000萬人次。經過持續的業務拓展，本行已成為美國、英國、澳大利亞、新加坡等9國使館簽證業務的權威合作金融機構，形成了涵蓋外幣負債、跨境結算、簽證、資信證明、全球資產配置五大類產品體系。報告期內，本行按照「個人外匯業務主辦行」的出國金融業務發展目標，圍繞出國金融客戶的需求和痛點，不斷迭代創新，推出外幣定制化存款、外幣薪金煲、智能結售匯、英國如意簽上門簽證服務等優勢產品和服務；與美國大使館舉辦合作二十週年紀念活動，進一步鞏固本行在出國金融領域的專業權威和優勢；組建2,000人的出國金融專員和個人外匯專員隊伍，打造出一支400人的全能型國際規劃師團隊；成功上線出國金融線上平台，通過「線上+線下」、「金融+非金融」的出國金融生態圈，全面滿足旅遊、留學、商務等不同類型客戶在出國前、中、後的金融需求。

截至報告期末，本行出國金融客戶達566.31萬戶，帶動純新增客戶42.06萬戶，個人外幣存款餘額51.90億美元，比上年末增長31.54%。

4.3.2.5 消費者權益保護與服務品質管理

本行按照銀保監會相關工作要求，繼在董事會下設立消費者權益保護委員會和高管層消費者權益保護辦公室後，持續健全分行級消費者權益保護管理體系。截至報告期末，本行38家一級分行已全部設立消保職能部門。為加大消費者權益保護檢查力度，確保服務和銷售合規，總行通過組織暗訪、網點明查、監控檢查及分行間互查等多種形式，對服務品質和消費者權益保護情況進行監督。本行始終秉承打造「最佳客戶體驗銀行」的理念，在全行開展「網點特色打造」項目，促進支行在網點設計、客戶服務、活動組織、產品營銷等方面形成特色。同時，本行通過開展零售業務流程穿透項目、分行體驗官等活動，傾聽一線聲音，關注分行意見，建立自下而上的信息反饋及優化機制，不斷提升服務質量和內部管理水平。

報告期內，在中國銀行業協會「銀行業文明規範服務千佳單位」評選中，本行獲評「2018年銀行業文明規範服務工作突出貢獻單位」稱號，40家網點獲評「2018年銀行業文明規範服務千佳單位」稱號，在股份制銀行中名列前茅。

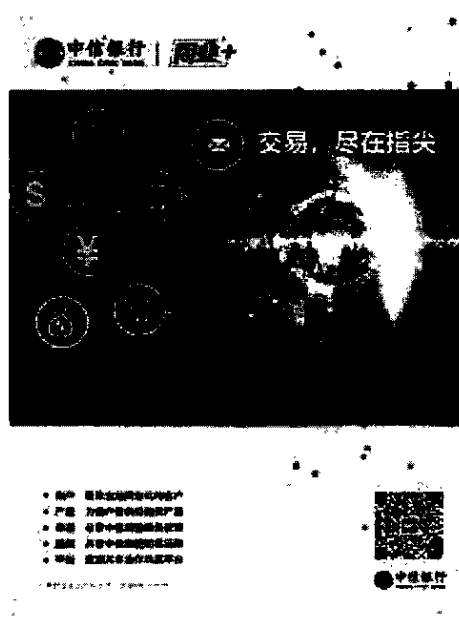
4.3.3 金融市場業務

面對嚴峻複雜的境內外金融市場形勢，本行金融市場業務積極推動業務轉型，由規模擴張向質量提升轉變，由持有盈利向交易盈利轉變，由產品營銷向客戶經營轉變，資產負債結構不斷優化，盈利能力顯著提升。

報告期內，本行金融市場板塊實現經營收入165.40億元，比上年增長74.27%，佔本行經營收入的10.57%，其中金融市場非利息淨收入81.50億元，比上年增長24.11%，佔本行非利息淨收入的14.00%。

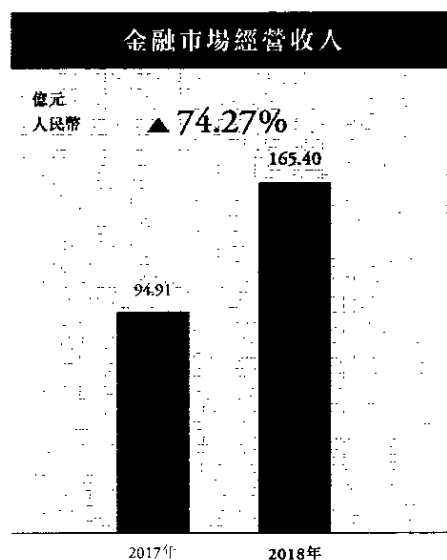
4.3.3.1 金融同業業務

本行金融同業業務積極落實全行新三年戰略目標，提前預判市場形勢，緊抓市場機遇，深化客戶經營體系建設，聚焦重點業務，有效壓降成本，同業資負利差顯著擴大，資產質量不斷提升。截至報告期末，本行金融同業資產（包括存放同業款項和拆出資金）餘額2,223.04億元，比上年末下降11.66%；金融同業負債（包括同業及其他金融機構存放款項和拆入資金）餘額8,500.65億元，比上年末增長2.01%。



報告期內，本行順應票據業務標準化、集中化運營發展趨勢，發揮票據總、分中心集中運作優勢，不斷提高票據周轉速度，規模資源利用率有效提升；緊跟對公客戶融資需求，多措并举開展票據直貼業務，助力實體經濟融資效率提升，服務實體能力顯著增強。報告期內，本行票據直貼量突破5,000億元，其中支持民營企業融資超過1,200億元；票據再貼現日均餘額達145億，比上年增長超過50%，票源均為小微企業票據。2018年9月，本行推出電票自助式貼現創新產品「信秒貼」，年末產品簽約客戶數超過1,400戶，貼現融資超過115億元，成為本行支持普惠金融的重要抓手。截至報告期末，本行票據資產餘額3,358.65億元，比上年末增長82.08%，電子票據業務佔比99.37%，比上年末增長0.85個百分點。

本行持續對重點同業金融服務平台「金融同業+」進行新產品研發和功能優化，不斷提升客戶體驗。截至報告期末，「金融同業+」平台簽約金融同業法人機構達1,216戶，比上年末增長49.02%，報告期內，平台交易量達1.43萬億元，比上年增長12.77%。



第四章 經營情況討論與分析

4.3.3.2 金融市場業務

本行積極開展人民幣同業拆借、債券回購等貨幣市場交易業務，在確保流動性管理需要的同時，提升短期資金運營效益。報告期內，本行貨幣市場總交易量21.90萬億元。本行充分利用同業存單等主動負債融資工具，報告期內，發行同業存單8,732.30億元，發行量排名市場前列。

本行圍繞融資保值、跨境併購、收付匯避險和本外幣資產負債管理等客戶需求，通過外匯買賣、即遠期結售匯、掉期、期權及相關匯率類創新組合產品，為客戶提供具有針對性、多層次的匯率風險管理解決方案，協助客戶做好外匯資產保值增值。報告期內，本行外匯做市交易量1.97萬億美元，比上年增長11.29%，銀行間外匯做市排名保持市場前列。本行緊抓市場變化趨勢，優化債券資產配置，適當延長投資週期，靈活選擇交易標的，挖掘品種間相對價值變化，同時注重信用風險防控，提升債券資產整體回報。積極響應監管政策，推動「債券通」業務發展，進一步鞏固銀行間利率市場核心做市商地位。進一步優化貴金屬租借業務結構，積極支持實體用金企業，同時進一步加大自營交易力度，推動黃金進口業務穩步發展。報告期內，本行黃金詢價做市排名全市場第四¹⁸，並成功入圍首批白銀詢價遠期報價團名單，進一步擴大了貴金屬做市範圍。

4.3.3.3 資產管理業務

報告期內，人民銀行、銀保監會等監管機構先後下發《關於規範金融機構資產管理業務的指導意見》、《商業銀行理財業務監督管理辦法》等一系列監管文件（簡稱「資管新規」），商業銀行資產管理業務得到了進一步全面規範。

本行積極應對政策環境變化，穩步推進資管業務轉型。本行按照「受人之托，代人理財」的政策導向，進一步強化理財資產主動管理能力和大類資產配置能力，重點加強標準化債權類資產投資，適度佈局權益類資產和跨境市場業務、做好存量非標資產的轉標和壓降工作。持續推動理財業務轉型，加大資源投入，加快存量業務整改，推動理財業務公司化改制，全面推進產品、資產、客戶、銷售、風險、運營、機制等各項業務轉型，努力打造具有本行特色的可托付精品資管。

截至報告期末，本行非擔險理財產品存續規模9,252.59億元，比上年末下降2.89%，其中，淨值型產品規模佔比達26.44%，產品整體風格穩健。受資管業務系列新規、貨幣市場及繳納增值稅等因素影響，本行理財資金投資節奏放緩，資管業務整體收益率有所下降。報告期內，本行實現理財業務收入27.50億元，比上年下降50.32%；為客戶創造收益571.82億元，比上年增長25.25%。

專題：資管新規影響分析

本行積極應對資管新規對銀行理財業務帶來的挑戰，採取系統性應對措施，有效推動理財業務健康較快發展：一是2018年12月13日，本行董事會審議通過全資發起設立信銀理財有限責任公司，註冊資本金不超過人民幣50億元。二是制定資管業務轉型方案，按照「經營策略綜合化、資產管理專業化、營銷服務差異化、社會影響力品牌化」的發展要求，建設業績優良的可托付精品資管。三是全面梳理產品發行、投資、交易、託管、信息披露、風險控制、合規管理等主要業務流程和操作規範，充分利用好政策過渡期，進一步完善資管制度體系。四是創新業務產品。包括改造存量產品，將開放式產品改造為類貨基，期次型產品改造為封閉式淨值型產品；調整和優化理財產品的期限結構，豐富長期限理財產品線；創新固收類、混合類、權益類產品，在提高產品淨值表現的同時，努力降低淨值波動和回撤，增強產品估值穩定性。五是夯實客戶基礎。嚴格落實合格投資者制度，加強對客戶的風險承受能力和投資意願的測評；對客群進一步予以細分，分類制定差異化的營銷策略，設計有競爭力的專屬產品。六是加快系統建設，重新審視並加快推動資管系統建設；以滿足淨值型產品估值核算、風險資產計量等監管要求，順利建設完成資管系統二期，並加速推進系統三期建設進程。

¹⁸ 根據上海黃金交易所數據。

理財非標資產的處理思路：根據資管新規有關要求，在過渡期前(2020年底)，銀行資產管理產品直接或者間接投資於非標準化債權類資產(簡稱「非標資產」)的，非標資產的終止日不得晚於封閉式資產管理產品的到期日或開放式資產管理產品的最近一次開放日。截至報告期末，本行已完成對存量非標資產的梳理排查，並積極研究探討過渡期後資產處理方案。對目前存量非標資產的處置思路為：對於到期日在過渡期前的非標資產，按資產到期日自然到期；對於到期日在過渡期結束之後的非標資產，如剩餘期限較短的，本行將發行符合資管新規的專項產品進行對接；對於符合非標轉標條件的資產，將積極通過發行ABS、ABN等方式轉成標準化資產；對於剩餘期限較長的資產及其他資產，將通過要求融資人提前還款、資產轉讓、資產回表等方式進行處理；對於部分期限較長的股權類資產，條件符合的，將通過資產轉讓等方式進行處理。

4.3.4 綜合金融服務

本行堅持「以客為尊」的經營理念，充分發揮中信集團金融與實業並舉的獨特優勢，不斷強化與集團和本行子公司全方位、深層次、多領域業務合作，滿足客戶的綜合金融需求。

集團協同。報告期內，本行聯合中信集團旗下金融子公司，通過銀團貸款、債券承銷、股權融資、私募投資等方式，共同為企業提供綜合融資6,258.43億元，比上年增長2.67%；代銷集團金融子公司產品金額4,094.71億元，比上年增長29.87%。截至報告期末，本行聯合集團子公司共同管理的企業年金規模165.73億元，比上年末增長3.81%；託管集團子公司產品規模11,336.02億元，比上年末增長0.16%。

「母子」協同。本行整合中信金融租賃、中信百信銀行專業化和線上化的服務資源，加強產品及服務模式創新，最大限度地提升客戶體驗。報告期內，本行與中信金融租賃合作落地20個銀租項目，合計投放資金96.41億元；與中信百信銀行合作落地42個聯動項目，合計投放資金30.84億元。

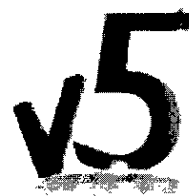
跨境協同。本行順應轉型發展大勢和國際化經營要求，將跨境協同作為對公客戶服務的特色和亮點，以中信銀行(國際)、信銀投資為境內外服務主平台，拓寬合作半徑，豐富服務內容，為客戶提供一體化跨境綜合服務。報告期內，本行與子公司合作推動的跨境項目金額達2,212.79億元。

區域協同。本行積極踐行國家區域協調發展戰略，出台《中信銀行區域協調發展委員會工作制度》，成立區域協調發展委員會，設立京津冀、蘇浙滬、粵港澳三個區域協調領導小組，持續推進區域內分行的業務協同。報告期內，本行對雄安新區200餘家主流入駐企業完成調研，成為首家為雄安集團發放貸款的商業銀行；積極響應長三角區域一體化國家戰略，加大對「三農」企業、中小微企業服務力度；發揮集團境內外業務聯動與實業資源優勢，搭建港澳地區協同平台，全面支持粵港澳大灣區建設。

4.3.5 金融科技

本行將金融科技作為全行創新發展的重要突破口，積極推動大數據、人工智能等新技術在客戶經營、產品創新、風險控制等領域的應用，加快渠道一體化體系建設，全面提升業務服務能力和客戶體驗。

本行堅持移動金融戰略，將手機銀行作為客戶經營主陣地。報告期內，本行發佈了手機銀行5.0，推出語音銀行、二維碼支付、私人銀行尊享版等，並升級智能推薦引擎和客戶標籤體系，提升了個性化推薦服務能力和客戶體驗。本行進一步完善存貸匯產品線上化，基本實現零售產品線上全覆蓋。在手機銀行安全管控方面，增加了藍牙Key轉賬支持，並探索構建可信交易環境，進一步提升了客戶安全體驗。



手機銀行V5.0

1.0.0

立即體驗

第四章 經營情況討論與分析

本行與科大訊飛建立全面合作關係，共同發掘、培育人工智能在金融行業的應用，構建AI信用卡的智能科技服務時代，為用戶提供人工智能信用卡、語音交互、智能支付等優質服務。本行推出動卡空間APP5.0版本，進一步加速人工智能科技應用，上線刷臉登錄、VR客服等10餘項智能服務，打造「一站式金融」專屬用戶體驗，推進智能生態建設，APP月活數量達千萬級別。本行不斷拓展新媒體平台資源，形成微信／支付寶服務號、小程序、短視頻、微博及社群的矩陣式佈局，累計粉絲量持續大幅增長。

報告期內，本行各類信息科技投入約35.8億元，在持續夯實信息科技基礎設施的同時，繼續加大信息科技基礎投入，加速佈局人工智能、區塊鏈、雲計算、大數據等領域，取得了顯著成效。人工智能應用上，本行在股份制銀行中推出首個AI金融服務平台—「中信大腦」，開始為客戶提供「千人千面」精準營銷服務，支撐的貸發借AI外呼營銷成功率是傳統外呼效果的16倍，推出的合規AI黑名單匹配，精準率大幅領先國外主流產品，「中信大腦」已初步具備支持本行智能化交易、智能營銷、智能風控、智能服務、智能運營等多領域智能化應用和服務能力，未來應用前景可期。區塊鏈應用上，本行聯合同業建立了國內銀行間最大的區塊鏈合作生態，區塊鏈貿易金融平台累計交易額已突破百億元。雲計算基礎設施建設上，本行自主研發了金融級分佈式數據庫，並與合作者共同擁有多項國家專利，X86服務器部署同比增長30%，53%的應用已遷移至雲平台，系統部署效率提升20%以上。大數據研發應用上，本行大數據平台已搭建10個技術組件和23類業務應用，分佈式存儲能力同比增加60%，數據可容量達到3.6PB，每天大數據平台處理消息數平均達4億條，處理能力提升40%。

4.3.6 信息技術

本行以機制創新和技術創新雙輪驅動引領金融科技發展，以數字化、智能化轉型為經營發展賦能。本行出台重大創新激勵、技術序列快速晉級、IT融合式團隊派駐制等系列制度，提質、提速和激發金融科技創新發展內生動力和內在活力。面向未來啟動實施八大轉型項目，銀行核心業務系統和信用卡系統「雲架構」遷移工程建設進展順利，企業級開發平台、數據分析雲平台、混合IT基礎平台、測試服務雲平台等基礎架構轉型項目群建設符合計劃預期，部分功能投入實用。加大全行大數據、人工智能應用研發，整合大數據、AI算法、應用模型管理，推出架構驅動的企業級人工智能應用平台—「中信大腦」。

報告期內，本行持續夯實信息科技風險和信息安全防護體系，完善運維集約化、自動化和智能化平台建設，完善數據中心異地災備體系，全面推廣中信雲平台，安全運維保障能力顯著提升。

4.3.7 境內外分銷渠道

4.3.7.1 線下網點

截至報告期末，本行已在中國境內146個大中城市設立營業網點1,410家，其中一級（直屬）分行營業部38家，二級分行營業部117家，支行1,255家（含社區／小微支行58家），設有自助銀行2,054家，自助設備7,053台，智慧櫃檯5,534個，形成了由智慧（旗艦）網點、綜合網點、精品網點、社區／小微網點、離行式自助網點組成的多樣化網點業態。

在分支機構已初步覆蓋中國境內大中城市的基礎上，本行境內分支機構的設立重點向優化佈局和提升效能轉變，網點建設資源向北京、上海、廣州、深圳、杭州、南京等發達城市和地區傾斜。同時，積極響應國家「十三五」規劃，支持自貿區、特區、新區等重點地區經濟發展。

境外機構方面，本行附屬公司中信銀行（國際）有限公司在香港、澳門、紐約、洛杉磯、新加坡和中國內地設有38家營業網點，信銀（香港）投資有限公司在香港和境內設有3家子公司，阿爾金銀行在哈薩克斯坦設有6家營業網點和1個私人銀行中心。按照《中信銀行2017-2020年海外發展規劃》，本行積極推進國際化發展，搭建海外機構人力資源、業務、系統、授權、考核等管理體系，提升對監管機構統計需求的反饋效率，有序推進倫敦、悉尼和香港分行的籌建工作。

4.3.7.2 線上渠道

本行以手機銀行為中心，加快線上渠道一體化建設，線上金融服務能力快速增強，客戶規模和質量均保持較快發展。

截至報告期末，手機銀行客戶數3,669.97萬戶，比上年末增長937.34萬戶，增長34.30%；報告期內，手機銀行月活客戶達687.13萬戶，比上年增長51.78%。截至報告期末，手機銀行交易筆數1.86億筆，比上年增長45.85%，交易金額6.29萬億元，比上年增長48.61%。個人網銀客戶3,804.89萬戶，比上年末增長1,053.94萬戶，增長38.31%。信用卡客戶服務中心熱線電話總進線量1.24億通，其中轉自助語音服務5,629.99萬通，轉人工服務6,798.78萬通，20秒內人工服務電話接通率80.54%，客戶滿意度98.36%，投訴處理滿意度96.95%，全年共創收92.34億元。客戶服務中心通過主動外呼提供客戶關懷、電話通知等服務，共聯繫客戶50.57萬人次。儲蓄卡客戶服務中心熱線電話總進線量6,967.4萬通，其中轉信用卡4,393.6萬通，轉儲蓄卡自助語音服務2,013.8萬通，轉人工服務560.0萬通，20秒內人工服務電話接通率85.73%，客戶滿意度99.07%，客戶投訴處理滿意度99.93%；客戶服務中心通過主動外呼提供客戶關懷、電話通知等服務，共聯繫客戶427.12萬人次。

4.3.8 子公司及合營公司

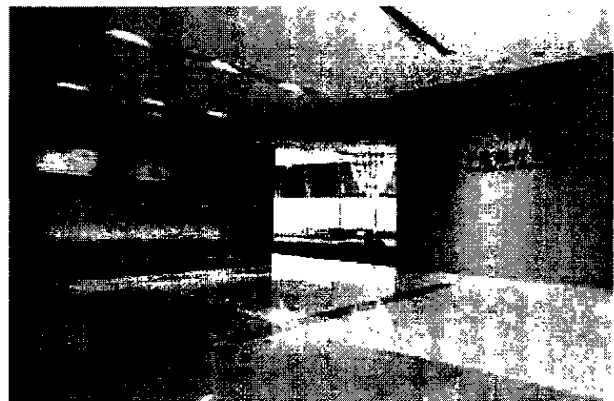
4.3.8.1 中信國金

中信國金於1924年在香港註冊成立，1986年6月由中信集團收購，2002年收購當時的香港華人銀行有限公司後重組成為投資控股公司，現為本行全資子公司，已發行股本為75.03億港元。中信國金是本行開展境外業務的主要平台，中信國金業務範圍涵蓋商業銀行及非銀行金融業務，商業銀行業務主要通過控股的中信銀行(國際)(持股佔比75%)開展，非銀行金融業務則主要通過中信國際資產(持股佔比46%)開展。

截至報告期末，中信國金總資產3,657.69億港元，比上年末上升5.89%，員工總數2,146人。報告期內實現淨利潤26.38億港元，同比下跌4.54%。

中信銀行(國際)。截至報告期末，中信銀行(國際)總資產3,629.45億港元，比上年末增加5.41%。報告期內實現經營收入84.10億港元，比上年增長6.82%，其中，淨利息收入同比增長18.64%。實現淨利潤30.08億港元，比上年增長7.12%。

報告期內，中信銀行(國際)積極把握中央政府「一帶一路」以及粵港澳大灣區發展戰略帶來的業務契機，充分發揮區位優勢，通過與本行及中信集團更趨緊密的聯動合作，大力發展跨境業務，跨境人民幣貿易結算額達1,494億元。得益於內地企業境外融資需求旺盛及跨境併購交易的迅速發展，中信銀行(國際)債務資本市場業務發展態勢良好，承銷金額位居在港中資機構第五位¹⁹，實現債務資本市場業務手續費收入2.34億港元。此外，個人及商務銀行相關跨境業務收入實現同比超過50%的顯著增長。



中信國際資產。中信國際資產繼續全面推進公司改革和業務轉型，不斷夯實管理基礎，發揮中信集團綜合優勢及國際資產的結構性價值，積極拓展精品私募投資基金業務和股東延伸相關業務，並加強對現有投資組合的管理。報告期內，中信里昂證券成為中信國際資產持股15%的股東。截至報告期末，中信國際資產淨資產為16.9億港元，總資產為18.9億港元。

¹⁹ 根據彭博發佈的中國離岸債券承銷金額排名。

第四章 經營情況討論與分析

4.3.8.2 信銀投資

信銀投資於1984年在香港註冊成立，是本行在境外設立的控股子公司。註冊資本為18.89億港元，其中本行持股99.05%，中信銀行(國際)持股0.95%。經營範圍主要包括貸款業務(持有香港放債人牌照)、投資業務(主要包括債券投資、基金投資、股票投資和長期股權投資等)，並通過旗下子公司開展境外投行類牌照業務及境內股權投資基金管理業務等。

信銀投資定位為本行海外投行平台，以打造「最佳海外精品投行」為發展願景，充分發揮股債結合的特點和優勢，在香港開展證券承銷、證券諮詢、企業融資顧問、資產管理等投行類牌照業務以及跨境投融資業務，在境內開展私募基金管理業務。報告期內，信銀投資投行類牌照業務發展迅速，跨境投融資重點業務穩步推進，主動資產管理業務實現突破，同時加速存量資產流轉，加強風險合規管控，優化制度流程，進一步提高業務收益和內部管理水平。

報告期內，受資本市場大勢影響，信銀投資實現歸屬於股東的淨利潤折合人民幣5.30億元，比上年下降37.53%；實現投行牌照業務收入折合人民幣1.26億元，比上年大幅增長361%。截至報告期末，信銀投資總資產折合人民幣219.11億元，比上年末增長8.42%；資產管理規模折合人民幣1,171.25億元，比上年末略降0.98%。

4.3.8.3 中信金融租賃

中信金融租賃於2015年4月成立，註冊資本40億元，由本行獨資設立。中信金融租賃作為本行服務實體經濟的重要戰略佈局，按照「專業化、市場化、國際化」的發展戰略，深耕「新能源、新材料、新環境」三大領域。

報告期內，中信金融租賃繼續深耕綠色租賃領域，在光伏發電領域持續發力，是業內光伏電站持有量最大的租賃公司，與多家行業龍頭企業簽署了戰略合作協議，與比亞迪完成首單新能源汽車廠商租賃業務，業務進一步拓展至國內新能源汽車領域。截至報告期末，中信金融租賃清潔能源、節能環保、高端裝備、民生事業、現代交通五大領域資產餘額佔比分別為51.71%、9.17%、14.18%、19.98%、4.96%，業務結構持續優化，綠色租賃影響力不斷增強，綠色租賃資產餘額佔比合計67.21%，比上年末上升5.44%。

截至報告期末，中信金融租賃總資產502.17億元，報告期內累計實現業務投放138.27億元，實現營業收入12.06億元，淨利潤5.18億元，比上年增長24.65%。

4.3.8.4 中信百信銀行

中信百信銀行於2017年11月18日正式開業，註冊資本20億元，是本行與百度公司聯合設立的新型互聯網銀行，本行與百度公司分別持股70%和30%。報告期內，本行與百度公司在維持原持股比例不變的情況下，認購中信百信銀行擴發的新股，增資後中信百信銀行註冊資本達40億元。

2018年是中信百信銀行第一個完整經營年度。報告期內，中信百信銀行實現高速度、高質量發展，資產規模為359億元，用戶突破1,200萬，為400多萬個人用戶和58萬小微企業主在線發放近800億元普惠貸款，資本充足率、撥貸比、撥備覆蓋率等各項指標符合監管標準。



報告期內，中信百信銀行全面夯實了科技、數據、產品、渠道、流動性等基礎能力；提升了智能風控、智能賬戶和智能服務等三大核心能力；戰略進程全面提速，已經開始佈局平台化發展，同時由「金融業務」為主升級為「金融業務+金融科技」雙引擎發展；戰略與組織由1.0升級為2.0，向平台化發展、生態化演進；採用了「KPI+OKR+價值觀」的考核評價體系，市場化運營初見成效；具備了平台化發展能力，信貸資產實現快速流轉，戰略進程全面提速；形成了「誠信合規、簡單高效、創新創業、市場引領」的百信特色文化，市場化文化彰顯活力。中信百信銀行「O+O」、「B+B」（線上+線下，商業+銀行）的開放銀行發展模式經受了市場檢驗，得到了用戶的肯定。2018年11月22日，在銀保監會指導下，中信百信銀行正式對外發佈「百信模式」，引起市場廣泛關注，品牌影響力顯著提升。

4.3.8.5 臨安中信村鎮銀行

臨安中信村鎮銀行位於浙江省臨安市，註冊資本為2億元人民幣，其中本行持股佔比51%，其他13家企業持股佔比49%，主要經營一般性商業銀行業務，2012年1月9日開始對外營業。

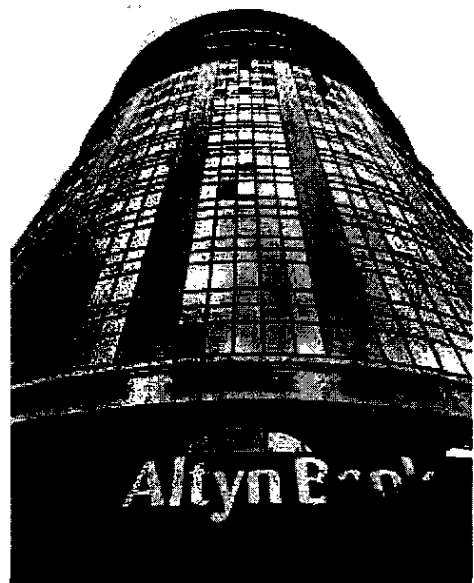
報告期內，臨安中信村鎮銀行積極支持實體經濟，履行普惠金融、鄉村振興戰略的義務和責任，持續優化信貸結構，信貸投向重點支持農戶、個體工商戶等個人貸款。個人小額貸款客戶方面，圍繞臨安區域高山種養殖業、水果種植、堅果電商、農家樂等特色農家產業及小微企業主、個體工商戶，進行小額貸款客戶營銷與信貸投放，通過實行差異化利率優惠、整村授信等多項措施，切實做好支農支小工作。

截至報告期末，臨安中信村鎮銀行總資產16.51億元，比上年末增長23.90%；客戶存款餘額12.41億元，比上年末增長31.21%；各項貸款餘額11.21億元，比上年末增長2.26億元，增幅25.23%，日均貸款餘額10.27億元，比上年末增長1.62億元，增幅18.82%；實現淨利潤0.34億元，比上年增長33.77%；資本充足率26.55%，撥備覆蓋率497.92%，撥貸比4.95%。

4.3.8.6 阿爾金銀行

阿爾金銀行前身為1998年匯豐銀行在哈薩克斯坦設立的分支機構，2014年11月由當地最大商業銀行哈薩克斯坦人民銀行全資收購。2018年4月24日，本行完成對哈薩克斯坦阿爾金銀行多數股權的收購工作，成為首家在「一帶一路」沿線國家收購銀行股權的中資銀行。交易完成後，本行持有阿爾金銀行的股份50.1%，中國雙維投資有限公司持股9.9%，哈薩克斯坦人民銀行持股40%。阿爾金銀行的惠譽評級為BBB-，為哈薩克斯坦商業銀行中的最高評級。

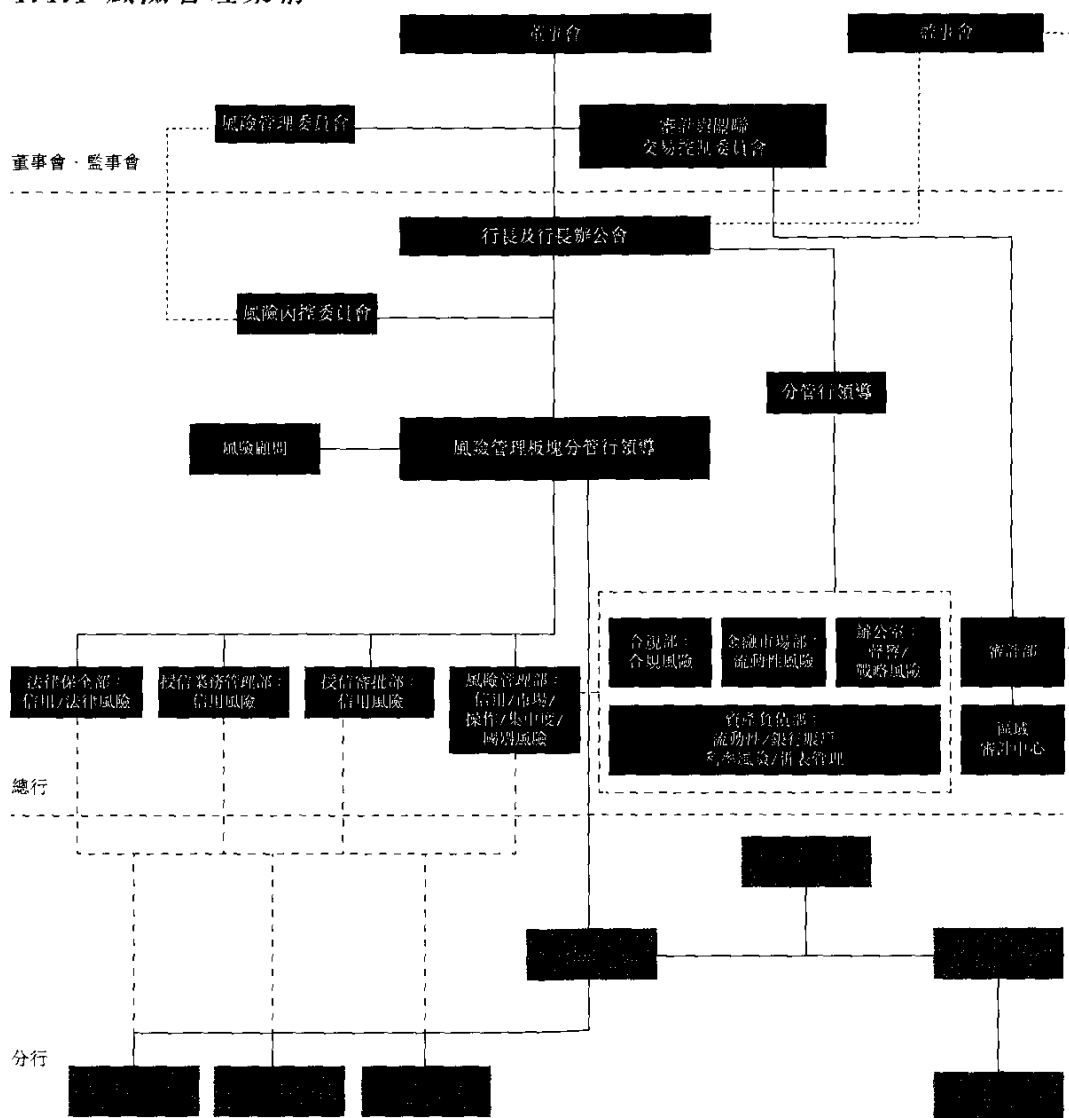
阿爾金銀行以哈薩克斯坦為支點，重點輻射中亞地區，努力建設成為「一帶一路」上的最佳綜合金融服務企業。阿爾金銀行將充分利用股東優勢，打造特色業務，提升在對公和零售、貿易融資、金融市場、人民幣清結算等方面的業務水平，在繼續深耕當地市場的同時，為在哈投資的中資企業提供全方位優質服務。同時，阿爾金銀行將利用較為成熟的支付工具、移動銀行、大數據等技術，加快業務拓展與平台搭建，努力爭取市場先機。



截至報告期末，阿爾金銀行總資產4,430.36億堅戈（折合人民幣79.28億元），實現營業淨收入187.87億堅戈（折合人民幣3.49億元），實現淨利潤104.60億堅戈（折合人民幣約1.95億元），ROA為2.63%，ROE為26.17%。

4.4 風險管理

4.4.1 風險管理架構



4.4.2 風險管理體系和風險管理技術

報告期內，國內外經濟金融形勢複雜多變，本行主動加強對經濟金融形勢預判，制定了防範化解金融風險攻堅戰的行動方案，積極防範各類風險。大力推進風險合規文化建設，持續完善全面風險管理體系。健全風險管理各項政策制度，做好公司授信業務的流程優化和統一風險管控。完善授信審批體制，強化風險預警管理，不斷改進風險管理綜合評價考評體系。加強交叉金融風險管理，穩妥應對市場波動。加大對實體經濟的支持力度，構建全新的普惠金融風控體系，支持普惠金融業務穩健發展，促進銀行業務回歸本源。

報告期內，本行大額風險暴露的各項限額指標控制在監管允許的範圍之內。本行嚴格執行監管各項規定，持續加強對大額風險暴露的管理，從制度建設、系統優化、統計監測、定期報告等方面開展了一系列工作，有效提升了大額風險管控能力。

本行持續提升風險管理技術研發能力，深化風險量化成果應用。報告期內持續開展對公和零售評級模型的自主優化和獨立驗證，有效控制模型風險；信用風險評級模型有效嵌入授信業務全流程中，提升風險決策水平；穩步推進債券評級體系和普惠金融線上審批模型建設，自動輿情預警、個貸反欺詐等多項成果成功落地實施。本行正式採用新會計準則預期損失方法計算金融資產減值，按月分析減值變化趨勢，加強應急監控。報告期內，本行實現對公和零售信貸資產業務（不含信用卡）採用內評法進行經濟資本考核，資本管理和風險管理水平得到有效提升。

4.4.3 信用風險管理

信用風險是指因債務人或交易對手未按照約定履行義務，從而使銀行業務發生損失的風險。

4.4.3.1 公司業務信用風險管理

本行按照「優化結構、便於流轉、提高收益、控制風險」的原則，從行業、區域、客戶和產品等維度進行對公資產配置，不斷優化公司業務授信結構。

行業層面，本行把握供給側結構性改革和產業結構升級中的機遇，對傳統產業實行「有保有壓」區別對待，全力拓展「三大、三高、三新」⁴⁰領域業務。堅持行業分層管理，對壓縮類行業設置剛性退出要求。

客戶層面，本行繼續強化「三大一高」⁴¹客戶定位，重點推動戰略客戶授信合作，有效夯實和擴大客戶基礎。持續優化授信客戶結構，著力培育行業龍頭企業，挖掘上市企業增長潛力。把握地方政府債務規範機遇，積極支持符合國家政策導向的PPP項目和國家統一部署的棚戶區改造、易地扶貧搬遷工作涉及的政府購買服務項目。加大低質低效客戶壓退力度，通過名單制管理，明確並細化退出目標及進度要求。

產品層面，本行大力支持開展國家重點基建項目的固定資產貸款；穩健拓展汽車金融等供應鏈金融產品的市場空間；積極參與國企混改和「走出去」等進程，為客戶提供投行、資管創新產品服務，提升全行綜合融資服務能力和收益，形成合理的融資結構。

區域層面，本行繼續優化全行授信業務區域佈局，充分調動資源，加大對京津冀、雄安新區、「一帶一路」、長江經濟帶、粵港澳大灣區、自貿區等國家戰略重點區域，以及風險管理能力強的分行的傾斜力度。

⁴⁰ 「三大、三高、三新」是指「大文化、大健康和大環保」、「高科技、高端製造業和高品質的服務和消費業」及「新材料、新能源、新商業模式」。

⁴¹ 指大行業、大客戶、大項目和高端客戶。

第四章 經營情況討論與分析

4.4.3.2 個人貸款信用風險管理

本行嚴格落實國家宏觀調控政策，確保個貸業務合規經營、風險可控。本行運用評分卡等零售信貸風險計量模型，結合邏輯化的業務規則，有效識別及管理信用風險。引入第三方外部數據，加大個人信貸數據的深度挖掘力度，完善個人信用畫像，探索搭建反欺詐模型，進一步提升個貸業務信用風險管控能力。同時通過優化貸後檢查及風險預警系統，實現線上貸後檢查及風險預警管理，通過風險預警信號在貸前申請、貸中審批、貸款發放、貸後檢查等關鍵流程節點的信息共享和剛性控制，實現對信用風險的系統監控。

報告期內，為落實全面風險管理要求，本行將個貸業務風險管理關口前置，在個人貸款產品創設與流程設計環節嵌入風險防控要素，通過建立標準化個貸產品體系，為經營機構提供標準化產品以實現對信用風險的系統管控。截至報告期末，本行個人貸款(不含信用卡)不良餘額66.74億元，比上年末減少5.83億元，不良率0.66%，比上年末下降0.17個百分點。

4.4.3.3 信用卡風險管理

近年來，個人消費金融業務呈高速發展態勢，個人貸款業務從商業銀行逐步擴展到各類消費金融公司，互聯網平台，個人消費者同時向多家金融或類金融機構借款的現象(簡稱「共債」)日益增多。報告期內，監管機構進一步加強對互聯網消費金融、P2P、小貸等行業的規範性監管，相繼出台了整治互聯網金融、肅清行業亂象的一系列政策，對肅清行業亂象，維護市場公平競爭與健康發展發揮了重要作用，有效避免系統性風險的發生。受宏觀經濟和監管環境影響，共債客群資產質量出現一定惡化跡象，並在一定程度上波及信用卡行業。本行信用卡不良貸款餘額81.95億元，不良率1.85%，比上年末上升0.61個百分點；信用卡逾期貸款158.50億元，逾期率3.59%，比上年末上升0.84個百分點。

針對共債現象可能對信用卡貸款質量帶來的影響，本行針對性地加強信用卡業務風險管理，不斷升級防控策略。貸前准入方面，本行嚴格審查客戶資信水平，結合徵信數據等信息審慎篩選客戶，新增疑似共債客戶拒絕規則，充分發揮風險評級預測模型工具在客戶准入方面的作用。貸中風險管控方面，本行制定了疑似共債客戶管控規則，擴大高風險客戶預警範圍；進一步完善授信規則，實行差異化授信，並根據客戶用卡及還款情況進行動態化授信調整；對存量客戶授信額度進行動態調整，對高風險共債客戶採取降額、提前催收直至退出等主動管控措施。貸後不良資產催收方面，本行針對疑似共債客戶等高風險客戶採取一系列催收策略，不斷探索與公檢法事業單位、徵信機構、大數據公司等外部機構的業務合作，運用大數據等創新技術手段持續提升催收管理效能，提升高風險客戶清收能力，同時針對疑似共債等高風險客戶及信用卡套現等不合规用卡行為，實施長期專項監測與打擊。

針對近年來互聯網金融犯罪呈現產業化、金融欺詐湧現的問題，本行積極應用新技術，強化甄別、監控與攔截能力，嚴防金融欺詐風險。本行結合身份證識別儀、人臉識別、圖像識別、運營商實名驗證、銀聯鑒權等先進技術和功能，在准入環節加強客戶身份真實性的甄別和核驗，從而有效防範和攔截客戶偽冒風險，提升客戶信息完整性、準確性和真實性。同時，本行自主研發申請欺詐評分、決策樹及複雜關係網絡等大數據模型，識別不良中介包裝、多頭借貸等欺詐風險，能有效甄別不實風險客戶、短期高頻借款等高風險客戶，對信用風險及欺詐風險防控均起到較好的作用。

4.4.3.4 資產管理業務風險管理

報告期內，本行持續優化信用風險審查方法論，提升專業化管理水平和審查水平，不斷優化信用資質評級打分卡，研發量化分析模型，加強實地調研，依據資產類別和行業建立審查審批標準。通過對重點風險領域建立業務准入名單和限額管理機制，推進落實信用政策執行力度，提升資產配置管理效率。著力加強投後風險管理，建立日常風險監控機制，組織推動存量資產的風險排查，提升風險預判能力和化解能力。持續完善風險管理體系建設，推動一道防線風險管理責任，釐清投後管理主體及職責，制定風險預警與處置流程與機制。

報告期內，本行資產管理業務風險管理保持整體平穩，理財產品未出現到期未兌付或不足額兌付的情況。

4.4.3.5 金融市場業務信用風險管理

報告期內，面對國內債券市場信用事件頻發的情況，本行採取多種措施積極應對，全面梳理存量持倉債券，深入開展信用風險排查，強化重點債券價格波動和負面消息監測工作，積極制定中高風險債券資產應對預案，持續提高債券業務信用風險動態管理力度。

報告期內，本行自營債券資產信用資質優良，持倉信用債發行人以信用評級較高、經營狀況良好的大型企業和機構為主。

4.4.3.6 貸款監測及貸後管理

在宏觀經濟放緩、監管趨嚴和防範系統性金融風險背景下，本行努力適應市場和政策的轉變，一手抓信貸資產質量指標完成，確保本行資產質量平穩運行，一手圍繞「建體系、建平台、建系統」，推進三年發展規劃的落地實施。報告期內，本行重點強化了以下工作：

持續完善授信後體系建設，提高制度有效執行。一是強化完善制度執行。完善規範授信後管理操作三道防線制度流程，組織培訓、檢查、案例分析等系列制度執行工作以確保制度落地實施。二是落實客戶分類管理。開展存量公司授信客戶四分類工作，對全行公司存量客戶按照「支持、維持、壓縮、退出」進行了分類管理，促進了全行資產結構調整。三是組織開展股票質押、綜合融資授信等業務的風險提示或風險排查；借助新一代授信業務系統開展「線上查」工作；組織畢馬威審計和普華永道審計開展第三方貸後檢查。

強化信用風險預警和化解機制。在全面風險管理系統中嵌入了資金流向異動的監控指標，開發大數據信貸分析模型，建立了大數據篩查風險預警機制，建立大客戶風險監控報告機制，對分行前30大公司授信客戶開展非現場監測。制定操作風險監測指標並動態監測機制，包含預警、押品、徵信、分類撥備、用信放款和檔案管理六大操作風險KRI指標納入了全行考核。強化押品管理體系建設。落實監管政策完善外規內化制度，保證合規經營，集中審定准入押品評估機構，集中進行押品重估核査。

不斷完善新一代授信業務系統。完成一期優化功能上線工作，同時配套制定、修訂相關制度。表內、表外和綜合融資業務已全部實現全流程線上操作，且系統運行穩定。啟動新一代授信業務系統二期建設項目，進一步優化信管APP功能；繼續推進信貸數字檔案館系統建設。

截至報告期末，本行信用風險有關情況，參見本報告財務報表附註61(a)「風險管理-信用風險」。

第四章 經營情況討論與分析

專題：不良資產處置

報告期內，銀行業不良資產生成速度仍處於高位。本行採取多種措施，積極推動不良資產經營，共處置不良資產本金733.09億元。其中，現金清收243.31億元，常規核銷及批轉447.32億元，其他方式處置42.46億元。

現金清收方面，報告期內本行完成現金清收(含不良貸款本息回收、已核銷資產現金清收及抵債資產變現)287.23億元，創歷史同期新高。其中，已核銷資產現金清收24.41億元，同比提升67.00%。不良貸款利息回收13.14億元，同比增長20.99%。

對外轉讓方面，報告期內不良貸款轉讓市場買方特徵明顯，供需矛盾突出，不良資產轉讓價格呈現波動下滑的趨勢。對此，本行提前謀劃，搶抓機遇，有效抓住二、三季度轉讓價格高位窗口期加大處置力度，累計批量轉讓不良資產348.53億元，轉讓回收率明顯高於市場平均水平。

債轉股方面，本行積極響應政府關於推動銀行債轉股的有關政策，充分利用債轉股進一步改善資產質量、盤活存量資產，在堅持市場化的原則下，積極穩妥推進債轉股相關工作。報告期內，本行完成三單市場化債轉股業務，涉及轉股金額約26億元。

4.4.4 市場風險管理

市場風險是指因市場價格(利率、匯率、股票價格和商品價格)的不利變動而使銀行表內和表外業務發生損失的風險。本行面臨的市場風險主要為利率風險和匯率風險。本行建立了涵蓋市場風險識別、計量、監測和控制等各環節的市場風險管理制度體系，通過產品准入審批和風險限額管理等方式對市場風險進行管理，將市場風險控制在可承受的合理範圍內，實現經風險調整的收益最大化。

報告期內，股市、債市、匯市風險波動加劇，各類風險之間交叉傳染的特徵日趨明顯。本行積極研究和應對市場波動，提高市場分析的前瞻性，動態調整市場風險限額，持續做好風險監測和提示，不斷提升市場風險管理精細化水平，在風險可控的前提下有力地支持了金融市場相關業務的發展。

4.4.4.1 利率風險管理

利率風險是指利率水平、期限結構等要素發生不利變動導致銀行賬戶整體收益和經濟價值遭受損失的風險，包括重定價風險、收益率曲線風險、基準風險和期權風險。本行利率風險管理的總體目標是，遵循穩健的風險偏好原則，確保利率變化對本行收益和價值的不利影響可控。

報告期內，全球經濟發展形勢很不均衡，境內外市場利率變化不斷。本行積極應對境內外市場形勢變化，在持續完善風險管理架構體系、優化風險監測指標的同時，主動完成了相關風險管理系統的升級改造和試運行調優工作，著重提升系統的動態模擬和數據採集自動化水平。在此基礎上，本行將《商業銀行銀行賬簿利率風險管理指引(修訂)》的最新監管要求與本行當前銀行賬簿利率風險管理實際情況進行逐項差異分析，於2018年上半年完成了針對最新監管要求的首輪數據治理工作，於2018年下半年啟動並完成了「銀行賬簿利率風險監管新規達標諮詢項目」招標工作。

截至報告期末，本行在系統功能、計量框架、制度架構等方面與監管要求基本一致，後續將以諮詢項目的實施為契機，重點從模型完善和管理提升兩方面提升本行銀行賬簿利率風險的整體管理水平。同時，本行持續綜合運用利率敏感性缺口、淨利息收入敏感性分析、壓力測試等多種方法計量各類風險，開展定期分析和淨利息收入預測，主動運用價格調控等管理手段，對存量重點產品和新業務產品的利率風險來源進行結構分析並進行專項提示和指導，嘗試進行銀行賬簿利率風險精準管理，持續提升市場化、自主化、差異化定價能力，合理擺佈資產負債組合產品與期限結構，將銀行賬簿利率風險控制在本行風險容忍度範圍內。

截至報告期末，本行利率缺口有關情況，參見本報告財務報表附註61(b)「風險管理-市場風險-利率風險」。

4.4.4.2 匯率風險管理

匯率風險是指因匯率的不利變動而使銀行表內和表外業務發生損失的風險。本行主要通過外匯敞口分析來衡量匯率風險的大小。本行外匯敞口主要來自外匯交易業務所形成的外匯頭寸，以及外幣資本金和外幣利潤等。本行通過合理匹配本外幣資產負債並適當運用衍生金融工具等方式管理匯率風險。對於結售匯、外匯買賣等可能承擔匯率風險的業務，本行相應設置外匯敞口限額，將銀行承擔的匯率風險控制在可承受水平。

本行匯率風險主要受人民幣兌美元匯率的影響。2018年人民幣兌美元匯率呈現先強後弱、震盪走貶的態勢，雙向波動進一步加大，人民幣兌美元匯率中間價全年累計貶值4.8%。報告期內，本行積極應對外匯市場波動，不斷完善對全行外匯敞口的計量和管理，嚴格控制相關業務的外匯風險敞口，加強日常風險監控、預警和報告，將匯率風險控制在可承受範圍內。

截至報告期末，本行外匯敞口有關情況，參見本報告財務報表附註61(b)「風險管理-市場風險-外匯風險」。

4.4.5 流動性風險管理

流動性風險是指銀行無法以合理成本及時獲得充足資金，用於償付到期債務、履行其他支付義務和滿足正常業務開展的其他資金需求的風險。本行建立了完善的流動性風險管理治理架構，董事會、監事會、高級管理層及下設專門委員會和相關管理部門職責明確，流動性風險管理策略、政策和程序清晰。本行保持穩健審慎的流動性風險水平，通過實施審慎、協調的流動性風險管理策略，有效識別、計量、監測和控制流動性風險。本銀行集團實行統一的流動性風險管理架構。總行負責制定銀行集團、法人機構流動性風險管理政策、策略等，在法人機構層面集中管理流動性風險；境內外附屬機構在銀行集團總體流動性風險管理政策框架內，根據監管機構要求，制定自身的流動性風險管理策略、程序等並持續推動實施。

報告期內，國內商業銀行流動性管理面臨的政策和市場環境總體有所改善。央行繼續實施穩健中性的貨幣政策，通過四次降准及開展中期借貸便利(MLF)等操作提供中長期流動性，保持市場流動性合理充裕。報告期內，短端貨幣市場利率中樞穩中有降，中長端貨幣市場利率總體下行。為此，本行繼續強化流動性風險管理，加強流動性風險計量和監測，繼續實施流動性風險限額管理，定期進行壓力測試及應急演練；做好資產負債統籌管理，確保資金來源與運用基本匹配；加強主動負債管理，確保央行借款、貨幣市場、同業存單、同業存款等融資渠道暢通，多元化主動負債來源；做好日常流動性管理，加強市場分析和預判，著力提升流動性管理的前瞻性和主動性。

第四章 經營情況討論與分析

截至報告期末，本集團流動性覆蓋率情況如下：

單位：百萬元人民幣				
	2018年 12月31日	2017年 12月31日	增幅／增減	2016年 12月31日
流動性覆蓋率	114.33%	97.98%	上升16.35個百分點	91.12%
合格優質流動性資產	553,870	507,004	9.24%	398,555
未來30天現金淨流出量	484,454	517,472	-6.38%	437,403

註：本集團根據《商業銀行流動性覆蓋率信息披露辦法》（銀監發〔2015〕52號）的規定披露流動性覆蓋率相關信息。

截至報告期末，本集團流動性缺口狀況有關情況，參見本報告財務報表附註61(c)「風險管理-流動性風險」。

4.4.6 操作風險管理

操作風險是指由不完善或有問題的內部程序、員工和信息科技系統，以及外部事件所造成損失的風險，包括法律風險，但不包括策略風險和聲譽風險。報告期內，本行持續加強操作風險管控，強化操作風險的日常管理。本行對操作風險關鍵風險指標體系進行重檢，建立分層分級的指標監控體系，提升操作風險事中監控能力。持續強化風險事件的分級及報告機制，對應收賬款質押等操作風險易發的業務進行了重點排查。進一步健全外包風險管理體系，加強外包事項日常審核管理和全面評估，不斷提升外包管理信息化水平，有效規範外包行為和防範外包風險。持續提升應急處置能力，完善業務連續性管理體系，組織各級單位開展多種形式的應急演練。進一步加強信息科技風險防控，開展信息科技風險全面評估和持續監控。報告期內，本行操作風險管理體系運行平穩，操作風險整體可控。

4.4.7 反洗錢

報告期內，按照《中華人民共和國反洗錢法》、《法人金融機構洗錢和恐怖融資風險管理指引（試行）》等反洗錢監管要求，嚴格開展洗錢風險管理與內控管理，進一步完善洗錢風險管理體系，明確董事會、監事會、高級管理層的反洗錢管理職責，將洗錢風險管理納入全行授權體系，確立洗錢風險管理文化建設目標，致力於打造「全員、全面、全程」的洗錢風險管理文化。

在組織架構方面，董事會授權下設風險管理委員會履行其洗錢風險管理部分職責，授權行長牽頭負責洗錢風險管理工作，強化總行反洗錢工作領導小組決策作用，總行所有部門均納入反洗錢工作領導小組成員部門，切實保障洗錢風險管理履職；反洗錢制度方面，修訂反洗錢基本規定、洗錢風險管理政策、大額和可疑交易報告、客戶洗錢風險評估及分類、客戶身份識別等頂層制度和專項制度，出台實施反洗錢產品／業務洗錢風險評估、交易監測、受制裁國家業務管理、境外機構管理、考核評價等專項制度和內控制度，為反洗錢管理提供製度依據；崗位人員管理方面，建立反洗錢崗位資質認證體系，實現崗位分級管理，強化專業人才建設，打造反洗錢「梯級」專業隊伍，全面提升反洗錢人員專業能力；風險管理措施和方法方面，開展產品／業務洗錢風險試評估、交易監測標準評估和洗錢類型分析，採取風險導向的針對性管控措施；組織開展「權重法」客戶洗錢風險評估，實施並動態調整管控措施；持續開展洗錢風險自評估，積極落實受益所有人身份識別要求，認真執行監管規定；系統建設方面，持續優化反洗錢信息系統，完成反洗錢風險管理系統三期建設工作，優化客戶洗錢風險評估與可疑交易監測模型，建立典型案例庫、人工甄別指引庫，建立健全客戶洗錢風險信息共享機制，持續提升系統工具對風險管理支撐能力；監管重點項目方面，作為北京地區股份制商業銀行代表，組織參加並順利完成國際金融行動特別工作組(FATF)評估應答工作，表現了過硬的專業素質，展現了上市公司履行國際義務的良好形象。

4.5 資本管理

報告期內，結合內外部形勢變化，本集團繼續堅持「輕資產、輕資本、輕成本」的三輕發展戰略，按照「提轉速、調結構」的資產負債策略推動資產業務輕型化，努力節約資本佔用。本集團實施全面的資本管理，包括資本充足率管理、資本規劃、資本配置及資本考核管理等，本集團資本管理的目標是持續滿足資本監管法規和政策要求，保持合理的資本充足率水平；優化業務結構，提升資本使用效率與回報水平。本集團以原中國銀監會2012年6月頒佈的《商業銀行資本管理辦法(試行)》為依據，計算、管理和披露本行與本集團資本充足率。

本集團不斷強化內部資本積累能力，同時主動優化業務結構、控制資本消耗，實現了各級資本充足率穩中有升。截至報告期末，本集團資本充足率為12.47%，比上年末上升0.82個百分點；一級資本充足率9.43%，比上年末上升0.09個百分點；核心一級資本充足率8.62%，比上年末上升0.13個百分點，全部滿足監管要求。

報告期內，本集團繼續加強資本約束與配置機制，持續推進輕資本發展戰略。本集團進一步完善以「經濟利潤」和「資本回報率」為核心的資本配置與考評體系，穩步推進內部評級法在資本考核中的應用；採用「監管資本實施限額管理」、「經濟資本進行考核評價」的雙線管理模式，兼顧監管資本與經濟資本的平衡、統一，引導經營機構在資本約束下合理擺佈資產結構；持續推進資產流轉，盤活存量資產，為資本節約提供空間，增強服務實體經濟的能力。

第四章 經營情況討論與分析

資本充足率

單位：百萬元人民幣

項目	2018年 12月31日	2017年 12月31日	增幅(%) / 增減	2016年 12月31日
核心一級資本淨額	403,354	366,567	10.04	342,563
一級資本淨額	441,122	403,378	9.36	382,670
資本淨額	583,392	502,821	16.02	475,008
加權風險資產	4,677,713	4,317,502	8.34	3,964,448
核心一級資本充足率	8.62%	8.49%	上升0.13個百分點	8.64%
一級資本充足率	9.43%	9.34%	上升0.09個百分點	9.65%
資本充足率	12.47%	11.65%	上升0.82個百分點	11.98%

槓桿率

單位：百萬元人民幣

	2018年 12月31日	2017年 12月31日	增幅(%) / 增減	2016年 12月31日
槓桿率水平	6.37%	6.18%	上升0.19個百分點	5.47%
一級資本淨額	441,122	403,378	9.36	382,670
調整後的表內外資產餘額	6,928,004	6,521,276	6.14	6,994,025

註：本集團根據《商業銀行槓桿率管理辦法（修訂）》（中國銀監會令2015年第1號）的規定計算和披露槓桿率。有關槓桿率的詳細信息，請查閱本行網站投資者關係專欄相關網頁<http://www.citicbank.com/about/investor/financialaffairs/gglzb/>。

4.6 重大投資、重大收購、出售資產及資產重組事項

投資狀況

本行於2017年6月7日召開董事會，審議並通過了《關於收購阿爾金銀行股份有限公司股權相關事宜的議案》，同意本行與合作方中國煙草下屬中國雙維投資有限公司共同收購哈薩克斯坦人民銀行所持有的阿爾金銀行60%股權，其中本行收購的股權比例為50.1%。雙方於同日與哈薩克斯坦人民銀行簽署股權交易協議。收購對象阿爾金銀行繫在哈薩克斯坦境內成立並主要經營對公及個人存貸款業務的商業銀行。本次收購已取得中國和哈薩克斯坦相關監管機構的批准或許可，並於2018年4月24日（北京時間）完成交割。本次收購後，本行已持有阿爾金銀行50.1%的股權。

本行於2018年3月26日召開董事會，審議並通過了《關於向中信百信銀行股份有限公司增資的議案》，同意本行和百度公司在維持原持股比例不變的情況下，以每股面值人民幣1元的價格，以現金形式分別認購中信百信銀行擴發的新股14億股、6億股，據此分別向中信百信銀行增資人民幣14億元、6億元。增資後，中信百信銀行的註冊資本由人民幣20億元增至人民幣40億元，股份總數由20億股增至40億股，均為記名普通股，每股面值人民幣1元，本行和百度公司持股份數分別為28億股、12億股，持股比例保持不變，分別為70%、30%，本行和百度公司的股東權利和義務、董事席位，以及中信百信銀行章程中約定的投票權均保持不變。

報告期內，除已披露者及本行經營涉及的信貸資產轉讓等日常業務外，本行不存在重大收購、出售資產、股權或企業合併事項。

有關情況請參見本行在上交所網站(www.sse.com.cn)、香港聯交所披露易網站(www.hkexnews.hk)和本行網站(www.citicbank.com)發佈的相關公告。

4.7 結構化主體情況

未納入本行合併財務報表範圍的結構化主體的有關情況，參見本報告財務報表附註65「在結構化主題中的權益」。

4.8 前景展望

4.8.1 行業發展趨勢、風險及挑戰

整體來看，世界面臨百年未有之大變局，中國經濟短期面臨下行壓力，長期仍處於重要戰略機遇期。

一方面，銀行業發展面臨挑戰。全球經濟不確定性升高，中美經貿關係前景還不明朗，中國經濟結構性矛盾仍然突出，經濟增長的下行壓力大，金融風險仍處於暴露期，商業銀行防範化解金融風險任務艱巨。金融市場開放加速，在助推國內市場成熟的同時，也將顯著加劇市場競爭。中國監管機構「嚴監管、重處罰」態勢不減，繼續化解影子銀行、互聯網金融風險，推動理財業務轉型，保障資金流入實體經濟，對違法違規行為的治理將從嚴從重，金融機構經營將回歸本源，強化風險內控管理，追求高質量、可持續發展。

另一方面，商業銀行發展面臨新的機遇。中國將強化宏觀政策的逆週期調節，繼續實施積極的財政政策和穩健的貨幣政策，加大對民營、小微企業的支持，加快基礎設施建設，推動形成強大的國內市場，為商業銀行資產投放和存款營銷提供了機遇。中國將以供給側改革為主線，推進高質量發展，繼續處置「殭屍企業」，在製造業升級、中小企業創新等領域精準發力，推動京津冀、粵港澳、長三角等重点區域成為引領高質量發展的動力源，為商業銀行結構調整和轉型發展提供廣闊空間。中國將進一步深化改革開放，推動共建「一帶一路」，提高直接融資比重，設立科创板並試點註冊制，給商業銀行併購重組、股權融資和跨境業務發展帶來機遇。

本行將順應中國經濟發展趨勢，把握經濟增長和轉型中的機遇，持續完善風險管理體系，強化授信政策導向作用，優化資產配置，做好重點領域風險防控，加大不良貸款問責力度，不斷提高服務實體經濟质效。

4.8.2 2018-2020年發展規劃執行情況

2018年，本行在圓滿完成《中信銀行2015-2017年戰略規劃》目標和任務的基礎上，發佈並實施《中信銀行2018-2020年發展規劃》（簡稱「新三年發展規劃」）。根據新三年發展規劃要求，本行將牢記使命，回歸本源，深化改革，穩健發展，努力建設成為最佳綜合金融服務企業。本行成立全行規劃實施領導小組和工作小組，制定完成規劃實施「8100工程」²²任務表和路線圖，以及16個規劃配套實施方案，有序推進落實新三年發展規劃各項任務。報告期內，規劃執行情況整體良好，百項重點任務推進進度全部達到計劃要求。

一是服務實體積極有為。成立了區域協調發展委員會和重點區域協調領導小組。舉辦了「雄安中信金融峰會」，成為首家為雄安集團發放貸款的商業銀行。普惠金融提前完成全年「兩增兩控」考核，並實現人行定向降准最高檔考核目標。召開了民營企業家座談會，發佈了「十四條」支持措施，創設了全國首單民企中長期風險緩釋工具。加大綠色經濟支持，獲得中國銀行業協會最佳綠色金融獎。

二是經營轉型縱深推進。對公轉型全面鋪開，客群建設意識、一體化服務意識、主動風險管理意識持續強化，客戶基礎不斷夯實。截至報告期末，公司業務穩中求進，資產結構持續優化，支持和優化調整類行業貸款增加566.31億元，控制及壓縮退出類行業貸款下降501.78億元。零售轉型效能持續提高，個人存款年增1,790.71億元，增幅33.57%，均創歷史最高；管理資產近1.8萬億元，個貸餘額突破萬億元，信用卡交易量突破2萬億元，零售營收和中收佔比分別為33.65%和63.53%。金融市場轉型持續推進，實施了核心交易員市場化激勵，營業淨收入增長71.93%，「同業+」交易量達1.43萬億元。

三是區域差異化發展有效落地。本行結合國家區域發展戰略，提出了「差異化、梯次化」區域定位和發展策略，將一級分行劃分為「戰略支點行、重點區域行、潛力區域行」三類，優先發展戰略支點行，在信貸配置、產品定價、審查審批、科技、人力等方面傾斜資源。截至報告期末，戰略支點行對公一般貸款餘額佔比達到43.3%，提高2.8個百分點；全年對戰略支點行的授信審批用時，比平均水平少5.6個工作日；全年75%的新增用人指標向戰略支點行傾斜。

四是綜合化國際化邁出新步伐。本行啟動信銀理財子公司、金融資產投資公司的申設，完成了阿爾金銀行股權收購。持續推進倫敦分行、香港分行和悉尼分行申設工作。中信國金、信銀投資、中信金租、臨安村鎮銀行穩步發展，中信百信銀行開業首年表現良好，總資產359億元，一般性存款130億元，用戶超過1,200萬戶，在線發放近800億元的普惠貸款，撥備覆蓋率超過300%。

五是創新活力持續釋放。本行制定了中長期創新規劃，建立了重大創新專項獎勵機制，上線了18項一類創新項目，推動4大類7個項目的攻堅，落地了「雲鏈」等一批特色化「鏈金融」模式，創設了「全國社會效應債」等一批首單項目，形成了以「蘭州協同撮合模式」為典型的21種協同模式。實施了「IT嵌入」部務式管理，推動12項金融科技創新，完成19項科技賦能重點任務。

²² 「8100工程」是本行推動新三年規劃實施的細化解構安排。「8」是指「八大工程」，即新三年規劃的八大舉措，包括區域差異化發展工程、「一體兩翼」轉型工程、綜合化國際化經營工程、金融科技創新工程、「平安中信」工程、精細化管理工程、人力資源改革工程、黨建和企業文化建設工程。「100」是指「百項重點任務」，即為推動「八大工程」落地實施，細化解構的100項主要工作任務。

六是風險防控不斷完善。本行建立了法人客戶統一授信制度體系，實施了新增客戶「名單制」和存量資產「四分類」管理，依據「支持、維持、壓縮、退出」四分類對貸款客戶進行梳理，並有針對性地採取「進、轉、壓、退」策略，進一步強化全流程、全口徑、全渠道、全機構的風險統一管理。啟動了「413合規行動」，有效提升了全行員工合規行為意識。

七是基礎保障更加有力。加快外部資本補充，成功發行500億元二級資本債券和400億元A股可轉換公司債。全行累計壓降租金3.7億元。全面推進「雙百雙千」人才工程，全面建成員工崗位資格認證培訓體系，成為首家建立全序列、全條線基礎性培養項目的股份制銀行。

4.8.3 經營計劃

2019年，本行將保持穩健發展的目標定位，認真貫徹落實三年發展規劃，回歸客戶經營本源，全力推動向高質量發展轉型。存貸款增速力爭達到8%-10%。本行將持續調整優化業務結構，努力實現營業淨收入平穩增長，投入產出更為高效，不斷提升盈利能力，實現健康可持續發展。

上述預測涉及的未來計劃、發展戰略等前瞻性描述不構成本行對投資者的實質承諾，投資者及相關人士應當對此保持足夠的風險認識，並且應當理解計劃、預測與承諾之間的差異。

4.9 社會責任管理

有關報告期內本行社會責任和公益活動的信息，請查詢本行於本報告披露日在上交所網站(www.sse.com.cn)、香港聯交所披露易網站(www.hkexnews.hk)和本行網站(www.citicbank.com)發佈的2018年度可持續發展報告。

A high-contrast, black and white photograph. A dark, sleek pen lies diagonally across the frame, its tip pointing towards the bottom left. The pen rests on a document that appears to be a financial statement or ledger, with various numbers and lines visible. In the upper left, a large, dark circular graphic with a thin white border contains the chapter title. The overall aesthetic is professional and modern.

第五章

董事會報告

第五章 董事會報告

5.1 主要業務

本行從事商業銀行及相關金融服務。

5.2 主要客戶

報告期內，本行前5名對公客戶對本行營業收入的貢獻為21.37億元，佔本行營業收入的比例為1.30%，本行前5名客戶均非本行關聯方。

5.3 普通股利潤分配政策及股息分配

為給予投資者合理的投資回報，便於投資者形成穩定的回報預期，本行公司章程相關條款對本行普通股利潤的分配基礎、分配原則、期限間隔、分配方式和分配條件等股利政策進行了明確，強調本行主要採取現金分紅的股利分配方式，規定了一般情況下本行以現金方式分配普通股股東利潤不少於歸屬於本行股東淨利潤的10%，規定了本行調整利潤分配政策應由董事會提出書面議案並經獨立董事審議後提交股東大會特別決議通過，同時為股東參與分配方案表決提供網絡投票方式。本行利潤分配政策充分保護了中小投資者的合法權益。

本行上市以來未曾採用資本公積金轉增股本方式進行利潤分配。近三年普通股現金分紅情況如下表所列：

單位：百萬元人民幣

分紅年度	每10股 派息金額 (元、含稅)	現金 分紅金額 (含稅)	合併報表中 歸屬於本行 普通股股東 淨利潤	分配比例 ^(註)
2015年度	2.120	10,374	41,158	25.21%
2016年度	2.150	10,521	41,629	25.27%
2017年度	2.610	12,772	41,236	30.97%

註：分配比例為當期現金分紅金額與合併報表中歸屬於本行普通股股東淨利潤的比值。

本行2018年度經審計的根據中國會計準則及國際財務報告準則編製的境內、境外財務報表的稅後利潤均為人民幣420.57億元。

本行按照中國會計準則編製的財務報表稅後利潤的10%提取法定盈餘公積金，本期末應計提人民幣42.06億元。

第五章 董事會報告

綜合考慮全體股東整體利益、本行業務發展規劃、股權投資事項、維護本行可持續發展、監管部門有關資本充足率的要求等多方面因素，同時參考同業分紅情況，本行擬分派2018年年度普通股股息總額人民幣112.55億元，佔合併後歸屬於本行普通股股東淨利潤的26.06%。以A股和H股總股本數為基數，每10股現金分紅2.30元（稅前），以人民幣計值和宣佈，以人民幣向A股股東支付，以港幣向H股股東支付。以港幣實際派發的股息金額按照股東大會召開日前一周（包括股東大會當日）中國人民銀行公佈的人民幣兌換港幣平均基準匯率計算。本年度不實施資本公積金轉增股本方案。分配後，剩餘未分配利潤轉入下一年度。留存的未分配利潤將繼續用於補充資本，支持本行發展戰略實施，增強抵禦風險能力，滿足資本充足率監管要求。2018年度歸屬於本行普通股股東的加權平均淨資產收益率為11.39%，預計2019年度將保持一定的回報貢獻水平。

本次普通股利潤分配方案（簡稱「方案」）符合本行公司章程的有關規定，分紅標準和分配比例明確、清晰。方案經本行董事會戰略發展委員會充分討論醞釀後，提交2019年3月26日召開的本行董事會和監事會審議並獲得通過，將提交本行擬於2019年5月24日召開的2018年年度股東大會審議，預期將於股東大會通過方案後兩個月內向本行普通股股東支付2018年度股息。其中，擬於2019年7月22日向H股股東派發2018年年度股息，如有變化本行將另行公告；A股股東的股息派發基準日及具體派發方式等相關事項將另行公告。

本行全體獨立非執行董事在方案的決策過程中履職盡責並發揮了應有的作用，已就方案發表獨立意見如下：本行2018年度普通股利潤分配方案符合本行實際情況，兼顧了本行和全體股東的整體利益，同意該項議案，並同意將該項議案提交本行2018年年度股東大會審議。

方案提交本行2018年年度股東大會審議時，將按照有關監管要求，為投資者提供網絡投票便利條件，同時按照參與表決的A股股東的持股比例分段披露表決結果。分段區間為持股1%以下、1%-5%、5%以上3個區間；對持股比例在1%以下的股東，還將按照單一股東持股市值50萬元以上和以下兩類情形，進一步披露相關A股股東表決結果。本方案的制定及實施充分保護了中小投資者的合法權益。

5.4 重大訴訟、仲裁事項

本集團在日常業務過程中涉及若干法律訴訟和仲裁。這些訴訟和仲裁大部分是由於本集團為收回貸款而提起的，此外還包括因客戶糾紛等原因而產生的訴訟和仲裁。截至報告期末，本集團在日常業務過程中涉及的作為被告／被申請人的未決訴訟和仲裁案件（無論標的金額大小）共計88宗，涉及金額為人民幣2.71億元。

本行認為，上述訴訟或仲裁不會對本行財務狀況或經營結果構成重大不利影響。

5.5 控股股東及其他關聯方佔用資金的情況

本行不存在控股股東及其他關聯方佔用資金情況。普華永道會計師事務所已針對2018年本行控股股東及其他關聯方佔用資金的情況，出具《中信銀行股份有限公司控股股東及其他關聯方佔用資金情況專項報告》。詳情請參見本行於本報告披露日在上交所網站(www.sse.com.cn)、香港聯交所披露易網站(www.hkexnews.hk)和本行網站(www.citicbank.com)發佈的相關公告。

5.6 重大關聯交易

本行在日常業務中與關聯方發生的關聯交易堅持遵循一般商業原則，以不優於非關聯方同類交易的條件進行。關聯交易具體數據參見本報告財務報表附註64「關聯方」。其中構成香港上市規則附錄十四A章項下的關連交易事項，均符合香港上市規則規定。

5.6.1 資產出售、收購類關聯交易

報告期內，本行未發生上交所規則下的資產出售、收購類重大關聯交易。

5.6.2 授信類持續關聯交易

經本行2017年11月30日召開的2017年第二次臨時股東大會審議批准，根據業務發展需要，本行向上交所分別申請了與中信集團及其相關方、與新湖中寶及其相關方、與中國煙草及其相關方2018-2020年度授信類關聯交易上限。經本行2018年10月25日召開的第五屆董事會第七次會議審議批准，根據業務發展需要，本行向上交所申請了與保利集團及其相關方2018-2020年度授信類關聯交易上限。在符合本行適用的監管要求的前提下，前述四方在上交所監管口徑下2018年度授信類關聯交易上限分別為1,500億元、200億元、200億元、180億元。此外，根據銀保監會相關規定，本行對前述四方各方的授信餘額均不得超過本行上季末資本淨額的15%。本行與上述關聯方之間開展的授信業務均在上限內遵循一般商業條款，以不優於給予獨立第三方的條款進行。

本行高度重視對授信類關聯交易的日常監測與管理，通過採取加強流程化管理、嚴把風險審批關、強化關聯授信貸後管理等措施，確保關聯授信業務的合法合規。截至報告期末，上交所監管口徑下，本行及子公司對全部關聯公司的授信餘額為379.70億元。其中，對中信集團及其相關方授信餘額為310.96億元，對新湖中寶及其相關方授信餘額為64億元，對中國煙草及其相關方授信餘額為零，對保利集團及其相關方授信餘額為1.64億元，對關聯自然人投資或任職的關聯方授信餘額為3.10億元。銀保監會監管口徑下，本行及子公司對全部關聯公司的授信餘額為574.68億元。其中，對中信集團及其相關方授信餘額為216.02億元，對新湖中寶及其相關方授信餘額為183.52億元，對中國煙草及其相關方授信餘額為1.15億元，對保利集團及其相關方授信餘額為166.05億元，對關聯自然人投資或任職的關聯方授信餘額為7.94億元。本行對關聯公司的授信業務整體質量優良，關注類貸款1筆(金額0.63億元)，其他授信均為正常類。就交易數量、結構及質量而言，對本行正常經營不會產生重大影響。

本行嚴格按照上交所、銀保監會等監管機構要求，履行審議和披露程序。截至報告期末，本行不存在違反《關於規範上市公司與關聯方資金往來及上市公司對外擔保若干問題的通知(2017修訂)》(證監會公告[2017]16號)、《關於規範上市公司對外擔保行為的通知》(證監發[2005]120號)規定的資金往來、資金佔用情形。本行與中信集團及其相關方、新湖中寶及其相關方、中國煙草及其相關方、保利集團及其相關方、關聯自然人投資或任職的關聯方發生的關聯貸款，對本行的經營成果和財務狀況未產生負面影響。

5.6.3 非授信類持續關聯交易

經本行2017年8月24日召開的第四屆董事會第二十五次會議、2017年11月30日召開的2017年第二次臨時股東大會審議批准，根據業務發展需要，本行針對與中信集團及其相關方之間七大類非授信持續關聯交易向上交所、香港聯交所申請了2018-2020年度上限，並於董事會召開當天簽署了相關持續關聯交易框架協議。經本行2018年10月25日召開的第五屆董事會第七次會議審議批准，根據業務發展需要，本行分別針對與新湖中寶及其相關方、與中國煙草及其相關方、與保利集團及其相關方之間七大類非授信持續關聯交易向上交所申請了2018-2020年度上限。本行與上述關聯方之間開展的非授信業務均遵循一般商業條款，以不優於給予獨立第三方的條款進行。

第五章 董事會報告

根據《香港聯合交易所有限公司證券上市規則》第十四A章、《上海證券交易所股票上市規則》第十章的相關規定，本行與中信集團及其相關方、與新湖中寶及其相關方、與中國煙草及其相關方、與保利集團及其相關方之間持續關聯交易的開展情況如下：

5.6.3.1 第三方存管服務

本行與主要股東及其相關方之間開展的第三方存管服務，以不優於獨立第三方的條款進行。

第三方存管服務框架協議主要條款如下：

- 提供與其各自證券公司客戶交易結算資金有關的第三方存管服務。
- 按協議提供的服務包括但不限於資金轉賬、支付利息和其他結算有關的事項。
- 服務的接受方必須也將促使其相關方向服務的提供方支付服務費(如適用)。
- 按協議提供的服務條款對本行而言不遜於獨立第三方客戶取得或提供的條款。

主要股東及其相關方支付本行的服務費取決於相關的市場定價並定期覆核。2018年，本行與中信集團及其相關方、與新湖中寶及其相關方、與中國煙草及其相關方、與保利集團及其相關方的第三方存管服務的年度上限分別為0.80億元、0.50億元、0.50億元、0.50億元。截至報告期末，本行與中信集團及其相關方實際發生的該類交易金額為0.12億元；與前述其他主要股東及其相關方實際未發生該類交易。本行與前述主要股東及其相關方的第三方存管服務交易均未超過本行獲批的年度交易上限。

5.6.3.2 資產託管服務

本行與主要股東及其相關方之間開展的資產託管、賬戶管理和第三方監管服務，以不優於獨立第三方的條款進行。

資產託管服務框架協議主要條款如下：

- 進行與財務資產或基金有關的包括但不限於基金公司管理資產(含證券投資基金)、證券公司管理資產、信託公司管理資產、商業銀行理財產品、保險公司管理資產、股權投資基金、企業年金、QDII、QFII、社保基金、福利計劃、第三方交易資金的資產託管服務、賬戶管理服務。
- 進行第三方監管服務，服務的接受方支付服務費。
- 服務的接受方必須也將促使其相關方向提供方支付相應的服務費。
- 按協議提供的服務條款對本行而言不遜於獨立第三方客戶取得或提供的條款。

雙方支付的服務費用，取決於相關市場價格以及託管的資產或資金種類等，且定期覆核。2018年，本行與中信集團及其相關方、與新湖中寶及其相關方、與中國煙草及其相關方、與保利集團及其相關方的資產託管服務的年度上限分別為14.00億元、2.00億元、2.00億元、2.00億元。截至報告期末，本行與新湖中寶及其相關方實際未發生該類交易，本行與中信集團及其相關方、與中國煙草及其相關方、與保利集團及其相關方實際發生的該類交易金額分別為5.83億元、87.74萬元、33.00萬元，均未超過本行獲批的年度交易上限。

5.6.3.3 財務諮詢顧問及資產管理服務

本行與主要股東及其相關方之間開展的財務諮詢顧問服務及資產管理服務沒有固定的價格或費率，可根據提供服務的規模、費率及服務期限進行計算，由雙方公平對等談判確定，以不優於獨立第三方的交易價格及費率進行。

財務諮詢顧問服務及資產管理服務框架協議主要條款如下：

- 業務包括但不限於：(1)債券承銷；(2)融資及財務顧問服務；(3)代銷金融產品服務；(4)資產證券化承銷；(5)委託貸款服務；(6)投融資項目承銷；(7)諮詢顧問服務；及(8)保理項下應收賬款管理、催收、壞賬擔保等。
- 服務的接受方必須也將促使其相關方就服務支付服務費(如適用)。
- 按協議提供的服務條款對本行而言不遜於獨立第三方客戶取得或提供的條款。

2018年，本行與中信集團及其相關方、與新湖中寶及其相關方、與中國煙草及其相關方、與保利集團及其相關方的財務諮詢顧問服務及資產管理服務交易的年度上限分別為45.00億元、5.00億元、5.00億元、5.00億元。截至報告期末，本行與前述主要股東及其相關方實際發生的該類交易金額分別為3.57億元、0.40億元、10.00萬元、0.03億元，均未超過本行獲批的年度交易上限。

5.6.3.4 資金交易

本行與主要股東及其相關方在日常業務中根據適用的一般市場慣例及一般商業條款進行資金交易。

資金交易框架協議主要條款如下：

- 資金交易框架協議所涵蓋的交易，包括但不限於外匯及貴金屬交易、貴金屬租賃、貨幣市場交易、債券交易及債券代理結算、金融衍生產品交易等。

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該等交易定價原則為：雙方採用通行的市場價格並參考與獨立第三方交易中一般適用的費率。具體而言，對於外匯及貴金屬交易、貴金屬租賃、貨幣市場交易、債券交易等業務，雙方根據公開的市場價格確定雙方交易採用的價格；對於債券代理結算業務，雙方根據行業通行的規定確定費率；對於金融衍生品業務，雙方根據所交易產品的市場活躍程度、可取得的市場公開報價及本行對於各項風險的管理要求等因素確定交易價格。2018年，本行與中信集團及其相關方資金交易損益的年度上限為15.00億元，衍生金融工具公允價值計入資產的年度上限為25.00億元，計入負債的年度上限為45.00億元；與新湖中寶及其相關方資金交易損益的年度上限為1.00億元，衍生金融工具公允價值計入資產的年度上限為10.00億元，計入負債的年度上限為10.00億元；與中國煙草及其相關方資金交易損益的年度上限為1.00億元，衍生金融工具公允價值計入資產的年度上限為10.00億元，計入負債的年度上限為10.00億元；與保利集團及其相關方資金交易損益的年度上限為1.00億元，衍生金融工具公允價值計入資產的年度上限為20.00億元，計入負債的年度上限為20.00億元。截至報告期末，本行與中信集團及其相關方實際發生資金交易產生的損益為1.09億元，計入資產的衍生金融工具公允價值為0.75億元，計入負債的衍生金融工具公允價值為0.38億元；與新湖中寶及其相關方實際發生資金交易產生的損益為0.88億元，計入資產和計入負債的衍生金融工具公允價值均為零；與中國煙草及其相關方、保利集團及其相關方實際未發生該類交易。本行與前述主要股東及其相關方的資金交易均未超過本行獲批的年度交易上限。

5.6.3.5 綜合服務

本行主要股東及其相關方與本行之間的綜合服務，包括但不限於醫療保險及企業年金、商品服務採購、外包服務、增值服務、廣告服務、技術服務及物業租賃等。

綜合服務框架協議主要條款如下：

- 開展的服務包括但不限於以下類別：醫療保險及企業年金、商品服務採購(包括承辦會務服務)、外包服務、增值服務(包括銀行卡客戶積分兌換服務、電子銀行在線服務)、廣告服務、技術服務、物業租賃等。
- 協議雙方提供協議項下的服務。
- 服務的接受方應就服務提供方提供的服務向其支付服務費。按協議提供的服務條款對本行而言不遜於獨立第三方客戶取得或提供的條款。

本行與主要股東及其相關方的綜合服務採用通行的市場價格，或獨立第三方交易中適用的費率，通過公平對等談判並根據適用的市場價格及費率來確定特定類型服務應適用的價格和費率。2018年，本行與中信集團及其相關方、與新湖中寶及其相關方、與中國煙草及其相關方、與保利集團及其相關方的綜合服務交易的年度上限分別為35.00億元、1.00億元、1.00億元、3.00億元。截至報告期末，本行與新湖中寶及其相關方實際未發生該類交易，與中信集團及其相關方、與中國煙草及其相關方、與保利集團及其相關方實際發生的該類交易金額分別為20.47億元、0.05億元、1.82萬元，均未超過本行獲批的年度交易上限。

5.6.3.6 資產轉讓

本行與主要股東及其相關方的資產轉讓交易，以不優於獨立第三方的條款進行。

資產轉讓框架協議主要條款如下：

- 購買或出售信貸及其他相關資產(包括但不限於直接或通過資產管理計劃、資產證券化、保理或其他形式出讓對公及零售信貸資產，出讓同業資產債權)中的權益。
- 按協議進行的業務條款對本行而言不遜於獨立第三方客戶取得或提供的條款。
- 協議應明確信貸和其他相關資產的管理權。
- 承擔為資產轉讓保密的義務。

受讓方支付的轉讓價格按照以下原則確定：(1)對於普通類資產轉讓，根據監管要求，信貸資產轉讓應符合整體性原則，轉讓方向受讓方轉讓信貸資產時以貸款本金作為交易價款，採取平價轉讓，不存在折價溢價。除考慮市場供求外，重點考慮轉讓後轉讓方與受讓方承擔的義務等因素；(2)對於資產證券化類資產轉讓，本行向關聯方轉讓信貸資產時以貸款本金作為交易價款，除不良資產證券化外，一般採取平價轉讓；資產支持證券發行利率方面，優先級資產支持證券(不含發起機構持有部分)通過中央國債登記結算有限責任公司的招標系統採用單一利差(荷蘭式)招標方式或簿記建檔方式來確定，次級資產支持證券(不含發起機構持有部分)採用數量招標或簿記建檔方式來確定；(3)目前沒有國家法定轉讓價格的，若未來有國家法定價格，則參照國家規定的價格進行定價。2018年，本行與中信集團及其相關方、與新湖中寶及其相關方、與中國煙草及其相關方、與保利集團及其相關方的資產轉讓交易的年度上限分別為2,100.00億元、50.00億元、50.00億元、50.00億元。截至報告期末，本行與中信集團及其相關方實際發生的該類交易金額為210.30億元；與前述其他主要股東及其相關方實際未發生該類交易。本行與前述主要股東及其相關方發生的資產轉讓交易均未超過本行獲批的年度交易上限。

5.6.3.7 理財與投資服務

本行與主要股東及其相關方在日常業務中適用一般市場慣例及一般商業條款，本行向主要股東及其相關方提供理財與投資服務，包括非保本理財和代理服務、保本理財以及自有資金投資；主要股東及其相關方向本行提供理財中介服務，如信託服務和管理服務等。

理財與投資服務框架協議主要條款如下：

- 提供理財與投資服務，包括非保本理財服務和代理服務，保本理財以及自有資金投資，而關聯方向本行提供理財中介服務，如信託服務和管理服務等。
- 關聯方向本行支付關於本行提供的理財及投資服務的費用。本行也必須向關聯方支付理財中介服務費用。
- 按協議提供的服務條款對本行而言不遜於獨立第三方客戶取得或提供的條款。

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雙方交易通過公平談判的方式，根據理財服務種類及服務範圍的不同，按照一般商業條款確定，以不優於獨立第三方的條款進行，並根據市場價格變化情況實時調整。2018年，本行與中信集團及其相關方理財與投資服務交易項下非保本理財與代理服務費的年度上限為20.00億元，保本理財服務的客戶理財本金時點餘額的年度上限為100.00億元，客戶理財收益的年度上限為4.00億元，投資資金時點餘額的年度上限為850.00億元，本行投資收益及向中介機構支付服務費的年度上限為55.00億元；與新湖中寶及其相關方理財與投資服務交易項下非保本理財與代理服務費的年度上限為5.00億元，保本理財服務的客戶理財本金時點餘額的年度上限為100.00億元，客戶理財收益的年度上限為10.00億元，投資資金時點餘額的年度上限為50.00億元，本行投資收益及向中介機構支付服務費的年度上限為4.00億元；與中國煙草及其相關方理財與投資服務交易項下非保本理財與代理服務費的年度上限為1.00億元，保本理財服務的客戶理財本金時點餘額的年度上限為10.00億元，客戶理財收益的年度上限為1.00億元，投資資金時點餘額的年度上限為10.00億元，本行投資收益及向中介機構支付服務費的年度上限為1.00億元；與保利集團及其相關方理財與投資服務交易項下非保本理財與代理服務費的年度上限為3.00億元，保本理財服務的客戶理財本金時點餘額的年度上限為30.00億元，客戶理財收益的年度上限為3.00億元，投資資金時點餘額的年度上限為50.00億元，本行投資收益及向中介機構支付服務費的年度上限為4.00億元。截至報告期末，本行與中信集團及其相關方實際發生的非保本理財與代理服務費為8.50億元；保本理財的客戶理財本金時點餘額為5.28億元，客戶理財收益為0.13億元，投資資金時點餘額為292.15億元，本行投資收益及向中介機構支付的服務費為8.21億元；與新湖中寶及其相關方實際發生的保本理財的客戶理財本金時點餘額、投資資金時點餘額、本行投資收益及向中介機構支付的服務費實際發生金額均為零，非保本理財與代理服務費為0.22億元，保本理財的客戶理財收益為0.07億元；與保利集團及其相關方實際發生的保本理財的客戶理財本金時點餘額、投資資金時點餘額、本行投資收益及向中介機構支付的服務費實際發生金額均為零，非保本理財與代理服務費為0.25萬元，保本理財的客戶理財收益為33.29萬元；與中國煙草及其相關方實際未發生該類交易。本行與前述主要股東及其相關方發生的理財與投資服務交易均未超過本行獲批的年度交易上限。

本行與中信集團間持續關連交易的理由和益處

中信集團系國有大型綜合性跨國企業集團，擁有銀行、證券、信託、保險、基金、資產管理、期貨等金融附屬公司，金融業務門類齊全，綜合優勢明顯。中信集團及其相關方均建立了全面的風險管理和內部控制流程，其金融產品安全性高且在行業內有較強的競爭力。中信集團及其相關方在日常業務過程中對以自有資金投資、理財服務、資產轉讓等金融服務的需求不斷增加。通過與中信集團及其相關方合作，有利於有效提高本行綜合收益，在一定程度上降低本行經營風險，充分發揮中信集團綜合金融平台協同效應，為本行所有股東創造高額的投資回報。本行相信，通過和中信集團及其相關方進行資產轉讓、理財投資及其他金融服務方面的合作，有助於本行調整資產流動性，優化資產結構並增加盈利管道，從而為本行所有股東創造更高的價值。

5.6.4 一次性關連交易

報告期內，本行進行了聯交所規則下的一次性關連交易：

5.6.4.1 購買中信廣場部分物業

為滿足業務發展的需求，本行廣州分行購置中信廣場部分物業作為營業用房，標的物業總建築面積為23,003.93平方米，總對價為人民幣910,902,000元。交易詳情如下：

日期

2018年3月28日

訂約方

- (1) 買方：本行廣州分行
- (2) 出讓方：世紀城業有限公司（「世紀城業」）、威確物業有限公司（「威確物業」）

代價

- (1) 世紀城業轉讓的房產價格為人民幣313,035,900元，威確物業轉讓的房產價格為人民幣597,866,100元；
- (2) 本行承擔的契稅及印花稅預計為人民幣27,782,566元，最終以稅務部門出具的繳稅憑據載明的金額為準
- (3) 本行承擔的交易費用為人民幣85,000元；及
- (4) 本行承擔的過戶登記費用預計為人民幣52,057.86元，最終以不動產登記中心出具的繳費憑證上載明的金額為準。

進行交易的理由及裨益

廣州分行自成立以來，在各項業務快速發展的同時，由於沒有自有物業，分行本部長期存在辦公面積不足、辦公樓層分散、租金成本高昂等問題，在相當程度上成為制約業務發展的瓶頸。數年來，廣州分行一直租用中信廣場部分物業作為營業用房，中信廣場能夠充分了解廣州分行的業務及營運要求。購置中信廣場部分物業以後，有利於廣州分行的長期穩健發展，保持中信銀行優秀的對外形象，全面踐行總行建設「最佳綜合金融服務企業」戰略。

香港上市規則之規定

世紀城業、威確物業為中信有限之全資附屬公司，中信有限持有本行65.37%之股份。根據香港上市規則，世紀城業、威確物業為本行之關連人士，本次交易構成本行在香港上市規則第14A章項下的關連交易。由於本次關連交易最高適用百分比率超過0.1%但低於5%，故本次交易須遵守香港上市規則第14A章項下申報及公告的規定，惟獲豁免遵守獨立股東批准的規定。

有關本交易的詳情，請參考本行日期為2018年3月28日的公告。

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5.6.4.2 物業裝飾服務

茲提述本行於2014年3月27日發佈之須予披露之關連交易公告及2014年5月21日發佈之2013年度股東週年大會表決結果公告，內容有關本行與中信和業訂立購買意向協議，以購買中信集團所擁有並置於中信和業名下的位於北京朝陽區東三環北京商務中心區(CBD)核心區Z15地塊項目部分標的物業。於2018年4月28日，本行與中信和業進一步訂立了補充協議，約定了對標的物業提供物業裝飾服務事宜，代價為人民幣4.2億元。交易詳情如下：

日期

2018年4月28日

訂約方

- (1) 甲方：本行
- (2) 乙方：中信和業投資有限公司(「中信和業」)

代價

本次交易的代價為人民幣4.2億元。雙方同意，本次交易費用的不可預見費率為7.5%，即乙方就本項目深化設計或優化建議經甲方同意後生效，為此增加的費用不得超過本次交易代價的7.5%。但甲方提出的工程品質標準變化、功能形態改變和材料設備替換的變更等不在此限，雙方另行協商解決。

進行交易的理由及裨益

標的物業位於北京朝陽區東三環北京商務中心區(CBD)核心區，該區域是世界500強、國內外金融機構總部大樓聚集區，也是北京市政府定位的頂級商務區，區位優勢十分明顯。並且，該物業專案是北京市第一高度建築(約528米)，也是北京里程碑式的地標建築。為此，本行認為本次物業裝飾服務交易，將為本行滿足辦公之需要，並為本行拓展在北京之業務提供保障和支持，對本行自身形象的提升大有裨益。

香港上市規則之規定

鑒於中信和業為本行控股股東中信有限之附屬公司，根據香港上市規則，中信和業為本行之關連人士。因此，本次交易構成本行在香港上市規則14A章項下的關連交易。由於本次關連交易最高適用百分比率超過0.1%但低於5%，故本次交易須遵守香港上市規則第14A章項下申報及公告的規定，惟獲豁免遵守獨立股東批准的規定。

有關本交易的詳情，請參考本行日期為2018年4月29日的公告。

5.6.4.3 物業處置

根據本行存量資產處置工作總體安排，本行杭州分行在北京產權交易所評估值人民幣661,500,000元為底價有條件公開掛牌出售其原辦公樓。於2018年12月13日，杭州分行與杭州中信養老服務簽訂了合同，售出標的物業。標的物業總建築面積約為2.27萬平方米，交易總對價為人民幣661,500,000元。

日期

2018年12月13日

訂約方

- (1) 賣方：杭州分行
- (2) 買方：杭州中信養老服務有限公司（「杭州中信養老服務」）

代價

- (1) 本次交易的代價為人民幣661,500,000元，包括保證金人民幣198,450,000元。
- (2) 標的物業交易過戶所產生的各種交易稅費按物業所在地房產交易規定執行，凡國家有明確規定由買賣雙方各自承擔的交易稅費由買賣雙方承擔，凡國家沒有明確規定的交易稅費由買方承擔，辦理房產證過戶的手續費由買方承擔；
- (3) 標的物業涉及的物業、水、電、暖等相關費用如有欠繳，辦理房產交付之日（買方在標的物業交付確認書上簽署的日期）前產生的費用由賣方承擔，辦理房產交付之日後產生的費用由買方承擔。

進行交易的理由及裨益

出售標的物業符合本行「輕資產、輕資本」的戰略發展要求。本次交易預計增加本行營業外收入約人民幣244,246,769元，釋放佔用風險資產約人民幣241,430,000元及每年節約大樓持有成本近人民幣20,000,000元（折舊及物業費等）。同時，出售標的物業可以有效減少本行閒置資產，提高內部管理及運營效率。

香港上市規則之規定

鑒於杭州中信養老服務為中信集團之全資附屬公司，中信集團為本行的實際控制人，因而根據香港上市規則，杭州中信養老服務為本行之關連人士。因此，本次交易構成本行在香港上市規則14A章項下的關連交易。由於本次交易最高適用百分比率超過0.1%但低於5%，故本次交易須遵守香港上市規則第14A章項下申報及公告的規定，惟獲豁免遵守獨立股東批准的規定。

有關本交易的詳情，請參考本行日期為2018年12月13日的公告。

第五章 董事會報告

5.6.4.4 關連人士認購A股可轉債

於2019年2月28日，本行與中信有限簽訂了《公開發行A股可轉換公司債券認購協議》，以不超過人民幣263.88億元的現金認購本行A股可轉債。

日期

2019年2月28日

訂約方

- (1) 甲方(發行人): 本行
- (2) 乙方(認購人): 中信有限

本次發行

甲方本次公開發行合計不超過400億元A股可轉債。在前述範圍內，甲方最終發行數量由發行人股東大會授權董事會在取得中國證監會關於本次公開發行A股可轉換公司債券的核准批文後確定。

認購

乙方擬認購甲方263,880,000張可轉債，最終認購數量以甲方董事會在發行前根據市場情況確定的優先配售數量及乙方參與(若有)優先配售後的餘額網上申購獲得的數量為準。

認購價格

甲方本次發行的可轉債每張面值人民幣100元，按面值發行。

進行交易的理由及裨益

為提高本行資本充足率，加強本行綜合競爭力及可持續發展力，本行此前通過了發行A股可轉債方案。可轉換債券作為一種兼具股票與債券的特性的融資工具，轉股期限長，故容易得到投資者的認可並較好地適應市場的需求，因此是本行補充核心一級資本的現實選擇。為保護現有股東利益，減少因發行方案帶來對現有股東的攤薄影響，發行方案給予現有A股股東優先權利，使其有權按照其各自持有本行A股股本比例優先認購A股可轉債。

香港上市規則之規定

鑒於中信有限持有本行65.37%之股份，中信股份及其下屬子公司(含中信有限)合計持有本行股份65.97%，根據香港上市規則，中信有限為本行之關連人士，本次交易構成上市規則下本行的不獲豁免之關連交易，根據上市規則第十四A章須遵守申報、公告及獲獨立股東批准的規定。

有關本交易的詳情，請參考本行日期為2019年2月28日的公告。

5.6.5 共同對外投資關聯交易

報告期內，本行與關聯方之間未發生共同對外投資類重大關聯交易。

5.6.6 債權債務及擔保關聯交易

本行與關聯方存在的債權債務及擔保事項，詳見本報告「財務報表附註64關聯方」。

5.6.7 關聯自然人交易餘額及風險敞口

本行與關聯自然人的交易餘額及風險敞口事項，詳見本報告「財務報表附註64關聯方」。

5.6.8 獨立非執行董事及審計師的確認

本行獨立非執行董事對報告期內香港上市規則下各項持續關聯交易進行了審核，並確認：

- (1) 這些交易為本行的日常業務；
- (2) 這些交易是按照一般商業條款進行；
- (3) 這些交易是根據有關交易的協議條款進行，且條款公平合理，並符合本行股東的整體利益。

審計師獲取了本行管理層提供的持續關連交易清單，並根據《香港鑒證業務準則》第3000號「除歷史財務信息審計、審閱業務以外的其他鑒證業務」的規定以及香港會計師公會頒佈的事務操作第740號文件「審計師關於香港上市規則下的持續關連交易的函件」執行相關工作後，關於披露的持續關連交易，審計師未發現存在下列情形：

- (1) 持續關連交易存在未通過本行董事會批准的情況；
- (2) 在提供產品和服務的關連交易中，在所有重大方面各項關連交易的定價不符合本集團定價政策的情況；
- (3) 在所有重大方面各項關連交易的執行不符合關連交易的相關協議中所訂立條款的情況；
- (4) 各項持續關連交易的總值超過本行於2017年8月24日、2017年11月30日公告中披露的各項持續關連交易的年度總值上限。

董事會確認已收到審計師就《上市規則》第14A.56條所述事宜之確認。

5.7 重大合同及其履行情況

5.7.1 重大託管、承包、租賃事項

報告期內，本行未發生且不存在以前期間發生但延續到報告期的重大託管、承包、租賃其他公司資產的事項，亦不存在其他公司託管、承包、租賃本行重大資產事項。

5.7.2 重大擔保事項

擔保業務屬於本行常規的表外項目之一。報告期內，本行除經批准的經營範圍內的金融擔保業務外，沒有其他需要披露的重大擔保事項。

獨立非執行董事關於公司對外擔保的專項說明及獨立意見

我們作為中信銀行的獨立非執行董事，本著公正、公平、客觀的原則，對中信銀行的對外擔保情況進行了核查，現發表專項說明及意見如下：

經核查，本集團開展的對外擔保業務以保函為主，保函是經批准的日常經營範圍內的常規性銀行業務之一。截至報告期末，本集團開出的保函的擔保餘額折合人民幣1,588.13億元。

本集團始終高度重視對保函業務的風險管理，根據保函業務的風險特徵，制定了被擔保對象的資信標準、擔保業務的操作流程和審批程序。報告期內，本集團保函業務運作正常，沒有出現違規擔保的情形。我們認為，本集團對擔保業務風險的控制是有效的。

中信銀行股份有限公司
獨立非執行董事
何操、陳麗華、錢軍、殷立基

5.7.3 委託理財情況

報告期內，本行未發生正常業務範圍之外的委託理財事項。

5.7.4 其他重大合同

報告期內，本行未簽署正常業務範圍之外的其他重大合同。

5.8 公司及相關主體承諾事項

2012年4月16日，中信有限作出承諾：中信有限自收購中信銀行股份交割之日起5年之內，將不會轉讓本次收購的中信銀行股份（但根據相關法律法規或監管部門的批准向中信股份關聯方轉讓中信銀行股份，或根據國有資產監督管理程序進行的國有資產無償劃轉的情形除外）；中信有限如到期後轉讓股份將就轉讓行為及受讓方的股東資格提前取得監管部門的同意。2013年2月25日，中信有限收購本行股份的交易完成交割。中信有限以上承諾自2013年2月25日起生效。2018年3月16日，本行接到中信股份通知，中信有限以上承諾的股份限售期已屆滿。

根據中國證監會相關規定，本行分別就境內非公開發行優先股事項和公開發行A股可轉換公司債券並上市事項可能導致的即期回報被攤薄制訂了擬採取的填補措施，包括加強資本規劃管理，確保資本充足穩定；加大資產結構調整力度，提高資本配置效率；提高運營效率，降低運營成本；加強內部資本充足評估流程，提高資本管理水平；加強資本壓力測試，完善資本應急預案。同時，本行董事、高級管理人員也作出了關於填補回報措施能夠得到切實履行的承諾。

報告期內，本行未發現有違反上述承諾的行為。除上述承諾外，本行未發現股東、實際控制人、收購人、本行及本行董事、監事、高級管理人員或其他承諾方在報告期內履行完畢的或截至報告期末尚未履行完畢的其他承諾。

5.9 聘任會計師事務所情況

根據2017年年度股東大會審議通過的決議，本行繼續聘請普華永道會計師事務所為本行2018年度境內審計的會計師事務所，繼續聘請羅兵咸永道會計師事務所為本行2018年度境外審計的會計師事務所。自2015年度審計開始，本行聘用上述兩家會計師事務所作為本行審計師。兩家會計師事務所已經連續4年為本行提供審計服務，2018年度為本行按中國會計準則編製的財務報表審計報告簽字的註冊會計師為朱宇和李燕，其為本行提供審計服務的連續年限分別為2年和1年；為本行按國際財務報告準則編製的財務報表審計報告簽字的註冊會計師為陳廣得，其為本行提供審計服務的連續年限為2年。

本集團2018年度按中國會計準則編製的財務報告以及2018年12月31日的內部控制報告由普華永道會計師事務所審計，按國際財務報告準則編製的2018年度財務報告由羅兵咸永道會計師事務所審計，合計審計費用（包括子公司的財務報告審計）約為2,029萬元，其中內部控制報告審計費用為100萬元。普華永道會計師事務所和羅兵咸永道會計師事務所就其對財務報告之責任聲明分別列載於A股、H股年報的審計報告內。

除上述提及的審計服務外，本年度本集團向普華永道會計師事務所和羅兵咸永道會計師事務所支付的非審計服務（包括為資產證券化、稅務諮詢、信息技術服務等提供的專業服務）費用約2,135萬元。

5.10 公司章程修訂情況

2017年8月，本行根據法律法規、監管規定和將黨建工作寫入公司章程的總體要求，結合本行實際，在公司章程中增加國企黨建工作有關內容，同時對一般準備金餘額、內部審計制度等條款進行了修訂。涉及章程修訂的相關議案已經2017年11月30日召開的2017年第二次臨時股東大會審議通過，此次修訂的章程於2018年4月4日獲得中國銀保監會核准並正式生效。

2018年5月，本行根據銀保監會《商業銀行股權管理暫行辦法》，結合本行實際，在公司章程中增加主要股東定義、股東義務、累計投票制、內審工作機制等有關內容，同時對關聯交易定義、監事會主席表述、外部監事津貼標準制定流程等條款進行了修訂。涉及章程修訂的相關議案已經2018年8月8日召開的2018年第二次臨時股東大會審議通過，此次修訂的章程將在中國銀保監會核准後正式生效。

2018年12月，本行擬在境內非公開發行不超過4億股優先股，並在本次優先股發行完成後，根據本次發行結果對本行公司章程中與本次發行優先股股份有關的內容，包括本次優先股發行完成日期、本行優先股股份總數等進行修訂。涉及章程修訂的相關議案已經2019年1月30日召開的2019年第一次臨時股東大會審議通過，此次修訂的章程將在中國銀保監會核准後正式生效。

上述章程修訂的相關情況參見本行於2018年4月13日、8月9日和2019年1月31日在上交所網站(www.sse.com.cn)、香港聯交所披露易網站(www.hkexnews.hk)和本行網站(www.citicbank.com)發佈的相關公告。投資者可於上述網站查詢本行當前生效的公司章程全文。

5.11 股權激勵計劃實施情況

截至報告期末，本行尚未實施股權激勵計劃。

5.12 募集資金使用情況及非募集資金投資的重大項目情況

本行募集的資金按照招股說明書、配股說明書等文件中披露的用途使用，即所有募集資金全部用於充實本行資本金，提高本行的資本充足率和抗風險能力。

5.13 公司及相關主體受處罰及整改情況

報告期內，本行及本行的董事、監事、高級管理人員、控股股東、實際控制人、收購人不存在被有關機關調查、被司法機關或紀檢部門採取強制措施、被移送司法機關或追究刑事責任、被中國證監會立案調查或行政處罰、被市場禁入、被認定為不適當人選，被環保、安監、稅務等其他行政管理部門給予重大行政處罰，以及被證券交易所公開譴責的情形，本行亦無受到中國證監會及其派出機構採取行政監管措施並被要求限期整改的情況發生。

報告期內，本行依法開展經營活動，決策程序符合法律、法規和本行章程的規定。董事、監事、高級管理人員勤勉盡責，未發現其履職時有違反法律、法規、本行章程或損害本行利益的行為。

5.14 公司及相關主體誠信狀況

報告期內，本行及本行控股股東、實際控制人不存在未履行法院生效判決、所負數額較大的債務到期未清償等情況。

5.15 儲備

本行截至報告期末的儲備變動詳情參見本報告「財務報表附註50-53」。

5.16 物業

本行截至報告期末的物業變動詳情參見本報告「財務報表附註33物業和設備」。

5.17 資產負債表期後事項

本行截至報告期末的資產負債表期後事項詳情參見本報告「財務報表附註70財務狀況表日後事項」。

5.18 管理合約

報告期內，本行沒有就整體或任何重要業務的管理和行政工作簽訂或存有任何合約。

5.19 可供分配利潤的儲備

本行可供分配利潤的儲備詳細情況參見本報告「財務報表—合併股東權益變動表」。

5.20 捐款

本集團嚴格遵守《中華人民共和國慈善法》等法律法規的要求，積極回報社會，將捐贈款項向最需要的地方傾斜。截至報告期末，本集團捐贈本外幣共計折合人民幣2,626.74萬元，主要用於扶貧、助學、救災以及對社會弱勢群體的資助。本集團員工捐款人民幣136.07萬元，納稅總額 273.01億元²³，增幅12.67%；每股社會貢獻值4.68元²⁴，增幅7.07%。

5.21 固定資產

本行截至報告期末的固定資產變動詳情參見本報告「財務報表附註33物業和設備」。

5.22 退休與福利

本行根據國家相關法規政策，為員工繳納基本養老保險。基本養老保險繳費金額，按員工的工資收入及各地區規定的繳納比例確定。此外，本行還為員工建立了企業年金，企業年金由中信集團統一管理，繳費金額為員工工資收入的5%。

本行提供給員工的退休福利詳情參見本報告「財務報表附註42應付職工薪酬」。

²³ 本行始終依法納稅，未產生稅收爭議或罰款。

²⁴ 每股社會貢獻值=（年內上繳稅收+支付員工工資+向債權人支付的借款利息+對外捐贈總額+因環境污染等造成的其他社會成本）÷股本總數+基本每股收益。

5.23 股本及公眾持股量

本行報告期內的股本變動情況參見本報告「財務報表附註48股本」。根據已公開資料，本行董事會認為，截至本報告披露日，本行具有足夠的公眾持股量。

5.24 股份的買賣或贖回

報告期內，本行及本行任何附屬公司概無購買、出售或贖回本行任何股份。

5.25 優先認股安排

中國有關的法律、行政法規和相關部門規章並未對上市公司的股份優先購買權作出強制性規定，本行公司章程也沒有關於優先認股權的強制性規定。根據公司章程的規定，本行增加註冊資本，可以採取公開或非公開發行普通股股份、向現有普通股股東配售新股、向現有股東派送新股、以資本公積金轉增註冊資本、優先股轉為普通股以及法律、行政法規規定和國務院授權的有關審批部門批准的其他方式進行。

5.26 發行股份的情況

報告期內，本行發行股份的相關情況參見本報告第六章「普通股股份變動及股東情況」和第七章「優先股相關情況」。

5.27 債權證發行

報告期內，本行債權證發行情況參見本報告第六章「普通股股份變動及股東情況」。

5.28 股票掛鉤協議

報告期內，除本報告第七章「優先股相關情況」章節披露外，本行未訂立或存續任何股票掛鉤協議。

5.29 董事及監事收購股份及債券之權利

報告期內，概無董事及監事或彼等各白之聯繫人獲得本行或其附屬公司授予權利或行使該等權利，以收購本行或任何其他法人團體之股份或債權證。

5.30 主要股東權益

參見本報告第六章「普通股股份變動及股東情況—主要普通股股東及其他人士擁有之權益及淡倉」。

5.31 稅項事務

A股股東

對於個人投資者股東，根據財政部、國家稅務總局、中國證監會《關於實施上市公司股息紅利差別化個人所得稅政策有關問題的通知》（財稅[2012]85號）和《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》（財稅[2015]101號）的規定，個人從公開發行和轉讓市場取得的上市公司股票，持股期限在1個月以內（含1個月）的，其股息紅利所得全額計入應納稅所得額；持股期限在1個月以上至1年（含1年）的，暫減按50%計入應納稅所得額；持股期限超過1年的，其股息紅利所得暫免徵收個人所得稅。上述所得統一適用20%的稅率計徵個人所得稅。

對於證券投資基金股東，其股息紅利所得按照前述《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》（財稅[2015]101號）、《關於實施上市公司股息紅利差別化個人所得稅政策有關問題的通知》（財稅[2012]85號）等規定執行。

對於居民企業股東（含機構投資者），現金股息紅利所得稅由其按照國家相關稅收規定自行履行納稅義務繳納。

對於合格境外機構投資者（QFII），根據《國家稅務總局關於中國居民企業向QFII支付股息、紅利、利息代扣代繳企業所得稅有關問題的通知》（國稅函[2009]47號）的規定，上市公司按10%的稅率代扣代繳企業所得稅。如QFII股東取得的股息紅利收入需要享受稅收協定（安排）待遇的，可按照規定向主管稅務機關申請，主管稅務機關審核無誤後按稅收協定的規定執行；若涉及退稅，可在取得股息紅利後及時自行向主管稅務機關提出退稅申請。

H股股東

對於境外居民個人股東，根據《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》（國稅函[2011]348號）的規定，境外居民個人股東從境內非外商投資企業在香港發行股票取得的股息紅利所得，應按照「利息、股息、紅利所得」項目，由扣繳義務人一般依法按照10%稅率代扣代繳個人所得稅。境內非外商投資企業在香港發行股票，其境外居民個人股東根據其居民身份所屬國家與中國簽署的稅收協定及內地和香港（澳門）間稅收安排的規定，享受相關稅收優惠。根據相關稅收協定及稅收安排規定的相關股息稅率一般為10%，為簡化稅收徵管，在香港發行股票的境內非外商投資企業派發股息紅利時，一般可按10%稅率扣繳個人所得稅，無需辦理申請事宜。對股息稅率不屬10%的情況，按以下規定辦理：（1）低於10%稅率的協定國家居民，扣繳義務人可代為辦理享受有關協定待遇申請，經主管稅務機關審核批准後，對多扣繳稅款予以退還；（2）高於10%低於20%稅率的協定國家居民，扣繳義務人派發股息紅利時應按協定實際稅率扣繳個人所得稅，無需辦理申請審批事宜；（3）沒有稅收協定國家居民及其他情況，扣繳義務人派發股息紅利時應按20%扣繳個人所得稅。

第五章 董事會報告

對於非居民企業股東，根據國家稅務總局《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)的規定，中國居民企業向境外H股非居民企業股東派發2008年及以後年度股息時，統一按10%的稅率代扣代繳企業所得稅。

有關滬港通的稅項事宜根據財政部、國家稅務總局、中國證監會《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)的規定執行。

優先股股東

對於個人優先股股東取得的優先股股息涉及的個人所得稅繳納事宜，按照國家相關稅收規定執行。

對於居民企業優先股股東(含機構投資者)，優先股股息由其按照國家相關稅收規定自行履行納稅義務繳納。

本行股東依據上述規定繳納相關稅項和／或享受稅項減免。

5.32 與環境相關的表現和政策

本行嚴格遵守《中華人民共和國環境保護法》、《中華人民共和國節約能源法》等法律法規的要求，在《中信銀行2018-2020年發展規劃》中明確本行在規劃期內將加大對綠色經濟的支持，完善環境和社會風險全流程管理。

報告期內，本行制定《中信銀行2018年授信政策》，確定了綠色金融的授信政策，堅持創新、協調、綠色、開放、共享的發展理念，嚴格落實相關監管要求，完善綠色金融管理體系，加大對綠色經濟、低碳經濟、循環經濟的支持，防範環境和社會風險，提升自身環境和社會表現，並以此優化信貸結構，提高服務水平，促進發展方式轉變。《中信銀行2018年授信政策》明確了綠色信貸重點支持的領域，設立了綠色金融的發展目標，並將綠色信貸業務納入績效考核。

報告期內，本行加大了對「兩高一剩」行業的壓縮退出力度，對「兩高一剩」行業中的不同企業分類施策，對於技術優、效率高、有潛力、有市場的優質龍頭企業，繼續給予支持；對於其他企業，逐步壓縮退出，對短期內難以壓縮退出的企業，在保全權益的前提下維持授信、擇機壓退。

報告期內，根據環境和社會風險的高低，將公司授信客戶或項目分為A、B、C類。對分類為A類或B類的客戶和項目，在授信申請、審查審批、授後管理環節對環境和社會風險的進展情況進行動態評估，評估內容包括客戶環境和社會風險的管理情況、變現情況及對外溝通交流情況，評估結果作為客戶准入、管理、退出的重要依據，並將客戶的環境和社會風險管理融入授前調查、審查審批、合同管理、用信審核、授後管理等業務流程。

5.33 破產重整相關事項

報告期內，本行未發生任何破產重整相關事項。

5.34 主要風險

本行面對的主要風險參見本報告第四章「經營情況討論與分析」。

5.35 會計政策、會計估計變更或重大會計差錯更正的情況

財政部於2017年頒佈了修訂後的《企業會計準則第14號—收入》，本集團已採用上述準則編製2018年年度財務報表，上述準則的採用未對本集團財務報表產生重大影響。

財政部於2017年3月修訂《企業會計準則第22號—金融工具確認和計量》、《企業會計準則第23號—金融資產轉移》、《企業會計準則第24號—套期會計》和《企業會計準則第37號—金融工具列報》（簡稱「新金融工具準則」），新金融工具準則的首次執行日為2018年1月1日。根據新金融工具準則的過渡要求，不對比較期間信息進行重述，金融資產和金融負債於首次執行日的賬面價值調整計入當期的期初留存收益和其他綜合收益。基於以上處理，本集團僅對當期信息進行相關披露。比較期間的附註仍與以前年度披露的信息保持一致。

財政部於2018年12月發佈《關於修訂印發2018年度金融企業財務報表格式的通知》（財會[2018]36號），本集團從2018年1月1日開始的會計年度起採用新的金融企業財務報表格式編製財務報表，不對比較期間信息進行重述，基於實際利率法計提的金融工具的利息應包含在相應金融工具的賬面餘額中，並反映在相關科目中。「應收利息」和「應付利息」科目僅反映相關金融工具已到期可收取或應支付但於資產負債表日尚未收到或尚未支付的利息，在「其他資產」或「其他負債」科目中列示。除上述修改外，新格式的採用未對本集團財務報表產生重大影響。

5.36 履行扶貧社會責任情況

5.36.1 金融精準扶貧工作舉措

報告期內，本行深入貫徹落實《中共中央國務院關於打贏脫貧攻堅戰三年行動的指導意見》等政策要求，根據中國人民銀行、銀保監會等監管機構的工作部署，把金融精準扶貧作為全行重要的政治責任、社會責任和歷史使命，創新產品和服務模式，持續提升全行金融精準扶貧的精準度和有效性。全行金融精準扶貧基礎持續夯實，金融精準扶貧成效逐步顯現。

金融精準扶貧基礎持續夯實。本行持續完善金融精準扶貧管理架構，成立了行領導牽頭掛帥的金融扶貧領導小組，由前中後台部門共同組成的工作小組；分行在總行管理框架基礎上，建立管理層親自抓，業務、風險、人力、財會等部門共同推動，經營機構重點實施的三層管理構架。在《中信銀行「十三五」時期金融扶貧工作規劃》指導下，本行對金融扶貧產品創新、信貸資源配置、授信審批支持、金融知識普及和宣傳等工作提出了具體的目標和舉措，強化金融扶貧激勵引導，將扶貧成效納入分行考核。建立了金融精準扶貧統計數據報送機制，加強數據質量管理，完善數據採集流程，確保扶貧數據準確、及時、完整報送。



截至報告期末，本行金融精準扶貧貸款餘額68.93億元，比上年增加了26.68億元，增幅63%。從承貸主體來看，個人精準扶貧貸款30.39億元，比上年增長了9%；單位精準扶貧貸款38.54億元，比上年增長了167%。

5.36.2 其他精準扶貧舉措

本行投入950萬元，繼續在西藏自治區謝通門縣、甘肅省宕昌縣張家村和新疆維吾爾族自治區3個村開展定點扶貧工作，並向定點扶貧地區派駐了幹部，為貧困群眾脫貧致富提供助力，為地方經濟建設增加活力。截至報告期末，本行共派出56名幹部員工駐村扶貧，其中任職村第一書記21人，掛職縣以上幹部3人，捐贈扶貧資金1,929.06萬元，較上年增長27.10%，重點集中在農業扶貧、基建扶貧、教育扶貧、慈善扶貧四個主要方向，受益貧困群眾超過10萬人。

報告期內，本行捐贈250萬元，與愛佑慈善基金會「愛佑童心」項目合作，共同救助貧困地區貧困家庭的先天性心臟病兒童。其中，簡單先天性心臟病兒童，包括室間隔缺損、房間隔缺損、動脈導管未閉、肺動脈瓣狹窄等佔比約59%，復合和複雜先天性心臟病兒童，包括複雜病種以法樂氏四聯症以及合併重度肺動脈高壓等佔比約41%。截至報告期末，該項目共救助患兒212名，救助的患兒年齡以中低年齡段分佈居多，女性佔比58%，男性佔比42%。

5.36.3 金融精準扶貧工作計劃

2019年，本行將繼續積極貫徹中央金融扶貧精神和監管政策要求，在政策引導下開展金融扶貧業務。結合本行業務特點和風險偏好，研究扶貧產品開發，提升金融扶貧的精準性和有效性。

加大金融扶貧支持力度。精準對接扶貧重點項目和重點地區的金融需求，支持貧困地區交通、水利、電力、能源、生態環境建設等基礎設施和文化、醫療、衛生、信息化建設等基本公共服務項目建設，支持貧困地區規範的異地扶貧搬遷、新型城鎮化建設項目和安居工程、市政工程等民生工程項目。精準對接特色產業的金融需求，立足貧困地區資源稟賦、產業特色，支持能吸收建檔立卡貧困戶就業、帶動貧困人口增收的特色產業發展，支持龍頭企業上下游建檔立卡貧困戶的生產經營，提升貧困戶脫貧內生發展動力。精準對接貧困人口就業就學的金融需求，支持建檔立卡貧困戶生產、創業、助學等貸款需求和支付服務需求。

加強金融精準扶貧體系建設。開展扶貧模式創新，在風險可控的前提下，探索開展基於農村承包土地經營權和農民住房財產權的「兩權」抵押貸款業務。加強銀證、銀保合作，完善金融扶貧的風險補償和分擔機制。強化信貸支持，同等條件下優先審批扶貧貸款或項目。完善評估和考核體系，根據分行金融精準扶貧相關制度建設，組織推動、業務開展、風險控制等情況，在綜合績效考核中予以適當加減分；做好數據統計與報送，加強數據質量管理，完善數據採集流程，確保扶貧數據準確、及時、完整報送。

開展金融教育活動。本行利用物理網點、電子渠道等開展持續性的金融消費者權益保護宣傳，積極組織分支行人員進入社區、企業、商圈等宣傳普及金融知識，加強典型案例宣導，努力提升貧困地區民眾的金融知識水平和金融風險防範意識；持續跟進金融精準扶貧工作的最新動態，充分發動分行積極性，深入挖掘基層開展金融精準扶貧工作的典型案例、先進模式和事跡，通過行內外宣傳渠道等形式推廣。

5.37 業務審視

本集團於2018年度的業務狀況、面臨的主要風險和不明朗因素，以及2019年度展望的詳情請參見本報告第四章「經營情況討論與分析」。此外，本集團於2018年度與環境相關的表現和政策、對本集團有重大影響的相關法律法規的合規狀況以及本集團與僱員、供貨商及客戶之關係請分別參閱本報告第四章「經營情況討論與分析」、第五章「董事會報告」和第八章「董事、監事、高級管理人員、員工和分支機構情況」。

5.38 審核委員會

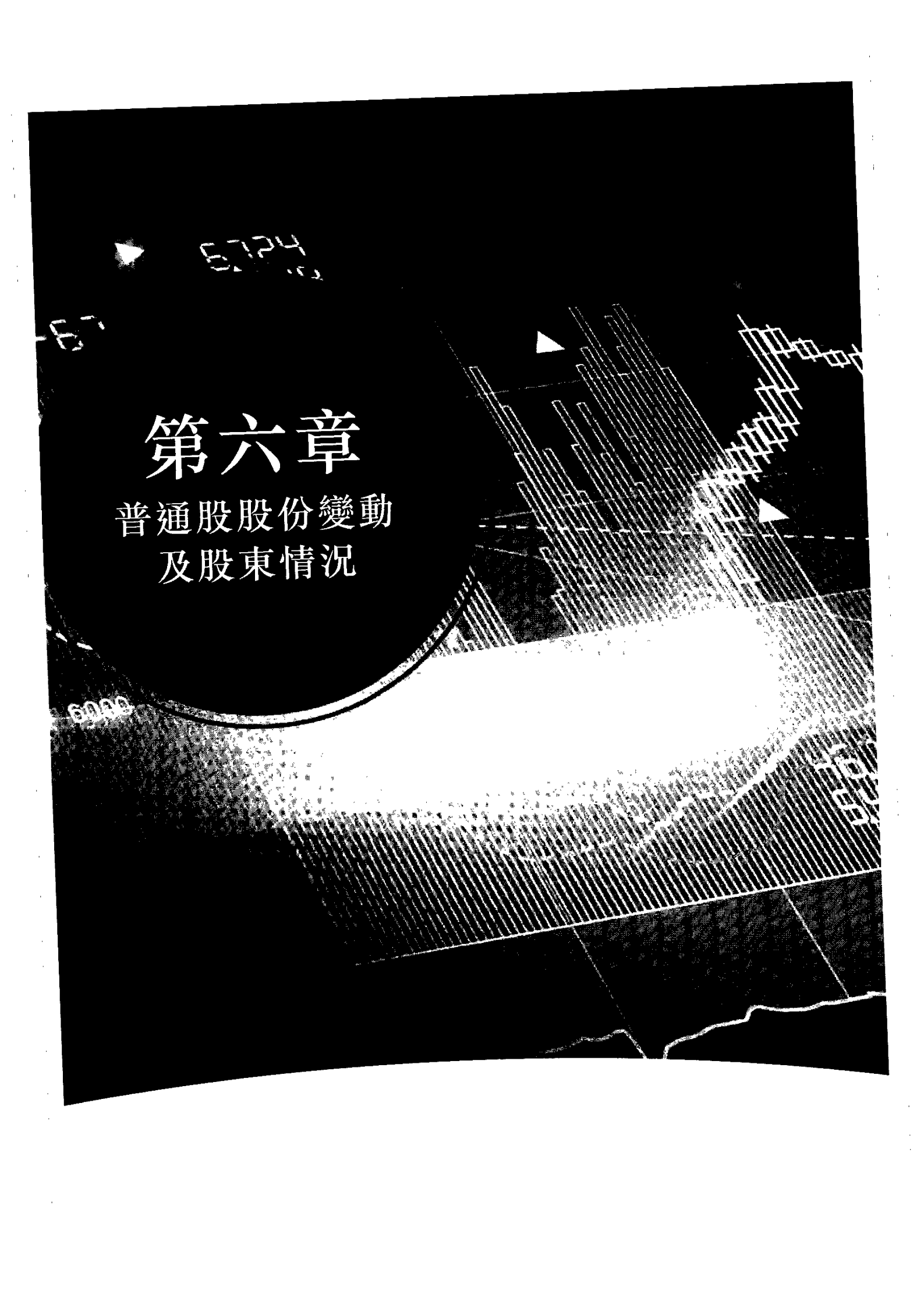
本行董事會審計與關聯交易控制委員會已審閱本行及本集團2018年度的年度業績及按國際財務報告準則編制的2018年度經審計財務報表。

5.39 與僱員、供貨商及客戶之關係

由於業務性質，本行並無主要供貨商。報告期內，本行與僱員、客戶之間無重要及重大糾紛。

5.40 其他重大事項

報告期內，本行發生的屬於《證券法》第六十七條和《上市公司信息披露管理辦法》第三十條所列的重大事件，已作為臨時報告在上交所網站(www.sse.com.cn)、香港聯交所披露易網站(www.hkexnews.hk)和本行網站(www.citicbank.com)進行了披露，具體披露日期可查詢下述「信息披露索引」。



第六章

普通股股份變動
及股東情況

第六章 普通股股份變動及股東情況

6.1 普通股股份變動

6.1.1 股份變動情況表

單位：股

	2017年12月31日		變動增減(+,-)				2018年12月31日	
	數量	比例(%)	發行新股	送股	公積金 轉股	其他	小計	數量 比例(%)
有限售條件股份：	2,147,469,539	4.39					2,147,469,539	4.39
1. 國家持股								
2. 國有法人股	2,147,469,539	4.39					2,147,469,539	4.39
3. 其他內資持股								
其中：境內非國有法人持股								
境內自然人持股								
4. 外資持股								
其中：境外法人持股								
境外自然人持股								
無限售條件股份	46,787,327,034	95.61					46,787,327,034	95.61
1. 人民幣普通股	31,905,164,057	65.20					31,905,164,057	65.20
2. 境內上市的外資股								
3. 境外上市的外資股	14,882,162,977	30.41					14,882,162,977	30.41
4. 其他								
股份總數	48,934,796,573	100.00					48,934,796,573	100.00

6.1.2 有限售條件股份情況

有限售條件股份可上市交易時間

單位：股

時間	限售期滿 新增可上市 交易股份數量	有限售 條件股份 數量餘額	無限售 條件股份 數量餘額
2021年1月20日	2,147,469,539	2,147,469,539	46,787,327,034

前十名有限售條件股東持股數量及限售條件

單位：股

有限售條件 股東名稱	持有的有限售 條件股份數量	可上市 交易時間	新增 可上市交易 股份數量	限售條件
中國煙草總公司	2,147,469,539	2021年1月20日	—	2016年1月20日，本行向中國煙草非公開發行2,147,469,539股A股股票的登記託管手續辦理完畢。中國煙草向原中國銀監會承諾，自股份交割之日起5年內不轉讓本次認購中信銀行股權（詳見本行在上交所網站（www.sse.com.cn）和香港聯交所披露易網站（www.hkexnews.hk）發佈的《中信銀行股份有限公司非公開發行A股股票發行情況報告書》）。

6.2 證券發行與上市情況

6.2.1 股權融資情況

報告期內，本行未發行新的股票。

6.2.2 債券發行情況

經中國銀保監會和人民銀行批准，本行分別於2018年9月13日、10月22日在全國銀行間債券市場完成發行300億元和200億元二級資本債券，債券品種均為10年期固定利率債券，在第5年末附有條件的發行人贖回權，票面年利率分別為4.96%和4.80%，募集資金已全額劃入本行賬戶，用於補充本行二級資本。

有關情況參見本行在上交所網站(www.sse.com.cn)、香港聯交所披露易網站(www.hkexnews.hk)和本行網站(www.citicbank.com)發佈的相關公告。

6.2.3 可轉債發行情況

2017年2月7日，本行2017年第一次臨時股東大會、2017年第一次A股類別股東會及2017年第一次H股類別股東會表決通過了可轉債發行方案及各項相關議案，擬公開發行不超過400億元A股可轉換公司債券。

2017年7月，原中國銀監會出具了《中國銀監會關於中信銀行公開發行A股可轉換公司債券相關事宜的批覆》（銀監復[2017]193號），批准本行公開發行不超過400億元A股可轉換公司債券。2018年12月，中國證監會發行審核委員會審核通過本行公開發行不超過400億元A股可轉換公司債券的申請。2018年12月，中國證監會出具了《關於核准中信銀行股份有限公司公開發行可轉換公司債券的批覆》（證監許可[2018]2168號），核准本行向社會公開發行面值總額400億元可轉換公司債券。2019年3月4日，本行完成A股可轉債發行工作，募集資金400億元，發行數量4,000萬手，按面值發行，每張面值人民幣100元，扣除發行費用後募集資金淨額為3,991,564.02萬元；2019年3月19日，上述A股可轉債在上交所掛牌交易，簡稱中信轉債，代碼113021。

有關情況參見本行在上交所網站(www.sse.com.cn)、香港聯交所披露易網站(www.hkexnews.hk)和本行網站(www.citicbank.com)發佈的相關公告。

6.2.4 內部職工股

本行無內部職工股。

6.3 普通股股東情況

6.3.1 股東總數

截至報告期末，本行普通股股東總數為178,541戶，其中A股股東148,559戶，H股登記股東29,982戶，無表決權恢復的優先股股東。

截至本報告披露日前一月末（2019年2月28日），本行普通股股東總數為175,208戶，其中A股股東145,106戶，H股登記股東30,102戶，無表決權恢復的優先股股東。

6.3.2 前十名股東情況(截至報告期末)

單位：股

序號	股東名稱	股東性質	股份類別	持股總數	持股比例 (%)	持有有限售 條件股份數量	報告期內股份 增減變動情況	股份質押 或凍結數
1	中國中信有限公司	國有法人	A股、H股	31,988,728,773	65.37	0	0	0
2	香港中央結算(代理人)有限公司	境外法人	H股	12,126,027,439	24.78	0	6,673,277	未知
3	中國煙草總公司	國有法人	A股	2,147,469,539	4.39	2,147,469,539	0	0
4	中國證券金融股份有限公司	國有法人	A股	1,114,065,677	2.28	0	81,395,860	0
5	中央匯金資產管理有限責任公司	國有法人	A股	272,838,300	0.56	0	0	0
6	中國建設銀行股份有限公司	國有法人	H股	168,599,268	0.34	0	0	未知
7	香港中央結算有限公司	境外法人	A股	104,414,711	0.21	0	58,204,451	0
8	全國社保基金四一二組合	國家	A股	35,769,900	0.07	0	35,769,900	0
9	茂天資本有限責任公司	國有法人	A股	31,034,400	0.06	0	0	0
10	中國保利集團有限公司	國有法人	A股	27,216,400	0.06	0	0	0

註：(1) 除中信有限外，上表中A股和H股股東持股情況分別根據中國證券登記結算有限責任公司上海分公司和香港中央證券登記有限公司提供的本行股東名冊統計。

(2) 香港中央結算(代理人)有限公司是香港中央結算有限公司的全資子公司。香港中央結算(代理人)有限公司所持股份總數是該公司以代理人身份，代表截至報告期末，在該公司開戶登記的所有機構和個人投資者持有的H股股份合計數。香港中央結算有限公司是以名義持有人身份，受他人指定並代表他人持有股票的機構，其中包括香港及海外投資者持有的滬股通股票。

(3) 中信有限為中信股份的全資子公司。中信有限確認，截至報告期末，中信股份及其下屬子公司(含中信有限)合計持有本行股份52,284,227,773股，佔本行股份總數的65.97%，其中包括A股股份28,938,928,294股，H股股份3,345,299,479股。中信有限直接持有本行股份31,988,728,773股，佔本行股份總數的65.37%，其中包括A股股份28,938,928,294股，H股股份3,049,800,479股。

(4) 冠意有限公司(Summit Idea Limited)確認，截至報告期末，其通過香港中央結算(代理人)有限公司持有本行H股股份2,292,579,000股，佔本行股份總數的4.685%。冠意有限公司為新湖中寶的全資附屬公司。除上述股份外，新湖中寶通過通全資子公司香港新湖投資有限公司直接持有本行H股股份153,686,000股，佔本行股份總數的0.314%。

(5) 上表中普通股股東關聯關係或一致行動的說明：香港中央結算(代理人)有限公司是香港中央結算有限公司的全資子公司。根據《中國建設銀行股份有限公司2018年三季度報告》，截至2018年9月30日，中央匯金投資有限責任公司及其全資子公司中央匯金資產管理有限責任公司合計持有中國建設銀行57.31%的股份。除此之外，本行未知上表中股東之間存在關聯關係或一致行動關係。

6.3.3 前十名無限售條件股東情況(截至報告期末)

單位：股

序號	股東名稱	持有無限售條件 流通股的數量	股份種類及數量	
			種類	數量
1	中國中信有限公司	31,988,728,773	人民幣普通股	28,938,928,294
			境外上市外資股	3,049,800,479
2	香港中央結算(代理人)有限公司	12,126,027,439	境外上市外資股	12,126,027,439
3	中國證券金融股份有限公司	1,114,065,677	人民幣普通股	1,114,065,677
4	中央匯金資產管理有限責任公司	272,838,300	人民幣普通股	272,838,300
5	中國建設銀行股份有限公司	168,599,268	境外上市外資股	168,599,268
6	香港中央結算有限公司	104,414,711	人民幣普通股	104,414,711
7	全國社保基金四一二組合	35,769,900	人民幣普通股	35,769,900
8	茂天資本有限責任公司	31,034,400	人民幣普通股	31,034,400
9	中國保利集團有限公司	27,216,400	人民幣普通股	27,216,400
10	全國社保基金六零二組合	23,953,200	人民幣普通股	23,953,200

第六章 普通股股份變動及股東情況

6.4 主要普通股股東及其他人士擁有之權益及淡倉

截至報告期末，根據《證券及期貨條例》第336條保存的登記冊所記錄，主要股東及其他人士擁有本行的普通股股份及相關股份的權益及淡倉如下：

名稱	持有權益的 股份數目	佔該類別 已發行股本 總額的百分比(%)	股份類別
BBVA	24,329,608,919 ^(L)	71.45 ^(L)	A股
中國中信集團有限公司	3,276,373,479 ^(L)	22.02 ^(L)	H股
	28,938,928,294 ^(L)	84.98 ^(L)	A股
中國中信有限公司	7,018,100,475 ^(L)	47.16 ^(L)	H股
	710 ^(S)	0.00 ^(S)	H股
	28,938,928,294 ^(L)	84.98 ^(L)	A股
中國中信股份有限公司	3,276,373,479 ^(L)	22.02 ^(L)	H股
	28,938,928,294 ^(L)	84.98 ^(L)	A股
中信盛星有限公司	7,018,099,055 ^(L)	47.16 ^(L)	H股
	28,938,928,294 ^(L)	84.98 ^(L)	A股
Summit Idea Limited	2,292,579,000 ^(L)	15.40 ^(L)	H股
Total Partner Global Limited	2,292,579,000 ^(L)	15.40 ^(L)	H股
	2,292,579,000 ^(S)	15.40 ^(S)	
李萍	2,398,165,000 ^(L)	16.11 ^(L)	H股
香港新湖投資有限公司	2,398,165,000 ^(L)	16.11 ^(L)	H股
浙江恆興力控股集團有限公司	2,398,165,000 ^(L)	16.11 ^(L)	H股
浙江新湖集團股份有限公司	2,398,165,000 ^(L)	16.11 ^(L)	H股
國投瑞銀基金管理有限公司 UBS SDIC Fund Management Co., Ltd.	2,292,579,000 ^(L)	15.40 ^(L)	H股
黃偉	2,398,165,000 ^(L)	16.11 ^(L)	H股
新湖中寶股份有限公司	2,398,165,000 ^(L)	16.11 ^(L)	H股
寧波嘉源實業發展有限公司	2,398,165,000 ^(L)	16.11 ^(L)	H股
BlackRock, Inc.	781,392,162 ^(L)	5.25 ^(L)	H股
	303,000 ^(S)	0.00 ^(S)	

註： (L) — 好倉，(S) — 淡倉

除上述披露外，截至報告期末，在根據《證券及期貨條例》第336條保存的登記冊所載內容，並無任何其他人士或公司在本行的股份或相關股份中持有需要根據《證券及期貨條例》第XV部第二、三分部披露的權益或淡倉。

6.5 公司控股股東和實際控制人情況

截至報告期末，中信有限為本行控股股東，中信股份為中信有限單一直接控股股東，中信股份的控股股東為中信集團。中信集團為本行實際控制人。

中信集團是1979年在鄧小平先生的倡導和支持下、由榮毅仁先生創辦的。成立以來，中信集團充分發揮了經濟改革試點和對外開放窗口的重要作用，在諸多領域進行了卓有成效的探索與創新，在國內外樹立了良好信譽與形象。目前，中信集團已發展成為一家金融與實業並舉的大型綜合性跨國企業集團。其中，金融涉及銀行、證券、信託、保險、基金、資產管理等行業和領域；實業涉及房地產、工程承包、資源能源、基礎設施、機械製造、信息產業等行業和領域，具有較強的綜合優勢和良好發展勢頭。

2011年12月，經國務院批准，中信集團以絕大部分現有經營性淨資產出資，聯合下屬全資子公司北京中信企業管理有限公司共同發起設立中信有限（設立時名為「中國中信股份有限公司」）。其中，中信集團持有中信股份99.9%的股份，北京中信企業管理有限公司持有0.1%的股份，中信集團整體改制為國有獨資公司。為完成上述出資行為，中信集團將持有的本行全部股份轉讓注入中信有限，中信有限直接和間接持有本行股份28,938,929,004股，佔本行總股本的61.85%。上述股份轉讓獲得國務院、中國財政部、中國銀監會（現中國銀保監會）、中國證監會、香港金融管理局的批准。2013年2月，經上交所和中國證券登記結算有限責任公司上海分公司審核同意，正式完成相關過戶手續。2018年12月20日，財政部和人力資源社會保障部印發通知，為貫徹落實《國務院關於印發劃轉部分國有資本充實社保基金實施方案的通知》有關部署，將財政部持有的中信集團股權的10%一次性劃轉給社會保障基金理事會持有。

2013年10月，中信股份受讓BBVA持有的本行H股2,386,153,679股，約佔本行股份總數的5.10%。增持完成後，中信股份持有的本行股份佔比增至66.95%。

2014年8月，中信集團將主要業務資產整體注入香港上市子公司中信泰富，中信泰富更名為中信股份，原中信股份更名為中信有限。中信股份持有中信有限100%股份。

2014年9月，中信有限通過協議轉讓方式增持本行H股81,910,800股。增持完成後，中信有限共計持有本行A股和H股股份31,406,992,773股，約佔本行總股本的67.13%。

2016年1月，本行完成向中國煙草非公開發行2,147,469,539股A股股票。相應地，本行股份總數增至48,934,796,573股，中信有限所持本行股份佔比降至64.18%。

第六章 普通股股份變動及股東情況

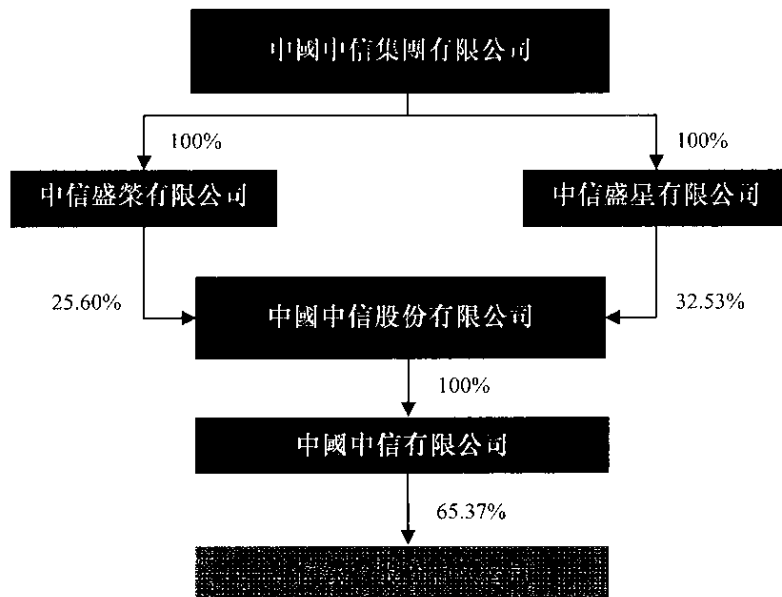
2016年1月，中信股份通知本行，其計劃於2017年1月21日前擇機增持本行股份，累計增持比例不超過本行股份總數的5%。截至2017年1月21日，上述增持計劃已實施完成。增持完成後，中信股份及其下屬子公司(含中信有限)合計持有本行股份32,284,227,773股，其中持有A股28,938,928,294股，持有H股3,345,299,479股，合計佔本行股份總數的65.97%。

截至報告期末，中信集團法定代表人為常振明，經營範圍為：第二類增值電信業務中的信息服務業務(僅限互聯網信息服務)互聯網信息服務不含新聞、出版、教育、醫療保健、藥品、醫療器械，含電子公告服務；有效期至2019年01月09日；對外派遣與其實力、規模、業績相適應的境外工程所需的勞務人員。投資管理境內外銀行、證券、保險、信託、資產管理、期貨、租賃、基金、信用卡金融類企業及相關產業、能源、交通基礎設施、礦產、林木資源開發和原材料工業、機械製造、房地產開發、信息基礎設施、基礎電信和增值電信業務、環境保護、醫藥、生物工程和新材料、航空、運輸、倉儲、酒店、旅遊業、國際貿易和國內貿易、商業、教育、出版、傳媒、文化和體育、境內外工程設計、建設、承包及分包、行業的投資業務；工程招標、勘測、設計、施工、監理、承包及分包、諮詢服務行業；資產管理；資本運營；進出口業務。(企業依法自主選擇經營項目，開展經營活動；依法須經批准的項目，經相關部門批准後依批准的內容開展經營活動；不得從事本市產業政策禁止和限制類項目的經營活動。)

截至報告期末，中信有限註冊資本為1,390億元人民幣，法定代表人為常振明，經營範圍為：1.投資和管理金融業，包括：投資和管理境內外銀行、證券、保險、信託、資產管理、期貨、租賃、基金、信用卡等金融類企業及相關產業；2.投資和管理非金融業，包括：(1)能源、交通等基礎設施；(2)礦產、林木等資源開發和原材料工業；(3)機械製造；(4)房地產開發；(5)信息產業：信息基礎設施、基礎電信和增值電信業務；(6)商貿服務及其他產業：環境保護；醫藥、生物工程和新材料；航空、運輸、倉儲、酒店、旅遊業；國際貿易和國內貿易、進出口業務、商業；教育、出版、傳媒、文化和體育；諮詢服務；3.向境內外子公司發放股東貸款；資本運營；資產管理；境內外工程設計、建設、承包及分包和勞務輸出，及經批准的其他業務。(該企業於2014年7月22日由內資企業轉為外商投資企業；依法須經批准的項目，經相關部門批准後依批准的內容開展經營活動。)

截至報告期末，中信股份及其下屬子公司(含中信有限)合計持有本行股份32,284,227,773股，佔本行股份總數的65.97%，其中包括A股股份28,938,928,294股，H股股份3,345,299,479股。中信有限直接持有本行股份31,988,728,773股，佔本行股份總數的65.37%，其中包括A股股份28,938,928,294股，H股股份3,049,800,479股。

截至報告期末，本行與控股股東、實際控制人之間產權關係如下圖所示²⁵：



²⁵ 中信盛榮有限公司、中信盛星有限公司為中信集團的全資附屬公司。中信有限直接持有本行股份的65.37%，除此之外，中信股份同時通過其全資附屬公司，以及中信有限的全資附屬公司持有本行部分股份。

第六章 普通股股份變動及股東情況

中信股份及中信有限控股、參股其他主要境內外上市公司股權情況表(截至報告期末)

股東方名稱	上市公司名稱	上市地點	股票代碼	持股比例
中國中信有限公司16.50%	中信證券股份有限公司	上海 香港	600030.SH 6030.HK	16.50%
中國中信有限公司60.49%	中信重工股份有限公司	上海	601608.SH	67.27%
中信投資控股有限公司4.52%				
中信汽車有限責任公司2.26%				
中國中海直有限責任公司38.63%	中信海洋直升機股份有限公司	深圳	000099.SZ	38.63%
中國中信有限公司83.60%	中信出版集團股份有限公司	新三板	834291.OC	88.00%
中信投資控股有限公司4.40%				
Keentech Group Ltd 49.57%	中信資源控股有限公司	香港	1205.HK	59.50%
中信澳大利亞有限公司9.55%				
Extra Yield International Ltd. 0.38%				
Bowenvale Ltd 74.43%	亞洲衛星控股有限公司	香港	1135.HK	74.43%
Highkeen Resources Limited 34.39%	中信大錳控股有限公司	香港	1091.HK	43.46%
Apexhill Investments Limited 9.07%				
Richtone Enterprises Inc. 3.76%	中信國際電訊集團有限公司	香港	1883.HK	59.36%
Ease Action Investments Corp. 34.61%				
Silver Log Holdings Ltd 17.04%				
萃新控股有限公司3.95%				
中信泰富有限公司下屬多家子公司共計持有56.35%	大昌行集團有限公司	香港	1828.HK	56.35%
中信泰富(中國)投資有限公司28.18%	大冶特殊鋼股份有限公司	深圳	000708.SZ	58.13%
湖北新冶鋼有限公司29.95%				
CKM (Cayman) Company Limited 53.89%	CITIC Envirotech Ltd	新加坡	CEE.SG	53.89%
中信興業投資集團有限公司9.13%	袁隆平農業高科技股份有限公司	深圳	000998.SZ	20.56%
中信建設有限責任公司6.41%				
中信農業科技股份有限公司1.82%				
深圳市信農投資中心(有限合夥)3.20%				
滿貴投資有限公司10%	中國海外發展有限公司	香港	688.HK	10.00%
Easy Flow Investments Limited 25.91%	先豐服務集團有限公司	香港	500.HK	25.91%

註： 本表中所列示的持股比例為直接持股單位的持股比例。

中信集團控股、參股其他主要境內外上市公司股權情況表(截至報告期末)

股東方名稱	上市公司名稱	上市地點	股票代碼	持股比例
中信盛星有限公司32.53%	中國中信股份有限公司	香港	267.HK	58.13%
中信盛榮有限公司25.60%				

註： 本表中所列示的持股比例為直接持股單位的持股比例。

6.6 其他主要股東情況

根據原中國銀監會頒佈的《商業銀行股權管理暫行辦法》有關規定，除中信有限外，本行主要股東還包括冠意有限公司、中國煙草和保利集團。

冠意有限公司是一家在香港註冊成立的公司。截至報告期末，冠意有限公司通過香港中央結算(代理人)有限公司持有本行H股股份2,292,579,000股，佔本行股份總數的4.685%。截至報告期末，冠意有限公司持有本行H股股份中的1,123,363,710股已對外質押。冠意有限公司為新湖中寶的全資附屬公司。除上述股份外，新湖中寶還通過全資子公司香港新湖投資有限公司直接持有本行H股股份153,686,000股，佔本行股份總數的0.314%。新湖中寶(SH.600208)於1999年在上海證券交易所上市，主營業務為地產和金融，截至2018年9月底，公司註冊資本85.99億元，總資產1,377.51億元，淨資產329.72億元。新湖中寶地產業務的規模、實力和品質居行業前列，目前在全國30餘個城市開發50餘個地產項目，總開發面積達3,000多萬平方米；金融業務已形成覆蓋證券、銀行、保險、期貨等的金融投資格局，同時對51信用卡和萬得信息等擁有領先市場份額的互聯網金融公司進行了前瞻性投資和佈局，致力於打造一體化金融服務生態圈。

中國煙草是經國務院批准組建的特大型國有企業。截至報告期末，中國煙草持有本行A股股份2,147,469,539股，佔本行股份總數的4.39%，無質押本行股權情況。中國煙草法定代表人為張建民，註冊資本570億元，為全民所有制企業，中國煙草的主要經營範圍包括煙草專賣品生產、經營、進出口貿易，以及國有資產管理與經營等。

保利集團是國務院國有資產監督管理委員會管理的大型中央企業。截至報告期末，保利集團持有本行A股股份27,216,400股，佔本行股份總數的0.056%，無質押本行股權情況。保利集團於1992年經國務院、中央軍委批准組建，註冊地為北京市東城區朝陽門北大街1號28層，法定代表人為張振高，註冊資本20億元，主營業務為軍民品貿易、房地產開發、輕工領域研發和工程服務、工藝原材料及產品經營服務、文化藝術經營、民用爆炸物品產銷及相關服務。保利集團已形成以國際貿易、房地產開發、文化藝術經營、民用爆炸物品產銷、輕工原材料和產品的開發應用、工藝美術原材料開發利用為主業的發展格局，業務遍佈全球100多個國家及國內100餘個城市。

6.7 其他持股在10%以上(含10%)的法人股東

截至報告期末，除中信有限外，本行無其他持股在10%以上的法人股東。

第七章

優先股
相關情況



第七章 優先股相關情況

7.1 近三年優先股發行與上市情況

經原中國銀監會2015年9月1日《中國銀監會關於中信銀行非公開發行優先股及修改公司章程的批覆》(銀監復[2015]540號)批覆,並經中國證監會2016年10月14日《關於核准中信銀行股份有限公司非公開發行優先股的批覆》(證監許可[2016]1971號)核准,本行於2016年10月21日非公開發行境內優先股3.5億股,每股面值100元人民幣,按票面值平價發行,初始票面股息率為3.80%,無到期期限。本行3.5億股優先股自2016年11月21日起在上海證券交易所綜合業務平台掛牌轉讓,證券簡稱「中信優1」,證券代碼360025。

上述優先股發行募集資金總額35,000,000,000元人民幣,扣除發行費用並將費用税金進項抵扣後,實際募集資金淨額為34,954,688,113元人民幣,已全部用於補充本行其他一級資本,無未使用的募集資金餘額。

2018年12月13日,本行第五屆董事會第八次會議審議通過了《關於非公開發行優先股方案的議案》等相關議案,同意本行再次發行優先股的數量不超過4億股(含4億股),每股票面金額為人民幣100元,以票面金額平價發行。2019年1月30日,本行2019年第一次臨時股東大會、2019年第一次A股類別股東會及2019年第一次H股類別股東會審議通過了《關於非公開發行優先股方案的議案》等相關議案,本行擬於境內非公開發行不超過400億元(含400億元)優先股。

有關情況參見本行在上交所網站(www.sse.com.cn)、香港聯交所披露易網站(www.hkexnews.hk)和本行網站(www.citicbank.com)發佈的相關公告。

7.2 優先股股東數量及持股情況

截至報告期末和本報告披露日上一月末(2019年2月28日),本行優先股股東總數均為31戶。報告期末前十名優先股股東情況如下:

單位:股

序號	股東名稱(全稱)	股東性質	報告期內 增減(+,-)	期末 持股數量	持股 比例(%)	所持股份 類別	持有有限 售條件的 股份數量	質押或凍結情況 股份數量	數量
1	中國移動通信集團有限公司	國有法人	—	43,860,000	22.53	境內優先股	—	—	—
2	中國人壽保險股份有限公司—分紅—個人分紅—005L—FH002滬	其他	—	38,430,000	10.98	境內優先股	—	—	—
3	中國人壽保險股份有限公司—傳統—普通保險產品—005L—CT001滬	其他	—	38,400,000	10.97	境內優先股	—	—	—
4	中國平安人壽保險股份有限公司—萬能—個險萬能	其他	—	30,700,000	8.77	境內優先股	—	—	—
5	中國平安人壽保險股份有限公司—分紅—個險分紅	其他	—	30,700,000	8.77	境內優先股	—	—	—
6	交銀國際信託有限公司—金盛添利1號單一資金信託	其他	—	30,700,000	8.77	境內優先股	—	—	—
7	浦銀安盛基金公司—浦銀—上海浦東發展銀行上海分行	其他	—	21,920,000	6.27	境內優先股	—	—	—
8	興全資產管理—平安銀行—平安銀行股份有限公司	其他	—	15,350,000	4.39	境內優先股	—	—	—
9	創金合信基金—招商銀行—招商銀行股份有限公司	其他	—	10,950,000	3.13	境內優先股	—	—	—
10	交銀施羅德基金—民生銀行—中國民生銀行股份有限公司	其他	—	8,770,000	2.51	境內優先股	—	—	—
	華潤深國投信託有限公司—投資1號單一資金信託	其他	—	8,770,000	2.51	境內優先股	—	—	—

註:(1)優先股股東持股情況是根據本行優先股股東名冊中所列的信息統計。

(2)上述優先股股東關聯關係或一致行動的說明:根據公開信息,本行初步判斷:中國人壽保險股份有限公司—分紅—個人分紅—005L—FH002滬、中國人壽保險股份有限公司—傳統—普通保險產品—005L—CT001滬存在關聯關係,中國平安人壽保險股份有限公司—萬能—個險萬能、中國平安人壽保險股份有限公司—分紅—個險分紅存在關聯關係。除此之外,本行未知上述優先股股東之間、上述優先股股東與前10名普通股股東之間存在關聯關係或一致行動關係。

(3)「持股比例」指優先股股東持有優先股的股份數量佔優先股股份總數的比例。

7.3 優先股股息分配情況

7.3.1 優先股利潤分配政策

本行優先股採用分階段調整的票面股息率，自發行繳款截止日起每五年為一個計息週期，每個計息週期內票面股息率相同。第一個計息週期的票面股息率通過詢價方式確定為3.80%。

本行優先股每年派發一次現金股息，計息本金為屆時已發行且存續的優先股票面總金額，計息起始日為優先股的發行繳款截止日（即2016年10月26日）。優先股的股息不可累積，即當年度未足額派發優先股股息的差額部分，不會累積到下一計息年度。本行優先股股東除按照發行方案約定獲得股息之外，不再同普通股股東一起參加剩餘利潤分配。

7.3.2 報告期內優先股股息發放情況

本行於2018年8月27日召開的董事會審議通過了優先股2018年度股息分配方案，批准本行於2018年10月26日派發2017年10月26日至2018年10月25日計息期間的優先股股息。本行於2018年10月26日向截至2018年10月25日上海證券交易所收市後，在中國證券登記結算有限責任公司上海分公司登記在冊的本行全體中信優1（優先股代碼360025）股東派發優先股股息。按照票面股息率3.80%計算，每股優先股派發現金股息3.80元人民幣（含稅），3.5億股優先股本次派息總額13.30億元人民幣（含稅）。

7.3.3 近三年優先股分配金額與分配比例

項目	單位：百萬元人民幣		
	2018年	2017年	2016年
分配金額	1,330	1,330	—
分配比例	100%	100%	—

註：(1) 分配比例以已派發股息金額佔約定的當年度應支付股息金額的比例。

(2) 計息起始日為優先股的發行繳款截止日，即2016年10月26日起。

7.4 優先股回購或轉換情況

報告期內，本行未發生優先股回購或轉換。

7.5 優先股表決權恢復情況

報告期內，本行未發生優先股表決權恢復事項。

7.6 對優先股採取的會計政策及理由

根據財政部出台的《企業會計準則第22號—金融工具確認和計量》、《企業會計準則第37號—金融工具列報》和《金融負債與權益工具的區分及相關會計處理規定》等會計準則相關要求以及本行優先股的主要發行條款，本行優先股符合作為權益工具核算的要求，因此本行優先股作為權益工具核算。

第八章

董事、監事、高級
管理人員、員工和
分支機構情況



第八章 董事、監事、高級管理人員、員工和分支機構情況

8.1 本行董事、監事和高級管理人員基本情況

8.1.1 董事會

姓名	職務	性別	出生年月	董事任期	年初 持股數	年末 持股數	報告期內從 本行獲得的	是否在 公司關聯方 獲取報酬
							稅前應付報酬 (萬元人民幣)	
李慶萍	董事長、執行董事	女	1962.10	2014.03-2021.05	0	0	—	是
曹國強	非執行董事	男	1964.12	2018.09-2021.05	0	0	—	是
方合英	執行董事、副行長兼財務總監	男	1966.06	2018.09-2021.05	0	0	156.79	否
黃芳	非執行董事	女	1973.05	2016.11-2021.05	0	0	—	是
萬里明	非執行董事	男	1966.05	2016.06-2021.05	0	0	—	是
何操	獨立非執行董事	男	1955.09	2016.06-2021.05	0	0	30.00	否
陳麗華	獨立非執行董事	女	1962.09	2016.06-2021.05	0	0	30.00	否
錢軍	獨立非執行董事	男	1970.07	2016.12-2021.05	0	0	30.00	否
殷立基	獨立非執行董事	男	1960.10	2018.09-2021.05	0	0	8.21	否

註：(1) 連任的董事、監事和高級管理人員的任期，開始時間為首次聘任時間，下同。

(2) 在本行領取薪酬的執行董事的2018年度最終薪酬正在確認過程中，其餘部分待確認後再行披露。

(3) 本行非執行董事(不包括獨立非執行董事)不從本行領取任何董事津貼。

(4) 2019年2月26日，本行董事會審議通過相關議案，同意聘任方合英先生為本行行長，自中國銀保監會核准其任職資格之日起正式就任，在其任職資格獲核准前，方合英先生代為履行本行行長職責。

8.1.2 監事會

姓名	職務	性別	出生年月	監事任期	年初 持股數	年末 持股數	報告期內從 本行獲得的	是否在 公司關聯方 獲取報酬
							稅前應付報酬 (萬元人民幣)	
劉成	監事會主席、職工代表監事	男	1967.12	2018.04-2021.05	0	0	106.40	否
鄧長清	股東代表監事	男	1973.04	2018.05-2021.05	0	0	—	是
王秀紅	外部監事	女	1946.10	2014.01-2020.01	0	0	30.00	否
賈祥森	外部監事	男	1955.04	2015.05-2021.05	0	0	30.00	否
鄭偉	外部監事	男	1974.03	2015.05-2021.05	0	0	30.00	否
程普升	職工代表監事	男	1968.02	2015.05-2021.05	0	0	307.51	否
陳潘武	職工代表監事	男	1964.01	2017.09-2021.05	0	0	312.99	否
曾玉芳	職工代表監事	女	1970.12	2017.09-2021.05	0	0	323.33	否

註：同時是本行員工的監事不領取監事津貼，但根據其職位取得相應的報酬。本行中、高級管理人員的績效獎金實行延期支付，本表中職工代表監事涉及的2018年度延期支付薪酬共計243.36萬元，延期支付的薪酬暫未發放到個人。

8.1.3 高級管理人員

姓名	職務	性別	出生年月	高管任期	報告期內從 本行獲得的			是否在公司關聯方 獲取報酬
					年初 持股數	年末 持股數	稅前應付報酬 (萬元人民幣)	
方合英	執行董事、副行長兼財務總監	男	1966.06	2014.11起	0	0	156.79	否
郭黨懷	副行長	男	1964.05	2014.11起	0	0	156.51	否
楊 毓	副行長	男	1962.12	2015.12起	0	0	151.49	否
莫 越	紀委書記	男	1959.10	2017.05起	0	0	145.32	否
胡 羿	副行長	男	1967.03	2017.05起	0	0	159.03	否
謝志斌	黨委委員	男	1969.05	2019.02起	0	0	—	否
姚 明	風險總監	男	1960.09	2017.05起	0	0	360.68	否
蘆 葦	董事會秘書兼深圳分行 黨委書記	男	1971.10	2017.01起	0	0	345.84	否
陸金根	業務總監兼南京分行行長	男	1969.06	2018.08起	0	0	386.58	否
呂天貴	業務總監兼信用卡中心黨委 書記、總行零售銀行部總 經理	男	1972.10	2018.08起	0	0	389.92	否

註：(1) 2019年2月，謝志斌先生作為黨委委員加入本行，報告期內未在本行領取薪酬。2019年3月26日，本行董事會會議審議通過議案，聘任謝志斌先生為本行副行長，自中國銀保監會核准其任職資格之日起正式就任。

(2) 在本行領取薪酬的高級管理人員(除風險總監、業務總監和董事會秘書)的2018年度最終薪酬正在確認過程中，其餘部分待確認後再行披露。

(3) 本行中、高級管理人員的績效獎金實行延期支付，風險總監、業務總監和董事會秘書2018年度延期支付薪酬共計人民幣403.8萬元，延期支付的薪酬暫未發放個人。

8.1.4 離任的董事、監事和高級管理人員

姓名	離任前職務	性別	出生年月	離任時間	報告期內從 本行獲得的			本行任職期間 是否在公司關 聯方獲取報酬
					年初 持股數	年末 持股數	稅前應付報酬 (萬元人民幣)	
常振明	非執行董事	男	1956.10	2018.01	0	0	—	是
張 強	副行長	男	1963.04	2018.01	0	0	14.31	否
舒 揚	股東代表監事	男	1964.05	2018.02	0	0	—	是
曹國強	監事會主席	男	1964.12	2018.03	0	0	63.00	否
吳小慶	獨立非執行董事	女	1953.10	2018.09	0	0	22.50	否
王聯章	獨立非執行董事	男	1957.08	2018.09	0	0	22.50	否
朱皋鳴	非執行董事	男	1965.01	2018.09	0	0	—	是
孫德順	執行董事、行長	男	1958.11	2019.02	0	0	245.63	否

註：本表中離任的監事會主席、行長、副行長的2018年度最終薪酬正在確認過程中，其餘部分待確認後再行披露。

本行現任及報告期內離任的董事、監事及高級管理人員近三年未發生受證券監管機構處罰的情況。

8.2 董事、監事、高級管理人員簡歷

8.2.1 董事



李慶萍女士

中國國籍

本行董事長、執行董事。李女士現同時擔任中國中信集團有限公司執行董事、副總經理、中國中信股份有限公司執行董事、副總經理、執委會委員，中國中信有限公司執行董事、副總經理，中信國際金融控股有限公司董事長，中信保誠人壽保險有限公司(原信誠人壽保險有限公司)副董事長，中信百信銀行股份有限公司董事長。李女士於2016年7月20日起任本行董事長、執行董事，2014年7月至2016年7月任本行執行董事、行長，2014年5月起任本行黨委書記，2014年3月至2014年5月任本行非執行董事；2013年9月起任中信集團黨委委員、中信有限副總經理，2014年9月起任中信股份副總經理、執委會委員，2015年12月起任中信集團執行董事、中信有限執行董事、中信股份執行董事，2017年12月起任中信集團副總經理；2015年9月起任中信國際金融控股有限公司董事長，2014年3月起任信誠人壽保險有限公司(現中信保誠人壽保險有限公司)副董事長；2017年8月起任中信百信銀行股份有限公司董事長；2009年5月至2013年9月任中國農業銀行零售業務總監兼個人金融部總經理，2009年1月至2009年5月任中國農業銀行零售業務總監兼個人業務部總經理、個人信貸業務部總經理，2007年1月至2008年12月任中國農業銀行廣西分行黨委書記、行長，1984年8月至2007年1月任中國農業銀行國際業務部幹部、副處長、處長、副總經理、總經理。李女士為高級經濟師，畢業於南開大學國際金融專業，獲經濟學碩士學位，擁有三十餘年中國銀行業從業經驗。



曹國強先生

中國國籍

本行非執行董事。曹先生於2018年9月加入本行董事會。曹先生於2018年4月起任中國中信股份有限公司財務總監，於2018年3月起任中國中信集團有限公司財務部總經理。曹先生於2015年12月至2018年3月任本行監事會主席，2015年4月至2018年3月在中國中信集團有限公司掛職任財務部總經理。此外，曹先生自2018年4月起任中信金融集團有限公司董事，2017年12月起任中信現代農業投資股份有限公司董事，2016年10月起任中信緬甸(香港)控股有限公司董事，2013年12月起任中信和業投資有限公司董事，2015年12月至2018年4月任中信控股有限責任公司董事，2009年10月至2016年3月任中信國際金融控股有限公司董事、中信銀行(國際)有限公司董事，2005年12月至2014年1月任振華國際財務有限公司(現信銀(香港)投資有限公司)董事。曹先生於2010年4月至2015年10月任本行副行長；2006年4月至2010年4月任本行行長助理；2005年4月至2006年4月任本行計劃財務部總經理；1992年12月至2005年4月，歷任招商銀行總行計劃資金部總經理助理，深圳士必達國際投資有限公司董事，招銀典當公司董事、副總經理(主持工作)，招商銀行深圳管理部計劃資金部總經理，招商銀行總行計劃資金部副總經理和總經理；1988年7月至1992年6月，任職於中國人民銀行陝西省分行計劃資金處，歷任副主任科員、副處長。曹先生為高級經濟師，全日制碩士研究生畢業，先後於湖南財經學院獲得貨幣銀行學專業學士學位，於陝西財經學院獲得貨幣銀行學碩士學位，擁有三十年中國銀行業從業經歷。



方合英先生

中國國籍

本行執行董事、副行長兼財務總監。方先生於2018年9月加入本行董事會。方先生自2014年8月起任本行黨委委員，2014年11月起任本行副行長，2017年1月起兼任本行財務總監，2019年2月起任本行黨委副書記。方先生現同時擔任信銀(香港)投資有限公司、中信銀行(國際)有限公司及中信國際金融控股有限公司董事。此前，方先生於2013年5月至2015年1月任本行金融市場業務總監，2014年5月至2014年9月兼任本行杭州分行黨委書記、行長；2007年3月至2013年5月任本行蘇州分行黨委書記、行長；2003年9月至2007年3月歷任本行杭州分行行長助理、黨委委員、副行長；1996年12月至2003年9月在本行杭州分行工作，歷任信貸部科長、副總經理，富陽支行行長、黨組書記，國際結算部副總經理，零售業務部副總經理，營業部總經理；1996年7月至1996年12月任浦東發展銀行杭州城東辦事處副主任；1992年12月至1996年7月在浙江銀行學校實驗城市信用社信貸部工作，歷任信貸員、經理、總經理助理；1991年7月至1992年12月在浙江銀行學校任教師。方先生為高級經濟師，畢業於北京大學，獲高級管理人員工商管理碩士學位，擁有二十餘年中國銀行業從業經驗。



黃芳女士

中國國籍

本行非執行董事。黃女士於2016年11月加入本行董事會。黃女士於2015年11月起任新湖中寶股份有限公司董事，2013年8月起任浙江新湖集團股份有限公司董事，2011年7月起任浙江新湖集團股份有限公司副總裁兼財務總監。此前，黃女士於2010年10月至2011年7月任新湖控股有限公司副總裁兼財務總監；1992年8月至2010年9月，歷任中國農業銀行浙江省分行營業部國際業務部副總經理、中國農業銀行杭州市保俶支行副行長(主持工作)、中國農業銀行浙江省分行營業部公司業務部副總經理、中國農業銀行浙江省分行營業部個人金融部副總經理(主持工作)、總經理。黃女士畢業於浙江大學，獲法學學士學位。黃女士擁有中級經濟師職稱，具有豐富的金融從業經驗、出色的領導能力和組織協調能力。



萬里明先生

中國國籍

本行非執行董事。萬先生於2016年6月加入本行董事會。萬先生自2018年12月起任中國雙維投資有限公司副總經理。此前，萬先生於2011年11月至2018年11月任國家煙草專賣局財務管理與監督司(審計司)司長；2009年12月至2011年11月任國家煙草專賣局財務管理與監督司(審計司)副司長；2007年2月至2009年12月任雲南省煙草專賣局(公司)總會計師；1996年8月至2007年2月歷任雲南省煙草專賣局(公司)財務處處長、處長，財務管理及審計處處長，副總會計師兼財務管理處處長；1996年5月至1996年8月任雲南省煙草旅遊公司幹部；1988年7月至1996年5月任雲南財貿學院講師、教研室副主任。萬先生畢業於中國人民大學工業經濟系基本建設經濟管理專業，獲學士學位。萬先生從事經濟工作三十餘年，具有豐富的財務管理從業經驗。



何操先生

中國國籍

本行獨立非執行董事。何先生於2016年6月加入本行董事會。何先生曾擔任中國金茂集團(原方興地產(中國)有限公司)董事長，金茂投資與金茂(中國)投資控股有限公司董事長。何先生於1979年加入中國中化集團公司，曾擔任中國中化集團公司財務管理、企業管理和投資企業的多個高級職位，2002年獲委任為中國中化集團公司總裁助理，2013年起享受中國中化集團公司副總裁待遇。何先生於2002年起先後出任中國金茂(集團)有限公司總裁、副董事長、董事長。期間，成功組織運營上海金茂大廈，主持投資、收購、籌建多處一線城市和高檔旅遊度假區的豪華五星級酒店及物業，將金茂集團發展成為中國知名的高端商業不動產開發商和運營商。何先生於2009年1月出任方興地產(中國)有限公司董事長、執行董事、CEO。在何先生的主持和推動下，方興地產(中國)有限公司與金茂集團在2009年至2010年間完成戰略重組，並於2014年完成對金茂大廈物業及方興地產旗下八間高端酒店的分拆，成功以金茂投資及金茂控股信託架構在香港聯交所獨立掛牌上市。何先生曾擔任中國旅遊飯店業協會「中國酒店業主聯盟」聯席主席、全聯房地產商會副會長。此外，何先生還曾受聘擔任上海市各地在滬企業聯合會執行會長、中國城市科學研究會住房政策和市場調控研究專業委員會副主任委員、中國城市科學研究會綠色建築與節能專業委員會委員。何先生曾任上海市第十二屆、第十三屆人大代表，2007年獲評上海市勞動模範，2012年獲評上海浦東開發開放20年經濟人物。何先生於1979年畢業於吉林財貿學校，獲得中專學歷；於1986年畢業於中國人民大學經濟學專業，獲大專學歷；於1987年畢業於吉林大學政治經濟學研究生班；於2004年獲中國國際工商學院高級工商管理碩士學位。何先生擁有高級經濟師職稱。



陳麗華女士

中國國籍

本行獨立非執行董事。陳女士於2016年6月加入本行董事會。陳女士現任北京大學光華管理學院管理科學與信息系統系主任、教授、博士生導師，北京大學流通經濟與管理研究中心主任，北京大學聯泰供應鏈研究與發展中心主任，北京大學國家高新技術產業開發區發展戰略研究院副院長，北京大學二十世紀創業投資研究中心副主任，中國物流學會副會長，中國信息經濟學會行業專委會副主任，中國國家旅遊局專家委員會委員，科技部國家高新區專家等。陳女士於1999年到2001年任北京君士世紀信息技術有限公司（主要從事銀行設備開發、生產及銷售等）總經理，2005年至2006年任新加坡上市公司威虎集團獨立董事。陳女士於1983年在吉林工業大學獲得理學學士學位，1988年在吉林工業大學獲得理學碩士學位，1998年在香港城市大學獲得管理科學專業博士學位，1999年至2000年在中國科學院數學與系統科學研究院從事博士後研究。陳女士主要從事管理科學、供應鏈金融、物流金融、供應鏈與物流管理、物流園區管理、流通經濟與管理、服務運作管理、高新技術園區與產業管理、科技創新與管理、創業投資與創業管理等領域的研究和教學工作。在所研究的領域，陳女士與國際相關機構進行了廣泛的合作與交流，其中包括Stanford University、George Mason University、Roma University及香港各大學。陳女士作為負責人或研究骨幹主持參加了多項國際合作項目和國家自然科學基金、省部委重點研發項目，並擔任多家國內外學術期刊的評審。陳女士在國際著名刊物，如European Journal of Operational Research、Proceeding of Workshop on Internet and Network Economics等，發表《Supply chain coordination based on the trade credit and option contract under capital constraint》等多篇論文。陳女士主持完成的主要研究報告有《論中醫行業供應鏈金融模式研究》、《農業產業供應鏈金融模式研究》等。



錢軍先生

中國國籍

本行獨立非執行董事。錢先生於2016年12月加入本行董事會。錢先生自2017年7月起任復旦大學泛海國際金融學院金融學教授、執行院長。錢先生於2014年7月至2017年6月任上海交通大學中國金融研究院副院長，同時任上海交通大學上海高級金融學院EMBA/DBA/EE項目聯席主任。錢先生於2013年12月至2016年12月任國際學術雜誌Review of Finance（金融學評論）副主編。錢先生於2013年7月至2017年6月任上海交通大學上海高級金融學院金融學教授、博士生導師、EMBA項目聯席主任。錢先生於2009年5月至2013年6月任上海交通大學上海高級金融學院金融學特聘教授。錢先生於2000年7月至2013年6月在美國波士頓學院卡羅爾管理學院金融系任教，2000年7月至2006年2月任金融學助理教授，2006年3月至2013年6月任金融學終身教授，2011年9月至2013年6月任Haub（豪布）家族研究員。錢先生自2011年4月起任國際學術雜誌Frontiers of Economics in China（中國經濟學前沿）副主編，2007年7月至2009年6月任清華大學經濟管理學院金融系特聘教授，2007年7月至2008年6月任美國麻省理工學院斯隆管理學院金融學訪問副教授。錢先生自2002年9月起任美國賓夕法尼亞大學沃頓商學院金融機構中心研究員。錢先生於1988年至1991年就讀復旦大學世界經濟系本科，1993年5月獲美國愛荷華大學學士學位，2000年5月獲美國賓夕法尼亞大學博士學位。錢先生的研究涉及理論和實證公司金融和金融體系，包括商業及投資銀行、共同及對沖基金、信用評級機構、收購和兼併、金融相關法律體系研究、新興市場的金融體系比較、中國經濟轉型過程中金融體制和金融體系的發展、金融風險防範等領域。錢先生在國際著名刊物如American Economic Review、Journal of Finance、Journal of Financial Economics、Journal of International Economics等發表多篇論文。此外，錢先生先後參與了《談中國巨大的經濟變遷》、《新興的世界經濟巨頭：中國和印度》、《作為新興的金融市場：中國面臨的機遇與挑戰》、《對法治法規的全球性展望》等多部專著中有關金融體系發展章節的編寫。



殷立基先生

中國(香港)籍

本行獨立非執行董事。殷先生於2018年9月加入本行董事會。此前，殷先生於1984年加入英國雅特揚特許會計師事務所，1987年加入英國畢馬威特許會計師事務所，1988年開始在香港畢馬威會計師事務所擔任助理經理職位，1989年擔任經理職位，1993年擔任高級經理職位，1998年晉升為合夥人，2000年至2017年在北京畢馬威華振會計師事務所（特殊普通合夥）擔任合夥人，並組建了畢馬威（中國）質量控制及風險管理部。殷先生畢業於英國利物浦大學，獲（會計）文學士學位，擁有英格蘭及威爾士特許會計師資格，以及香港會計師公會資深會員資格。殷先生在會計、審計、風險管理等方面具有豐富的經驗，曾多次參與金融、電信、電力及製造業等多個行業國有大中型企業的上市及年度審計工作，在內地和香港資本市場的合併、收購、重組和上市項目上具有豐富實務經驗。殷先生曾擔任中國銀監會諮詢專家、中國財政部會計準則諮詢專家、中國證監會會計部顧問（一年全職）、深圳交易所退市委員會委員、香港會計師公會中國技術專業小組成員、香港會計師公會專業準則監察委員會委員、香港會計師公會風險管理委員會委員，參與審閱中國財政部頒佈的審計及會計準則初稿以及審計準則的英文翻譯工作。殷先生曾擔任北京國家會計學院及上海國家會計學院客座教授。

8.2.2 監事



劉成先生

中國國籍

鄧長清先生

中國國籍

王秀紅女士

中國國籍

本行監事會主席。劉先生自2018年4月起任本行監事會主席、職工代表監事、黨委委員。劉先生2008年4月至2018年4月在國務院辦公廳工作，歷任正處級秘書、副局級秘書、正局級秘書；2004年12月至2008年4月歷任國務院辦公廳秘書二局一處正處級幹部、一處一秘、一處調研員兼副處長；2003年7月至2004年12月歷任國家發展和改革委員會財政金融司財政處助理調研員、調研員；1995年3月至2003年7月歷任國家計劃委員會（現國家發展和改革委員會）財政金融司主任科員、經濟政策協調司主任科員、助理調研員。劉先生1989年7月畢業於中央財政金融學院（現中央財經大學）金融系，獲經濟學學士學位，並留校任教至1995年3月，期間在該校獲經濟學碩士學位；2001年7月畢業於中國人民大學金融學院貨幣銀行學專業，獲經濟學博士學位。

本行股東代表監事，監事會提名委員會委員。鄧先生2019年1月起任中國保利集團有限公司副總會計師。鄧先生2014年11月至2019年1月任保利科技有限公司總會計師，2016年8月至2019年1月兼任保利國際控股有限公司總會計師；2009年2月至2014年11月任中國保利集團公司（現中國保利集團有限公司，下同）財務部副主任、主任；2007年3月至2009年2月任保利科技有限公司計財部副總經理；2000年5月至2007年3月歷任中國保利集團財務部經理、辦公廳秘書、財務部高級經理。鄧先生畢業於中國礦業大學北京研究生部經濟管理專業。

本行外部監事，監事會提名委員會主任委員。王女士現任中國女法官協會名譽會長。王女士於2003年12月至2015年1月歷任中國女法官協會會長和中國法官協會副會長。王女士2004年10月至2010年12月任最高人民法院審判委員會副部級專職委員；2003年5月至2004年9月任最高人民法院行政庭庭長、審委會委員；1997年2月至2003年4月任最高人民法院政治部副主任；1994年2月至1997年1月任吉林省高級人民法院常務副院長、黨組副書記、中國女法官協會副會長。此前，王女士先後任職於吉林省四平地區木材公司、四平地區中級人民法院、遼源市中級人民法院、吉林市中級人民法院。王女士長期在法院系統工作，具有豐富的法律事務經驗。王女士畢業於北京政法學院（現中國政法大學）。



賈祥森先生

中國國籍

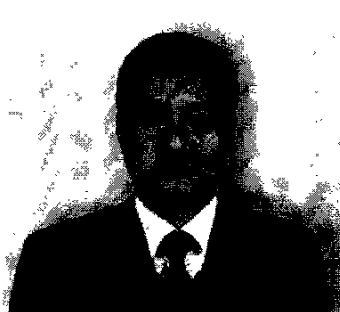
本行外部監事，監事會監督委員會主任委員。賈先生自2016年3月起任中國人壽養老保險股份有限公司獨立董事。賈先生2010年3月至2014年3月任中國農業銀行總行審計總監兼審計局局長；2008年4月至2010年3月任中國農業銀行總行審計局局長；1983年12月至2008年4月歷任中國人民銀行北京市豐台區支行副行長，中國農業銀行北京市豐台區支行副行長，中國農業銀行北京市分行副處長（主持工作），中國農業銀行北京市分行東城區支行行長，中國農業銀行北京市分行副行長、黨委副書記，中國農業銀行總行公司業務部總經理，中國農業銀行廣東省分行行長、黨委書記。此前，賈先生先後任職於中國人民銀行北京市分行朝陽區辦事處、豐台區辦事處。賈先生畢業於中國社會科學院研究生院貨幣銀行學專業。



鄭偉先生

中國國籍

本行外部監事，監事會監督委員會委員。鄭先生現任北京大學經濟學院風險管理與保險學系主任、教授。1998年7月至今歷任北京大學經濟學院助教、講師、副教授、教授、教授兼博士生導師，1999年3月至今歷任北京大學經濟學院風險管理與保險學系主任助理、系副主任、系主任。鄭先生2016年3月起擔任新華人壽保險股份有限公司獨立董事，2016年6月起擔任東海航運保險股份有限公司獨立董事，2017年5月起擔任人保再保險股份有限公司獨立董事，2018年11月起擔任上海南燕信息技術有限公司獨立董事。鄭先生1999年8月至2000年1月在美國威斯康辛—麥迪遜大學商學院做訪問學者。鄭先生畢業於北京大學經濟學院金融學專業，獲博士學位。



程普升先生

中國國籍

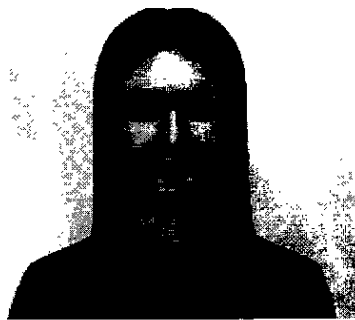
本行職工代表監事，監事會監督委員會委員。程先生自2019年1月起任本行太原分行行長，自2018年9月起任本行太原分行黨委書記。此前，程先生於2015年5月至2018年9月任本行審計部總經理；2013年10月至2015年1月任本行集中採購中心總經理；2011年3月至2013年10月任本行計劃財務部副總經理兼財務管理部總經理；2008年8月至2011年3月任本行計劃財務部總經理助理兼財務管理部總經理；2005年6月至2008年8月任本行計劃財務部財務管理部總經理；2004年3月至2005年6月任本行計劃財務部預算管理部副總經理；1995年7月至2004年3月任本行計劃財務管理部職員、副科長、科長、副總經理。程先生為高級經濟師，1992年8月至1995年7月就讀於陝西財經學院（現西安交通大學經濟與金融學院）研究生部，1991年7月至1992年8月為中國人民銀行山西省萬榮支行職員。



陳潘武先生

中國國籍

本行職工代表監事，監事會提名委員會委員。陳先生自2018年9月起任本行黨群工作部（安全保衛部）總經理，2014年12月起任本行工會常務副主席。陳先生2015年4月至2018年9月任本行群工保衛部總經理；2005年6月至2014年11月任本行人力資源部副總經理、總經理，期間2012年10月至2014年11月兼任本行黨委組織部部長；1994年5月至2005年6月在本行杭州分行工作，歷任計劃信貸部副科長、鳳起辦事處主任、人事部總經理、行長助理兼人力資源部總經理等職務。陳先生畢業於蘇州大學，獲金融學博士學位。



曾玉芳女士

中國國籍

本行職工代表監事，監事會監督委員會委員。曾女士自2011年5月起任本行深圳分行副行長。曾女士2008年7月至2011年5月任本行深圳分行行長助理；2003年12月至2008年7月任本行深圳分行會計部副總經理、總經理；2001年8月至2003年11月任深圳原高飛實業有限公司（現更名為「深圳市均一資訊科技有限公司」）副總經理；1998年12月至2001年7月任國家開發銀行深圳分行財會處處長助理；1996年3月至1998年11月就職於中國投資銀行深圳分行，歷任福田支行會計科副科長、財會部總經理助理。曾女士畢業於美國東西方大學，獲工商管理學碩士學位。

8.2.3 高級管理人員



方合英先生

中國國籍

本行執行董事、副行長兼財務總監。方先生簡歷參見本章「董事」部分。



郭黨懷先生

中國國籍

本行副行長。郭先生自2014年8月起任本行黨委委員，2014年11月起任本行副行長。此前，郭先生於2013年5月至2014年8月任本行總審計師；2010年3月至2013年5月任本行總行營業部黨委書記、總經理；2006年7月至2010年3月任本行天津分行黨委書記、行長；2005年1月至2006年7月任本行國際業務部總經理；2001年8月至2005年1月任本行行長助理；2000年11月至2001年8月受中信集團委派，負責中信國安收購汕頭市商業銀行項目並擔任董事長；1999年9月至2000年11月任本行瀋陽分行行長、黨組書記；1986年8月至1999年9月在本行工作，歷任業務員、副科長、科長，京城大廈營業部科長、副總經理、總經理，北京分行行長助理、副行長、總行營業部副總經理。郭先生為高級經濟師，畢業於北京大學，獲工商管理碩士學位，擁有三十餘年中國銀行業從業經驗。



楊毓先生

中國國籍

本行副行長。楊先生自2015年7月起任本行黨委委員，2015年12月起任本行副行長，現同時擔任中信金融租賃有限責任公司董事長。此前，楊先生於2011年3月至2015年6月任中國建設銀行股份有限公司江蘇省分行黨委書記、行長；2006年7月至2011年2月任中國建設銀行股份有限公司河北省分行黨委書記、行長；1982年8月至2006年6月在中國建設銀行股份有限公司河南省分行工作，歷任計財處副處長，信陽分行副行長、黨委委員，計財處處長，鄭州市鐵道分行黨委書記、行長，鄭州分行黨委書記、行長，河南省分行黨委副書記、副行長(主持工作)。楊先生為高級經濟師，研究生學歷，管理學博士，擁有三十餘年中國銀行業從業經驗。



莫越先生

中國國籍

本行紀委書記。莫先生自2017年5月起任本行紀委書記、黨委委員。此前，莫先生於2015年10月至2017年5月任中國中信集團有限公司監察部副主任；2010年6月至2015年10月歷任中國中信集團公司黨委巡視工作領導小組辦公室巡視專員(部門副職級)、副主任；2007年7月至2010年6月在中信渤海鋁業控股有限公司工作，歷任黨委委員、總會計師、副總經理；2000年11月至2007年7月任中信公司稽核審計部副處長、處長；1997年5月至2000年11月任中信公司稽核審計部主審；1984年8月至1997年5月在北京市通縣審計局工作。莫先生為高級經濟師，畢業於北京經濟學院，獲經濟學學士學位。



胡昱先生

中國國籍

本行副行長。胡先生自2017年5月起任本行副行長，2017年11月起任本行黨委委員。此前，胡先生於2014年12月至2018年7月任本行上海分行黨委書記，2015年5月至2018年7月兼任本行上海分行行長；2014年5月至2017年5月任本行批發業務總監；2013年5月至2014年5月任本行首席風險官；2005年5月至2013年5月，歷任本行重慶分行黨委委員、副行長、黨委書記、副行長(主持工作)、行長；2000年6月至2005年5月，歷任本行長沙分行籌備組副組長、長沙分行黨委委員、副行長；1997年10月至2000年6月任湖南長沙湘財城市信用社董事長；1993年8月至1997年10月在湖南眾立實業集團公司工作，歷任下屬北海湘房地產開發公司總經理助理、總經理，下屬鴻都企業公司副董事長；1993年3月至1993年8月任湖南省委辦公廳人事處副主任科員；1989年6月至1993年3月就職於湖南省檢察院政治部。胡先生為高級經濟師，畢業於湖南大學，獲經濟學博士學位，擁有十餘年中國銀行業從業經驗。



謝志斌先生

中國國籍

本行黨委委員。謝先生自2019年2月起擔任本行黨委委員。此前，謝先生於2015年7月至2019年1月任中國光大集團股份公司紀委書記、黨委委員。2012年3月至2015年7月任中國出口信用保險公司總經理助理，期間於2014年1月至2015年7月掛職任內蒙古自治區呼和浩特市委常委、副市長。2011年3月至2012年3月任中國出口信用保險公司黨委委員、總經理助理。2001年10月至2011年3月歷任中國出口信用保險公司人力資源部職員、總經理助理、副總經理、總經理(黨委組織部部長助理、副部長、部長)，深圳分公司黨委書記，河北省分公司負責人、黨委書記、總經理。1991年7月至2001年10月歷任中國人民保險公司科員、主任科員、副處長。謝先生為經濟師，畢業於中國人民大學，獲經濟學博士學位。

第八章 董事、監事、高級管理人員、員工和分支機構情況



姚明先生

中國國籍

本行風險總監。姚先生自2017年5月起任本行風險總監。此前，姚先生於2014年10月至2018年8月任本行授信審批部總經理；2014年7月至2014年10月任本行風險管理部總經理；2013年3月至2014年6月任本行溫州分行黨委書記、行長；2004年4月至2013年3月，歷任本行南京分行行長助理、風險主管、黨委委員、副行長；1999年4月至2004年4月，歷任本行南京分行信用審查部襄理、副總經理、總經理；1996年10月至1999年4月，歷任本行南京分行信貸業務部職員、副科級、正科級幹部。姚先生於1995年2月至1996年9月任南京伯樂集團公司國內合作部副部長；1993年3月至1995年2月任國營九二四廠財務處副處長；1991年4月至1993年3月任深圳華聯發公司財務部經理；1984年8月至1991年4月任國營第九二四廠會計。姚先生為高級經濟師，畢業於杭州電子工業學院，獲學士學位，擁有二十餘年中國銀行業從業經驗。



蘆葦先生

中國國籍

本行董事會秘書、公司秘書。蘆先生自2017年1月起任本行董事會秘書、公司秘書和授權代表，2019年1月起任本行深圳分行黨委書記，2018年6月起任阿爾金銀行董事，2017年8月起任中信百信銀行股份有限公司董事，2016年9月起任本行香港分行籌備組副組長。此前，蘆先生於2016年10月至2019年1月任本行資產負債部總經理，2013年9月至2016年10月任本行計劃財務部（現財務會計部）總經理，2013年3月至2013年9月任本行計劃財務部副總經理（主持工作）；1997年1月至2013年3月在本行總行營業部工作，歷任公司業務部副科長、副處長（期間於2001年3月至2002年1月公派英國匯豐銀行澤西支行工作）、行長，京城大廈支行行長，金融同業部總經理，總行營業部黨委委員、總經理助理、副總經理；1994年7月至1997年1月就職於北京青年實業集團公司。蘆先生擁有二十餘年中國銀行業從業經驗，擁有中國、中國香港、澳大利亞註冊會計師資格，畢業於澳大利亞迪肯大學，獲會計學碩士學位。



陸金根先生

中國國籍

本行業務總監。陸先生自2018年8月20日起任本行業務總監，2016年9月起任本行南京分行黨委書記、行長。此前，陸先生於2012年11月至2016年9月任本行長沙分行黨委書記、行長；2007年3月至2012年11月歷任本行昆明分行黨委書記、副行長（主持工作）、行長；2006年5月至2007年3月任本行公司銀行部總經理助理（主持工作）；1999年1月至2006年5月在本行總行營業部工作，歷任公司信貸處副處長，資產保全處處長，亞運村支行行長，奧運村支行行長，國際大廈支行行長，總行營業部總經理助理、黨委委員；1994年8月至1999年1月在本行信貸部工作。陸先生擁有二十餘年中國銀行業從業經驗，為高級經濟師，哈爾濱工程大學機電一體化專業本科畢業，獲中國人民大學經濟學碩士學位、北京大學高級管理人員工商管理碩士學位。



呂天貴先生 中國國籍

本行業務總監。呂先生自2018年8月20日起任本行業務總監，2014年5月起任本行信用卡中心黨委書記，2017年9月起兼任本行零售銀行部、私人銀行部總經理。此前，呂先生於2014年5月至2019年1月任本行信用卡中心總裁；2003年1月至2014年5月，歷任本行信用卡中心財務及法律部副總經理、營運部總經理、客戶服務部總經理、信用卡中心總裁助理、黨委委員、副總裁；1993年8月至2003年1月在中國銀行股份有限公司吉林分行工作，曾任風險管理處副處長。呂先生擁有二十五年中國銀行業從業經驗，擁有高級會計師職稱、國際註冊內部審計師、中國註冊會計師資格。呂先生畢業於四川大學工商管理專業，獲工商管理碩士學位。

8.3 董事、監事及高級管理人員新聘或解聘情況

8.3.1 董事

2018年1月，常振明先生因工作需要辭去本行非執行董事及董事會戰略發展委員會委員職務。常振明先生的辭職自2018年1月5日起生效。

2018年5月25日，因本行第四屆董事會任滿，本行2017年年度股東大會選舉產生第五屆董事會。李慶萍女士擔任本行第五屆董事會執行董事、董事長；孫德順先生擔任本行第五屆董事會執行董事、行長；朱皋鳴先生、曹國強先生、黃芳女士、萬里明先生擔任本行第五屆董事會非執行董事；何操先生、陳麗華女士、錢軍先生、殷立基先生擔任本行第五屆董事會獨立非執行董事。其中，李慶萍女士、朱皋鳴先生、曹國強先生、黃芳女士、萬里明先生經本行相關股東推薦，由本行第四屆董事會提名；曹國強先生、殷立基先生將自其擔任本行董事任職資格獲監管機構核准之日起就任，其餘董事為連選連任，自2018年5月25日起就任。在殷立基先生就任前，在本行連續任職接近六年的第四屆董事會獨立非執行董事吳小慶女士、王聯章先生繼續履職。

經中國銀保監會核准，自2018年9月18日起，殷立基先生正式就任本行董事會獨立非執行董事；根據監管規定和本行董事會決議，自2018年9月18日起，吳小慶女士、王聯章先生正式離任本行董事會獨立非執行董事。

2018年8月8日，本行2018年第二次臨時股東大會通過決議，選舉方合英先生為本行第五屆董事會執行董事。經中國銀保監會核准，自2018年9月18日起，方合英先生正式就任本行董事會執行董事。

經中國銀保監會核准，自2018年9月25日起，曹國強先生正式就任本行董事會非執行董事。

2018年9月，朱皋鳴先生因職務變動原因，辭去所擔任的本行董事會非執行董事職務。朱皋鳴先生的辭職自2018年9月28日起生效。

2019年2月，孫德順先生因年齡原因，不再擔任本行執行董事、行長、董事會風險管理委員會主席、委員及董事會戰略發展委員會委員職務。孫德順先生的離任自2019年2月26日起生效。

8.3.2 監事

2018年2月，本行監事舒揚先生因工作需要，辭去所擔任的本行監事及監事會監督委員會主任委員、提名委員會委員等職務。舒揚先生的辭職自2018年2月27日起生效。

2018年3月，本行監事會主席曹國強先生因工作需要，辭去所擔任的本行監事會主席及監事職務，曹國強先生的辭職自2018年3月23日起生效。

2018年4月20日，經本行職工代表大會選舉，劉成先生擔任本行第四屆監事會職工代表監事。2018年4月23日，本行第四屆監事會第二十七次會議選舉劉成先生擔任本行第四屆監事會主席，劉成先生自2018年4月23日起正式就任本行第四屆監事會主席。

2018年5月25日，因本行第四屆監事會任滿，經2018年5月24日本行職工代表大會選舉，2018年5月25日本行2017年度股東大會審議，本行選舉產生第五屆監事會。自2018年5月25日起，劉成先生擔任本行第五屆監事會主席；鄧長清先生擔任本行第五屆監事會股東代表監事；王秀紅女士、賈祥森先生、鄭偉先生擔任本行第五屆監事會外部監事；程普升先生、陳潘武先生、曾玉芳女士擔任本行第五屆監事會職工代表監事。其中，鄧長清先生為新任監事，其餘監事為連選連任，均自2018年5月25日起就任。

8.3.3 高級管理人員

2018年1月，張強先生因工作調整原因辭去本行副行長職務。張強先生的辭職自2018年1月19日起生效。

2018年2月，本行董事會會議審議通過議案，聘任陸金根先生擔任本行業務總監。經中國銀保監會核准，自2018年8月20日起，陸金根先生正式擔任本行業務總監。

2018年3月，本行董事會會議審議通過議案，聘任呂天貴先生擔任本行業務總監。經中國銀保監會核准，自2018年8月20日起，呂天貴先生正式擔任本行業務總監。

2019年2月，孫德順先生因年齡原因，不再擔任本行執行董事、行長、董事會風險管理委員會主席、委員及董事會戰略發展委員會委員職務。孫德順先生的離任自2019年2月26日起生效。

2019年2月26日，本行董事會會議審議通過議案，聘任方合英先生為本行行長，自中國銀保監會核准其任職資格之日起正式就任，在其任職資格獲核准前，方合英先生代為履行本行行長職責。

2019年2月，謝志斌先生作為黨委委員加入本行。2019年3月26日，本行董事會會議審議通過議案，聘任謝志斌先生為本行副行長，自中國銀保監會核准其任職資格之日起正式就任。

8.4 董事、監事及高級管理人員薪酬情況

本行董事津貼政策和高級管理人員薪酬分配方案，由董事會提名與薪酬委員會擬定，經董事會審議通過，其中董事津貼政策報股東大會批准。本行監事津貼政策由監事會提名委員會擬定，經監事會審議通過後，報股東大會批准。本行為同時是本行員工的董事、監事和高級管理人員提供其職位相應的報酬，包括工資、獎金、津貼、補貼、職工福利費和各項保險金、住房公積金及年金。本行獨立非執行董事、外部監事實行津貼制度。本行其他董事、監事不在本行領取任何工資或津貼(董事袍金)。根據中國有關法律規定，本行為所有員工(包括同時是本行員工的執行董事、監事和高級管理人員)加入了中國法律法規規定的各類法定供款退休計劃。報告期內，在本行領薪的董事、監事和高級管理人員(包括現任及離任)從本行實際獲得的稅前報酬合計3,858.54萬元。截至報告期末，本行未向董事、監事及高級管理人員發放激勵股權。

8.5 董事、監事和高級管理人員在本行的股份、相關股份及債權證的權益和淡倉

截至報告期末，本行現任及報告期內離任的董事、監事、高級管理人員均未持有本行股份、股票期權或限制性股票。

8.6 董事、監事在重大合約中權益

報告期內，本行及其控股公司、附屬公司或各同系附屬公司概無就本行業務訂立任何重大且任何董事、監事直接或間接在其中擁有重大權益的合約。

8.7 董事、監事的服務合約

本行所有董事和監事，均未與本行或其任何附屬公司訂立任何在一年內不能終止，或除法定補償外還須支付任何補償方可終止的服務合約。

8.8 董事、監事及高級管理人員之間的關係

董事、監事或高級管理人員之間不存在任何重大財務、業務、家屬及其他關係。

8.9 董事在與本行構成競爭的業務中所佔的權益

本行並無任何董事在與本行直接或間接構成競爭或可能構成競爭的業務中持有任何權益。

8.10 董事、監事及高級管理人員責任保險

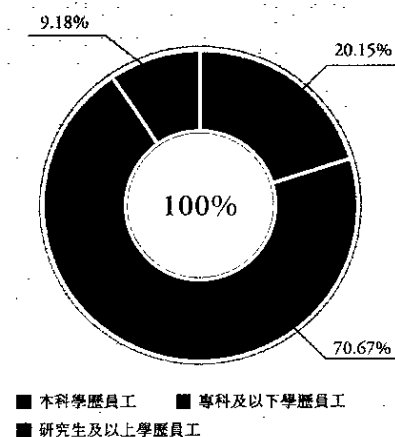
2018年，本行已為全體董事、監事及高級管理人員投保董事、監事及高級管理人員責任保險。2018年，本行概無曾經或正在生效的任何獲批准的彌償條文惠及本行的董事。

8.11 員工和分支機構情況

8.11.1 員工數量、結構及離退休人員數量、分支機構

截至報告期末，全行(含併表子公司)共有各類員工56,415人，其中，合同制員工52,976人，派遣及聘用協議員工3,439人；管理人員11,127人，業務人員41,359人，支持人員3,929人；研究生及以上學歷員工11,365人(佔比20.15%)，本科學歷員工39,868人(佔比70.67%)，專科及以下學歷員工5,182人(佔比9.18%)。此外，全行有退休人員1,418人。

員工學歷佔比情況



區域劃分	機構名稱	營業地址/郵編	電話/傳真	機構數量 (個)	員工數量 (人)	資產規模 (百萬元人民幣)
總部	總行	北京市東城區朝陽門北大街9號/100010	010-85230010	1	1,697	820,764
	信用卡中心	廣東省深圳市福田區福田街道福華一路121號中信銀行大廈/518048	0755-88200000	1	6,503	436,486
環渤海	總行營業部	北京市西城區金融大街甲27號投資廣場A座/100033	010-66293503 010-66211812	80	2,967	810,775
	天津分行	天津市和平區大沽北路2號天津環球金融中心3-8層、11層/300020	022-23028888 022-23028800	34	986	85,965
	石家莊分行	河北省石家莊市自強路10號中信大廈/050000	0311-87884438 0311-87884436	62	1,771	73,748
	濟南分行	山東省濟南市濰源大街150號中信廣場/250011	0531-85180916 0531-86916444	46	1,529	90,777
	青島分行	山東省青島市香港中路22號/266071	0532-85022889 0532-85022888	53	1,677	99,300
	大連分行	遼寧省大連市中山區人民路29號/116001	0411-82821868 0411-82815834	24	866	52,447
	中信金融租賃有限公司	天津市濱海新區中心商務區曦世國際大廈2-310/300450	010-53939600 010-53778081	1	91	50,217
	中信百信銀行股份有限公司(非併表子公司)	北京市朝陽區安定路5號院3號樓8層	010-86496888 010-86496555	1	501	35,924

第八章 董事、監事、高級管理人員、員工和分支機構情況

區域劃分	機構名稱	營業地址／郵編	電話／傳真	機構數量 (個)	員工數量 (人)	資產規模 (百萬元人民幣)
長三角	上海分行	上海市浦東新區世博館路138號中信銀行大廈／200126	021-20268888 021-20268564	51	1,623	304,512
	南京分行	江蘇省南京市中山路348號／210008	025-83799181 025-83799000	82	3,124	300,487
	蘇州分行	江蘇省蘇州市工業園區蘇州大道東266號金融港商務中心西樓／215028	0512-65190307 0512-65198570	29	1,048	119,865
	杭州分行	浙江省杭州市江干區四季青街道解放東路9號／310002	0571-87032888 0571-87089180	89	3,328	381,950
	寧波分行	浙江省寧波市海曙區鎮明路36號中信銀行大廈／315010	0574-87733226 0574-87733060	27	833	78,990
	臨安中信村鎮銀行	浙江省杭州市臨安區錦城街道石鏡街777號	0571-61109006 0571-61106889	3	55	1,651
珠三角及海西	福州分行	福建省福州市鼓樓區觀風亭街6號恆力金融中心／350001	0591-87613100 0591-87537066	56	1,510	60,760
	廈門分行	福建省廈門市湖濱西路81號慧景城中信銀行大廈／361001	0592-2385088 0592-2389000	17	494	23,524
	廣州分行	廣東省廣州市天河北路233號中信廣場／510613	020-87521188 020-87520668	70	2,541	308,551
	深圳分行	廣東省深圳市福田區中心三路8號卓越時代廣場二期一層(15A、15-19、34-36、41-43)及五層至十層／518048	0755-25941266 0755-25942028	46	1,505	361,441
	東莞分行	廣東省東莞市南城區鴻福路106號南峰中心／523070	0769-22667888 0769-22667999	32	870	47,266
	海口分行	海南省海口市龍華區金貿中路1號半山花園1-3層／570125	0898-68578310 0898-68578360	12	336	13,927
中部	合肥分行	安徽省合肥市包河區徽州大道396號／230001	0551-62898001 0551-62898002	40	1,095	93,692
	鄭州分行	河南省鄭州市鄭東新區商務內環路1號中信銀行大廈／450018	0371-55588888 0371-55588555	83	2,294	186,496
	武漢分行	湖北省武漢市江漢區建設大道747號／430015	027-85355111 027-85355222	46	1,406	146,365
	長沙分行	湖南省長沙市開福區湘江北路1500號北辰時代廣場／410000	0731-84582008 0731-84582008	40	1,194	67,620
	南昌分行	江西省南昌市廣場南路333號恆茂國際華城16號樓A座／330003	0791-6660107 0791-6660107	20	656	58,406
	太原分行	山西省太原市府西街9號王府商務大廈／030002	0351-7737055 0351-7737000	30	904	45,440

第八章 董事、監事、高級管理人員、員工和分支機構情況

區域劃分	機構名稱	營業地址／郵編	電話／傳真	機構數量 (個)	員工數量 (人)	資產規模 (百萬元人民幣)
西部	重慶分行	重慶市江北區江北城西大街5號／400020	023-63107573 023-63107257	29	1,030	100,106
	南寧分行	廣西壯族自治區南寧市雙擁路36-1號／530021	0771-6115804 0771-5569889	18	539	36,555
	貴陽分行	貴州省貴陽市觀山湖區長嶺北路中信大廈／550081	0851-82599865	14	414	29,358
	呼和浩特分行	內蒙古自治區呼和浩特市如意開發區如意和大街金泰中心中信大廈／010020	0471-6664933 0471-6664933	34	926	64,527
	銀川分行	寧夏回族自治區銀川市金鳳區北京中路160號馬斯特商務寫字樓四層、五層／750002	0951-7868556 0951-7653000	8	255	12,019
	西寧分行	青海省西寧市城西區勝利路交通巷1號／810008	0971-8812658 0971-8812616	10	219	9,779
	西安分行	陝西省西安市朱雀路中段1號／710061	029-89320022 029-89320029	37	1,063	66,936
	成都分行	四川省成都市高新區天府大道北段1480號拉·德方斯大廈／610042	028-65338800 028-85258898	45	1,209	136,596
	烏魯木齊分行	新疆維吾爾自治區烏魯木齊市新華北路165號中信銀行大廈／830002	0991-2365936 0991-2365888	10	344	26,244
	昆明分行	雲南省昆明市五華區寶善街81號福林廣場／650021	0871-63648407 0871-63648667	33	814	40,058
	蘭州分行	甘肅省蘭州市城關區東崗西路638號／730000	0931-8890699 0931-8890699	14	332	12,174
	拉薩分行	西藏自治區拉薩市城關區江蘇路22號／850000	0891-6599108 0891-6599126	2	119	7,663
	哈爾濱分行	黑龍江省哈爾濱市南崗區紅旗大街236號／150090	0451-55558247 0451-53995558	18	525	24,347
	長春分行	吉林省長春市長春大街1177號／130041	0431-81910011 0431-81910123	19	474	31,554
境外	瀋陽分行	遼寧省瀋陽市沈河區大西路336號／110014	024-31510456 024-31510234	50	1,439	43,284
	中信國金	香港灣仔告士打道39號夏愨大廈1801-4室	+852-36073000 +852-25253303	2	2,145	321,310
	信銀投資	香港金鐘道89號力寶中心2座21樓2106&28樓2801室	+852-25212353 +852-28017399	4	1,024	21,911
	倫敦代表處	5th Floor, 99 Gresham Street, London, EC2V 7NG	+44 2077109100	1	21	—
	悉尼代表處	L27, GATEWAY, 1 Macquarie Place, Sydney, NSW 2000, Australia	+61 2 79668888	1	6	—
	阿爾金銀行 (非併表子公司)	109B Abay ave., Almaty, A05A1B9, Kazakhstan	+77272596900	7	493	7,928

註：(1) 除本表所列數據外，本行員工還包括直屬機構數據中心、軟件開發中心628人；本表中倫敦代表處員工數量含海外當地僱員數量。
(2) 本表中總、分行資產規模為未經審計內部數據，未抵銷內部資金往來；本行倫敦代表處、悉尼代表處資產已併入總行資產規模。

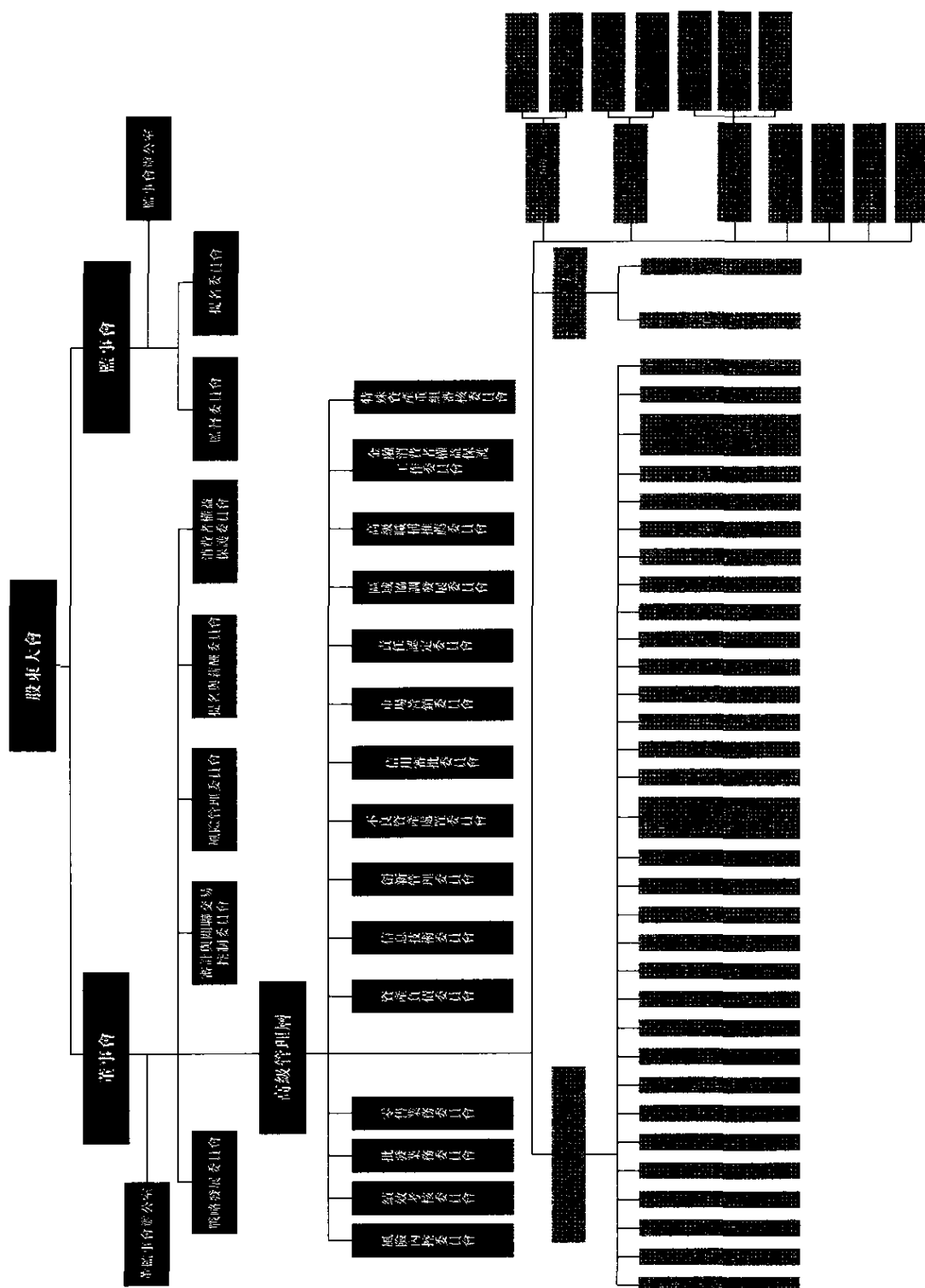
8.11.2 人力資源管理

報告期內，本行以戰略為引領，聚焦體制、機制和人才隊伍建設，持之以恆推進人力資源管理轉型。緊跟區域差異化發展戰略、業務轉型及監管要求，完善總分行組織架構，統籌優化人員配置，強化內部人才市場建設，加大金融科技人才引進力度；緊盯戰略執行，運用「平衡計分卡」模式優化部門考核體系，暢通職級晉升通道，提高IT、核心交易員等專業人才的薪酬競爭力；緊抓幹部隊伍建設，根據經營管理需要和監管要求，選優配強領導班子，推進交流培養，強化日常監督；緊扣人才梯隊規劃，規範「四支隊伍」選拔、培養、激勵、使用、退出管理，穩步實施「雙百雙千」工程；緊守關愛員工理念，推廣人力資源服務系列新舉措，把以員工為本的企業文化落到實處；緊繃合規內控意識，梳理人力資源管理制度，重檢人力資源工作流程，建立直達基層、源頭治理的長效管控機制。

8.11.3 人力資源培訓與開發

報告期內，本行共舉辦各類面授培訓5,309期，參訓60.3萬人次。推進「雙百雙千」人才培養工程，開展了經營管理人才、國際化人才、專業人才、青年骨幹人才隊伍四支隊伍的建設與培養，重點完成了高管正職黨性鍛煉培訓、內訓師培養、反洗錢合規等培訓項目。構建了全序列、全條線的員工崗位資格認證培訓體系，分為10大板塊，共55個認證類別，實現了全行員工崗位能力和專業素質穩步提升。依託三大數字化學習平台，實現全員培訓全覆蓋。

8.11.4 組織架構圖



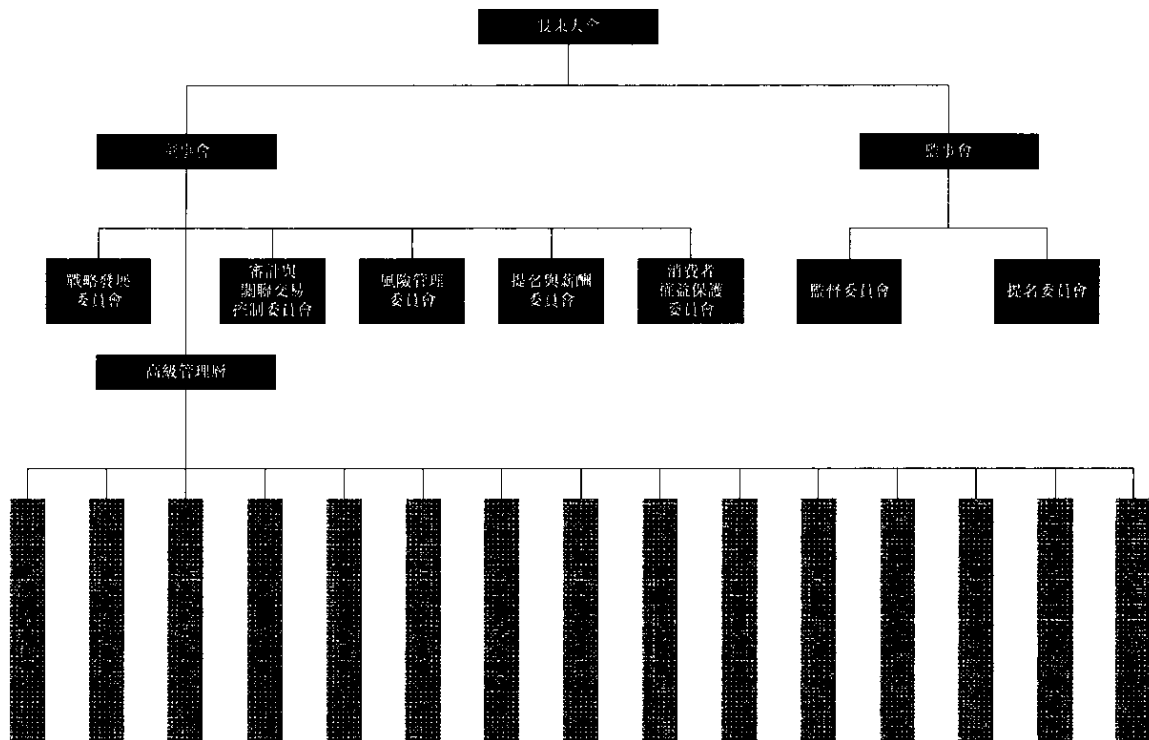


第九章

公司治理報告

第九章 公司治理報告

9.1 公司治理架構



9.2 公司治理整體情況

報告期內，本行深刻把握強監管環境的客觀要求和本行追求高質量發展的內在需要，持續完善公司治理機制，不斷提升公司治理實效。黨的領導有機融入公司治理，董事會、監事會任滿換屆，公司治理主體協調運轉，履職支持保障持續強化。董事會、監事會及其各專門委員會有效履職，規範運作；董事、監事履職渠道進一步拓寬，履職能力進一步強化。

董事會加強戰略引領作用，科學編製本行2018-2020年發展規劃，優化戰略管理，強化評估督導，確保規劃實施取得良好開局；推動深化經營轉型，提升輕型發展價值，增加本行資本實力，「三駕齊驅」轉型發展成效更加明顯；堅定踐行國家戰略，支持實體經濟發展，推進「一帶一路」金融合作，高質量發展普惠金融，加快金融科技佈局，積極履行社會責任；認真防範化解金融風險，深化「平安中信」建設，強化審慎經營理念，深入推進全面風險管理體制改革，統籌加強境內外內控合規長效機制；持續加強自身建設，健全集體學習等機制，自覺接受監事會等各方監督。

監事會立足法定地位、法定職責、法定義務，圍繞全行中心工作，認真履行監督職責，在推動公司治理完善、促進銀行穩健經營、防範化解金融風險、維護股東權益等方面發揮積極作用。緊抓會議與調研兩個支點，進一步拓展監督領域，促進監督成果運用，有效發揮監督職能；深入開展戰略執行、財務活動、內控建設、風險管理、履職盡責等重點方面的監督工作，不斷提高重點領域監督效能；加強自身建設，結合新形勢加強統籌設計，創新優化工作體系，進一步提升工作針對性、主動性、全面性和實效性，不斷提升監事會專業化、規範化運作水平。

第九章 公司治理報告

報告期內，本行組織董事、監事、董事會秘書參加上交所、北京證監局、普華永道會計師事務所等外部機構組織的培訓14人次，開展分支機構、子公司調研63人次，調研質效進一步提高。

本行公司治理機構設置和運行情況與《公司法》以及中國證監會和香港聯交所的相關規定要求不存在重大差異，不存在監管機構要求解決而未解決的重大公司治理問題。

9.3 股東大會、董事會、監事會情況

報告期內，本行召開了1次年度股東大會、2次臨時股東大會、1次A股類別股東會、1次H股類別股東會、12次董事會會議(其中10次為現場會議，2次為通訊表決會議)、11次監事會會議(其中10次為現場會議，1次為通訊表決會議)、42次董事會專門委員會會議和監事會專門委員會會議(其中董事會專門委員會會議36次、監事會專門委員會會議6次)。本行股東大會、董事會、監事會會議的召開均符合本行公司章程規定的程序。

9.4 股東大會

9.4.1 股東大會和股東權利

股東大會職責

股東大會是本行權力機構。股東大會負責決定本行經營方針和投資計劃；審議批准本行的年度財務預算方案、決算方案、利潤分配方案和彌補虧損方案；審議批准變更募集資金用途事項；選舉和更換董事以及由股東代表出任的監事和外部監事，決定有關董事、監事的報酬事項；審議和批准董事會、監事會的工作報告；對本行增加或減少註冊資本作出決議；對本行合併、分立、解散、清算或者變更公司形式、發行本行具有補充資本金性質的債券或其他有價證券及上市的方案、回購本行普通股股票作出決議；修訂本行章程；聘用、解聘會計師事務所及決定其報酬或報酬的確定方式；審議單獨或者合計持有本行3%以上有表決權股份的股東提出的議案；審議本行在一年內重大投資及重大資產購買與處置超過本行最近一期經審計淨資產值10%的事項；審議股權激勵計劃；決定或授權董事會決定與本行已發行優先股的相關事項，包括但不限於決定是否回購、轉換、派息等；審議法律、行政法規、規章和本行股票上市地的證券監督規則規定的應當由股東大會審議批准的關聯交易；審議法律、行政法規、部門規章、本行股票上市地的證券監督管理機構的相關規定及本行章程規定應當由股東大會決定的其他事項。

年度股東大會

本行的年度股東大會為股東與董事會提供有效的溝通平台。本行召開股東大會，於會議召開45日前發出書面通知，將會議擬審議的事項以及開會的日期和地點告知所有有權出席股東大會的在冊股東。擬出席股東大會的股東，應當於會議召開20日前，將出席會議的書面回覆送達本行。本行董事、監事、高級管理人員出席股東大會，並在會上回答股東問題。本行聘請的境內外審計師也出席年度股東大會並在會上回答有關外部審計情況、審計報告及報告內容、會計政策及審計師獨立性等相關問題。

除非另有規定或安排，本行股東可根據境內外證券監管規則，在股東大會上以投票方式表決。投票的詳細程序在股東大會開始時向股東說明，以確保股東熟悉該等投票程序。

臨時股東大會

根據本行公司章程，臨時股東大會可由二分之一以上的獨立董事或外部監事、董事會、監事會、單獨或者合計持有本行10%以上有表決權股份的股東(持股股數按股東提出書面請求日的持股數計算)通過提出書面請求而召開。董事會、監事會和單獨或者合併持有本行3%以上股份的普通股股東(含表決權恢復的優先股股東)，有權向本行提出股東大會提案。

向股東大會提出議案

單獨或者合計持有本行3%以上股份的普通股股東(含表決權恢復的優先股股東)，可以在股東大會召開10日前提出臨時提案並書面提交股東大會召集人；召集人在收到提案後2日內發出股東大會補充通知，公告臨時提案的內容，並將該臨時提案提交股東大會審議。

召開臨時董事會

經代表10%以上表決權的股東提議，可以召開臨時董事會會議。董事長應在自接到代表10%以上表決權的股東提議後10日內召集和主持董事會會議。

向董事會提出查詢

股東如需向董事會提出查詢，可通過發電子郵件至ir@citicbank.com或通過本行網站上的其他聯繫方式向董事會或本行提出。本行所有公告、新聞稿及有用公司資料已刊登於本行網站，以提升本行的信息透明度。

9.4.2 股東大會召開情況

報告期內，本行共召開1次年度股東大會、2次臨時股東大會、1次A股類別股東會、1次H股類別股東會，審議通過23項議案。本行股東大會有關決議均已在本行境內外上市地交易所指定網站以及本行網站進行了披露。

2018年2月6日，本行召開2018年第一次臨時股東大會、2018年第一次A股類別股東會及2018年第一次H股類別股東會。時任本行獨立非執行董事吳小慶女士主持會議。時任本行獨立非執行董事王聯章先生出席會議。

2018年5月25日，本行召開2017年年度股東大會。本行董事長、執行董事李慶萍女士主持會議。本行執行董事、時任行長孫德順先生，非執行董事黃芳女士、萬里明先生，時任本行獨立非執行董事吳小慶女士、王聯章先生，以及本行獨立非執行董事何操先生、錢軍先生出席會議。

2018年8月8日，本行召開2018年第二次臨時股東大會。時任本行獨立非執行董事吳小慶女士主持會議。時任本行獨立非執行董事王聯章先生出席會議。

9.5 董事會

9.5.1 董事會組成及職責

董事會是本行的決策機構。截至本報告披露日，本行第五屆董事會由9名成員組成，李慶萍女士擔任董事長。董事會成員包括執行董事2名，即李慶萍女士、方合英先生；非執行董事3名，即曹國強先生、黃芳女士、萬里明先生；獨立非執行董事4名，何操先生、陳麗華女士、錢軍先生、殷立基先生。

第九章 公司治理報告

根據公司章程，本行董事會的主要職責包括召集股東大會，並向股東大會報告工作，執行股東大會的決議，決定本行的發展戰略以及經營計劃、投資方案，制訂本行的年度財務預算方案、決算方案，制訂本行的利潤分配方案和彌補虧損方案，按照本行章程的規定或在股東大會授權範圍內決定本行的重大投資、重大資產購置、處置方案及其他重大事項方案，制訂本行章程的修訂案；聘任和解聘高級管理人員，審定本行基本管理制度、內部管理框架等。董事會決策本行重大問題，應事先聽取本行黨委的意見。

本行董事會已對本行內部控制設計與運行的有效性進行了自我評價，詳情參見本章「內部控制評價情況」。

9.5.2 董事會會議

報告期內，本行董事會共召開12次會議（其中10次為現場會議，2次為通訊表決會議），審議通過了《中信銀行2017年年度報告》、《中信銀行2018-2020年發展規劃》、《中信銀行2018年度審計計劃方案》、《中信銀行2017年度環境、社會及管治報告》、《中信銀行2018-2020年中期資本管理規劃》、《關於出資參與國家融資擔保基金的議案》、《關於第五屆董事會董事人選的議案》、《中信銀行2019年機構發展規劃》、《關於發起設立信銀理財有限責任公司的議案》、《關於非公開發行優先股方案的議案》、《關於修訂〈中信銀行全面風險管理政策〉的議案》等93項議案，聽取了本行2015-2017年戰略執行評估、2017年內控合規工作匯報、2018年全行反洗錢工作情況匯報、2018年案防和行為管理工作報告、重要監管政策解讀、2017年度及2018年上半年前十大集團授信客戶合作情況等39項匯報。在確保合規的基礎上，重大事項均提交董事會現場會議審議。根據需要且按照公司治理規則允許通訊表決的事項，則通過董事會通訊表決會議審議。有關成員在報告期內出席會議情況列示如下：

董事會成員	親自出席次數／ 任職期間會議次數	委託出席次數／ 任職期間會議次數
李慶萍	10/12	2/12
曹國強	3/3	0/3
方合英	3/3	0/3
黃芳	12/12	0/12
萬里明	8/12	4/12
何操	12/12	0/12
陳麗華	11/12	1/12
錢軍	12/12	0/12
殷立基	3/3	0/3
已離任董事		
朱皋鳴	8/9	1/9
吳小慶	9/9	0/9
王聯章	9/9	0/9
孫德順	10/12	2/12

9.5.3 董事關於財務報告的責任申明

以下所載的董事對財務報告的責任聲明，應與本年度報告中審計報告內的審核意見一併閱讀。該兩者應分別獨立理解。

董事確認其有責任為每一財政年度編製能真實反映本行經營成果的財務報告書。就董事所知，並無任何可能對本行的持續經營產生重大不利影響的事件或情況。

9.5.4 獨立非執行董事的獨立性及履職情況

本行獨立非執行董事在本行及本行子公司不擁有任何業務或財務利益，也不擔任本行的任何管理職務，其獨立性得到了有力的保證。本行已收到每名獨立非執行董事就其獨立性所作的年度確認函，並對他們的獨立性表示認同。

本行獨立非執行董事通過參加股東大會、董事會及各專門委員會會議，積極發表意見等方式，有效履行職責；通過實地調研、座談等方式加強對本行及分支機構業務發展的瞭解。

本行獨立非執行董事重視不斷強化自身履職能力。每次董事會前，均與管理層進行預溝通，瞭解相關匯報和議案情況；通過參加監管機構舉辦的各類培訓，瞭解監管要求和動向，加深對監管政策的學習理解，強化自身履職能力。

本行董事會審計與關聯交易控制委員會、提名與薪酬委員會主席均由獨立非執行董事擔任，審計與關聯交易控制委員會委員全部為獨立非執行董事，提名與薪酬委員會、消費者權益保護委員會大部分委員為獨立非執行董事。本行獨立非執行董事根據《中信銀行股份有限公司獨立董事年度報告工作制度》，開展與審計師溝通，充分發揮了獨立監督作用。報告期內未出現獨立非執行董事對本行董事會或董事會專門委員會議案提出異議的情況。

本行獨立非執行董事對本行經營管理、業務發展、戰略規劃、利潤分配、高管薪酬、風險管理、關聯交易等事項提出了相關意見和建議，本行高度重視並結合實際情況組織落實。報告期內，本行獨立非執行董事出席股東大會的情況參見本章「股東大會召開情況」，出席董事會的情況參見本章「董事會會議」。

9.5.5 符合《上市公司董事進行證券交易的標準守則》

本行已採納香港聯交所《上市規則》附錄十《上市公司董事進行證券交易的標準守則》（「標準守則」），並遵守《上市規則》第13.67條和第19A.07B條，以規範董事及監事的證券交易事項。本行已就此事專門徵詢所有董事及監事，所有董事及監事均已確認其於報告期內嚴格遵守了該標準守則有關條款的規定。

9.5.6 董事會對可持續發展報告的審議情況

董事會以單獨議案的形式對《中信銀行2018年度可持續發展報告》進行了審議，對報告內容無異議。

9.6 董事會專門委員會

本行董事會下設5個專門委員會，分別為戰略發展委員會、審計與關聯交易控制委員會、風險管理委員會、提名與薪酬委員會、消費者權益保護委員會。

9.6.1 戰略發展委員會

截至本報告披露日，本行第五屆董事會戰略發展委員會由4名董事組成，主席由董事長、執行董事李慶萍女士擔任，委員包括曹國強先生、方合英先生、錢軍先生。戰略發展委員會主要職責為研究本行的經營管理目標、長期發展戰略、人力資源、信息技術發展及其他專項戰略發展規劃，並向董事會提出建議；對重大合作、投資、融資、兼併收購方案進行研究，並向董事會提出建議；在董事會授權下監督、檢查年度經營計劃、投資方案的執行情況等。

報告期內，戰略發展委員會共召開5次會議，審議通過了本行2018-2020年發展規劃、修訂公司章程、2019年機構發展規劃等28項議案，聽取了2015-2017年戰略執行情況、關於近期「回購股份」系列政策情況匯報等2項匯報。有關成員在報告期內出席會議情況列示如下：

現任委員	親自出席次數/ 任職期間會議次數	委託出席次數/ 任職期間會議次數
李慶萍	4/5	1/5
曹國強	0/0	0/0
方合英	0/0	0/0
錢 軍	5/5	0/5
已離任委員		
孫德順	4/5	1/5

註：(1) 經董事會選舉，自2018年12月13日起，曹國強先生擔任本行第五屆董事會戰略發展委員會委員；上述日期至報告期末，董事會戰略發展委員會未召開會議。

(2) 2019年3月26日，董事會審議通過相關議案，選舉執行董事方合英先生為董事會戰略發展委員會委員。

9.6.2 審計與關聯交易控制委員會

截至本報告披露日，本行第五屆董事會審計與關聯交易控制委員會由3名董事組成，主席由獨立非執行董事殷立基先生擔任，委員包括何操先生、錢軍先生。審計與關聯交易控制委員會主要職責為檢查本行風險及合規狀況、會計政策和實務、財務報告程序和財務狀況；審查本行的財務監控、內控及風險管理制度；對關聯交易制度進行研究，並向董事會提出建議，監督關聯交易制度的執行等。

報告期內，審計與關聯交易控制委員會共召開15次會議，審議通過了本行定期報告、聘用2018年度會計師事務所及其費用、修訂內部審計章程、給予關聯方企業授信額度等25項議案，聽取了本行2017年度、2018年一季度、2018年上半年、2018年三季度經營情況，以及2017年內控合規工作匯報等12項匯報。有關成員在報告期內出席會議情況列示如下：

現任委員	親自出席次數／ 任職期間會議次數	委託出席次數／ 任職期間會議次數
殷立基	3/3	0/3
何 操	14/15	1/15
錢 軍	14/15	1/15
已離任委員		
吳小慶	12/12	0/12
王聯章	7/7	0/7

在本行2018年年度報告編製與審計過程中，審計與關聯交易控制委員會委員通過聽取匯報、安排座談等方式，審閱了外部審計師的審計工作時間和進度安排等事項，督促並監督外部審計師的審計工作。審計與關聯交易控制委員會在年審註冊會計師進場前以及出具初步審計意見後，兩次審閱了本行財務會計報表，與年審註冊會計師多次充分溝通。審計與關聯交易控制委員會於2019年3月21日召開會議，認為本行財務會計報表真實、準確、完整地反映了本行整體情況。審計與關聯交易控制委員會審議了外部審計師從事年度審計工作的總結報告，全面客觀地評價了其完成年度審計工作情況及其執業質量，同意續聘普華永道會計師事務所和羅兵咸永道會計師事務所分別擔任本行2019年度境內審計師和境外審計師，並決定將以上事項提交董事會審議。

9.6.3 風險管理委員會

截至本報告披露日，本行第五屆董事會風險管理委員會由3名董事組成，主席由執行董事方合英先生擔任，委員包括錢軍先生、殷立基先生。風險管理委員會主要職責為監督高級管理層關於信用、流動性、市場、操作、合規和聲譽等風險的控制情況；對本行風險偏好、授信政策、流動性風險管理政策、市場風險管理政策、操作風險管理政策、合規風險管理政策、聲譽風險管理政策、業務運營合法合規、風險管理狀況及風險承受能力等情況進行定期評估，並向董事會提出完善本行風險管理和內部控制的建議；統籌管理全行洗錢風險管理工作，指導全行履行反洗錢職責和義務，審定洗錢風險整體狀況，向董事會匯報並提出反洗錢重大事項的處理意見等。

第九章 公司治理報告

報告期內，風險管理委員會共召開6次會議，審議通過了本行2017年度資本充足率管理報告、2017年度內部資本充足評估報告、2018年度風險偏好陳述書、加強中信銀行洗錢風險管理體系建設等16項議案，聽取了本行2017年度、2018年一季度、2018年半年度、2018年三季度全面風險管理情況，本銀行集團2017年度併表管理執行情況報告，2018年上半年授信政策重檢及下半年授信指導意見，進一步加強全行數據管理工作等19項匯報。有關成員在報告期內出席會議情況列示如下：

現任委員	親自出席次數／ 任職期間會議次數	委託出席次數／ 任職期間會議次數
方合英	0/0	0/0
錢 軍	6/6	0/6
殷立基	2/2	0/2
已離任委員		
李慶萍	0/2	2/2
吳小慶	4/4	0/4
孫德順	5/6	1/6

註：(1) 經董事會選舉，自2018年12月13日起，方合英先生擔任本行第五屆董事會風險管理委員會委員；上述日期至報告期末，董事會風險管理委員會未有開會議。

(2) 2019年3月26日，董事會審議通過相關議案，任命執行董事方合英先生為董事會風險管理委員會主席。

9.6.4 提名與薪酬委員會

截至本報告披露日，本行第五屆董事會提名與薪酬委員會由3名董事組成，主席由獨立非執行董事錢軍先生擔任，委員包括黃芳女士、殷立基先生。提名與薪酬委員會主要職責為協助董事會擬定董事和高級管理層成員的選任程序和標準，向董事會提出獨立非執行董事候選人建議，審議本行薪酬管理制度和政策，擬定董事和高級管理層的考核辦法和薪酬方案，向董事會提出薪酬方案的建議並監督方案的實施等。

報告期內，提名與薪酬委員會共召開7次會議，審議通過了董事會對董事2017年度履職評價報告、第五屆董事會董事人選、第五屆董事會董事津貼政策、2017年職工薪酬決算方案、高管人員2017年薪酬分配方案等20項議案。有關成員在報告期內出席會議情況列示如下：

現任委員	親自出席次數／ 任職期間會議次數	委託出席次數／ 任職期間會議次數
錢 軍	7/7	0/7
黃 芳	4/4	0/4
殷立基	2/2	0/2
已離任委員		
王聯章	3/3	0/3
吳小慶	3/3	0/3
陳麗華	3/3	0/3

報告期內，提名與薪酬委員會研究審查了本行高級管理層的薪酬方案，同時監督薪酬方案的實施。提名與薪酬委員會認為，2018年本行高級管理層在法律、法規和公司章程規定的職權範圍內，在董事會的領導和授權以及監事會的監督下，履行誠信和勤勉義務，進一步提升了公司價值和股東價值。提名與薪酬委員會審核認為，本行所披露董事、監事和高級管理層人員的薪酬符合有關薪酬政策和方案規定，符合本行應遵守的境內和境外上市公司監管機構所要求的披露標準。提名與薪酬委員會確認，截至報告期末，本行尚未實施股權激勵計劃。

報告期內，提名與薪酬委員會根據其議事規則，履行了董事和高級管理人員的提名程序，包括：對被提名的董事、高級管理人員候選人進行包括獨立性、專業知識、經驗和能力等方面的資質審查；至少每年檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)，並就任何為配合本行的發展戰略而擬對董事會作出的變動提出建議。

9.6.5 消費者權益保護委員會

截至本報告披露日，本行第五屆董事會消費者權益保護委員會由3名董事組成，主席由非執行董事黃芳女士擔任，委員包括何操先生、陳麗華女士。消費者權益保護委員會主要職責為擬定本行消費者權益保護工作的戰略、政策和目標；督促高級管理層有效執行和落實消費者權益保護相關工作；監督、評價本行消費者權益保護工作的全面性、及時性、有效性以及高級管理層相關履職情況等。

報告期內，消費者權益保護委員會共召開3次會議，審議通過了消費者權益保護委員會2018年度工作計劃、選舉第五屆董事會消費者權益保護委員會主席等2項議案，聽取了本行2017年度、2018年上半年服務品質及消費者權益保護工作情況等2項匯報。有關成員在報告期內出席會議情況列示如下：

現任委員	親自出席次數／ 任職期間會議次數	委託出席次數／ 任職期間會議次數
黃 芳	2/2	0/2
何 操	2/3	1/3
陳麗華	2/3	1/3
已離任委員		
吳小慶	1/1	0/1

9.7 監事會

監事會是本行的監督機構，對股東大會負責。截至本報告披露日，本行監事會由8名成員組成，包括監事會主席、職工代表監事劉成先生；股東代表監事鄧長清先生；外部監事王秀紅女士、賈祥森先生、鄭偉先生；職工代表監事程普升先生、陳潘武先生、曾玉芳女士。

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報告期內，本行監事會共召開11次會議(其中10次為現場會議，1次為通訊會議)，審議通過了定期報告、利潤分配方案、內部控制評價報告、社會責任報告、年度履職評價報告、內部資本充足評估報告等30項議案；聽取了經營情況、全面風險管理報告、內控合規報告、銀保監會監管通報問題整改、數據治理情況、併表管理、反洗錢工作、案防和員工行為管理等22項匯報。同時，監事會成員列席了所有董事會現場會議及部分董事會專門委員會會議，及時發表意見，確保對全行重大事項決策過程的充分監督。此外，監事會通過列席高級管理層會議、審閱各類文件和資料等方式，對本行的經營管理活動進行了監督檢查。

報告期內，監事會以問題為導向，開展涉及全行戰略實施、內控合規等具有全局意義的專項調研，並赴同業就監事會工作機制、體系、創新等內容深入交流，不斷豐富調研手段，提升調研質效。全年組織監事會集體調研4次，涉及6家分行和2家同業。對調研中發現的普遍性、傾向性問題和其他重大問題，集中深入討論，形成意見與建議，通過調研報告等方式有效向董事會、管理層傳遞，促進調研成果轉化。

有關成員在報告期內出席會議情況列示如下：

監事會成員	親自出席次數／ 任職期間會議次數	委託出席次數／ 任職期間會議次數
劉 成	8/8	0/8
鄧長清	6/6	0/6
王秀紅	8/11	3/11
賈祥森	11/11	0/11
鄭 偉	10/11	1/11
程普升	8/11	3/11
陳潘武	9/11	2/11
曾玉芳	11/11	0/11

已離任監事	親自出席次數／ 任職期間會議次數	委託出席次數／ 任職期間會議次數
曹國強	2/2	0/2
舒 揚	0/0	0/0

9.8 監事會專門委員會

本行監事會下設監督委員會和提名委員會。

9.8.1 監督委員會

截至本報告披露日，本行監事會監督委員會由4名監事組成，主任委員由賈祥森先生擔任，委員為鄭偉先生、程普升先生、曾玉芳女士。監督委員會的主要職責為監督董事會確立穩健的經營理念、價值準則和制定本行實際的發展戰略，對本行經營決策、財務活動、風險管理和內部控制等進行監督檢查。

報告期內，監事會監督委員會共召開4次會議，審議通過了本行定期報告、利潤分配方案、內部控制評價報告、社會責任報告等10項議案。有關成員在報告期內出席會議情況列示如下：

現任委員	親自出席次數／ 任職期間會議次數	委託出席次數／ 任職期間會議次數
賈祥森	4/4	0/4
鄭 偉	4/4	0/4
程普升	0/2	2/2
曾玉芳	4/4	0/4
已離任委員	親自出席次數／ 任職期間會議次數	委託出席次數／ 任職期間會議次數
舒 揚	0/0	0/0

註：經2018年5月25日本行第五屆監事會第一次會議選舉，程普升監事開始擔任第五屆監事會監督委員會委員，不再擔任監事會提名委員會委員。

9.8.2 提名委員會

截至本報告披露日，本行監事會提名委員會由3名監事組成，主任委員由王秀紅女士擔任，委員為鄧長清先生、陳潘武先生。提名委員會的主要職責為擬定由本行股東大會選舉產生的監事的選任程序和標準，對由股東大會選舉產生監事的任職資格和條件進行初步審核並提出建議。本行職工代表監事由本行職工民主選舉產生或罷免。

報告期內，監事會提名委員會共召開2次會議，審議通過了監事會對董事會、監事會、高管層及其成員的履職評價報告等9項議案。有關成員在報告期內出席會議情況列示如下：

現任委員	親自出席次數／ 任職期間會議次數	委託出席次數／ 任職期間會議次數
王秀紅	2/2	0/2
鄧長清	1/1	0/1
陳潘武	2/2	0/2
已離任委員	親自出席次數／ 任職期間會議次數	委託出席次數／ 任職期間會議次數
舒 揚	0/0	0/0
程普升	1/1	0/1

註：經2018年5月25日本行第五屆監事會第一次會議選舉，鄧長清監事開始擔任第五屆監事會提名委員會委員。

9.9 監事會就有關事項發表的獨立意見

9.9.1 本行依法經營情況

本行依法開展經營活動，決策程序符合法律、法規及公司章程的有關規定；未發現本行董事、高級管理人員在履行職務時有違反法律法規、公司章程或損害本行及股東利益的行為。

9.9.2 財務報告的真實性

財務報告的編制和審核程序符合法律、行政法規和監管規定，未發現報告內容存在失實、歪曲或重大缺陷的情況。

9.9.3 募集資金使用情況

報告期內，本行募集資金使用與本行募集說明書承諾的用途一致。

9.9.4 收購、出售資產情況

報告期內，未發現本行收購、出售資產中有損害股東權益或造成本行資產流失以及內幕交易的行為。

9.9.5 關聯交易情況

報告期內，未發現本行關聯交易中有損害本行和股東利益的行為。

9.9.6 股東大會決議執行情況

監事會對報告期內董事會提交股東大會審議的各項報告和提案無異議。監事會對股東大會決議的執行情況進行了監督，認為本行董事會認真執行了股東大會的有關決議。

9.9.7 內部控制情況

監事會審議了《中信銀行2018年度內部控制評價報告》，對報告內容無異議。

9.9.8 可持續發展報告

監事會審議了《中信銀行2018年度可持續發展報告》，對報告內容無異議。

9.9.9 利潤分配方案

監事會審議了《中信銀行2018年度利潤分配方案》，認為利潤分配方案符合法律、法規和公司章程相關規定，符合全體股東的整體利益，有利於促進本行的長遠發展。

9.9.10 優先股股息分配方案

報告期內，本行優先股股息分配方案符合法律、法規、公司章程和優先股發行條款的相關規定。

9.9.11 信息披露管理制度實施情況

報告期內，本行嚴格按照監管要求履行信息披露義務，認真執行各項信息披露管理制度，及時、公平地披露信息，報告期內所披露信息真實、準確、完整。

除以上披露事項外，監事會對報告期內其他監督事項無異議。

9.10 高級管理層

高級管理層是本行的執行機構，對董事會負責。本行高級管理層與董事會嚴格劃分職責權限，根據董事會授權，決定其權限範圍內的經營管理與決策事項。董事會對高級管理人員進行績效評價，作為對高級管理人員的薪酬和其他激勵安排的依據。高級管理層應當定期或根據董事會或者監事會的要求，向董事會或監事會如實報告本行經營業績、重要合同、財務狀況、風險狀況、經營前景、重大事件等情況。

本行高級管理層由10名成員組成，詳見本報告第八章「董事、監事、高級管理人員、員工和分支機構情況」。

9.11 高級管理人員的考評激勵機制的建立和實施情況

本行建立了高級管理人員年度考評機制。年度考核內容包括經營指標完成情況和履職行為能力評價。年度考核結果作為核定高級管理人員的薪酬以及任免、調整、交流、培訓的重要依據。

9.12 董事長與行長

截至本報告披露日，本行董事長與行長分設。李慶萍女士為本行董事長、執行董事，履行主持股東大會、召集主持董事會會議、檢查董事會決議實施情況等職責；方合英先生為本行副行長、執行董事，代為履行組織實施董事會決議、主持公司經營管理工作等行長職責。本行董事長、行長各自職責清晰，符合香港上市規則的規定。

9.13 香港上市規則的公司秘書

截至本報告披露日，本行外聘甘美霞女士(FCS, FCIS)擔任香港上市規則的聯席公司秘書，本行內部的主要聯絡人為董事會秘書／公司秘書蘆葦先生。蘆葦先生的聯繫電話：+86-10-85230010；傳真：+86-10-85230079。

9.14 與控股股東的獨立性說明

本行與控股股東在業務、人員、資產、機構、財務等方面均完全分開，具有獨立完整的業務及自主經營能力。

業務方面，本行具有完整的業務體系和直接面向市場獨立經營的能力，獨立從事經核定的經營範圍中的業務，未受到控股股東及其他關聯方的干涉、控制，亦未因與控股股東及其他關聯方之間存在關聯關係而使本行經營自主權的完整性、獨立性受到不良影響。

人員方面，本行有獨立的勞動人事和工資管理制度。本行高級管理人員均未在控股股東及其控制的其他企業擔任職務；本行財務人員未在控股股東及其控制的其他企業中兼職。

資產方面，本行擁有與業務經營有關的土地、房屋以及商標、域名等知識產權的所有權或使用權。

財務方面，本行擁有獨立的財務會計部門，建立了獨立的財務會計核算體系和財務管理制度並獨立進行財務決策，依法獨立設立賬戶，不與控股股東共用賬戶；本行控股股東依法在本行開設賬戶的程序、要求均與其他在本行開設賬戶的第三方完全相同，與本行資金及賬戶完全獨立。

機構方面，本行已設立了股東大會、董事會、監事會，並根據自身經營管理的需要設置業務部門和管理部門。本行獨立行使經營管理職權，與控股股東之間不存在機構混同的情形。

9.15 獨立非執行董事就中信集團和中信國金所作出的不競爭承諾的申明

自2009年10月23日起，因中信集團持有的中信國金70.32%的股份已轉予本行，中信國金在《避免同業競爭協議》項下的義務解除。

本行獨立非執行董事就執行中信集團所作出的不競爭承諾而作出確認，認為報告期內中信集團遵守了不競爭承諾。中信集團就其遵守2007年3月13日與本行達成的《避免同業競爭協議》的執行情況向本行作出了聲明。

9.16 制定及檢討企業管治政策及常規的情況

本行董事會重視對企業管治相關內部制度的建立和完善。報告期內，本行根據實際情況，結合監管規定，對《中信銀行股份有限公司章程》等進行了修訂，制定了《中信銀行股份有限公司股權管理辦法》，進一步完善本行公司治理制度，為加強本行公司治理科學運作及股東權利義務進一步規範管理提供重要保障。

9.17 檢討及監察董事、監事及高級管理人員的培訓及持續專業發展的情況

本行董事會堅持敦促董事及高級管理人員參加相關業務培訓，促進專業發展，促進董事提高綜合素質和履職能力。報告期內，董事會、監事會按照中國證監會、香港證券及期貨事務監察委員會、香港聯交所和中國銀保監會的有關規定，組織有關董事、監事參加了相關培訓，起到了較好的效果。

本行現任董事、監事及董事會秘書接受外部機構培訓的情況如下：

姓名	職務	培訓機關	培訓方式	培訓時間(天)
李慶萍	董事長、執行董事	北京證監局	集中授課	1
曹國強	非執行董事	北京證監局	集中授課	1
方合英	執行董事、副行長兼財務總監	北京證監局	集中授課	1
黃芳	非執行董事	北京證監局	集中授課	1
萬里明	非執行董事	北京證監局	集中授課	1
何操	獨立非執行董事	上海證券交易所	集中授課	2.5
陳麗華	獨立非執行董事	上海證券交易所	集中授課	2.5
錢軍	獨立非執行董事	上海證券交易所	集中授課	2.5
殷立基	獨立非執行董事	上海證券交易所	集中授課	3
劉成	監事會主席	北京證監局	集中授課	1
鄧長清	股東代表監事	北京證監局	集中授課	1
程普升	職工代表監事	北京證監局	集中授課	1
蘆葦	董事會秘書	上海證券交易所	集中授課	3

本行董事會秘書兼公司秘書蘆葦先生於報告期內參加了監管機構等舉辦的相關專業培訓，培訓時間超過15個學時，符合香港聯交所有關監管要求。

第九章 公司治理報告

根據監管要求，本行定期及不定期編製《董監事參閱件》，以滿足董事、監事全面瞭解本行業務動態、戰略執行、風險控制、內控合規等情況的需求。本行董事對提供給其關於本行業務和行業最新發展以及相關法律和監管要求的報告和其他書面材料進行了審閱。以下具名總結了本行現任董事於報告期內的持續職業發展情況：

姓名	有關業務、董事責任、 公司治理的培訓	關於本行業務和行業 最新發展以及相關法律 和監管要求的月報和 其他書面材料	
李慶萍(董事長、執行董事)	✓		✓
曹國強(非執行董事)	✓		✓
方合英(執行董事、副行長兼財務總監)	✓		✓
黃 芳(非執行董事)	✓		✓
萬里明(非執行董事)	✓		✓
何 操(獨立非執行董事)	✓		✓
陳麗華(獨立非執行董事)	✓		✓
錢 軍(獨立非執行董事)	✓		✓
殷立基(獨立非執行董事)	✓		✓

9.18 檢討及監察公司在遵守法律及監管規定方面的政策及常規的情況

在董事會指導下，本行紮實開展銀保監會進一步深化整治銀行業市場亂象工作，持續完善內控管控機制；不斷健全內控監督體系，對標監管要求，深化員工行為管理體系建設，加強授權管理，推動源頭性整改；落實反洗錢新規，完善反洗錢制度體系的頂層設計，加強境外機構合規管理，確保監管合規。董事會定期審議內控合規報告，指導統籌推進合規風險文化建設，進一步提升全員合規價值認同。

9.19 符合香港聯交所《上市規則》企業管治守則情況

本行於截至2018年12月31日止年度遵守現載於香港聯交所上市規則附錄十四的《企業管治守則》，及其中絕大多數建議最佳常規，惟以下情況除外：

《企業管治守則》第A.1.3條規定召開董事會定期會議應至少提前14天發出通知。本行公司章程第179條規定，董事會應當於定期董事會會議召開10天前以書面形式通知全體董事和監事。本行在董事會會議通知方面採取上述做法的原因是，會議10天前通知董事符合中國法律法規的要求，並被視為已留出合理的時間。

根據《企業管治守則》第A.6.7條，獨立非執行董事以及其他非執行董事應出席股東大會。由於時間衝突及其他安排，一些董事未能親自出席本行的股東大會。

根據《企業管治守則》第A.5.6條，提名委員會(或董事會)應訂有涉及董事會成員多元化的政策，並於企業管治報告內披露其政策或政策摘要。本行本屆董事會成員涵蓋不同性別、年齡、文化、教育背景及專業經驗之董事，董事相關信息參見本報告第八章「董事、監事、高級管理人員、員工和分支機構情況」。本行董事會已制定《董事會成員多元化政策》，符合《企業管治守則》第A.5.6條的要求。

本行認為，董事會成員多元化有利於提升本行的運營質量，是本行實現戰略目標、維持競爭優勢及實現可持續發展的關鍵因素。本行在設定董事會成員組成時，將從多個方面考慮董事會成員多元化，包括但不限於才能、技能、知識、行業及專業經驗、文化及教育背景、性別、年齡、種族及其他因素。所有董事會成員的委任，均應在綜合考量董事會整體運作所需要的才能、技能、知識、及經驗水平後作出。

在審查董事候選人並向董事會提出建議時，董事會提名與薪酬委員會將按客觀條件考慮人選，適度考慮董事會成員各方面多元化的益處，綜合考量董事會成員的才能、技能、知識、經驗及文化和教育背景。在任何特定時間，董事會提名與薪酬委員會可建議董事會尋求改善其在一方面或多方面的多元化，以保持董事會組成人員的適當及平衡並切合本行業務發展。

隨著外部經營環境、監管要求以及銀行經營範圍、規模的變化，銀行內部控制將是一個持續改進和完善的過程。本行將遵循外部監管要求和上市公司的工作需要，按照國際先進銀行的標準，不斷完善內控管理。

9.20 投資者關係管理

報告期內，本行通過接待、拜訪投資者、熱線電話與郵件、組織大型活動等各種線下及線上互動渠道與方式，累計溝通資本市場參與者1,500餘人次，有效滿足了境內外投資者、分析師與本行的交流需求。同時，本行積極推介2018-2020年發展規劃，宣傳本行加快經營轉型、強化風險防控、夯實發展基礎等方面經營策略，提升與資本市場溝通層級和質量，增進投資者對本行投資價值的認同。本行於2018年3月在北京、香港兩地召開年度業績發佈會，8月在北京召開半年度業績發佈會，4月、5月赴境外國家和地區開展業績路演，4月、6月、11月分別舉行基金公司合作懇談會、信用卡專題和中信百信銀行專題投資者開放日等活動，與境內外重要機構投資者溝通交流近500人次，向資本市場傳遞了本行經營發展正能量，獲得市場持續關注，取得較好效果。本行榮獲新浪財經主辦的2018年「金獅獎—最佳投資者關係管理上市公司」，為唯一獲此殊榮上市銀行。

報告期內，本行動態監測股東持股變動、市場研報觀點、股價與市值表現、資本市場輿情等情況，持續深入開展資本市場調研，及時準確向高級管理層、監管部門等報告有關重要信息，向行內傳遞市場有益觀點，有效促進業務經營與資本市場良性互動。本行落實銀保監會《商業銀行股權管理暫行辦法》及配套監管要求，與主要股東等方面協同做好股權管理工作，修訂完善了本行章程股權管理有關內容、制訂了本行股權管理辦法。此外，本行制定了境外路演管理辦法以提升相關工作精細化管理水平。

9.21 信息披露和內幕信息管理

本行高度重視信息披露和內幕信息管理，嚴格遵守上市地信息披露法律法規要求，依法對外發佈定期報告及臨時公告。報告期內，在上交所和香港聯交所合計披露定期報告、臨時公告等各類文件340餘份，約285萬字。同時，本行進一步提升披露信息的主動性和透明度，及時發佈年度業績快報，合理引導市場預期，並在定期報告中持續加強對投資者關注熱點問題的披露，為投資者提供及時、充分、有效的信息。

報告期內，本行積極完善信息披露管理機制，主動加強內外部溝通，制定公告跟蹤披露事項表，科學制定披露方案，夯實公告合規基礎，保證各項披露相關工作有序進行。同時，本行嚴格按照上市地監管要求及本行規定開展內幕信息及知情人管理，規範信息傳遞流程，加強內幕信息管理，積極防範內幕信息洩露和內幕交易風險。報告期內，本行在信息披露工作方面的規範運作獲得了監管機構的肯定，在上交所對上市公司信息披露工作的年度考核評價中，本行獲得了最高等級的A類評價。

9.22 關聯交易管理

報告期內，本行根據銀保監會、證監會、上交所和香港聯交所等監管機構要求，持續高度重視關聯交易管理，結合監管政策趨勢及新規要求，進一步優化關聯交易管理機制，強化關聯交易合規意識，提升關聯交易管理效率與精細化水平，在合規前提下助力協同價值和股東價值的創造，切實保護股東和投資者的利益。

本行始終堅持董事會決策、監事會監督、高級管理層執行、各部門分工負責的管理體制，各級管理與經營機構嚴格遵循關聯交易管理要求，切實履行關聯交易審議和披露義務，對於重大關聯交易逐筆提交董事會審議、對外披露，並及時向銀保監會和監事會報備。董事會審計與關聯交易控制委員會全部由獨立非執行董事組成，代表中小股東對重大關聯交易事項進行預審，並發表獨立意見，確保關聯交易以不優於獨立第三方的交易條件公平公允開展，符合本行及全體股東整體利益。

報告期內，本行結合政策新規嚴格遵循各項關聯交易監管要求。圍繞銀保監會2018年頒佈的《商業銀行股權管理暫行辦法》及配套文件，主動加強與主要股東的溝通協調，會同相關外部審計師、證券事務律師，共同研究確定主要股東及其相關方的認定範圍，全面徵集相關信息並報送監管機構。建立與主要股東之間常態工作機制，動態更新主要股東及其相關方信息及本行關聯方名單，並對關聯交易進行有效管理。主動加強政策溝通，實現關聯授信限額管理口徑調整和機制優化，進一步完善上交所和香港聯交所規則下本行與主要股東關聯方2018-2020年關聯交易上限的日常管理，強化統計與監測，持續提升關聯交易精細化管理水平。強化關聯交易合規意識，開展管理培訓與規範指引，確保全行關聯交易合規有序開展。

9.23 內部控制評價情況

本行內部控制的目標是合理保證經營管理合法合規、資產安全、財務報告及相關信息真實完整，提高經營效率和效果，促進實現發展戰略。根據《企業內部控制基本規範》、《企業內部控制評價指引》、《商業銀行內部控制指引》等相關要求，結合本行內部控制制度和評價辦法，本行董事會授權內部審計部門對本行內部控制設計與運行的有效性進行了自我評價，並出具了《中信銀行股份有限公司2018年度內部控制評價報告》（簡稱「《內部控制評價報告》」），認為內部控制在2018年12月31日（基準日）有效。本行在內部控制自我評價過程中未發現重大內部控制缺陷。本行監事會審閱了《內部控制評價報告》，對報告內容無異議。

《內部控制評價報告》（包括本行董事會、監事會關於內部控制責任的聲明）請見本行於本報告披露日在上交所網站（www.sse.com.cn）、香港聯交所披露易網站（www.hkexnews.hk）和本行網站（www.citicbank.com）發佈的相關公告。

9.24 內部控制建設情況及採取的主要措施

深入開展「413合規行動」，強化全行合規經營綜合整治。秉承「標本兼治，重在固本；懲防並舉，重在預防」的原則，部署開展以制度執行—護航行動、行為管理—排雷行動、亂象治理—亮劍行動和屢查屢犯—治理行動為主要內容的「413合規行動」，從進一步加強制度建設、落實問題整改、強化違規問責、從嚴監督檢查等多方面綜合施策，著力解決在制度體系建設、員工行為管理、深化亂象整治以及屢查屢犯問題治理等方面存在的問題和不足，強化合規經營和穩健發展，探索實踐構建良好的內控合規長效機制，全面提升全行內控合規管理水平，營造「不能違規、不敢違規、不願違規」的合規文化氛圍，為本行經營的健康發展營造平安穩定的經營環境。

持續加強內控機制建設，全力實現「平安中信」管理目標。制定《2018-2020年合規實施方案》，有效指導全行遏制合規風險和重大案件風險損失，合理控制聲譽風險。先後修訂印發了《中信銀行整改管理辦法》、《中信銀行問責管理基本規定》、《中信銀行不相容崗位內控管理辦法》等一系列內控制度，進一步提高本行內控管理水平；組織分行開展制度清理、外規內化等工作，實行制度動態管理，確保內部制度辦法緊跟監管要求，緊貼本行經營發展實際；對重點業務實行「合規手冊、負面清單、處罰標準」的標準化管理模式，明確業務「合規紅線、風險底線、責任環節、處罰標準」；持續組織開展「一把手講案例」、分行合規部負責人微信學習等專題活動，提升全員風險意識；全面開展亂象治理自查工作，通過評估和自查兩個階段的「雙線自查」和「上督下查」，切實落實銀行業亂象整治工作；制定印發《中信銀行境外分行合規官管理辦法》，加強境外分行合規管理，有序推動境外分行合規體系建設，落實合規管理相關工作職責。

加強授權管理與超授權督導，持續強化一級法人意識。強化全行一級法人管理的要求，健全矩陣式授權體系，通過對8位分管行領導與對32個部門的橫向授權、對38家分行縱向授權，首次以基本授權和操作手冊相結合的方式搭建清晰規範的授信審批授權體系，印發授權書78份，提高了授權的權威性、及時性、嚴肅性；加強各級機構授權管理，規範分行轉授權，完成130餘份分行和總行部門轉授權的審核備案工作；規範各級機構授權管理，及時動態調整授權，年度動態調整共計47次，促進業務健康發展；針對重大變化、重點條款，培訓授權管理骨幹800人次。

第九章 公司治理報告

強化員工行為管控，持續健全案件防控體系。為加強員工行為管理，制定印發了《中信銀行從業人員行為管理辦法》、《中信銀行從業人員行為積分管理辦法》，建立員工行為監督機制，實施員工行為差錯積分，規範員工行為風險監測、識別、記錄、處理、報告、評估全流程體系管理，有效防範和控制行為風險；為加強案防機制建設，進一步完善案防工作制度體系，制定印發《中信銀行案防和行為管理飛行檢查暫行辦法》、《中信銀行兼職內控合規幹部管理辦法(試行)》等案防制度；逐級簽訂案防責任書，員工案防承諾書，實行一級管一級，級級壓實案防責任，層層落實案防責任；持續組織推動全行開展員工賬戶異常資金交易風險排查、飛行突擊檢查、員工家訪和誠信舉報，發揮震懾作用，提高員工主動合規意識；開展重要及關鍵崗位員工的崗位輪換工作，實現崗位制衡，有效防範操作風險和道德風險。

強化合規審核管理，有效防範業務合規風險。系統梳理監管新規，全面分析各類監管處罰問題，對標業務部門新產品、新業務及重點項目，加強新產品、新業務、新制度的合規審核，提出針對性合規意見4,200餘條，從源頭上有效防範業務合規風險。總結提煉近年合規審核實踐工作經驗，梳理歸納代表性、典型性合規審核案例，建立「合規審核案例庫」，共計發佈十大類40個合規審核案例，指導全行審核人員交流學習應用，不斷提升合規審核人員專業水平。

9.25 內部審計

本行內部審計按照「風險警示、監督評價、管理增值」的審計工作目標定位，圍繞全行2018-2020戰略規劃的工作部署和「8100工程」實施方案，以《審計部新三年規劃實施方案(2018-2020年)》為指引，認真履行審計監督職責，強化審計監督力度，不斷拓展審計的廣度和深度，審計的獨立性和有效性進一步提升。

報告期內，本行按照《審計署關於內部審計工作的規定》(審計署令第11號)的要求修訂了審計章程，明確內審部門在總行黨委、董事會的直接領導下開展工作。加強了對重點機構、重點風險領域、重點經營管理環節、重點崗位人員的審計監督力度，明確對一級分行「兩年覆蓋一次」的全面審計要求，並將專項審計及經濟責任審計納入全面審計一併實施。開展了授信業務、薪酬績效、財務運營、信息科技、境外機構反洗錢、數據治理、外包等專項審計，從多個維度進一步拓寬了審計的覆蓋面。同時，充分揭示內部控制層面的問題，強化了對問題整改的監督評價。

9.26 內部控制外部審計情況

報告期內，本行聘請普華永道會計師事務所，按照《企業內部控制審計指引》及中國註冊會計師執業準則的相關要求，審計了本行2018年12月31日的財務報告內部控制的有效性。根據審計結果，普華永道會計師事務所向本行出具了內部控制審計報告，報告具體內容請見本行於本報告披露日在上交所網站(www.sse.com.cn)、香港聯交所披露易網站(www.hkexnews.hk)和本行網站(www.citicbank.com)發佈的相關公告。

根據內部控制審計報告關於本行財務報告內部控制的審計意見，普華永道會計師事務所認為，本行於2018年12月31日按照《企業內部控制基本規範》和相關規定在所有重大方面保持了有效的財務報告內部控制。

|| 9.27 會計師及其酬金

有關報告期內，本行聘請的會計師及其酬金詳情，請參見本報告第五章「董事會報告—聘請會計師事務所情況」。

羅兵咸永道會計師事務所作為本行聘請的境外審計師，其關於合併財務報表報告責任的陳述，請參見本報告第十章「審計報告及財務報告」。

|| 9.28 董事會對風險管理、內部監控及合規管理的責任申明

董事會對本行風險管理、內部監控和合規管理負最終責任，並有責任檢討該等制度的有效性。考慮到上述風險管理及內部控制系統監控的目的在於管理而非消除未能達成業務目標的風險，董事會僅能合理而非絕對地保證上述系統及內部監控可防範任何重大失實陳述或損失。有關本行風險管理的詳情，請參見本報告第四章「經營情況討論與分析—風險管理」。

審計報告及 財務報告

審計報告及 財務報告

第十章 審計報告及財務報表

中信銀行股份有限公司

(於中華人民共和國註冊成立的有限公司)

意見

我們已審計的內容

中信銀行股份有限公司(以下簡稱「貴行」)及其子公司(以下統稱「貴集團」)列載於第167至300頁的合併財務報表，包括：

- 於二零一八年十二月三十一日的合併年度財務狀況表；
- 截至該日止年度的合併年度損益及其他綜合收益表；
- 截至該日止年度的合併年度股東權益變動表；
- 截至該日止年度的合併年度現金流量表；及
- 合併年度財務報表附註，包括主要會計政策概要。

我們的意見

我們認為，該等合併財務報表已根據《國際財務報告準則》真實而中肯地反映了貴集團於二零一八年十二月三十一日的合併財務狀況及其截至該日止年度的合併財務表現及合併現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計合併財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「道德守則」)，我們獨立於貴集團，並已履行道德守則中的其他專業道德責任。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期合併財務報表的審計最為重要的事項。這些事項是在我們審計整體合併財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項概述如下：

- 發放貸款及墊款和金融投資的預期信用損失計量
- 非保本理財產品結構化主體的合併
- 金融資產的終止確認

第十章 審計報告及財務報表

關鍵審計事項

發放貸款及墊款和金融投資的預期信用損失計量

參見財務報表附註4(c)、附註5(i)、附註25以及附註26。

於2018年12月31日，貴集團合併資產負債表中發放貸款及墊款總額人民幣36,167.50億元，管理層確認的損失準備人民幣1,011.00億元；納入預期信用損失評估的金融投資總額人民幣12,919.54億元，管理層確認的損失準備人民幣44.09億元。

發放貸款及墊款和金融投資的損失準備餘額反映了管理層採用《國際財務報告準則第9號—金融工具》預期信用損失模型，在報表日對預期信用損失作出的最佳估計。

管理層通過評估發放貸款及墊款和金融投資的信用風險自初始確認後是否顯著增加，運用三階段減值模型計量預期信用損失。對於階段一和階段二的對公貸款和金融投資、全部個人貸款，管理層運用包含違約概率、違約損失率、違約風險暴露和折現率等關鍵參數的風險參數模型法評估損失準備。對於階段三的對公貸款和金融投資，管理層通過預估未來與該筆貸款或金融投資相關的現金流，評估損失準備。

我們在審計中如何應對關鍵審計事項

我們評估和測試了與發放貸款及墊款和金融投資的預期信用損失計量相關的內部控制設計及運行的有效性，主要包括：

- 預期信用損失模型治理，包括模型方法論的選擇、審批及應用，以及模型持續監控和優化相關的內部控制；
- 管理層重大判斷和假設相關的內部控制，包括模型選擇、參數估計、信用風險顯著增加、違約和已發生信用減值判斷，以及前瞻性調整的覆核和審批；
- 模型計量使用的關鍵資料的準確性和完整性相關的內部控制；
- 階段三對公貸款和金融投資的未來現金流預測和現值計算相關的內部控制；
- 模型計量相關的資訊系統內部控制。

我們執行的實質性程式，主要包括：

我們覆核了預期信用損失模型計量方法論，對模型選擇、關鍵參數、重大判斷和假設的合理性進行了評估。我們抽樣檢查了模型編碼，以測試計量模型恰當地反應了管理層編寫的模型方法論。

基於借款人的財務和非財務資訊及其他外部證據和考慮因素，我們抽取樣本評估了管理層就信用風險顯著增加、違約和已發生信用減值貸款識別的恰當性。

第十章 審計報告及財務報表

關鍵審計事項

發放貸款及墊款和金融投資的預期信用損失計量(續)

預期信用損失計量模型所包含的重大管理層判斷和假設主要包括：

- 信用風險顯著增加、違約和已發生信用減值的判斷標準；
- 用於前瞻性計量的經濟指標、經濟情景及其權重的採用；
- 階段三對公貸款和金融投資的未來現金流預測。

貴集團就預期信用損失計量建立了相關的治理流程和控制機制。

由於預期信用損失計量中，管理層使用了複雜的模型，運用了大量的參數和資料，並涉及重大管理層判斷和假設。同時，由於發放貸款及墊款和金融投資敞口以及計提的損失準備金額重大，因此我們確定其為關鍵審計事項。

我們在審計中如何應對關鍵審計事項

對於前瞻性計量，我們覆核了管理層經濟指標選取、經濟場景及權重的模型分析結果，評估了經濟指標預測值的合理性，並對經濟指標、經濟場景及權重進行了敏感性測試。

我們抽樣檢查了模型計量所使用的關鍵資料，包括歷史資料和計量日資料，以評估其準確性和完整性。我們對關鍵資料在模型計量引擎和資訊系統間的傳輸執行穿行測試和對賬檢查，以驗證其準確性和完整性。

對於階段三的對公貸款和金融投資，我們選取樣本，檢查了貴集團基於借款人和擔保人的財務資訊、抵質押物的最新評估價值、其他已獲得資訊得出的預計未來現金流量及折現率而計算的損失準備。

基於我們所執行的程式，考慮發放貸款及墊款和金融投資的預期信用損失計量的固有不確定性，管理層在損失評估中所使用的模型、運用的關鍵參數、涉及的重大判斷和假設及計量結果是可接受的。

第十章 審計報告及財務報表

關鍵審計事項

非保本理財產品結構化主體的合併

參見合併財務報表附註4(a)、附註5(vii)以及附註65。

於2018年12月31日，貴集團發行並管理的非保本理財產品涉及結構化主體，管理層未將其納入合併財務報表範圍。

管理層通過評估其對結構化主體的權力、可變回報，以及運用權力影響可變回報的能力，判斷上述結構化主體是否需要納入合併財務報表範圍。

非保本理財產品結構化主體是否納入合併財務報表涉及重大的判斷。在審計中，我們對管理層對上述結構化主體是否納入合併財務報表的評估和判斷進行了重點關注。

我們在審計中如何應對關鍵審計事項

我們評估和測試了管理層對於非保本理財產品結構化主體是否應該納入合併財務報表範圍的相關內部控制的設計和執行的有效性。這些內部控制主要包括對合同條款的審閱和批准、對可變回報計算結果的審批，以及對結構化主體合併結果的審閱。

我們對非保本理財產品結構化主體抽取了樣本，並執行了以下測試：

- 結合交易結構，判斷貴集團的合同權利和義務，分析其對結構化主體的權力；
- 對貴集團來自結構化主體的可變回報執行了獨立分析和測試，包括但不限於收取的手續費收入和資產管理費收入、超額收益的留存、以及對結構化主體是否提供流動性及其他支援等；
- 判斷貴集團在上述活動中的角色是代理人還是主要責任人。我們分析了貴集團的決策範圍、獲取的報酬、其他權益，以及其他參與方的權利。

根據執行的上述審計程式，管理層對非保本理財產品結構化主體的合併判斷是可接受的。

第十章 審計報告及財務報表

關鍵審計事項

金融資產的終止確認

參見合併財務報表附註4(c)、附註5(vi)以及附註66。

2018年度，貴集團進行了不同類型的金融資產轉讓交易，包括資產證券化和貸款轉讓。

管理層分析金融資產轉讓交易中約定的合同權利和義務，按照模型評估金融資產轉讓中所有權的風險和報酬轉移的程度，判斷是否滿足金融資產終止確認的條件；在適用的情況下，分析判斷是否已失去對金融資產的控制，以決定是否滿足終止確認條件。

在確定轉讓的金融資產是否可以被終止確認的過程中，涉及管理層做出重大的判斷。基於上述原因，金融資產轉讓的終止確認是我們審計關注的重點。

我們在審計中如何應對關鍵審計事項

我們評估並測試了管理層針對金融資產轉讓實施的相關內部控制設計和執行的有效性，包括交易架構的設計和合同條款的覆核和審批，所有權的風險和報酬轉移測試的模型、關鍵參數和所採用假設的審批，及其會計處理評估結果的覆核和審批。

我們抽取了交易樣本，閱讀交易合同，評估貴集團的權利和義務；判斷金融資產轉讓是否轉移了收取合同現金流的權利或滿足「過手」的要求，將合同現金流轉移至獨立第三方的最終收款人。

我們檢查了管理層的「風險和報酬轉移」測試中使用的模型、參數、假設、折現率、可變因素波動性，以及測試了數據運算的準確性。

對於既沒有轉移也沒有保留所有權上幾乎所有的風險和報酬的金融資產，我們分析貴集團是否放棄了對金融資產的控制，以判斷其是否繼續涉入已轉讓的金融資產。

根據執行的上述審計程式，管理層對金融資產轉讓的終止確認判斷是可接受的。

其他資訊

貴行董事須對其他資訊負責。其他資訊包括年報內的所有資訊，但不包括合併財務報表及我們的核數師報告。

我們對合併財務報表的意見並不涵蓋其他資訊，我們亦不對該等其他資訊發表任何形式的鑒證結論。

結合我們對合併財務報表的審計，我們的責任是閱讀其他資訊，在此過程中，考慮其他資訊是否與合併財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他資訊存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及治理層就合併財務報表須承擔的責任

貴行董事須負責根據《國際財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的合併財務報表，並對其認為為使合併財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備合併財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

治理層須負責監督貴集團的財務報告過程。

第十章 審計報告及財務報表

核數師就審計合併財務報表承擔的責任

我們的目標，是對合併財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下(作為整體)報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水準的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響合併財務報表使用者依賴合併財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審計程式以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審計相關的內部控制，以設計適當的審計程式，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價合併財務報表的整體列報方式、結構和內容，包括披露，以及合併財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以便對合併財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與治理層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與治理層溝通的事項中，我們確定哪些事項對本期合併財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是陳廣得。

羅兵咸永道會計師事務所
執業會計師

香港，二零一九年三月二十六日

第十章 合併年度損益及其他綜合收益表

截至2018年12月31日止年度
(除特別註明外，以人民幣百萬元列示)

	附註	2018年	2017年
利息收入		233,793	220,762
利息支出		(129,021)	(121,117)
淨利息收入	6	104,772	99,645
手續費及佣金收入		50,739	51,687
手續費及佣金支出		(5,591)	(4,829)
淨手續費及佣金收入	7	45,148	46,858
交易淨收益	8	6,519	6,583
投資性證券淨收益	9	9,046	3,757
套期淨(損失)/收益	10	(1)	1
其他經營淨收益		282	387
經營收入		165,766	157,231
經營費用	11	(52,600)	(48,913)
減值前淨經營利潤		113,166	108,318
資產減值損失			
—發放貸款及墊款		—	(50,170)
—其他		—	(5,617)
資產減值損失合計	12	—	(55,787)
信用減值損失	13	(57,886)	—
其他資產減值損失	14	(347)	—
投資性房地產重估收益		35	30
應佔聯營及合營企業損失		(642)	(285)
稅前利潤		54,326	52,276
所得稅費用	15	(8,950)	(9,398)
年度利潤		45,376	42,878
利潤歸屬於：			
本行股東		44,513	42,566
非控制性權益		863	312

第十章 合併年度損益及其他綜合收益表（續）

截至2017年12月31日止年度
(除特別註明外，以人民幣百萬元列示)

	附註	2018年	2017年
年度利潤		45,376	42,878
其他綜合收益稅後淨額：	16		
(一)不能重分類進損益的其他綜合收益			
—重新計量設定受益計劃變動淨額		7	(8)
—指定以公允價值計量且其變動計入其他綜合收益的金融投資公允價值變動		11	—
—自用固定資產轉入投資性房地產公允價值變動		65	—
(二)將重分類進損益的其他綜合收益			
—權益法下可轉損益的其他綜合收益		(10)	(9)
—可出售金融資產公允價值儲備變動淨額		—	(8,042)
—以公允價值計量且其變動計入其他綜合收益的金融資產公允價值變動		10,040	—
—以公允價值計量且其變動計入其他綜合收益的金融資產信用損失準備		140	—
—外幣財務報表折算差額		2,209	(2,583)
其他綜合收益稅後淨額	16	12,462	(10,642)
本年綜合收益總額		57,838	32,236
綜合收益歸屬於：			
本行股東		57,022	31,924
非控制性權益		816	312
歸屬於本行普通股股東的每股收益			
基本及稀釋每股收益(人民幣元)	17	0.88	0.84

後附合併財務報表附註為本財務報表的組成部分。

第十章 合併年度財務狀況表

2018年12月31日
(除特別註明外，以人民幣百萬元列示)

	附註	2018年 12月31日	2017年 12月31日
資產			
現金及存放中央銀行款項	18	538,708	568,300
存放同業及其他金融機構款項	19	99,153	124,350
貴金屬		4,988	3,348
拆出資金	20	176,160	172,069
以公允價值計量且其變動計入當期損益的金融資產	21	—	65,904
衍生金融資產	22	31,991	65,451
買入返售金融資產	23	10,790	54,626
應收利息	24	—	32,643
發放貸款及墊款	25	3,515,650	3,105,984
金融投資	26	1,600,163	—
以公允價值計量且其變動計入損益		308,872	—
以攤餘成本計量		778,238	—
以公允價值計量且其變動計入其他綜合收益		510,346	—
指定以公允價值計量且其變動計入其他綜合收益		2,707	—
可供出售金融資產	27	—	631,690
持有至到期投資	28	—	216,586
應收款項類投資	29	—	531,118
對聯營及合營企業的投資	30	3,881	2,341
投資性房地產	32	443	295
物業和設備	33	21,385	21,330
無形資產		1,879	1,139
商譽	34	896	849
遞延所得稅資產	35	23,174	21,825
其他資產	36	37,453	57,843
資產合計		6,066,714	5,677,691
負債			
向中央銀行借款		286,430	237,600
同業及其他金融機構存放款項	38	782,264	798,007
拆入資金	39	115,358	77,595
以公允價值計量且其變動計入損益的金融負債		962	—
衍生金融負債	22	31,646	64,937
賣出回購金融資產款	40	120,315	134,500
吸收存款	41	3,649,611	3,407,636
應付職工薪酬	42	10,549	8,838
應交稅費	43	4,920	8,858
應付利息	44	—	39,323
預計負債	45	5,013	796
已發行債務憑證	46	552,483	441,244
遞延所得稅負債	35	16	8
其他負債	47	54,061	45,916
負債合計		5,613,628	5,265,258

第十章 合併年度財務狀況表（續）

2018年12月31日
(除特別註明外，以人民幣百萬元列示)

	附註	2018年 12月31日	2017年 12月31日
股東權益			
股本	48	48,935	48,935
優先股	49	34,955	34,955
資本公積	50	58,977	58,977
其他綜合收益	51	5,269	(11,784)
盈餘公積	52	34,450	31,183
一般風險準備	53	74,255	74,251
未分配利潤	54	179,820	163,121
歸屬於本行股東應佔權益總額		436,661	399,638
非控制性權益	55	16,425	12,795
股東權益合計		453,086	412,433
負債和股東權益合計		6,066,714	5,677,691

後附合併財務報表附註為本財務報表的組成部分。

董事會於2019年3月26日核准並許可發出。

李慶萍
董事長

方合英
執行董事、副行長兼財務總監

李佩霞
財務會計部總經理

(公司蓋章)

第十章 合併年度股東權益變動表

截至2018年12月31日止年度
(除特別註明外，以人民幣百萬元列示)

附註	歸屬於本行股東的權益							非控制性權益		股東權益合計
	股本	優先股	資本公積	其他綜合收益	盈餘公積	一般風險準備	未分配利潤	子公司普通股股東	其他權益工具持有者	
2017年12月31日	48,935	34,955	58,977	(11,784)	31,183	74,251	163,121	7,646	5,149	412,433
會計政策變更	3(d)	—	—	4,544	(939)	—	(9,502)	(235)	—	(6,132)
2018年1月1日	48,935	34,955	58,977	(7,240)	30,244	74,251	153,619	7,411	5,149	406,301
(一)年度利潤	—	—	—	—	—	—	44,513	574	289	45,376
(二)其他綜合收益	16	—	—	12,509	—	—	—	(47)	—	12,462
綜合收益合計	—	—	—	12,509	—	—	44,513	527	289	57,838
(三)所有者投入資本	—	—	—	—	—	—	—	—	—	—
1.少數股東投入資本	55	—	—	—	—	—	—	—	3,343	3,343
(四)利潤分配	—	—	—	—	—	—	—	—	—	—
1.提取盈餘公積	52	—	—	—	4,206	—	(4,206)	—	—	—
2.提取一般風險準備	53	—	—	—	—	4	(4)	—	—	—
3.對本行普通股股東的利潤分配	54	—	—	—	—	—	(12,772)	—	—	(12,772)
4.對本行優先股股東的利潤分配	—	—	—	—	—	—	(1,330)	—	—	(1,330)
5.對子公司少數股東的利潤分配	—	—	—	—	—	—	—	(5)	—	(5)
6.對其他權益工具持有者的利潤分配	55	—	—	—	—	—	—	—	(289)	(289)
2018年12月31日	48,935	34,955	58,977	5,269	34,450	74,255	179,820	7,933	8,492	453,086

附註	歸屬於本行股東的權益							非控制性權益		股東權益合計
	股本	優先股	資本公積	其他綜合收益	盈餘公積	一般風險準備	未分配利潤	子公司普通股股東	其他權益工具持有者	
2017年1月1日	48,935	34,955	58,636	(1,142)	27,263	73,911	136,666	123	5,149	384,496
(一)年度利潤	—	—	—	—	—	—	42,566	22	290	42,878
(二)其他綜合收益	16	—	—	(10,642)	—	—	—	—	—	(10,642)
綜合收益合計	—	—	—	(10,642)	—	—	42,566	22	290	32,236
(三)所有者投入資本	—	—	—	—	—	—	—	—	—	—
1.少數股東投入資本	55	—	341	—	—	—	—	7,506	—	7,847
(四)利潤分配	—	—	—	—	—	—	—	—	—	—
1.提取盈餘公積	52	—	—	—	3,920	—	(3,920)	—	—	—
2.提取一般風險準備	53	—	—	—	—	340	(340)	—	—	—
3.對本行普通股股東的利潤分配	54	—	—	—	—	—	(10,521)	—	—	(10,521)
4.對本行優先股股東的利潤分配	—	—	—	—	—	—	(1,330)	—	—	(1,330)
5.對子公司少數股東的利潤分配	—	—	—	—	—	—	—	(5)	—	(5)
6.對其他權益工具持有者的利潤分配	55	—	—	—	—	—	—	—	(290)	(290)
2017年12月31日	48,935	34,955	58,977	(11,784)	31,183	74,251	163,121	7,646	5,149	412,433

後附合併財務報表附註為本財務報表的組成部分。

第十章 合併年度現金流量表

截至2018年12月31日止年度
(除特別註明外，以人民幣百萬元列示)

	附註	2018年	2017年
經營活動			
稅前利潤		54,326	52,276
調整項目：			
—投資、衍生工具及投資性房地產重估收益/(損失)		2,825	(1,434)
—投資淨收益		(7,897)	(1,006)
—出售固定資產、無形資產及其他資產的淨損失/(收益)		(363)	9
—未實現匯兌損失/(收益)		8	(415)
—信用減值損失		57,886	55,515
—其他資產減值損失		347	272
—折舊及攤銷		2,942	2,811
—已發行債務憑證利息支出		22,416	19,171
—權益證券股息收入		(320)	(178)
—支付所得稅		(15,875)	(14,521)
小計		116,295	112,500
經營資產及負債的變動：			
存放中央銀行款項減少		68,403	14,730
存放同業及其他金融機構款項減少/(增加)		3,159	(9,442)
拆出資金減少		42,501	10,896
以公允價值計量且其變動計入當期損益的金融資產減少		—	14,712
買入返售金融資產減少		43,837	116,178
發放貸款及墊款增加		(450,950)	(365,544)
為交易目的而持有的金融資產減少		17,850	—
應收款項類投資減少		—	503,423
同業存放款項減少		(19,990)	(183,284)
向中央銀行借款增加		43,980	53,550
拆入資金增加/(減少)		36,480	(4,921)
以公允價值計量且其變動計入損益的金融負債增加		958	—
賣出回購金融資產款(減少)/增加		(14,229)	14,162
吸收存款增加/(減少)		196,044	(215,583)
其他經營資產減少		6,721	495
其他經營負債增加/(減少)		11,257	(7,798)
小計		(13,979)	(58,426)
經營活動產生的現金流量淨額		102,316	54,074

第十章 合併年度現金流量表 (續)

截至2018年12月31日止年度
(除特別註明外，以人民幣百萬元列示)

	附註	2018年	2017年
投資活動			
出售及承兌投資所收到的現金		1,396,004	1,007,237
出售物業和設備、土地使用權和其他資產所收到的現金		1,154	52
取得投資性證券投資收益所收到的現金		320	178
購入投資所支付的現金		(1,535,459)	(1,131,592)
購入物業和設備、土地使用權和其他資產所支付的現金		(4,754)	(7,980)
取得聯營及合營企業支付的現金淨額	30	(1,838)	(1,590)
投資活動使用的現金流量淨額		(144,573)	(133,695)
融資活動			
發行股份收到的現金		—	7,847
發行債務憑證收到的現金	46	922,161	862,890
發行其他權益工具收到的現金	55	3,343	—
償還債務憑證支付現金		(815,230)	(801,447)
償還債務憑證利息支付的現金		(21,836)	(17,699)
分配股利支付的現金		(14,396)	(12,146)
融資活動產生的現金流量淨額		74,042	39,445
現金及現金等價物增加／(減少)淨額		31,785	(40,176)
於1月1日的現金及現金等價物		337,915	385,356
匯率變動對現金及現金等價物的影響		6,309	(7,265)
於12月31日的現金及現金等價物	56	376,009	337,915
經營活動產生的現金流量包括：			
收取利息		220,101	226,761
支付利息		(113,272)	(101,237)

後附合併財務報表附註為本財務報表的組成部分。

第十章 合併年度財務報表附註

截至2018年12月31日止年度
(除特別註明外，以人民幣百萬元列示)

1 銀行簡介

中信銀行股份有限公司(「本行」)是於2006年12月31日在中華人民共和國(「中國」)成立的股份有限公司。本行的註冊地址為中國北京市東城區朝陽門北大街9號，總部位於北京。本行於2007年4月27日同時在上海證券交易所以及香港聯合交易所主權板掛牌上市。

本行經中國銀行保險業監督管理委員會(「銀保監會」，原為中國銀行業監督管理委員會)批准持有B0006H111000001號金融許可證，並經中華人民共和國國家工商行政管理總局核准領取社會統一信用代碼91110000101690725E號企業法人營業執照。

本行及所屬子公司(「本集團」)的主要業務為：提供公司及個人銀行服務、從事資金業務，並提供資產管理、金融租賃及其他非銀行金融服務。

截至2018年12月31日止，本行在中國內地31個省、自治區和直轄市設立了分支機構。此外，本行的子公司在中國內地、中國香港特別行政區(「香港」)及海外其他多個國家和地區設有分支機構。

就本合併財務報表而言，中國內地不包括香港、中國澳門特別行政區(「澳門」)及台灣，海外和境外指中國內地以外的其他國家和地區。

本財務報表已於2019年3月26日獲本行董事會批准。

2 編製基礎

本集團以持續經營為基礎編製合併財務報表。截至2018年12月31日止年度的合併財務報表包括本行及所屬子公司，以及本集團的聯營及合營企業權益。

(a) 會計期間

本集團會計年度自公曆1月1日起至12月31日止。

(b) 記賬本位幣和報表列示貨幣

本集團中國內地分行及子公司的記賬本位幣為人民幣，海外分行及子公司的記賬本位幣按其經營所處的主要經濟環境合理確定，在編製財務報表時按附註4(b)(ii)所述原則折算為人民幣。本集團編製合併財務報表所採用的貨幣為人民幣，除特別註明外，均以百萬元列示。

3 遵循聲明

本合併財務報表按國際會計準則委員會頒佈的《國際財務報告準則》和香港《公司條例》(第622章)的披露要求而編製。本合併財務報表也遵循適用的《香港聯合交易所有限公司證券上市規則》的披露規定。

除以公允價值計量且其變動計入損益和計入綜合收益的金融資產和金融負債(包括衍生金融工具)及投資性房地產以外，本合併財務報表以歷史成本作為編製基礎。

在按照國際財務報告準則要求編製合併財務報表時，管理層需要作出某些估計。同時，在執行本集團會計政策的過程中，管理層還需要作出某些判斷。對合併財務報表影響重大的估計和判斷事項，請參見財務報表附註5。

第十章 合併年度財務報表附註

截至2018年12月31日止年度
(除特別註明外，以人民幣百萬元列示)

3 遵循聲明(續)

(a) 集團已採用的於2018年新生效和修訂的準則

本集團已於本年採用了下列由國際會計準則理事會新訂和修改的國際財務報告準則。這些修訂於本年強制生效。

國際財務報告準則第9號	金融工具
國際財務報告準則第15號	與客戶之間的合同產生的收入
國際會計準則第28號(修訂)	國際會計準則理事會年度改進2014-2016年週期
國際會計準則第40號(修訂)	投資性房地產
國際財務報告準則解釋第22號	外幣交易和預付/預收對價

本集團實施國際財務報告準則第9號的影響披露在附註3(c)重要會計政策變更中。採用其他的準則和修訂並未對本集團的經營結果，綜合收益或者財務狀況產生重大影響。

(b) 已頒佈但尚未生效且未被本集團採用的準則及修訂

本集團尚未採用下列已由國際會計準則理事會和國際財務報告解釋委員會頒佈但尚未生效的新的及經修訂的國際財務報告準則及國際財務報告準則解釋。

		於此日期起/ 之後的年度內生效
國際財務報告準則第16號	租賃	2019年1月1日
國際財務報告準則解釋23號	具有不確定性的稅務處理	2019年1月1日
國際財務報告準則第9號(修訂)	具有負債補償的提前償付特徵	2019年1月1日
國際財務報告準則第3號和 第11號以及國際會計準則 第12號和第23號(修訂)	國際會計準則理事會年度改進 (2015-2017年週期)	2019年1月1日
國際會計準則第28號(修訂)	對聯營和合營的長期權益	2019年1月1日
國際會計準則第19號(修訂)	僱員福利的計劃修訂、縮減或結算	2019年1月1日

國際會計準則第16號：租賃

國際財務報告準則第16號提供了租賃的定義及其確認和計量要求，並建立了向合併財務報表使用者報告關於出租人和承租人租賃活動有用資訊的原則。該準則取代國際會計準則第17號—租賃及相關解釋。

就幾乎所有租賃合同而言，國際財務報告準則第16號要求承租人於合併財務狀況表內確認反映未來租金付款的租賃負債及使用資產的權利，除非相關資產價值較低或者租賃期較短。承租人需要於合併綜合收益表內確認使用權資產的折舊和租賃負債的利息，並將租賃負債的現金還款分為本金部分和利息部分，並於合併現金流量表呈列。

該準則將主要影響本集團作為承租人的會計處理。本集團將在合併財務狀況表中確認使用資產及負債的權利以及未來租金付款的租賃負債。而部分承諾可能因期限較短、價值較低而無需確認相關資產、負債；部分承諾的安排可能根據國際財務報告準則第16號而不被確認為租賃。

第十章 合併年度財務報表附註

截至2018年12月31日止年度
(除特別註明外，以人民幣百萬元列示)

3 遵循聲明(續)

(b) 已頒佈但尚未生效且未被本集團採用的準則及修訂(續)

國際會計準則第16號：租賃(續)

關於出租人的會計處理，國際財務報告準則第16號沿用國際會計準則第17號相關規定。即，出租人將其租賃分類為經營性租賃或融資性租賃，並以兩種不同的方法進行會計處理。

本集團自2019年1月1日開始執行該準則。本集團採用簡化的過渡辦法，無需重述比較期財務報表資訊。採用國際財務報告準則第16號將不會對本集團作為出租人或承租人的合併財務狀況表造成重大影響。

國際財務報告準則解釋第23號：具有不確定性的稅務處理

2017年6月，國際會計準則理事會發佈了國際財務報告準則解釋第23號對國際會計準則12號中的確認及計量如何應用於具有不確定性的所得稅處理進行澄清。這些修訂的採用不會對本集團的合併財務報表產生重大影響。

國際財務報告準則第9號(修訂)：具有負補償的提前償付特徵

2017年10月，國際會計準則理事會發佈了對國際會計準則第9號的具有負補償的提前償付特徵的修訂。具有提前償付特徵的金融資產可能會因合同提前終止而具有合理的負補償，根據修訂，此類金融資產可以按攤餘成本計量或以公允價值計量且其變動計入其他綜合收益。上述修訂的採用不會對本集團的合併財務報表產生重大影響。

國際財務報告準則第3號和第11號以及國際會計準則第12號和第23號(修訂)：國際會計準則理事會年度改進(2015-2017年週期)

國際財務報告準則年度改進(2015-2017年週期)包含了對國際財務報告準則的一系列修訂，包括對國際財務報告準則第3號—企業合併的修訂、對國際財務報告準則第11號—合營安排的修訂、對國際會計準則第12號—所得稅的修訂以及對國際會計準則第23號—借款費用的修訂。該修訂的採用不會對本集團的合併財務報表產生重大影響。

國際會計準則第28號(修訂)：對聯營和合營的長期權益

2017年10月12日，國際會計準則理事會發佈了對國際會計準則第28號的在聯營企業和合營企業的投資的修訂。該修訂澄清，對於不適用權益法、實質上構成對聯營和合營投資的長期權益，應適用國際財務報告準則第9號。該修訂的採用不會對本集團的合併財務報表產生重大影響。

國際會計準則第19號(修訂)：僱員福利的計劃修訂、縮減或結算

2018年2月8日，國際會計準則理事會發佈了對國際會計準則第19號的修訂，要求實體採用更新後之假設釐定於計劃修訂、縮減或結算後餘下期間之當前服務成本及利息淨額；並於損益內確認為過往服務成本之一部分或於結算時確認為收益或虧損、盈餘之任何減少，即使該盈餘因資產上限之影響而並無於過往獲確認。該修訂的採用不會對本集團的合併財務報表產生重大影響。

第十章 合併年度財務報表附註

截至2018年12月31日止年度
(除特別註明外，以人民幣百萬元列示)

3 遵循聲明(續)

(c) 重要會計政策變更

本集團採用了國際會計準則理事會(IASB)於2014年5月頒佈的《國際財務報告準則第15號—與客戶之間的合同產生的收入》，本集團已採用上述準則編製2018年年度財務報表，上述準則的採用未對本集團財務報表產生重大影響。

本集團採用了國際會計準則理事會(IASB)於2014年7月發佈的《國際財務報告準則第9號—金融工具》(IFRS 9)，該準則的首次執行日為2018年1月1日。該變化構成了會計政策變更，且相關金額的調整已經確認在合併財務報表中。本集團未在以前期間提前採納IFRS 9。

根據IFRS 9的過渡要求，本集團不對比較期間資訊進行重述。金融資產和金融負債於首次執行日的賬面價值調整計入當期的期初留存收益和其他儲備。

基於以上處理，針對《國際財務報告準則第7號—金融工具：披露》(IFRS 7)在根據IFRS 9進行修訂後的要求，本集團僅對當期資訊作出相關披露。比較期間的附註仍與以前年度披露的資訊保持一致。

實施IFRS 9也導致本集團金融資產和金融負債的確認、分類和計量，以及金融資產減值的相關會計政策發生了變化。此外，IFRS 9還導致其他與金融工具相關的準則被大幅修訂，如IFRS 7。

當期適用IFRS 9的具體會計政策詳見附註4(c)。

(i) 金融工具的分類和計量

於2018年1月1日，本集團的金融資產分別按照IAS 39和IFRS 9的要求進行分類和計量結果對比如下：

IAS 39 科目	IAS 39 計量類別	IAS 39 賬面價值	IFRS 9 計量類別	IFRS 9 科目	IFRS 9 賬面價值
現金及存放中央銀行款項	以攤餘成本計量	568,300	以攤餘成本計量	現金及存放中央銀行款項	568,300
存放同業及其他金融機構款項	以攤餘成本計量	124,350	以攤餘成本計量	存放同業及其他金融機構款項	124,290
拆出資金	以攤餘成本計量	172,069	以攤餘成本計量	拆出資金	171,905
以公允價值計量且其變動計入 當期損益的金融資產	以公允價值計量且其變動 計入損益	60,129	以公允價值計量且其變動 計入損益	金融投資	65,246
	指定以公允價值計量且 其變動計入損益	5,775	指定以公允價值計量且 其變動計入損益		658
衍生金融資產	以公允價值計量且其變動 計入其他綜合收益	65,451	以公允價值計量且其變動 計入其他綜合收益	衍生金融資產	65,451
買入返售金融資產	以攤餘成本計量	54,626	以攤餘成本計量	買入返售金融資產	54,589
應收利息	以攤餘成本計量	32,643	以攤餘成本計量	應收利息	25,455
發放貸款及墊款	以攤餘成本計量	3,105,984	以攤餘成本計量 以公允價值計量且其變動 計入其他綜合收益	發放貸款及墊款	3,093,081 5,903

第十章 合併年度財務報表附註

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(除特別註明外，以人民幣百萬元列示)

3 遵循聲明(續)

(c) 重要會計政策變更(續)

(i) 金融工具的分類和計量(續)

IAS 39 科目	IAS 39 計量類別	IAS 39 賬面價值	IFRS 9 計量類別	IFRS 9 科目	IFRS 9 賬面價值
可供出售金融資產	以公允價值計量且其變動計入其他綜合收益	631,690	以公允價值計量且其變動計入損益 以攤餘成本計量 以公允價值計量且其變動計入其他綜合收益 指定以公允價值計量且其變動計入其他綜合收益	金融投資	131,547
					105,573
					399,219
					605
持有至到期投資	以攤餘成本計量	216,586	以公允價值計量且其變動計入損益 以攤餘成本計量	金融投資	12,155
					204,886
應收款項類投資	以攤餘成本計量	531,118	以公允價值計量且其變動計入損益 以攤餘成本計量 以公允價值計量且其變動計入其他綜合收益	金融投資	183,921
					327,541
					24,679
其他金融資產	以攤餘成本計量	26,313	以攤餘成本計量	其他金融資產	25,813

(ii) 將財務狀況表中的餘額從IAS 39調整為IFRS 9的調節表

本集團對其管理金融資產的業務模式和金融資產的現金流量特徵進行了分析。下表將按照IAS 39計量類別列示的金融資產賬面價值調整為2018年1月1日過渡至IFRS 9後按照新計量類別列示的賬面價值：

	按IAS 39 列示的賬面價值 2017年12月31日	重分類	重新計量	按IFRS 9 列示的賬面價值 2018年1月1日
現金及存放中央銀行款項 以攤餘成本計量	568,300	—	—	568,300
存放同業及其他金融機構款項 以攤餘成本計量	124,350	—	(60)	124,290
拆出資金 以攤餘成本計量	172,069	—	(164)	171,905
衍生金融資產 以公允價值計量且其變動計入損益	65,451	—	—	65,451
買入返售金融資產 以攤餘成本計量	54,626	—	(37)	54,589
應收利息 以攤餘成本計量	32,643	(6,164)	(1,024)	25,455
發放貸款及墊款 以攤餘成本計量 以公允價值計量且其變動計入其他綜合收益	3,105,984 —	(5,908) 5,908	(6,995) (5)	3,093,081 5,903
總額	3,105,984	—	(7,000)	3,098,984

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3 遵循聲明(續)

(c) 重要會計政策變更(續)

(ii) 將財務狀況表中的餘額從IAS 39調整為IFRS 9的調節表(續)

	按IAS 39 列示的賬面價值 2017年12月31日	重分類	重新計量	按IFRS 9 列示的賬面價值 2018年1月1日
以公允價值計量且其變動 計入當期損益的金融資產				
以公允價值計量且其變動計入損益	60,129	(60,129)	—	—
指定以公允價值計量且其變動 計入損益	5,775	(5,775)	—	—
金融投資				
以公允價值計量且其變動計入損益	—	65,246	—	65,246
指定以公允價值計量且其變動 計入損益	—	658	—	658
總額	65,904	—	—	65,904
可供出售金融資產				
以公允價值計量且其變動 計入其他綜合收益	631,690	(631,690)	—	—
金融投資				
以公允價值計量且其變動計入損益	—	131,442	105	131,547
以攤餘成本計量	—	100,451	5,122	105,573
以公允價值計量且其變動 計入其他綜合收益	—	399,192	27	399,219
指定以公允價值計量且其變動 計入其他綜合收益	—	605	—	605
總額	631,690	—	5,254	636,944
持有至到期投資				
以攤餘成本計量	216,586	(216,586)	—	—
金融投資				
以公允價值計量且其變動計入損益	—	11,620	535	12,155
以攤餘成本計量	—	204,966	(80)	204,886
總額	216,586	—	455	217,041
應收款項類投資				
以攤餘成本計量	531,118	(531,118)	—	—
金融投資				
以公允價值計量且其變動計入損益	—	178,507	5,414	183,921
以攤餘成本計量	—	327,517	24	327,541
指定以公允價值計量且其變動 計入其他綜合收益	—	25,094	(415)	24,679
總額	531,118	—	5,023	536,141
其他金融資產				
以攤餘成本計量	26,313	—	(500)	25,813

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3 遵循聲明(續)

(c) 重要會計政策變更(續)

(iii) 將減值準備餘額從IAS 39調整為IFRS 9的調節表

下表將根據IAS 39已發生損失模型計量的以前期間期末減值準備調整為2018年1月1日根據IFRS 9預期信用損失模型計量的新損失準備：

	按IAS 39計提 減值準備/ 預計負債	重分類	重新計量	按IFRS 9計提 減值準備/ 預計負債
存放同業及其他金融 機構款項	—	—	60	60
拆出資金	1	—	164	165
買入返售金融資產	—	—	37	37
應收利息	3,946	—	1,024	4,970
發放貸款及墊款				
—以攤餘成本計量	90,903	—	6,995	97,898
—以公允價值計量且其變動計入 其他綜合收益	—	—	7	7
可供出售金融資產	78	(78)	—	—
應收款項類投資	2,943	(2,943)	—	—
金融投資				
—以攤餘成本計量	—	2,684	360	3,044
—以公允價值計量且其變動計入 其他綜合收益	—	337	613	950
其他金融資產	2,601	—	133	2,734
小計	100,472	—	9,393	109,865
表外信貸資產	402	—	4,155	4,557
總計	100,874	—	13,548	114,422

(iv) 重分類至攤餘成本類別的金融資產

對於已重分類至攤餘成本類別的金融資產，下表顯示了其於2018年12月31日的公允價值，以及假設這些金融資產沒有在過渡至IFRS 9時進行重分類，原本會確認的公允價值損益：

	2018年12月31日
重分類至攤餘成本	
從可供出售金融資產(IAS 39)轉出至以攤餘成本計量的金融投資(IFRS 9)	
2018年12月31日公允價值	93,836
假設金融資產並未重分類，本期會確認的公允價值利得	3,856

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4 重要會計政策

(a) 合併財務報表

(i) 同一控制下的企業合併

參與合併的企業在合併前後均受同一方或相同的多方最終控制且該控制並非暫時性的，為同一控制下的企業合併。合併方在企業合併中取得的資產和負債，按照合併日的被合併方的賬面價值計量。取得的淨資產賬面價值與支付的合併對價賬面價值(或發行股份面值總額)的差額，調整資本公積中的股本溢價；資本公積中的股本溢價不足沖減的，調整留存收益。為進行企業合併發生的直接相關費用，於發生時計入當期損益。為企業合併而發行權益性證券或債務性證券的交易費用，計入權益性證券或債務性證券的初始確認金額。合併日為合併方實際取得對被合併方控制權的日期。

(ii) 非同 控制下的企業合併

參與合併的各方在合併前不受同一方或相同的多方最終控制的，為非同 控制下的企業合併。本集團作為購買方，為取得被購買方控制權而支付的資產(包括購買日之前所持有的被購買方的股權)、發生或承擔的負債以及發行的權益性證券在購買日的公允價值之和，減去合併中取得的被購買方可辨認淨資產公允價值份額的差額，如為正數則確認為商譽(附註4(i))；如為負數則計入當期損益。本集團將作為合併對價發行的權益性證券或債務性證券的交易費用，計入權益性證券或債務性證券的初始確認金額。本集團為進行企業合併發生的其他各項直接費用計入當期損益。付出資產的公允價值與其賬面價值的差額，計入當期損益。本集團在購買日按公允價值確認所取得的被購買方符合確認條件的各項可辨認資產、負債及或有負債。購買日是指購買方實際取得對被購買方控制權的日期。

通過多次交易分步實現非同 控制企業合併時，對於購買日之前持有的被購買方的股權，本集團會按照該股權在購買日的公允價值進行重新計量，公允價值與其賬面價值的差額計入當期投資收益。購買日之前持有的被購買方的股權涉及其他綜合收益的，於購買日轉入當期投資收益。

(iii) 合併財務報表

合併財務報表的合併範圍以控制為基礎予以確定，包括本行、本行控制的子公司和結構化主體。當本集團擁有對被投資方的權力，通過參與被投資方的相關活動而享有可變回報，且有能力運用對被投資方的權力影響該可變回報，則本集團控制該被投資方。在判斷本集團是否享有對被投資方的權力時，本集團只考慮與被投資方相關的實質性權利，包括本集團自身所享有的及其他方所享有的實質性權利。子公司的財務報表由控制開始日起至控制結束日止包含於合併財務報表中。

子公司非控制性權益應佔的權益、損益和綜合收益分別在合併財務狀況表中股東權益項目下和合併損益及其他綜合收益表中單獨列示。如果子公司非控制性權益分擔的當期虧損超過了非控制性權益在該子公司期初所有者權益中所享有的份額的，其餘額仍沖減非控制性權益。

當子公司所採用的會計期間或會計政策與本行不一致時，合併時已按照本行的會計期間或會計政策對子公司財務報表進行必要的調整。合併時所有集團內部交易、餘額及現金流量，包括未實現內部交易損益均已抵銷。集團內部交易發生的未實現損失，有證據表明該損失是相關資產減值損失的，則全額確認該損失。

對於通過同一控制下企業合併取得的子公司，在編製合併當期財務報表時，視同被合併子公司在本集團最終控制方對其開始實施控制時納入本集團合併範圍，並對合併財務報表的期初數以及前期比較報表進行相應調整。

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(除特別註明外，以人民幣百萬元列示)

4 重要會計政策(續)

(a) 合併財務報表(續)

(iii) 合併財務報表(續)

對於通過非同一控制下企業合併取得的子公司，在編製合併當期財務報表時，以購買日確定的各項可辨認資產、負債的公允價值為基礎自購買日起將被購買子公司納入本集團合併範圍。

本行因購買少數股權新取得的長期股權投資成本與按照新增持股比例計算應享有子公司的可辨認淨資產份額之間的差額，以及在不喪失控制權的情況下因部分處置對子公司的股權投資而取得的處置價款與處置長期股權投資相對應享有子公司淨資產的差額，均調整合併財務狀況表中的資本公積(股本溢價)，資本公積(股本溢價)不足沖減的，調整留存收益。

因處置部分股權投資或其他原因喪失了對原有子公司控制權時，本集團終止確認與該子公司相關的資產、負債、少數股東權益以及權益中的其他相關項目。對於處置後的剩餘股權投資，本集團按照其在喪失控制權日的公允價值進行重新計量，由此產生的任何收益或損失，計入喪失控制權當期的投資收益。

如果以本集團為會計主體與以本行或子公司為會計主體對同一交易的認定不同時，從本集團的角度對該交易予以調整。

(b) 外幣折算

(i) 外幣交易的折算

本集團收到投資者以外幣投入資本時按當日即期匯率折合為人民幣，其他外幣交易在初始確認時按交易發生日的即期匯率折算為本位幣。在報告期末，外幣貨幣性項目採用報告期末的即期匯率折算，折算差額計入當期損益。以歷史成本計量的外幣非貨幣性項目，仍採用交易發生日的即期匯率折算，不改變其記賬本位幣金額。以公允價值計量的外幣非貨幣性項目，採用公允價值確定日的即期匯率折算，屬於以公允價值計量且其變動計入其他綜合收益的金融資產的外幣非貨幣性項目的差額，計入其他綜合收益。以外幣計價，分類為以公允價值計量且其變動計入其他綜合收益的金融資產的貨幣性項目，其外幣折算差額分解為由攤餘成本變動產生的折算差額和該等項目的其他賬面金額變動產生的折算差額。屬於攤餘成本變動產生的折算差額計入當期損益，屬於其他賬面金額變動產生的折算差額計入其他綜合收益。其他貨幣性資產及負債項目產生的折算差額計入當期損益。

(ii) 外幣財務報表的折算

本集團在編製財務報表時，將外幣財務報表折算為人民幣。外幣財務報表中的資產和負債項目，採用報告期末的即期匯率折算。股東權益項目除「未分配利潤」外，其他項目採用發生時的即期匯率折算。合併損益及其他綜合收益表中的收入和費用項目，採用交易發生日的即期匯率或即期匯率的近似匯率折算。按上述折算產生的外幣財務報表折算差額，在合併財務狀況表中股東權益項目下的其他綜合收益中以列示。

處置境外經營時，相關的外幣財務報表折算差額自所有者權益轉入處置當期損益。

匯率變動對現金及現金等價物的影響，在現金流量表中單獨列示。

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4 重要會計政策(續)

(c) 金融工具

IFRS 9(自2018年1月1日起適用)

當本集團成為金融工具合同的一方時，確認相關的金融資產或金融負債。以常規方式買賣金融資產，於交易日進行確認。交易日，是指本集團承諾買入或賣出金融資產的日期。

(i) 金融工具的初始確認與分類

金融資產

本集團根據管理金融資產的業務模式和金融資產的合同現金流量特徵，將金融資產進行以下分類：

- 以公允價值計量且其變動計入損益的金融資產；
- 以公允價值計量且其變動計入其他綜合收益的金融資產；或
- 以攤餘成本計量的金融資產。

本集團管理金融資產的業務模式，是指本集團如何管理金融資產以產生現金流量。業務模式決定本集團所管理金融資產現金流量的來源是收取合同現金流量、出售金融資產還是兩者兼有。本集團在確定一組金融資產業務模式時考慮的因素包括：以往如何收取該組資產的現金流、該組資產的業績如何評估並上報給關鍵管理人員、風險如何評估和管理，以及業務管理人員獲得報酬的方式。

金融資產的合同現金流量特徵，是指金融資產合同約定的、反映相關金融資產經濟特徵的現金流量屬性，即相關金融資產在特定日期產生的合同現金流量僅為對本金和以未償付本金金額為基礎的利息的支付，其中，本金是指金融資產在初始確認時的公允價值，本金金額可能因提前還款等原因在金融資產的存續期內發生變動；利息包括對貨幣時間價值、與特定時期未償付本金金額相關的信用風險、以及其他基本借貸風險、成本和利潤的對價。

對於含嵌入式衍生工具的金融資產，在確定合同現金流量是否僅為對本金和利息支付時，將其作為一個整體進行分析。

債務和權益工具的分類要求如下：

債務工具

債務工具是指從發行方角度分析符合金融資產定義的工具，債務工具的分類與後續計量取決於：i)本集團管理該資產的業務模式；及ii)該資產的現金流量特徵。

第十章 合併年度財務報表附註

截至2018年12月31日止年度
(除特別註明外，以人民幣百萬元列示)

4 重要會計政策(續)

(c) 金融工具(續)

IFRS 9(自2018年1月1日起適用)(續)

(i) 金融工具的初始確認與分類(續)

金融資產(續)

債務工具(續)

基於這些因素，本集團將其債務工具劃分為以下三種計量類別：

- 以攤餘成本計量：如果管理該金融資產是以收取合同現金流量為目標，且該金融資產的合同現金流量僅為對本金和以未償付本金金額為基礎的利息的支付，同時並未指定該資產為以公允價值計量且其變動計入損益，那麼該資產按照攤餘成本計量。
- 以公允價值計量且其變動計入其他綜合收益：如果管理該金融資產的業務模式既以收取合同現金流為目標又以出售該金融資產為目標，該金融資產的合同現金流量僅為對本金和以未償付本金金額為基礎的利息的支付，同時並未指定該資產為以公允價值計量且其變動計入損益，那麼該金融資產按照公允價值計量且其變動計入其他綜合收益。
- 以公允價值計量且其變動計入損益：不滿足以攤餘成本計量或以公允價值計量且其變動計入其他綜合收益標準的資產，以公允價值計量且其變動計入損益。

在初始確認時，如果能夠消除或顯著減少會計錯配，可以將金融資產指定為以公允價值計量且其變動計入當期損益的金融資產。該指定一經做出，不得撤銷。

權益工具

權益工具是能證明擁有本集團在扣除所有負債後的資產中的剩餘權益的合同。同時滿足下列條件的，應當將發行的金融工具分類為權益工具：i)該金融工具不包括交付現金或其他金融資產給其他方，或在潛在不利條件下與其他方交換金融資產或金融負債的合同義務；ii)將來須用或可用自身權益工具結算該金融工具的，如該金融工具為非衍生工具，不包括交付可變數量的自身權益工具進行結算的合同義務；如為衍生工具，只能通過以固定數量的自身權益工具交換固定金額的現金或其他金融資產結算該金融工具。

本集團的權益工具投資以公允價值計量且其變動計入損益，但管理層已做出不可撤銷指定為公允價值計量且其變動計入其他綜合收益的除外。本集團對上述指定的政策為，將不以取得投資收益為目的的權益工具投資指定為以公允價值計量且其變動計入其他綜合收益。進行指定後，公允價值變動在其他綜合收益中進行確認，且後續不得重分類至損益(包括處置時)。減值損失及轉回不會作為單獨的項目列報，而包含在公允價值變動中。作為投資回報的股利收入在本集團確定對其收取的權利成立時進行確認。

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截至2018年12月31日止年度
(除特別註明外，以人民幣百萬元列示)

4 重要會計政策(續)

(c) 金融工具(續)

IFRS 9(自2018年1月1日起適用)(續)

(i) 金融工具的初始確認與分類(續)

金融負債

金融負債於初始確認時分類為以攤餘成本計量的金融負債和以公允價值計量且其變動計入當期損益的金融負債。以公允價值計量且其變動計入損益的金融負債適用於衍生工具、交易性金融負債以及初始確認時指定為以公允價值計量且其變動計入損益的其他金融負債。

在初始確認時，為了提供更相關的會計資訊，本集團可以將金融負債指定為以公允價值計量且其變動計入當期損益的金融負債，但該指定應當滿足下列條件之一：

- 能夠消除或顯著減少會計錯配；
- 根據正式書面檔載明的企業風險管理或投資策略，以公允價值計量為基礎對金融負債組合或金融資產和金融負債組合進行管理和業績評價，並在企業內部以此為基礎向關鍵管理人員報告。

(ii) 金融工具的計量

初始計量

於初始確認時，本集團按公允價值計量金融資產或金融負債，對於不是以公允價值計量且其變動計入當期損益的金融資產或金融負債，則還應該加上或減去可直接歸屬於獲得或發行該金融資產或金融負債的交易費用。以公允價值計量且其變動計入損益的金融資產和金融負債的交易費用作為費用計入損益。

後續計量

金融工具的後續計量取決於其分類：

以攤餘成本計量的金融資產

對於金融資產或金融負債的攤餘成本，應當以該金融資產或金融負債的初始確認金額經下列調整後的結果確定：扣除已償還的本金；加上或減去採用實際利率法將初始確認金額與到期日金額之間的差額進行攤銷形成的累計攤銷額；扣除損失準備(僅適用於金融資產)。

實際利率，是指將金融資產或金融負債整個預期存續期間的估計未來現金流量折現為該金融資產賬面餘額(即，扣除損失準備之前的攤餘成本)或該金融負債攤餘成本所使用的利率。計算時不考慮預期信用損失，但包括交易費用、溢價或折價、以及支付或收到的屬於實際利率組成部分的費用。對於源生或購入已發生信用減值的金融資產，本集團根據該金融資產的攤餘成本(而非賬面總額)計算經信用調整的實際利率，並且在估計未來現金流量時將預期信用損失的影響納入考慮。

利息收入是用實際利率乘以金融資產賬面餘額計算得出，以下情況除外：(a)對於源生或購入已發生信用減值的金融資產，其利息收入用經信用調整的原實際利率乘以該金融資產攤餘成本計算得出；(b)對於不屬於源生或購入已發生信用減值的金融資產，但後續已發生信用減值的金融資產，其利息收入用實際利率乘以攤餘成本(即，扣除預期信用損失準備後的淨額)計算得出。若該金融資產在後續期間因其信用風險有所改善而不存在信用減值，並且這一改善在客觀上可與應用上述規定之後發生的某一事件相聯繫，應轉按實際利率乘以該金融資產賬面餘額來計算確認利息收入。本集團採用實際利率法計算該資產的利息收入列報為「利息收入」。

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4 重要會計政策(續)

(c) 金融工具(續)

IFRS 9(自2018年1月1日起適用)(續)

(ii) 金融工具的計量(續)

後續計量(續)

以攤餘成本計量的金融資產(續)

對於浮動利率金融資產或浮動利率金融負債，以反映市場利率波動而對現金流量的定期重估將改變實際利率。如果浮動利率金融資產或浮動利率金融負債的初始確認金額等於到期日應收或應付本金的金額，則未來利息付款額的重估通常不會對該資產或負債的賬面價值產生重大影響。

當本集團對付款額或收款額的估計數進行修正時，金融資產或金融負債的賬面價值按照修正後的預計未來現金流量和原實際利率折現後的結果進行調整，變動計入損益。

以公允價值計量且其變動計入其他綜合收益的金融資產

債務工具

該金融資產攤餘成本相關的減值損失或利得、採用實際利率法計算的利息和匯兌損益計入當期損益。除此之外，賬面價值的變動均計入其他綜合收益。

該金融資產終止確認時，之前計入其他綜合收益的累計利得或損失從其他綜合收益重分類至損益，並確認為「投資收益」。本集團採用實際利率法計算該資產的利息收入並列報為「利息收入」。

權益工具

將非交易性權益工具投資指定為以公允價值計量且其變動計入其他綜合收益的金融資產的，該金融資產的公允價值變動均計入其他綜合收益。當該金融資產終止確認時，之前計入其他綜合收益的累計利得或損失應當從其他綜合收益中轉出，計入留存收益。作為投資回報的股利收入在本集團確定對其收取的權利成立時進行確認，並計入當期損益。

以公允價值計量且其變動計入損益的金融資產

對於以公允價值計量且其變動計入損益並且不屬於套期關係一部分的交易性金融資產產生的利得或損失，這些資產的期間利得或損失計入當期損益。

以公允價值計量且其變動計入損益的金融負債

該金融負債以公允價值計量，其產生的所有利得或損失計入損益，除非是將金融負債指定為以公允價值計量且其變動計入損益的金融負債的，則該金融負債所產生的利得或損失應當按照下列規定進行處理：

- 由本集團自身信用風險變動引起的該金融負債公允價值的變動金額，應當計入其他綜合收益；
- 該金融負債的其他公允價值變動計入損益。

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4 重要會計政策(續)

(c) 金融工具(續)

IFRS 9(自2018年1月1日起適用)(續)

(iii) 金融資產的減值

對於攤餘成本計量和以公允價值計量且其變動計入其他綜合收益的債務工具資產，以及貸款承諾和財務擔保合同以及應收租賃款項，本集團結合前瞻性資訊進行了預期信用損失評估。

預期信用損失，是指以發生違約的風險為權重的金融工具信用損失的加權平均值。信用損失，是指本集團按照原實際利率折現的、根據合同應收的所有合同現金流量與預期收取的所有現金流量之間的差額，即全部現金短缺的現值。其中，對於本集團購買或源生的已發生信用減值的金融資產，應按照該金融資產經信用調整的實際利率折現。

本集團在每個報告日確認相關的損失準備。對預期信用損失的計量反映了以下各項要素：

- 通過評估一系列可能的結果而確定的無偏概率加權金額；
- 貨幣的時間價值；及
- 在報告日無需付出不必要的額外成本或努力即可獲得的有關過去事項、當前狀況及對未來經濟狀況預測的合理及有依據的資訊。

附註61(a)就如何計量預期信用損失準備提供了更多詳情資訊。

以公允價值計量且其變動計入其他綜合收益的債務工具投資，本集團在其他綜合收益中確認其損失準備，並將減值損失或利得計入當期損益，且不應減少該金融資產在財務狀況表中列示的賬面價值。

在前一會計期間已經按照相當於金融資產整個存續期內預期信用損失的金額計量了損失準備，但在當期報告日，該金融資產已不再屬於自初始確認後信用風險顯著增加的情形的，本集團在當期報告日按照相當於未來12個月內預期信用損失的金額計量該金融資產的損失準備，由此形成的損失準備的轉回金額作為減值利得計入當期損益。

對於購買或源生的已發生信用減值的金融資產，本集團在報告日僅將自初始確認後整個存續期內預期信用損失的累計變動確認為損失準備。在每個報告日，本集團將整個存續期內預期信用損失的變動金額作為減值損失或利得計入當期損益。

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4 重要會計政策(續)

(c) 金融工具(續)

IFRS 9(自2018年1月1日起適用)(續)

(iv) 金融資產合同修改

本集團有時會重新商定或修改客戶貸款的合同，導致合同現金流發生變化。出現這種情況時，本集團會評估修改後的合同條款是否發生了實質性的變化。本集團在進行評估時考慮的因素包括：

- 當合同修改發生在借款人出現財務困難時，該修改是否僅將合同現金流量減少為預期借款人能夠清償的金額；
- 是否新增了任何實質性的條款，例如增加了分享利潤／權益性回報的條款，導致合同的風險特徵發生了實質性變化；
- 在借款人並未出現財務困難的情況下，大幅延長貸款期限；
- 貸款利率出現重大變化；
- 貸款幣種發生改變；
- 增加了擔保或其他信用增級措施，大幅改變了貸款的信用風險水準；

如果修改後合同條款發生了實質性的變化，本集團將終止確認原金融資產，並以公允價值確認一項新金融資產，且對新資產重新計算一個新的實際利率。在這種情況下，對修改後的金融資產應用減值要求時，包括確定信用風險是否出現顯著增加時，本集團將上述合同修改日期作為初始確認日期。對於上述新確認的金融資產，本集團也要評估其在初始確認時是否已發生信用減值，特別是當合同修改發生在債務人不能履行初始商定的付款安排時。賬面價值的改變作為終止確認產生的利得或損失計入損益。

如果修改後合同條款並未發生實質性的變化，則合同修改不會導致金融資產的終止確認。本集團根據修改後的合同現金流量重新計算金融資產的賬面總值，並將修改利得或損失計入損益。在計算新的賬面總值時，仍使用初始實際利率(或購入或源生的已發生信用減值的金融資產經信用調整的實際利率)對修改後的現金流量進行折現。

(v) 衍生工具和套期工具

衍生工具於合同簽訂之日進行初始確認並按公允價值進行初始和後續計量。衍生工具的公允價值為正反映為資產，為負反映為負債。

某些衍生工具被嵌入混合合同中，如可轉換債券中的轉股權。對於主合同是金融資產的混合合同，本集團對其整體進行分類和計量。對於主合同並非金融資產的混合合同，在符合以下條件時，將嵌入衍生工具拆分為獨立的衍生工具處理：

- (i) 嵌入衍生工具與主合同的經濟特徵和風險並非緊密相關；
- (ii) 具有相同條款但獨立存在的工具滿足衍生工具的定義；且
- (iii) 混合工具並未以公允價值計量且其變動計入損益。

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(除特別註明外，以人民幣百萬元列示)

4 重要會計政策(續)

(c) 金融工具(續)

IFRS 9(自2018年1月1日起適用)(續)

(v) 衍生工具和套期工具(續)

本集團可以選擇將被拆分的嵌入式衍生工具以公允價值計量且其變動計入損益，或者選擇將混合合同指定為以公允價值計量且其變動計入損益。

衍生工具的公允價值變動的確認方法取決於該衍生工具是否被指定為且符合套期工具的要求，以及被套期項目的性質。本集團將某些衍生工具指定用於對已確認資產或負債或尚未確認的確定承諾，進行公允價值套期；

在套期開始時，本集團完成了套期相關文檔，內容包括被套期項目與套期工具的關係，以及各種套期交易對應的風險管理目標和策略。本集團也在套期開始時和開始後持續的記錄了套期是否有效的評估，即套期工具是否能夠很大程度上抵銷被套期項目公允價值或現金流量的變動。

公允價值套期

對於被指定作為公允價值套期的套期工具且符合相關要求的衍生工具，其公允價值變動計入損益。同時作為被套期項目的資產或負債的公允價值變動中與被套期風險相關的部分也計入損益。

如果某項套期不再滿足套期會計的標準，對於採用實際利率法的被套期項目，對其賬面價值的調整將在到期前的剩餘期間內攤銷，並作為淨利息收入計入損益。

(vi) 金融工具的終止確認

金融資產

滿足下列條件之一的金融資產，予以終止確認：(1)收取該金融資產現金流量的合同權利終止；(2)該金融資產已轉移，且將金融資產所有權上幾乎所有的風險和報酬轉移給轉入方；(3)該金融資產已轉移，雖然本集團既沒有轉移也沒有保留金融資產所有權上幾乎所有的風險和報酬，但是放棄了對該金融資產的控制。

金融資產整體轉讓滿足終止確認條件的，本集團將下列兩項金額的差額計入當期損益：

- 所轉讓金融資產的賬面價值；
- 因轉讓而收到的對價，與原直接計入股東權益的公允價值變動累計額之和。

若本集團既沒有轉讓也沒有保留該金融資產所有權上幾乎所有的風險和報酬，且並未放棄對該金融資產的控制，則按照對該轉讓金融資產的繼續涉入程度確認金融資產，並確認相關負債。

金融負債

金融負債的現時義務已經全部或部分得以履行、取消或到期的，終止確認該金融負債或義務已解除部分。本集團(債務人)與債權人之間簽訂協定，以承擔新金融負債方式替換現存金融負債，且新金融負債與現存金融負債的合同條款實質上不同的，終止確認現存金融負債，並同時確認新金融負債。

金融負債終止確認的，將終止確認金融負債的賬面價值與支付的對價(包括轉出的非現金資產或承擔的新金融負債)之間的差額，計入當期損益。

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4 重要會計政策(續)

(c) 金融工具(續)

IFRS 9(自2018年1月1日起適用)(續)

(vii) 資產證券化

作為經營活動的一部分，本集團將部分信貸資產進行證券化，一般是將信貸資產出售給結構化主體，然後再由其向投資者發行證券。對符合終止確認條件的信貸資產證券化基礎資產，本集團終止確認原金融資產，並將在轉讓中獲得的結構化主體的權益確認為新的金融資產。對於未能符合終止確認條件的信貸資產證券化，保留原金融資產，從第三方投資者募集的資金以融資款處理。對於符合部分終止確認條件的信貸資產證券化的基礎資產，如果本集團放棄了對該基礎資產控制權，本集團對其實現終止確認；否則應當按照本集團繼續涉入所轉讓金融資產的程度確認有關金融資產，並相應確認有關負債。

(viii) 附回購條件的金融資產轉讓

附回購條件的金融資產轉讓，根據交易的經濟實質確定是否終止確認。對於將予回購的資產與轉讓的金融資產相同或實質上相同，回購價格固定或是原轉讓價格加上合理回報的，本集團不終止確認所轉讓的金融資產。對於在金融資產轉讓後只保留了優先按照公允價值回購該金融資產權利的(在轉入方出售該金融資產的情況下)，本集團終止確認所轉讓的金融資產。

(ix) 金融資產及金融負債的列報

金融資產和金融負債在財務狀況表內分別列示，沒有相互抵銷。但是，如本集團有抵銷確認金額的法定現時權利，且這種法定權利是當前可執行的，並且本集團計劃以淨額結算或同時變現該金融資產和清償該金融負債，該金融資產和金融負債將在財務狀況表內互相抵銷並以淨額列示。

(x) 買入返售和賣出回購金融資產款

買入返售金融資產，是指本集團按返售協議先買入再按固定價格返售的金融資產所融出的資金。賣出回購金融資產款，是指本集團按回購協議先賣出再按固定價格回購的金融資產所融入的資金。

買入返售和賣出回購金融資產款按業務發生時實際支付或收到的款項入賬並在財務狀況表中反映。買入返售的已購入標的資產不予以確認，在表外作備查登記；賣出回購的標的資產仍在財務狀況表內反映。

買入返售和賣出回購業務的買賣差價在相關交易期間以實際利率法攤銷，分別確認為利息收入和利息支出。

(xi) 權益工具

本集團發行權益工具收到的對價扣除交易費用後，計入股東權益。回購本行權益工具支付的對價和交易費用，減少股東權益。

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4 重要會計政策(續)

(c) 金融工具(續)

IAS 39(適用至2017年12月31日)

(i) 金融工具的分類

本集團在初始確認時按取得資產或承擔負債的目的及合同條款，把金融工具分為不同類別：以公允價值計量且其變動計入當期損益的金融資產和金融負債、持有至到期投資、貸款及應收款項、可供出售金融資產及其他金融負債。

以公允價值計量且其變動計入當期損益的金融資產

以公允價值計量且其變動計入當期損益的金融資產，包括交易性金融資產以及指定以公允價值計量且其變動計入當期損益的金融資產。

金融資產滿足下列條件之一的，劃分為交易性金融資產：(i)取得該金融資產的目的，主要是為了近期内出售；(ii)屬於進行集中管理的可辨認金融工具組合的一部分，且有客觀證據表明本集團近期採用短期獲利方式對該組合進行管理；或(iii)屬於衍生金融工具。但是，被指定且為有效套期工具的衍生金融工具或屬於財務擔保合同的衍生金融工具除外。

金融資產滿足下列條件之一的，於初始確認時被指定為以公允價值計量且其變動計入當期損益的金融資產：(i)該金融資產以公允價值基準作內部管理、評估及彙報；(ii)該指定可以消除或明顯減少由於該金融資產的計量基礎不同所導致的相關利得或損失在確認或計量方面不一致的情況；或(iii)一個包括一項或多項嵌入衍生金融工具的合同，即混合(組合)工具，但下列情況除外：(i)嵌入衍生金融工具對混合(組合)工具的現金流量沒有重大改變；或(ii)類似混合(組合)工具所嵌入的衍生金融工具，明顯不應當從相關混合(組合)工具中分拆。

持有至到期投資

持有至到期投資是指有活躍市場報價，到期日固定、回收金額固定或可確定，且本集團有明確意圖和能力持有至到期的非衍生金融資產，但不包括：(i)於初始確認時被指定為以公允價值計量且其變動計入當期損益或可供出售的非衍生金融資產；及(ii)符合貸款及應收款項定義的非衍生金融資產。

發放貸款及墊款和應收款項

發放貸款及墊款和應收款項是指在活躍市場中沒有報價、回收金額固定或可確定的非衍生金融資產，但不包括：(i)本集團準備立即出售或在近期内出售，並將其歸類為持有作交易用途的非衍生金融資產；(ii)於初始確認時被指定為以公允價值計量且其變動計入當期損益或可供出售的非衍生金融資產。發放貸款及墊款和應收款項主要包括存放中央銀行款項、存放同業及其他金融機構款項、拆出資金、買入返售金融資產、應收款項類投資及發放貸款及墊款等。

可供出售金融資產

可供出售金融資產是指初始確認時即被指定為可供出售的非衍生金融資產，或除下列各類資產以外的金融資產：(i)以公允價值計量且其變動計入當期損益的金融資產；(ii)持有至到期投資；及(iii)貸款及應收款項。

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4 重要會計政策(續)

(c) 金融工具(續)

IAS 39(適用至2017年12月31日)(續)

(i) 金融工具的分類(續)

以公允價值計量且其變動計入當期損益的金融負債

以公允價值計量且其變動計入當期損益的金融負債，包括交易性金融負債以及指定以公允價值計量且其變動計入當期損益的金融負債。

金融負債滿足下列條件之一的，劃分為交易性金融負債：(i)承擔該金融負債的目的，主要是為了近期内回購；(ii)屬於進行集中管理的可辨認金融工具組合的一部分，且有客觀證據表明本集團近期採用短期獲利方式對該組合進行管理；或(iii)屬於衍生金融工具。但是，被指定且為有效套期工具的衍生金融工具或屬於財務擔保合同的衍生金融工具除外。

金融負債滿足下列條件之一的，於初始確認時被指定為以公允價值計量且其變動計入當期損益的金融負債：(i)該金融負債以公允價值基準作內部管理、評估及彙報；(ii)該指定可以消除或明顯減少由於該金融負債的計量基礎不同所導致的相關利得或損失在確認或計量方面不一致的情況；或(iii)一個包括一項或多項嵌入衍生金融工具的合同，即混合(組合)工具，但下列情況除外：(i)嵌入衍生金融工具對混合(組合)工具的現金流量沒有重大改變；或(ii)類似混合(組合)工具所嵌入的衍生金融工具，明顯不應當從相關混合(組合)工具中分拆。

其他金融負債

其他金融負債指除以公允價值計量且其變動計入當期損益的金融負債以外的金融負債。其他金融負債主要包括向中央銀行借款、同業及其他金融機構存放款項、拆入資金、賣出回購金融資產款、吸收存款和已發行債務憑證。

(ii) 衍生金融工具和嵌入衍生金融工具

本集團的衍生金融工具主要包括在外匯和利率市場進行的遠期及掉期交易。本集團持有或發行的衍生金融工具主要用於管理風險敞口和代客衍生交易，對於指定且為有效套期工具的衍生金融工具，本集團採用附註4(c)(ix)所述套期會計進行處理，對於其他衍生金融工具，則比照交易性金融資產或負債進行相應會計處理，即：初始確認時，衍生金融工具以公允價值計量。當公允價值為正數時，作為資產反映；當公允價值為負數時，作為負債反映。後續計量時，因公允價值變動而產生的利得或損失，計入當期損益。

某些衍生金融工具會嵌入到非衍生金融工具(即主合同)中。嵌入衍生金融工具在同時滿足下列條件時，將與主合同分拆，並作為單獨的衍生金融工具處理：(i)該嵌入衍生金融工具的經濟特徵和風險方面與主合同並不存在緊密關係；(ii)與嵌入衍生金融工具條件相同，單獨存在的工具符合衍生金融工具定義；及(iii)混合(組合)工具不以公允價值計量且其變動也不計入當期損益。當嵌入衍生金融工具被分離，主合同為金融工具的，按附註4(c)(i)所述方式進行處理。

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4 重要會計政策(續)

(c) 金融工具(續)

IAS 39(適用至2017年12月31日)(續)

(iii) 金融工具的確認和終止確認

金融資產和金融負債在本集團成為相關金融工具合同條款的一方時，於合併財務狀況表內確認。

金融資產

金融資產在滿足下列條件之一時，將被終止確認：(i)收取該金融資產現金流量的合同權利終止；或(ii)收到該金融資產現金流量的合同權利已轉移，並且本集團已轉移與該金融資產所有權有關的幾乎全部的風險和報酬；或(iii)本集團保留收取該金融資產現金流量的合同權利並承擔將收取的現金流量支付給最終收款方的義務，滿足終止確認現金流量轉移的條件(「過手」的要求)，並且本集團已轉移與該金融資產所有權有關的幾乎全部的風險和報酬。

金融資產整體轉讓滿足終止確認條件的，本集團將下列兩項金額的差額計入當期損益：

- 所轉讓金融資產的賬面價值；
- 因轉讓而收到的對價，與原直接計入股東權益的公允價值變動累計額之和。

若本集團既沒有轉讓也沒有保留該金融資產所有權上幾乎所有的風險和報酬，且並未放棄對該金融資產的控制，則按照對該轉讓金融資產的繼續涉入程度確認金融資產，並確認相關負債。

資產證券化

作為經營活動的一部分，本集團將部分信貸資產證券化，一般是將這些資產出售給結構化主體，然後再向其向投資者發行證券。金融資產終止確認的前提條件參見前述段落，對於整體符合終止確認條件的信貸資產證券化，本集團終止確認原金融資產，並將在轉讓中獲得的對未合併證券化主體的權益確認為新的金融資產或負債；對於未能符合終止確認條件的信貸資產證券化，相關金融資產不終止確認，從第三方投資者籌集的資金以融資款處理；對於符合部分終止確認條件的信貸資產證券化，若本集團已經放棄對金融資產的控制，則本集團終止確認相關金融資產並依據金融資產轉讓過程中產生或者保留的權利和義務確認相關資產與負債。若本集團未放棄對金融資產的控制，則本集團按照繼續涉入所轉讓金融資產的程度繼續確認相關金融資產。

附回購條件的金融資產轉讓

附回購條件的金融資產轉讓，根據交易的經濟實質確定是否終止確認。對於將予回購的資產與轉讓的金融資產相同或實質上相同，回購價格固定或是原轉讓價格加上合理回報的，本集團不終止確認所轉讓的金融資產。對於在金融資產轉讓後只保留了優先按照公允價值回購該金融資產權利的(在轉入方出售該金融資產的情況下)，本集團終止確認所轉讓的金融資產。

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4 重要會計政策(續)

(c) 金融工具(續)

IAS 39(適用至2017年12月31日)(續)

(iii) 金融工具的確認和終止確認(續)

金融負債

金融負債在滿足下列條件之一時，將被終止確認：(i)其現時義務已經解除；或(ii)本集團與債權人之間簽訂協定，以承擔新金融負債的方式替換現存金融負債，且新金融負債與現存金融負債的合同條款實質上不同，或對當前負債的條款作出了重大的修改，則該替代或修改事項將作為原金融負債的終止確認以及一項新金融負債的初始確認處理。終止確認部分的賬面價值與其對價之間的差額，計入當期損益。

(iv) 金融工具的計量

初始確認時，金融工具以公允價值計量。對以公允價值計量且其變動計入當期損益的金融工具，相關交易費用直接計入當期損益；對於其他類別的金融工具，相關交易費用計入初始確認金額。

後續計量時，持有至到期投資、貸款及應收款項和其他金融負債採用實際利率法以攤餘成本計量；其他類別的金融工具以公允價值計量。在活躍市場中沒有報價且其公允價值不能可靠計量的可供出售權益投資，以成本計量。

以公允價值計量且其變動計入當期損益的金融工具因公允價值變動形成的利得或損失，計入當期損益。

可供出售金融資產因公允價值變動形成的利得或損失，除減值損失和外幣貨幣性金融資產攤餘成本變動形成的匯兌差額計入當期損益外，其他利得和損失計入其他綜合收益，並在股東權益中累積，在該金融資產終止確認時轉出，計入當期損益。可供出售權益工具投資的現金股利，在被投資單位宣告發放股利時計入當期損益。按實際利率法計算的可供出售金融資產的利息，計入當期損益。

當可供出售金融資產被出售時，處置利得或損失於當期損益中確認。處置利得或損失包括前期計入其他綜合收益當期轉入損益的利得或損失。

對於以攤餘成本計量的金融工具，其終止確認、發生減值或攤銷過程中產生的利得或損失計入當期損益。

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4 重要會計政策(續)

(c) 金融工具(續)

IAS 39(適用至2017年12月31日)(續)

(v) 金融資產減值

本集團在報告期末對以公允價值計量且其變動計入當期損益的金融資產以外的金融資產的賬面價值進行檢查，有客觀證據表明該金融資產發生減值的，計提減值準備。

金融資產減值的客觀證據包括下但不限於：

- 債務人或發行方發生嚴重財務困難；
- 債務人違反了合同條款，如償付利息或本金發生違約或逾期等；
- 本集團出於經濟或法律等方面因素的考慮，對發生財務困難的債務人作出正常情況下不會作出的讓步；
- 債務人很可能倒閉或進行其他財務重組；
- 因發行方發生重大財務困難，該金融資產無法在活躍市場繼續交易；
- 無法辨認一組金融資產中的某項資產的現金流量是否已經減少，但根據公開的資料對其進行總體評價後發現，該組金融資產自初始確認以來的預計未來現金流量確已減少且可計量，如該組金融資產的債務人支付能力逐步惡化，或債務人所在國家或地區失業率提高、擔保物在其所在地區的價格明顯下降、所處行業不景氣等；
- 權益工具債務人或發行方經營所處的技術、市場、經濟或法律環境等發生重大不利變化，使權益工具投資人可能無法收回投資成本；
- 權益工具投資的公允價值發生嚴重或非暫時性下跌；及
- 其他表明金融資產發生減值的客觀證據。

本集團對企業貸款及墊款、應收款項類投資、可供出售的金融資產以及持有至到期的金融資產單獨進行減值測試；將其他金融資產(不含以公允價值計量且其變動計入當期損益的金融資產)包括在具有類似信用風險特徵的金融資產組合中進行減值測試。單獨測試未發生減值的金融資產(包括單項金額重大和不重大的金融資產)，包括在具有類似信用風險特徵的金融資產組合中再進行減值測試。已單項確認減值損失的金融資產，不包括在具有類似信用風險特徵的金融資產組合中進行減值測試。

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4 重要會計政策(續)

(c) 金融工具(續)

IAS 39(適用至2017年12月31日)(續)

(v) 金融資產減值(續)

以攤餘成本計量金融資產

如有客觀證據表明貸款、應收款項類投資和持有至到期投資等以攤餘成本計量的金融資產發生減值，減值損失將按照該資產的賬面價值與以其原始實際利率貼現的預計未來現金流(不包括尚未發生的未來信用損失)的現值之間的差額進行計量，並通過計提減值準備減少該資產的賬面價值，減值損失計入當期損益。如果金融資產的合約利率為浮動利率，用於確定減值損失的貼現率為按合同確定的當前實際利率。

無論抵押物是否執行，帶有抵押物的金融資產按照執行抵押物價值減去獲得和出售抵押物成本的金額估計和計算未來現金流的現值。

在進行減值情況的組合評估時，將根據信用風險特徵的相似性對金融資產進行分組。這些信用風險特徵通常與被檢查資產的未來現金流測算相關，反映債務人按照這些資產的合同條款償還所有到期金額的能力。

減值轉回和核銷

貸款及墊款、應收款項和持有至到期投資等以攤餘成本計量的金融資產確認減值損失後，如有客觀證據表明該金融資產價值已恢復，且客觀上與確認該損失後發生的事項有關，原確認的減值損失將予以轉回，計入當期損益。該轉回後的賬面價值不超過假定不計提減值準備情況下該金融資產在轉回日的攤餘成本。

當本集團已經進行了所有必要的法律或其他程式後，仍然不可收回時，本集團將決定核銷及沖銷相應的損失準備。如在期後本集團收回已核銷的金額，則收回金額沖減減值損失，計入當期損益。

重組貸款

重組貸款是指本集團為財務狀況惡化或無法如期還款的借款人酌情重新確定貸款條款而產生的貸款項目。如果條件允許，本集團將力求重組貸款而不是取得擔保物的所有權。這可能會涉及達成新的貸款條件，本集團已根據附註4(c)(iii)要求對重組貸款的終止確認進行了分析。管理層繼續對重組貸款進行審閱，以確保其符合所有條件並且未來付款很可能發生。該貸款繼續以單項或組合方式進行減值評估並採用初始實際利率進行計量其減值準備。

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4 重要會計政策(續)

(c) 金融工具(續)

IAS 39(適用至2017年12月31日)(續)

(v) 金融資產減值(續)

可供出售金融資產

可供出售金融資產發生減值時，即使該金融資產沒有終止確認，原直接計入股東權益的因公允價值下降形成的累計損失將轉出，計入當期損益。轉出的累計損失金額為該金融資產的初始取得成本扣除已收回本金和已攤銷金額、當期公允價值及原已計入損益的減值損失後的餘額。至於權益投資，證券公允價值的大幅度或長期跌至低於其成本值，亦是證券已經減值的證據。若存在此等證據，累計虧損，按購買成本與當時公允價值的差額，減該金融資產之前在損益確認的任何減值虧損計算，自權益中重分類並在損益中記賬。

可供出售權益工具投資發生減值的客觀證據包括權益工具投資的公允價值發生嚴重或非暫時性下跌。本集團於財務狀況表日對各項可供出售權益投資單獨進行檢查，若該權益工具投資於報告日的公允價值低於其初始投資成本超過50%(含50%)或低於其初始投資成本持續時間超過一年(含一年)的，則表明其發生減值；若該權益工具投資於報告日的公允價值低於其初始投資成本超過20%(含20%)但尚未達到50%的，本集團會綜合考慮其他相關因素諸如價格變動率等，判斷該權益工具投資是否發生減值。

可供出售金融資產確認減值損失後，如有客觀證據表明該金融資產價值已恢復，且客觀上與確認該損失後發生的事項有關，原確認的減值損失按以下原則處理：

- (i) 可供出售債務工具，原確認的減值損失予以轉回，計入當期損益；
- (ii) 可供出售權益工具，原確認的減值損失不通過損益轉回，該類金融資產價值的任何上升直接計入股東權益；
- (iii) 以成本計量的可供出售權益工具，原確認的減值損失不得通過合併損益表轉回。

(vi) 金融資產及金融負債的列報

金融資產和金融負債在合併財務狀況表內分別列示，沒有相互抵銷。但是，如本集團有抵銷確認金額的法定現時權利，且這種法定權利是當前可執行的，並且本集團計劃以淨額結算或同時變現該金融資產和清償該金融負債，該金融資產和金融負債將在合併財務狀況表內互相抵銷並以淨額列示。

(vii) 買入返售和賣出回購金融資產款

買入返售金融資產，是指本集團按返售協議先買入再按固定價格返售的金融資產所融出的資金。賣出回購金融資產款，是指本集團按回購協議先賣出再按固定價格回購的金融資產所融入的資金。

買入返售和賣出回購金融資產款按業務發生時實際支付或收到的款項入賬並在合併財務狀況表中反映。買入返售的已購入標的資產不予以確認，在表外作備查登記；賣出回購的標的資產仍在合併財務狀況表內反映。

買入返售和賣出回購業務的買賣差價在相關交易期間以實際利率法攤銷，分別確認為利息收入和利息支出。

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4 重要會計政策(續)

(c) 金融工具(續)

IAS 39(適用至2017年12月31日)(續)

(viii) 權益工具

本集團發行權益工具收到的對價扣除交易費用後，計入股東權益。回購本行權益工具支付的對價和交易費用，減少股東權益。

(ix) 套期會計

衍生工具初始按於衍生工具合同訂立日的公允價值確認，其後按其公允價值重新計量。確認所產生的利得或損失的方法取決於該衍生工具是否指定作套期工具，如指定為套期工具，則取決於其所套期項目的性質。本集團指定若干衍生工具作為套期已確認資產、負債的公允價值(公允價值套期)。

本集團於交易開始時就套期工具與被套期項目的關係，以及其風險管理目標及執行多項套期交易的策略作檔案記錄。本集團亦於套期開始時和按持續基準，記錄其對於該等用於套期交易的衍生工具，是否高度有效地抵銷被套期項目的公允價值或現金流量變動的評估。

公允價值套期

被指定並符合資格作為公允價值套期的衍生工具的公允價值變動，連同被套期資產或負債中來自被套期風險影響的公允價值的任何變動，於合併報表損益表記賬。

若套期不再符合套期會計的條件，採用實際利率法的被套期項目的賬面值調整，按直至到期期間在損益中攤銷。

(d) 貴金屬

貴金屬主要包括黃金和其他貴重金屬。本集團非交易性貴金屬按照取得時的成本進行初始計量，以成本與可變現淨值較低者進行後續計量。本集團為交易和貴金屬租賃目的而獲得的貴金屬按照取得時的公允價值進行初始確認，並以公允價值於財務狀況表日進行後續計量，相關變動計入當期損益。

(e) 對子公司的投資

子公司投資按成本扣除減值準備(附註4(n))列賬計入合併財務狀況表。成本包括投資的直接歸屬成本。子公司的業績由本公司按已收及應收股利入賬。

投資成本確定

對於企業合併形成的長期股權投資：同一控制下企業合併取得的長期股權投資，在合併日按照被合併方所有者權益在最終控制方合併財務報表中的賬面價值的份額作為投資成本；非同一控制下企業合併取得的長期股權投資，按照合併成本作為長期股權投資的投資成本。

對於以企業合併以外的其他方式取得的長期股權投資：支付現金取得的長期股權投資，按照實際支付的購買價款作為初始投資成本；發行權益性證券取得的長期股權投資，以發行權益性證券的公允價值作為初始投資成本。

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(除特別註明外，以人民幣百萬元列示)

4 重要會計政策(續)

(f) 對聯營及合營企業的投資

聯營企業指本集團能夠對其施加重大影響的企業。合營企業是指本集團或本行與其他合營方共同控制且僅對其淨資產享有權利的一項安排。

在取得對聯營及合營企業投資時，本集團確認初始投資成本的原則是：對於以支付現金取得的長期股權投資，本集團按照實際支付的購買價款作為初始投資成本；對於發行權益性證券取得的長期股權投資，本集團按照發行權益性證券的公允價值作為初始投資成本。

後續計量時，對聯營及合營企業的長期股權投資採用權益法核算，除非投資符合持有待售的條件。

本集團在採用權益法核算時的具體會計處理包括：

- 對於聯營及合營企業的初始投資成本大於投資時應享有被投資單位可辨認淨資產公允價值份額的，以前者作為對聯營及合營企業投資的成本；對於聯營及合營企業的初始投資成本小於投資時應享有被投資單位可辨認淨資產公允價值份額的，以後者作為對聯營及合營企業投資的成本，對聯營及合營企業投資的成本與初始投資成本的差額計入當期損益。
- 取得對聯營及合營企業投資後，本集團按照應享有或應分擔的被投資單位實現的淨損益和其他綜合收益的份額，分別確認投資損益和其他綜合收益並調整對聯營企業投資的賬面價值；按照被投資單位宣告分派的利潤或現金股利計算應分得的部分，相應減少對聯營及合營企業投資的賬面價值。對聯營及合營企業除淨損益、其他綜合收益和利潤分配以外所有者權益的其他變動，本集團按照應享有或應分擔的份額計入股東權益，並同時調整對聯營及合營企業投資的賬面價值。
- 在計算應享有或應分擔的被投資單位實現的淨損益、其他綜合收益及其他所有者權益變動的份額時，本集團以取得投資時被投資單位可辨認淨資產公允價值為基礎，按照本集團的會計政策或會計期間進行必要調整後確認投資收益和其他綜合收益等。如果本集團與其聯營企業進行交易，則產生的利潤和虧損會按照本集團在相應聯營企業中不佔有的權益份額予以確認。除非交易提供證據顯示所轉移資產已減值，否則未實現虧損亦予以抵銷。
- 本集團對聯營及合營企業發生的淨虧損，除本集團負有承擔額外損失義務外，以長期股權投資的賬面價值以及其他實質上構成對聯營及合營企業淨投資的長期權益減記至零為限。只有當本集團產生法定或推定義務或代表聯營企業進行支付時，本集團才會就額外應分擔的虧損進行確認。聯營企業以後實現年度利潤的，本集團在收益分享額彌補未確認的虧損分擔額後，恢復確認收益分享額。

重大影響指本集團對被投資單位的財務和經營政策有參與決策的權力，但並不能夠控制或者與其他方一起共同控制這些政策的制定。

對子公司和聯營及合營企業投資的減值測試方法及減值準備計提方法參見附註4(n)。

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4 重要會計政策(續)

(g) 物業和設備

物業和設備指本集團為經營管理而持有的，使用壽命超過一個會計年度的資產。在建工程是指正在建造的房屋及建築物、電子設備等，在達到預定可使用狀態時轉入相應的物業和設備。

(i) 成本

物業和設備初始確認時以成本列示。外購物業和設備的成本包括購買價款、相關稅費以及使該項資產達到預定可使用狀態前所發生的可歸屬於該項資產的支出。自行建造物業和設備的成本由工程用物資、直接人工和使該項資產達到預定可使用狀態前所發生的必要支出構成。

初始確認以後，本集團以成本減去累計折舊及減值損失後的價值列示。

如果組成某項物業和設備的主要部分有不同的可使用年限，這些組成部分將單獨入賬核算。

(ii) 後續開支

當本集團能確定重置某物業和設備很可能帶給本集團未來經濟效益，同時，對該項目所支付的重置費用又能夠可靠地計算時，本集團便會於重置費用發生時在該物業和設備項目的賬面金額中確認該重置費用。所有其他開支在發生時於合併損益表內確認。

(iii) 折舊

折舊是按各項固定資產的預計可使用年限，並減去其剩餘價值(如適用)後以直線法計算沖減固定資產的成本或重估值，並計入當期損益。各項預計可使用年限如下：

	預計可使用年限	預計淨殘值	折舊率
房屋建築物	30-35年	1%-5%	2.71%-3.33%
電腦設備及其他	3-10年	0%-10%	9.00%-33.33%

在建工程不計提任何折舊。

本集團於每個報告期末均對固定資產的剩餘價值和預計使用年限進行檢查，並根據實際情況作出調整。

(iv) 減值

本集團固定資產的減值按附註4(n)進行處理。

(v) 處置及報廢

出售或報廢固定資產所產生的損益以出售所得淨額與資產的賬面金額之間的差額釐定，並在出售或報廢當日計入當期損益。

(h) 土地使用權

土地使用權以成本減去攤銷列，並賬列報在「其他資產」。土地使用權按授權使用期以直線法攤銷。外購的房屋及建築物，將有關價款在土地使用權和建築物之間進行分配，難以合理分配的，全部作為固定資產處理。

本集團土地使用權的減值按附註4(n)進行處理。

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4 重要會計政策(續)

(i) 無形資產

無形資產以成本進行初始計量。本集團在無形資產的使用壽命內對無形資產成本扣除其預計淨殘值(如有)後的金額按直線法進行攤銷，計入當期損益。已計提減值準備的無形資產，在攤銷時會扣除已計提的減值準備累計金額。

本集團無形資產的減值按附註4(n)進行處理。已計提減值準備的無形資產，在攤銷時會扣除已計提的減值準備累計金額。

尚未達到可使用狀態的無形資產，無論是否存在減值跡象，至少每年進行減值測試。

(j) 投資性房地產

本集團將持有的房地產中為賺取租金或資本增值，或兩者兼有的房地產劃分為投資性房地產。

本集團持有的投資性房地產滿足下列條件之一，按公允價值模式進行後續計量：

- 投資性房地產所在地有活躍的房地產交易市場；
- 本集團能夠從房地產交易市場上取得同類或類似房地產的市場價格及其他相關資訊，從而對投資性房地產的公允價值作出合理的估計。

採用公允價值模式計量的投資性房地產，本集團不對投資性房地產計提折舊或進行攤銷，以報告期末投資性房地產的公允價值為基礎調整其賬面價值，公允價值與原賬面價值之間的差額計入當期損益。

自用房地產的用途改變為賺取租金或資本增值時，自改變之日起，本集團將固定資產或無形資產轉換為投資性房地產，以轉換當日的公允價值作為投資性房地產的賬面價值。轉換當日的公允價值小於固定資產和無形資產原賬面價值的，差額計入當期損益；轉換當日的公允價值大於固定資產和無形資產原賬面價值的，差額計入其他綜合收益。

當投資性房地產被處置、或者永久退出使用且預計不能從其處置中取得經濟利益時，本集團終止確認該項投資性房地產。投資性房地產出售、轉讓、報廢或毀損的處置收入扣除其賬面價值和相關稅費後計入當期損益。

(k) 租賃

租賃分為融資租賃和經營租賃。融資租賃是指無論所有權最終是否轉移但實質上轉移了與資產所有權有關的幾乎全部風險和報酬的租賃。經營租賃是指除融資租賃以外的其他租賃。

(i) 融資租賃

當本集團為融資租賃出租人時，於租賃期開始日，將租賃開始日最低租賃收款額與初始直接費用之和作為應收租賃款項的入賬價值，在合併財務狀況表中「發放貸款及墊款」項目下列示，同時記錄未擔保餘值；將最低租賃收款額、初始直接費用及未擔保餘值之和與其現值之和的差額確認為未實現融資收益。本集團採用實際利率法在租賃期內各個期間分配未實現融資收益。與融資租賃性質相同的分期付款合同也作為融資租賃處理。

本集團應收租賃款項的減值按附註4(c)(v)進行處理。

當本集團為融資租賃承租人時，將融資租入資產按租賃開始日租賃資產公允價值與最低租賃付款額現值兩者中較低者作為租入資產在「物業和設備」項目下列示，將最低租賃付款額作為長期應付款在「其他負債」項目下列示，其差額確認為未確認融資費用。本集團採用實際利率法在租賃期內各個期間分攤未確認融資費用。

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4 重要會計政策(續)

(k) 租賃(續)

(i) 融資租賃(續)

本集團融資租賃租入資產的折舊政策按附註4(g)進行處理，減值按附註4(n)進行處理。對能夠合理確定租賃期屆滿時取得租入資產所有權的，租入資產在使用壽命內計提折舊。否則，租賃資產在租賃期與租賃資產使用壽命兩者中較短的期間內計提折舊。

(ii) 經營租賃

對於經營租賃租出資產，則資產根據其性質計入合併財務狀況表，而在適用的情況下，折舊會根據附註4(g)所載的本集團折舊政策計算，除非該資產被分類為投資性房地產。減值準備根據附註4(n)所載的會計政策進行處理。經營租賃資產所產生的租金收入按附註4(u)(iv)所述的方式確認。

如本集團使用經營租賃資產，除非有其他更合理反映被租賃資產所產生利益的方法，經營租賃費用於租賃期內以直線法記入當期損益。獲得的租賃獎勵作為租賃淨付款總額的一部分，在合併損益及其他綜合收益表中確認。或有租金在其產生的會計期間確認為當期損益。

(l) 商譽

企業合併形成的商譽，以合併成本大於合併中取得的被購買方可辨認淨資產公允價值份額的差額作為初始成本。商譽不可以攤銷。由企業合併形成的商譽會分配至每個從合併中因協同作用而受益的資產組或資產組組合，且每年進行減值測試。

本集團應享有被收購方可辨認淨資產公允價值份額超過合併成本的部分計入當期損益。

處置資產組或者資產組組合的利得或損失會將購入商譽扣除減值準備(如有)後的淨額考慮在內。

本集團商譽的減值按照附註4(n)進行處理。

(m) 抵債資產

在收回已減值貸款及墊款時，本集團可通過法律程式收回抵押品的所有權或由借款人自願交付抵押品。如果本集團有意按規定對資產進行變現並且不再要求借款人償還貸款，確認抵債資產並在合併財務狀況表中列報為「其他資產」。

當本集團以抵債資產作為補償貸款及墊款及應收利息的損失時，該抵債資產以公允價值入賬，取得抵債資產應支付的相關稅費、墊付訴訟費用和其他成本計入抵債資產賬面價值。

財務狀況表日，抵債資產按賬面價值與可收回金額孰低計量，當可收回金額低於賬面價值時，對抵債資產計提減值準備，並以入賬價值減減值準備計入合併財務狀況表中，減值損失計入損益及其他綜合收益表中。

抵債資產取得後安排處置變現，不得擅自使用抵債資產。確因經營需要將抵債資產轉為自用的，視同新購固定資產。

處置抵債資產時，取得的處置收入與抵債資產賬面價值的差額計入當期損益。

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4 重要會計政策(續)

(n) 非金融資產減值準備

(i) 對不含商譽的資產進行測試

本集團在報告期末判斷對聯營及合營企業的投資、固定資產、在建工程、無形資產、投資性房地產以及其他資產是否存在可能發生減值的跡象。如果該等資產存在減值的跡象，對存在減值跡象的資產，估計其可收回金額。

可收回金額是指資產的公允價值減去處置費用後的淨額與資產預計未來現金流量現值兩者之間較高者。在預計資產未來現金流量的現值時，本集團會綜合考慮資產的預計未來現金流量、使用壽命及折現率等因素。

資產的可收回金額低於其賬面價值的，資產的賬面價值會減記至可收回金額，減記的金額確認為資產減值損失，計入當期損益。

(ii) 商譽的減值

為了減值測試的目的，合併中取得的商譽分攤到預計能從合併的協同效應中受益的每一資產組或者資產組組合。

資產組是本集團可以認定的最小資產組合，其產生的現金流入基本上獨立於其他資產或者資產組合。

對已分攤商譽的資產組或資產組組合，本集團每年及當有跡象表明資產組或者資產組組合可能發生減值時，通過比較包含商譽的賬面金額與可收回金額進行減值測試。本集團資產組或資產組組合的可收回金額是按照經營時市場評估，能反映貨幣時間價值和獲分配商譽資產組或資產組組合特定風險的折現率，將預計未來現金流量折現至其現值確定的。

在對已獲分配商譽的資產組或資產組組合進行減值測試時，可能有跡象表明該資產組內的資產發生了減值。在這種情況下，本集團在對包含商譽的資產組或資產組組合進行減值測試之前，首先對資產進行減值測試，確認資產的所有減值損失。同樣，可能有跡象表明包含商譽的資產組組合內的資產組發生了減值。在這種情況下，本集團在對分攤商譽的資產組組合進行減值測試之前，首先對資產組進行減值測試，確認資產組的所有減值損失。

與資產組或者資產組組合相關的減值損失，先抵減分攤的商譽的賬面價值，再按資產組或者資產組組合中除商譽之外的其他各項資產的賬面價值所佔比重，按比例抵減其他各項資產的賬面價值，但抵減後各資產的賬面價值不得低於該資產的公允價值減去處置費用後的淨額(如可確定的)、該資產預計未來現金流量的現值(如可確定的)和零三者之中最高者。

本集團對商譽計提的減值損失不予轉回。

(o) 公允價值的計量

公允價值，是指在現行市場條件下，市場參與者於計量日在主要市場(或最有利市場)發生的有序交易中，出售一項資產所能收到或者轉移一項負債所需支付的價格(如退出價格)；不管該價格是否可直接通過觀察或使用其他估值技術獲得(附註63)。

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截至2018年12月31日止年度
(除特別註明外，以人民幣百萬元列示)

4 重要會計政策(續)

(p) 職工薪酬

(i) 短期薪酬

本集團在職工提供服務的會計期間，將實際發生的職工工資、獎金、工會經費和職工教育經費、按規定的基準和比例為職工繳納的醫療保險費、工傷保險費和生育保險費等社會保險費和住房公積金，確認為負債，並計入當期損益或相關資產成本。

(ii) 離職後福利－設定提存計劃

本集團所參與的設定提存計劃是按照中國有關法規要求，本集團中國內地員工參加了由政府機構設立的社會保障體系中的基本養老保險。基本養老保險的繳費金額按國家規定基準和比例計算。本集團在職工提供服務的會計期間，將應繳存的金額確認為負債，並計入當期損益。

另外，本行中國內地合資格員工在參加社會基本養老保險的基礎上，參加中國中信集團有限公司(「中信集團」)依據國家企業年金制度的相關政策建立的企業年金計劃(「年金計劃」)，此計劃由中信集團管理，本行按員工工資總額的一定比例向年金計劃繳款，相應支出計入當期損益。

本集團為國際員工在國際設有一項界定供款公積金計劃及一項強制性公積金計劃。有關供款在供款發生時計入當期損益。

(iii) 離職後福利－設定受益計劃

本集團的設定受益計劃是本集團為中國內地合資格員工設立的補充退休福利。

本集團根據預期累計福利單位法，採用無偏且相互一致的精算假設對有關人口統計變數和財務變數等做出估計，計量設定受益計劃所產生的義務，然後將其予以折現後的現值確認為一項設定受益計劃負債。

本集團將設定受益計劃產生的福利義務歸屬於職工提供服務的期間，對屬於服務成本和設定受益計劃負債利息費用計入當期損益或相關資產成本，對屬於重新計量設定受益計劃負債所產生的變動計入其他綜合收益。

(q) 政府補助

政府補助是本集團從政府無償取得的貨幣性資產或非貨幣性資產，但不包括政府以投資者身份向本集團投入的資本。政府撥入的投資補助等專項撥款中，國家相關檔規定作為資本公積處理的，也屬於資本性投入的性質，不屬於政府補助。

政府補助在能夠滿足政府補助所附條件，並能夠收到時，予以確認。政府補助為貨幣性資產的，按照收到或應收的金額計量。政府補助為非貨幣性資產的，按照公允價值計量。

本集團取得的、用於購建或以其他方式形成長期資產的政府補助作為與資產相關的政府補助。本集團取得的與資產相關之外的其他政府補助作為與收益相關的政府補助。與資產相關的政府補助，本集團將沖減相關資產的賬面價值或確認為遞延收益，並在相關資產使用壽命內按照合理、系統的方法分攤計入損益。與收益相關的政府補助，如果用於補償本集團以後期間的相關費用或損失的，本集團將其確認為遞延收益，並在確認相關費用的期間，計入當期損益；如果用於補償本集團已發生的相關費用或損失的，則直接計入當期損益。本集團對同類政府補助採用相同的列報方式。

本集團收到的政策性優惠利率貸款，以實際收到的借款金額作為借款的入賬價值，按照借款本金和該政策性優惠利率計算相關借款費用。本集團直接收取的財政貼息，沖減相關借款費用。

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4 重要會計政策(續)

(r) 財務擔保合同和貸款承諾

財務擔保合同要求發行人為合同持有人提供償還保障，即在被擔保人到期不能履行合同條款支付款項時，代為償付合同持有人的損失。

財務擔保合同在擔保提供日按公允價值進行初始確認。在初始確認之後，負債金額按初始確認金額扣減擔保手續費攤銷後的攤餘價值與對本集團履行擔保責任所需的預期信用損失準備的最佳估計孰高列示。與該合同相關負債的增加計入當年合併利潤表。

本集團提供的貸款承諾按照預期信用損失評估減值。本集團並未承諾以任何低於市場利率的價格發放貸款，也不以支付現金或發行其他金融工具作為貸款承諾的淨結算。

本集團將貸款承諾和財務擔保合同的損失準備列報在預計負債中。但如果一項工具同時包含貸款和未使用的承諾，且本集團不能把貸款部分與未使用的承諾部分產生的預期信用損失區分開，那麼兩者的損失準備一並列報在貸款的損失準備中，除非兩者的損失準備合計超過了貸款賬面餘額，則將損失準備列報在預計負債中。

(s) 預計負債及或有負債

如與或有事項相關的義務是本集團承擔的現時義務，且該義務的履行很可能會導致經濟利益流出本集團，以及有關金額能夠可靠地計量，則本集團會確認預計負債。預計負債按履行相關現時義務所需支出的最佳估計數進行初始計量。本集團在確定最佳估計數時，綜合考慮與或有事項有關的風險、不確定性及貨幣時間價值等因素。對於貨幣時間價值影響重大的，通過對相關未來現金流出折現後的金額確定最佳估計數。本集團以預期信用損失為基礎確認的財務擔保合同損失準備列示為預計負債。

或有負債是指(a)對過去的交易或者事項形成的潛在義務，其存在須通過未來不確定事項的發生或不發生予以證實；或(b)過去的交易或者事項形成的現時義務，履行該義務不是很可能導致經濟利益流出本集團或該義務的金額不能可靠計量。本集團將該潛在義務或現時義務披露為或有負債(附註57)。

(t) 受託業務

本集團在受託業務中擔任客戶的託管人、受託人或代理人。本集團的合併財務狀況表不包括本集團因受託業務而持有的資產以及有關向客戶交回該等資產的承諾，因為該等資產的風險及收益由客戶承擔。

委託貸款為本集團其中一項主要的受託業務。本集團與多個客戶簽訂了委託貸款協定，訂明客戶向本集團提供資金(「委託基金」)，並由本集團按照客戶的指示向第三方發放貸款(「委託貸款」)。由於本集團並不承擔委託貸款及相關委託基金的風險及回報，故委託貸款及基金按其本金額記錄為合併財務狀況表外項目，而且並未就這些委託貸款作出任何減值估價。

(u) 收入確認

收入是本集團在日常活動中形成的、會導致股東權益增加且與股東投入資本無關的經濟利益的總流入。收入在客戶取得相關商品或服務的控制權時，同時滿足以下不同類型收入的其他確認條件時，予以確認。

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4 重要會計政策(續)

(u) 收入確認(續)

(i) 利息收入

金融資產的利息收入按實際利率計算並計入當期損益。利息收入包括折價或溢價攤銷，或生息資產的初始賬面價值與其按實際利率基準計算的到期日金額之間其他差異的攤銷。

實際利率法是指按金融資產或金融負債的實際利率計算其攤銷成本及利息收入或利息支出的方法。實際利率是將金融工具在預期存續期間或適用的更短期間內的未來現金流量，折現為該金融工具當前賬面價值所使用的利率。在計算實際利率時，本集團會在考慮金融工具(如提前還款權、看漲期權或類似期權等)的所有合同條款(但不會考慮未來信用損失)的基礎上預計未來現金流量。計算項目包括屬於實際利率組成部分的訂約方之間所支付或收取的各項收費、交易費用及溢價或折價。

(ii) 手續費及佣金收入

手續費及佣金收入在提供相關服務時計入當期損益。本集團將由於形成或取得金融資產而收取的初始費收入或承諾費收入進行遞延，作為對實際利率的調整；如本集團在貸款承諾期滿時或預計後續不會發放貸款時，有關收費將確認為手續費及佣金收入。

(iii) 股利收入

股利收入於本集團收取股利的權利確立時在合併損益及其他綜合收益表內確認。

(iv) 經營租賃的租金收入

除非有更具代表性的基礎能反映從租賃資產獲取利益的模式，其經營租賃的租金收入會按租賃年期內的會計期間，以等額分期確認為其他經營收入。經營租賃協議所涉及的激勵措施均在合併損益及其他綜合收益表內確認為租賃淨收款總額的組成部分。

(v) 融資租賃及分期付款合約的財務收入

融資租賃和分期付款合同內含的融資收入會在租賃期內確認為利息收入，使每個會計期間租賃的投資淨額的回報率大致相同。

(v) 所得稅

除因企業合併和直接計入股東權益(包括其他綜合收益)的交易或者事項有關的所得稅外，本集團將當期所得稅和遞延所得稅計入當期損益。

當期所得稅包括根據當期應納稅所得額及適用稅率計算的預期應交所得稅和對以前年度應交所得稅的調整。本集團就資產或負債的賬面價值與其計稅基礎之間的暫時性差異確認遞延所得稅資產和遞延所得稅負債。對於能夠結轉以後年度的可抵扣虧損和稅款抵減，視同可抵扣暫時性差異。然而，若遞延所得稅負債來自對商譽的初始確認，以及若遞延所得稅來自在交易(不包括業務合併)中對資產或負債的初始確認，而在交易時不影響會計損益或應課稅利潤或損失，則不作記賬。遞延所得稅資產的確認以很可能取得用來抵扣可抵扣暫時性差異的應納稅所得額為限。

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4 重要會計政策(續)

(v) 所得稅(續)

就子公司、聯營和合營投資產生的應課稅暫時性差異確認遞延所得稅負債，但不包括本集團可以控制暫時性差異的轉回時間以及暫時性差異在可預見將來很可能不會轉回的遞延所得稅負債。就子公司、聯營和合營投資產生的可扣減暫時性差異確認遞延所得稅資產，但只限於暫時性差異很可能在將來轉回，並有充足的應課稅利潤抵銷可用的暫時性差異。

報告期末，本集團根據遞延所得稅資產和負債的預期實現或結算方式，依據稅法規定，按預期收回該資產或清償該負債期間的適用稅率計量該遞延所得稅資產和遞延所得稅負債的賬面價值。

當本集團有法定權利以當期所得稅負債抵銷當期所得稅資產，並且遞延所得稅資產和遞延所得稅負債歸屬於同一納稅主體和同一稅務機關時，本集團將抵銷遞延所得稅資產和遞延所得稅負債。否則，遞延所得稅資產和負債及其變動額分別列示，不相互抵銷。

(w) 現金等價物

現金等價物是指期限短、流動性高的投資。這些投資易於轉換為已知金額的現金，且價值變動風險很小，並在購入後三個月內到期。

(x) 股利分配

報告期後，宣告及經批准的擬分配發放的普通股股利，不確認為報告期末的負債，作為報告期後事項在附註中披露。應付股利於批准股利當期確認為負債。

本行宣派和支付優先股股息由本行董事會根據股東大會授權決定。向本行優先股股東分配的優先股股息，在該等股息獲本行董事會批准的期間內於本集團及本行的財務報表內確認為負債。

(y) 關聯方

本集團控制、共同控制另一方或對另一方施加重大影響；或另一方控制、共同控制本集團或對本集團施加重大影響；或本集團與另一方同受一方控制、共同控制被視為關聯方。關聯方可為個人或企業。僅僅同受國家控制而不存在其他關聯方關係的企業，不構成本集團的關聯方。

(z) 經營分部

經營分部是指本集團內同時滿足下列條件的組成部分：(1)該組成部分能夠在日常活動中產生收入、發生費用；(2)本集團管理層能夠定期評價該組成部分的經營成果，以決定向其配置資源、評價其業績；(3)本集團能夠取得該組成部分的財務狀況、經營成果和現金流量等有關會計資訊。兩個或多個經營分部具有相似的經濟特徵，並且滿足一定條件的，則可合併為一個經營分部。

經營分部按照與向本集團主要經營決策者提供的內部報告一致的方式列報，本集團通過審閱分部報告去進行資源分配和業績評價。本集團綜合考慮管理層進行組織管理涉及的產品和服務、地理區域等各種因素，對滿足條件的經營分部進行加總，單獨披露滿足量化界限的經營分部。

本集團在編製分部報告時，分部間交易收入按實際交易價格為基礎計量。編製分部報告所採用的會計政策與編製本集團財務報表所採用的會計政策一致。

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5 重要會計估計及判斷

編製財務報表需要管理層以歷史經驗以及其他在具體情況下確信為合理的因素為基礎，作出有關判斷、估計和假設。這些判斷、估計和假設會影響到會計政策的應用以及資產、負債、收入和費用的列報金額。實際結果可能跟這些估計有所不同。

本集團管理層對這些估計涉及的關鍵假設和不確定因素的判斷會持續予以評估。會計估計變更的影響會在變更當期以及任何會產生影響的以後期間內予以確認。

(i) 預期信用損失的計量(IFRS 9)

對於以攤餘成本計量和公允價值計量且其變動計入其他綜合收益計量的金融資產，其預期信用損失的計量中使用了複雜的模型和大量的假設。這些模型和假設涉及未來的宏觀經濟情況和借款人的信用行為(例如，客戶違約的可能性及相應損失)。附註61(a)具體說明瞭預期信用損失計量中使用的參數、假設和估計技術。

根據會計準則的要求對預期信用損失進行計量涉及許多重大判斷，例如：

- 判斷信用風險顯著增加的標準；
- 選擇計量預期信用損失的適當模型和假設；
- 針對不同類型的產品，在計量預期信用時確定需要使用的前瞻性情景數量和權重；及
- 為預期信用損失的計量進行金融資產的分組，將具有類似信用風險特徵的項目劃入一個組合。

關於上述判斷及估計的具體資訊請參見附註61(a)。

(ii) 貸款及墊款和應收款項類投資的減值損失(IAS 39)

發放貸款及墊款

本集團每年定期對貸款及墊款的減值情況進行評估。本集團以反映貸款及墊款和應收款項類投資組合預計未來現金流減少且其減少可以可靠計量的可觀察資料為客觀依據，判斷和估計貸款及墊款和應收款項類投資是否存在減值跡象及其程度，確定是否需要計提減值準備。減值跡象的判斷涉及單項評估的貸款及墊款和應收款項類投資以及具有類似風險特徵的貸款及墊款和應收款項類投資組合，具體會計政策在附註4(c)(v)金融資產減值中披露。

單項評估的貸款及墊款，以及具有類似風險特徵的貸款及墊款投資組合是否存在客觀減值跡象，需要做出重大判斷。減值跡象包括特定債務人(或特定同類借款人)因財務狀況惡化影響還款能力、逾期情況、擔保人的財務狀況、近期的抵質押物價值，本集團考慮到融資人的財務困難與債務人達成協議或者依據法院的裁定做出的讓步、所在產業落後或產能過剩、以及所在國家、地區經濟情況惡化等導致違約增加的情況等。本集團在進行定期貸款及墊款信貸質量評估時以及其他表明可能出現客觀減值證據的情況下會進行上述判斷。

當本集團確定單項評估的貸款及墊款存在減值跡象時，對影響未來現金流的負面因素的判斷和估計是至關重要的。本集團會定期審閱對未來現金流的金額和時間進行估計所使用的方法和假設，以減少估計發放貸款及墊款損失和實際發放貸款及墊款損失之間的差異。影響判斷的因素包括特定債務人相關資訊的可獲得性、精細程度，監管機構檢查結果和相關貸款組合分析，以及定性因素間的相關性(如行業情況、區域經濟變化與債務人違約之間的關係等)。

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5 重要會計估計及判斷(續)

(ii) 貸款及墊款和應收款項類投資的減值損失(IAS 39)(續)

發放貸款及墊款(續)

對於單獨測試未發生減值跡象的企業貸款及墊款和全部個人貸款及墊款，本集團將其包括在具有類似信用風險特徵的同質性組合中，通過組合評估方式再進行減值測試。考慮到信用風險和適用關鍵假設的相似性，本集團對企業和個人貸款分別採用遷移模型和滾動模型進行組合評估。組合評估減值的估計需要高度依賴判斷，影響估計的關鍵因素包括模型假設(例如違約損失率)，以及定性指標與違約情況間的相關程度。組合方式評估的減值準備考慮的因素包括：(i)具有類似信用風險特徵組合的歷史損失經驗；(ii)從出現損失到該損失被識別所需時間；(iii)高風險的產品和區域，及(iv)當前經濟和信用環境以及管理層基於歷史經驗對目前環境下固有損失的判斷。本集團對進行減值估計所使用的方法和假設進行評估時，考慮了本集團運營地區的宏觀經濟環境變化及不確定性，並做出了適當調整。

應收款項類投資

本集團以反映應收投資款組合預計未來現金流減少且其減少可以可靠計量的可觀察資料為客觀依據，判斷和估計應收投資款是否存在減值跡象及其程度，確定是否需要計提減值準備。減值跡象的判斷涉及單項金額重大的應收投資款以及具有類似風險特徵的應收投資款組合，具體會計政策在附註4(c)(v)金融資產減值中披露。當本集團確定單項金額重大的應收投資款的基礎資產存在減值跡象時，對影響未來現金流的負面因素的判斷和估計是至關重要的。對於單獨測試未發生減值跡象的應收投資款，對於不同的行業特徵以及不同的底層資產分類、具有類似信用風險特徵的金融資產組合中再進行組合減值測試。組合評估減值需要高度依賴判斷。

(iii) 可供出售權益投資的減值(IAS 39)

可供出售權益投資減值的客觀證據包括投資公允價值大幅或持續下跌至低於成本。在決定公允價值是否出現大幅或持續下跌時需要進行判斷。在進行判斷時，本集團會考慮歷史市場波動記錄和該權益投資的歷史價格，以及被投資企業所屬行業表現和其財務狀況等其他因素。

(iv) 金融資產的分類(IFRS 9)

本集團在確定金融資產的分類時涉及的重大判斷包括業務模式及合同現金流量特徵的分析等。

本集團在金融資產組合的層次上確定管理金融資產的業務模式，考慮的因素包括評價和向關鍵管理人員報告金融資產業績的方式、影響金融資產業績的風險及其管理方式、以及相關業務管理人員獲得報酬的方式等。

本集團在評估金融資產的合同現金流量是否與基本借貸安排相一致時，存在以下主要判斷：本金是否可能因提前還款等原因導致在存續期內的時間分佈或者金額發生變動；利息是否僅包括貨幣時間價值、信用風險、其他基本借貸風險以及與成本和利潤的對價。例如，提前償付的金額是否僅反映了尚未支付的本金及以未償付本金為基礎的利息，以及因提前終止合同而支付的合理補償。

(v) 金融工具的公允價值

對於缺乏活躍市場的其他金融工具，本集團使用估值技術包括折現現金流模型及其他估值模型，確定其公允價值。估值技術的假設及輸入變數包括無風險利率、指標利率、信用點差和匯率。當使用折現現金流模型時，現金流量是基於管理層的最佳估計，而折現率是報告期末在市場上擁有相似條款及條件的金融工具的當前利率。當使用其他定價模型時，輸入參數是基於報告期末的可觀察市場資料。當可觀察市場資料無法獲得時，管理層將對估值方法中包括的重大不可觀察資訊作出估計。假設的變更將影響金融工具的公允價值。

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5 重要會計估計及判斷(續)

(vi) 金融資產的終止確認

在日常業務中，本集團的金融資產轉讓包括貸款轉讓、資產證券化和賣出回購金融資產款等，在確定轉讓的金融資產是否能夠全部或者部分終止確認的過程中，本集團需要作出重大的評估和判斷。

在本集團通過結構化主體將金融資產進行轉讓，需要分析本集團與該結構化主體的交易實質，以決定該結構化主體是否需要被合併。合併的判斷決定終止確認分析是在合併結構化主體層面，還是在轉出金融資產的單體機構層面進行。

本集團需要分析金融資產轉讓合同現金流的權利和義務，判斷確定是否滿足終止確認條件。

- 收到該金融資產現金流量的合同權利是否已轉移；或現金流是否滿足「過手」的要求，轉讓給獨立第三方最終收款人；
- 通過運用合理的模型測算金融資產所有權有關的風險和報酬的轉移程度來確定金融資產終止確認的條件是否滿足。在確定模型中使用的參數、採用的假設、估計的轉讓前後的現金流、以當前市場利率為基準的折現率、可變因素和不同情景權重分配，本集團需要作出重大的評估和判斷；
- 在既沒有轉移也沒有保留幾乎所有風險和報酬的情況下，本集團通過分析是否對轉讓的金融資產保留了控制權以及對該金融資產是否構成繼續涉入來判斷該金融資產轉讓是否能夠終止確認。

(vii) 結構化主體的控制

本集團對評估自身是否控制該結構化主體並將其納入合併範圍做出重大判斷。在評估和判斷時，本集團綜合考慮了多方面因素：

- 結合交易結構，判斷本集團的合同權利和義務，分析本集團對結構化主體的權力；
- 對來自結構化主體的可變回報執行了獨立分析和測試，包括但不限於收取的手續費收入和資產管理費收入、超額收益的留存、以及對結構化主體是否提供流動性及其他支援等；
- 通過分析本集團的決策範圍、獲取的報酬、其他權益，以及其他參與方的權利，評估本集團在上述活動中的角色是代理人還是主要責任人。

(viii) 所得稅

確定所得稅涉及對某些交易未來稅務處理的判斷。在正常的經營活動中，某些交易及活動最終的稅務處理存在不確定性。本集團慎重評估各項交易的稅務影響，並計提相應的所得稅。本集團定期根據更新的稅收法規重新評估這些交易的稅務影響。遞延所得稅資產按可抵扣暫時性差異確認。遞延所得稅資產只會在未來期間很可能取得足夠的應納稅所得額用以抵扣暫時性差異時確認，所以需要管理層判斷獲得未來應納稅所得額的可能性。本集團持續審閱對遞延所得稅的判斷，如預計未來很可能獲得能利用的應納稅所得額，將確認相應的遞延所得稅資產。

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6 淨利息收入

	2018年	2017年
利息收入來自(註釋(i)):		
存放中央銀行款項	7,049	7,633
存放同業及其他金融機構款項	2,472	3,040
拆出資金	8,203	6,223
買入返售金融資產	987	1,068
發放貸款及墊款		
—公司類貸款及墊款	95,562	89,053
—個人類貸款及墊款	61,401	48,279
—貼現貸款	8,645	4,004
金融投資		
—以攤餘成本計量	32,881	—
—以公允價值計量且其變動計入其他綜合收益	16,534	—
應收款項類投資	—	35,438
債券投資	—	25,922
其他	59	102
小計	233,793	220,762
利息支出來自:		
向中央銀行借款	(8,937)	(6,151)
同業及其他金融機構存放款項	(26,389)	(36,896)
拆入資金	(3,389)	(3,006)
賣出回購金融資產款	(1,623)	(2,691)
吸收存款	(66,254)	(53,190)
已發行債務憑證	(22,416)	(19,171)
其他	(13)	(12)
小計	(129,021)	(121,117)
淨利息收入	104,772	99,645

註釋:

- (i) 截至2018年12月31日止年度本集團的利息收入包括已發生信用減值金融資產所計提的利息收入人民幣3.75億元(截至2017年12月31日:人民幣6.42億元)。

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7 淨手續費及佣金收入

	2018年	2017年
手續費及佣金收入：		
銀行卡手續費	32,656	30,453
擔保及諮詢手續費	5,613	6,358
代理業務手續費(註釋(i))	4,839	4,534
託管及其他受託業務佣金	6,044	8,737
結算與清算手續費	1,269	1,215
其他	318	390
合計	50,739	51,687
手續費及佣金支出	(5,591)	(4,829)
淨手續費及佣金收入	45,148	46,858

註釋：

(i) 代理業務手續費包括代理債券銷售、代理投資基金銷售、代理保險服務以及委託貸款業務的手續費收入。

8 交易淨收益

	2018年	2017年
債券和同業存單	3,897	2,187
外匯	1,983	1,664
衍生金融工具	552	2,131
指定以公允價值計量且變動計入損益的金融工具	87	601
合計	6,519	6,583

9 投資性證券淨收益

	2018年	2017年
金融投資		
以公允價值計量且其變動計入損益	7,745	—
以攤餘成本計量	(1,416)	—
以公允價值計量且其變動計入其他綜合收益	(494)	—
處置時自權益轉出的重估損失	(262)	—
出售可供出售金融資產淨收益	—	1,221
票據轉貼現收益	134	(5)
信貸資產證券化轉讓收益	3,181	2,622
其他	158	(81)
合計	9,046	3,757

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10 套期淨(損失)/收益

	2018年	2017年
公允價值套期淨收益	(1)	1

11 經營費用

	2018年	2017年
員工成本		
—工資、獎金、津貼和補貼	22,196	20,280
—職工福利費	1,400	1,121
—社會保險費	1,469	1,324
—住房公積金	1,300	1,291
—工會經費和職工教育經費	416	378
—住房補貼	196	497
—其他短期福利	61	48
—補充退休福利—設定提存計劃	2,453	2,377
—補充退休福利—設定受益計劃	102	11
—其他長期福利	6	89
小計	29,599	27,416
物業及設備支出		
—租金和物業管理費	4,972	4,899
—折舊費	1,830	1,818
—攤銷費	1,112	993
—電子設備營運支出	458	524
—維護費	485	498
—其他	398	372
小計	9,255	9,104
稅金及附加	1,699	1,660
其他一般營運及管理費用(註釋(i))	12,047	10,733
合計	52,600	48,913

註釋：

(i) 其他一般營運及管理費用包括2018年內審計服務酬金人民幣0.20億元(2017年：人民幣0.18億元)以及非審計服務酬金人民幣0.21億元(2017年：人民幣0.12億元)。

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11 經營費用(續)

(a) 最高酬金人士

截至2018年12月31日止年度，本集團五位最高酬金人士中，其中無董事(2017年：無)，無監事(2017年：無)。該五位最高酬金人士扣除個人所得稅前的酬金總額如下：

	2018年 人民幣千元	2017年 人民幣千元
基本薪金、房屋津貼、其他津貼和實物利益	20,089	21,235
酌情獎金	18,452	19,789
退休金計劃供款	1,438	1,418
合計	39,979	42,442

該五位最高酬金人士扣除個人所得稅前的酬金所屬範圍如下：

	2018年	2017年
人民幣5,000,001元至人民幣10,000,000元	3	4
人民幣10,000,001元至人民幣15,000,000元	2	1

於2018年度，該五位最高酬金人士的酬金中無獎勵費及失去職位的補償金額(2017年：無)。

12 資產減值損失

	2017年
發放貸款及墊款	50,170
存放同業及其他金融機構款項	(32)
應收利息	4,212
可供出售金融資產	(69)
持有至到期投資	(2)
應收款項類投資	1,018
抵債資產	272
表外項目	(77)
其他資產	295
小計	5,617
合計	55,787

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13 信用減值損失

	2018年
存放同業及其他金融機構款項	11
拆出資金	(1)
買入返售金融資產	(33)
應收利息	3,034
發放貸款及墊款	47,753
金融投資	
以攤餘成本計量	999
以公允價值計量且其變動計入其他綜合收益	75
其他資產—金融資產	6,098
表外項目	(50)
合計	57,886

14 其他資產減值損失

	2018年
其他資產—抵債資產	347

15 所得稅費用

(a) 於損益及其他綜合收益表確認

	附註	2018年	2017年
本年稅項			
—中國內地		12,680	15,249
—香港		561	487
—海外		46	104
遞延稅項	35(c)	(4,337)	(6,442)
所得稅合計		8,950	9,398

中國大陸和國際地區的所得稅率分別為25%和16.5%。海外稅率根據集團在開展業務的國家或地區通行稅率標準核定。

(b) 稅前利潤與所得稅的調節

	2018年	2017年
稅前利潤	54,326	52,276
按中國法定稅率計算的預計所得稅	13,581	13,069
其他地區不同稅率導致的影響	(286)	(325)
不可作納稅抵扣的支出的稅務影響	274	259
豁免納稅的收入的稅務影響		
—中國國債及地方債利息收入	(3,353)	(3,097)
—基金分紅	(1,209)	(301)
—其他	(57)	(207)
所得稅	8,950	9,398

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16 其他綜合收益稅後淨額

	2018年	2017年
以後會計期間不會重分類至損益的項目		
重新計量設定受益計劃淨變動額		
—本期稅前發生額	9	(11)
—所得稅影響	(2)	3
指定以公允價值計量且其變動計入其他綜合收益的		
金融投資公允價值變動		
—本期稅前發生額	15	—
—所得稅影響	(4)	—
自用固定資產轉入投資性房地產公允價值變動		
—本期稅前發生額	65	—
合計	83	(8)
以後會計期間將重分類至損益的項目		
權益法下可轉損益的其他綜合收益		
—本期稅前發生額	(10)	—
可供出售金融資產其他綜合收益		
—公允價值變動淨額	—	(10,877)
—轉出至當年損益的淨額	—	149
—所得稅影響	—	2,686
以公允價值計量且其變動計入其他綜合收益的		
金融資產公允價值變動(註釋(i))		
—本期稅前發生額	13,300	—
—轉出至當期損益的淨額	149	—
—所得稅影響	(3,409)	—
以公允價值計量且其變動計入其他綜合收益的		
金融資產信用損失準備(註釋(ii))		
—本期稅前發生額	173	—
—所得稅影響	(33)	—
外幣財務報表折算差額	2,209	(2,583)
所佔聯營及合營企業的其他綜合收益	—	(9)
合計	12,379	(10,634)
其他綜合收益稅後淨額	12,462	(10,642)

註釋：

- (i) 以公允價值計量且其變動計入其他綜合收益的金融資產公允價值變動包含以公允價值計量且其變動計入其他綜合收益的金融投資和發放貸款及墊款的公允價值變動(附註25(a))。
- (ii) 以公允價值計量且其變動計入其他綜合收益的金融資產信用損失準備包含以公允價值計量且其變動計入其他綜合收益的金融投資和發放貸款及墊款的損失準備(附註25(a))。

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17 每股收益

截至2017年及2018年12月31日止年度的基本每股收益，是以歸屬於本行股東淨利潤除以普通股的加權平均股數計算。

於2016年度，本行發行了非累積優先股，其具體條款於附註49優先股中予以披露。2018年度，本行宣告並發放人民幣13.30億元優先股股息(2017年：13.30億元)。

優先股的轉股特徵使得本行存在或有可發行普通股。截至2018年12月31日止年度，轉股的觸發事件並未發生，優先股的轉股特徵對2018年度基本及稀釋每股收益的計算沒有影響。

	2018年	2017年
歸屬於本行股東的年度利潤	44,513	42,566
減：歸屬於本行其他權益持有者的本年利潤	1,330	1,330
歸屬於本行普通股股東的年度利潤	43,183	41,236
加權平均股本數(百萬股)	48,935	48,935
基本及稀釋每股收益(人民幣元)	0.88	0.84

18 現金及存放中央銀行款項

	註釋	2018年12月31日	2017年12月31日
現金		6,188	6,740
存放中央銀行款項			
—法定存款準備金	(i)	399,797	462,743
—超額存款準備金	(ii)	128,424	89,288
—財政性存款	(iii)	2,816	4,083
—外匯風險準備金	(iv)	1,288	5,446
應計利息		195	—
合計		538,708	568,300

註釋：

(i) 本集團在中國人民銀行及若干有業務的海外國家及地區的中央銀行存放法定存款準備金。這些法定存款準備金不可用於本集團的日常業務運作。

於2018年12月31日，存放於中國人民銀行的法定存款準備金按本行中國內地分行符合規定繳存範圍的人民幣存款的12% (2017年12月31日：15%) 和符合規定繳存範圍的境外金融機構人民幣存款的12% (2017年12月31日：15%) 計算。本行亦需按中國內地分行外幣吸收存款5% (2017年12月31日：5%) 繳存法定存款準備金。

本集團中國內地子公司浙江嘉善安信村鎮銀行股份有限公司的人民幣存款準備金繳存比率按中國人民銀行相應規定執行，於2018年12月31日的人民幣存款準備金繳存比率為9% (2017年12月31日：9%)。

本集團存放於海外國家及地區中央銀行的法定存款準備金的繳存比率按當地監管機構規定執行。除外幣存款準備金外，中國人民銀行對繳存的法定存款準備金均計利息。

(ii) 存放中國人民銀行超額存款準備金主要用於資金清算。

(iii) 存放中國人民銀行的財政性存款不能用於日常業務，且不計付利息。

(iv) 外匯風險準備金是本集團根據中國人民銀行2015年8月31日發佈的相關通知暫繳存中國人民銀行的款項，根據上月逾期售匯業務額的20%按月計提，凍結期為1年，不計付利息。本集團根據中國人民銀行在2017年9月8日發佈的相關通知，自2017年9月11日起，將境內金融機構代客遠期售匯業務所需提取的外匯風險準備金率調整為0%。本集團存續的外匯風險準備金於代客遠期售匯業務到期後逐步釋放。

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19 存放同業及其他金融機構款項

(a) 按交易對手類型及所屬地理區域分析

	附註	2018年12月31日	2017年12月31日
中國內地			
— 銀行業金融機構		44,318	73,832
— 非銀行金融機構		21,028	17,557
小計		65,346	91,389
中國境外			
— 銀行業金融機構		31,984	26,187
— 非銀行金融機構		1,783	6,774
小計		33,767	32,961
應計利息		114	—
總額		99,227	124,350
減：減值準備	37	(74)	—
賬面價值		99,153	124,350

(b) 按剩餘期限分析

	附註	2018年12月31日	2017年12月31日
存放同業活期款項(註釋(i))		65,023	67,370
存放同業定期款項			
— 一個月內到期		22,256	45,629
— 一個月至一年內到期		11,834	11,351
小計		34,090	56,980
應計利息		114	—
總額		99,227	124,350
減：減值準備	37	(74)	—
賬面價值		99,153	124,350

註釋：

- (i) 於2018年12月31日，存放同業及其他金融機構款項中保證金主要包括存放在交易所的最低額保證金，金額為人民幣13.43億元(2017年12月31日：人民幣16.76億元)。

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20 拆出資金

(a) 按交易對手類型及所屬地理區域分析

	附註	2018年12月31日	2017年12月31日
中國內地			
—銀行業金融機構		13,680	15,320
—非銀行金融機構		113,351	119,065
小計		127,031	134,385
中國境外			
—銀行業金融機構		48,421	37,685
—非銀行金融機構		—	—
小計		48,421	37,685
應計利息		873	—
總額		176,325	172,070
減：減值準備	37	(165)	(1)
賬面價值		176,160	172,069

(b) 按剩餘期限分析

	附註	2018年12月31日	2017年12月31日
一個月內到期		112,284	66,564
一個月至一年內到期		63,168	105,506
應計利息		873	—
總額		176,325	172,070
減：減值準備	37	(165)	(1)
賬面價值		176,160	172,069

21 以公允價值計量且其變動計入當期損益的金融資產

	註釋	2017年12月31日
持有作交易用途		
—債券	(a)	38,728
—同業存單	(b)	19,400
—投資基金		2,001
小計		60,129
指定為公允價值計量且其變動計入當期損益的金融資產	(c)	5,775
合計		65,904

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21 以公允價值計量且其變動計入當期損益的金融資產(續)

(a) 持有作交易用途－交易性債券投資以公允價值列示，並由下列機構發行

	2017年12月31日
中國內地	
—政府	705
—政策性銀行	4,039
—銀行及非銀行金融機構	2,722
—企業實體	30,098
小計	37,564
中國境外	
—銀行及非銀行金融機構	1,063
—企業實體	101
小計	1,164
合計	38,728
於香港上市	668
於香港以外地區上市	36,788
非上市	1,272
合計	38,728

(b) 持有作交易用途－同業存單以公允價值列示，並由下列機構發行

	2017年12月31日
中國內地	
—銀行	19,400
於香港以外地區上市	19,400

(c) 指定以公允價值計量且其變動計入當期損益的金融資產，並由下列機構發行

	2017年12月31日
中國內地	
—銀行	606
—政策性銀行	53
—企業實體	2,523
小計	3,182
中國境外	
—銀行	2,593
合計	5,775
於香港以外地區上市	659
未上市	5,116
合計	5,775

於中國內地銀行間債券市場交易的債券劃分為「於香港以外地區上市」。

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22 衍生金融資產／負債

衍生金融工具主要為本集團在外匯、利率、貴金屬及信用衍生交易市場進行的以交易、資產負債管理及代客為目的開展的遠期、掉期和期權交易。本集團作為衍生交易仲介人，通過分行網路為廣大客戶提供適合個體客戶需求的風險管理產品。本集團通過與外部交易對手進行對沖交易來主動管理風險頭寸，以確保本集團承擔的風險淨值在可接受的風險水準以內。本集團也運用衍生金融工具進行自營交易，以管理其自身的資產負債組合和結構性頭寸。衍生金融工具，除指定為有效套期工具的衍生金融工具(附註22(c))以外，被劃分為持有作交易目的。劃分為持有作交易目的的衍生金融工具包括用於交易目的的衍生產品，以及用於風險管理目的但未滿足套期會計確認條件的衍生金融工具。

衍生金融工具的合同／名義金額僅為表內所確認的資產或負債的公允價值提供對比的基礎，並不代表所涉及的未來現金流量或當前公允價值，因而並不反映本集團所面臨的信用風險或市場風險。

	2018年12月31日			2017年12月31日		
	名義金額	資產	負債	名義金額	資產	負債
套期工具(註釋22(c))						
—利率衍生工具	8,385	96	8	9,799	123	18
非套期工具						
—利率衍生工具	1,837,247	6,010	5,966	1,632,189	2,430	2,294
—貨幣衍生工具	2,595,674	24,826	24,501	3,347,855	62,030	62,368
—貴金屬衍生工具	58,644	1,048	1,170	51,586	868	257
—信用衍生工具	820	11	1	—	—	—
合計	4,500,770	31,991	31,646	5,041,429	65,451	64,937

(a) 名義本金按剩餘期限分析

	2018年12月31日	2017年12月31日
3個月內	1,921,744	1,868,273
3個月至1年	2,033,875	2,751,469
1年至5年	542,276	418,881
5年以上	2,875	2,806
合計	4,500,770	5,041,429

(b) 信用風險加權金額

信用風險加權金額依據銀保監會於2012年頒佈的《商業銀行資本管理辦法(試行)》的規定，根據交易對手的狀況及到期期限的特點進行計算，包括代客交易。於2018年12月31日，本集團交易對手的信用風險加權金額總計人民幣201.58億元(2017年12月31日：人民幣702.17億元)。

(c) 公允價值套期

本集團的子公司利用公允價值套期來規避由於市場利率變動導致金融資產和金融負債公允價值變化所帶來的影響。對以公允價值計量且其變動進入其他綜合收益的債權投資、可供出售債券投資、已發行存款證及次級債券的利率風險以利率掉期合約作為套期工具。

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23 買入返售金融資產

(a) 按交易對手類型及所屬地理區域分析

	附註	2018年12月31日	2017年12月31日
中國內地			
— 銀行業金融機構		3,402	28,417
— 非銀行金融機構		6,428	26,209
小計		9,830	54,626
中國境外			
— 銀行業金融機構		958	—
應計利息		6	—
總額		10,794	54,626
減：減值準備	37	(4)	—
賬面價值		10,790	54,626

(b) 按擔保物類別分析

於2018年12月31日及2017年12月31日，本集團買入返售金融資產的擔保物類別均為債券，買入返售交易中收到的擔保物在附註58擔保物資訊披露。

(c) 按剩餘期限分析

於2018年12月31日及2017年12月31日，本集團的買入返售金融資產均於1個月內到期。

24 應收利息

	附註	2017年12月31日
發放貸款及墊款		13,543
債券投資		11,138
應收款項類投資		9,508
其他		2,400
總額		36,589
減：減值準備	37	(3,946)
賬面價值		32,643

根據本年披露形式的要求，2018年度相應金融資產計提的應計利息或應收利息反映在附註18、附註19、附註20、附註23、附註25及附註26的披露中。

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25 發放貸款及墊款

(a) 按性質分析

	附註	2018年12月31日
以攤餘成本計量的發放貸款及墊款		
企業貸款及墊款		
—一般貸款		1,833,171
—貼現貸款		146,414
—應收融資租賃款		47,817
小計		2,027,402
個人貸款及墊款		
—住房抵押		643,407
—信用卡		442,493
—消費貸款		203,853
—經營貸款		194,737
小計		1,484,490
應計利息		8,338
總額		3,520,230
減：貸款損失準備	37	(101,100)
以攤餘成本計量的發放貸款和墊款賬面價值		3,419,130
以公允價值計量且其變動計入其他綜合收益的發放貸款及墊款		
—一般貸款		137
—貼現貸款		96,383
以公允價值計量且其變動計入其他綜合收益的發放貸款及 墊款賬面價值		96,520
其中：以公允價值計量且其變動計入其他綜合收益的發放貸款及 墊款的公允價值變動		21
發放貸款與墊款賬面價值合計		3,515,650
以公允價值計量且其變動計入其他綜合收益的發放貸款及 墊款的減值準備	37	(132)
	附註	2017年12月31日
企業貸款及墊款		
—一般貸款		1,812,589
—貼現貸款		107,456
—應收融資租賃款		45,258
小計		1,965,303
個人貸款及墊款		
—住房抵押		505,305
—信用卡		333,719
—消費貸款		226,545
—經營貸款		166,015
小計		1,231,584
總額		3,196,887
減：貸款損失準備	37	
其中：單項評估		(28,930)
組合評估		(61,973)
小計		(90,903)
賬面價值		3,105,984

第十章 合併年度財務報表附註

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25 發放貸款及墊款(續)

(b) 按貸款損失準備的評估方式分析

2018年12月31日					階段三貸款 和墊款佔貸 款和墊款總 額的百分比
	階段一	階段二	階段三 (註釋(i))	合計	
以攤餘成本計量的發放貸款 和墊款總額	3,353,529	92,949	65,414	3,511,892	1.81%
應計利息	7,592	727	19	8,338	
減：貸款損失準備	(31,940)	(22,788)	(46,372)	(101,100)	
以攤餘成本計量的發放貸款 和墊款賬面價值	3,329,181	70,888	19,061	3,419,130	
以公允價值計量且其變動 計入其他綜合收益的發放 貸款及墊款賬面價值	96,520	—	—	96,520	
發放的貸款和墊款賬面價值 總額	3,425,701	70,888	19,061	3,515,650	
以公允價值計量且其變動 計入其他綜合收益的發放 貸款及墊款的減值準備	(132)	—	—	(132)	

2017年12月31日					已減值貸款 及墊款總額 佔貸款 及墊款總額 的百分比
	按組合 方式評估 損失準備的 貸款及墊款	其損失准 備按組合 方式評估	其損失准 備按單項 方式評估 (註釋(ii))	總額	
發放貸款及墊款總額	3,143,239	11,393	42,255	3,196,887	1.68%
減：貸款損失準備	(52,997)	(8,976)	(28,930)	(90,903)	
賬面價值	3,090,242	2,417	13,325	3,105,984	

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25 發放貸款及墊款(續)

(b) 按貸款損失準備的評估方式分析(續)

註釋：

(i) 階段三貸款為已發生信用減值的發放貸款及墊款，情況如下：

2018年12月31日	
有抵質押物涵蓋	37,648
無抵質押物涵蓋	27,766
已信用減值的發放貸款及墊款總額	65,414
損失準備	(46,372)
賬面價值	19,042

於2018年12月31日，本集團有抵質押物涵蓋的抵質押物公允價值覆蓋的最大敞口為人民幣352.21億元。

(ii) 按單項評估方式評估已減值貸款及墊款情況

2017年12月31日	
有抵質押物涵蓋	24,360
無抵質押物涵蓋	17,895
按單項方式評估的已減值貸款及墊款總額	42,255
按單項方式評估的損失準備	(28,930)
賬面價值	13,325

於2017年12月31日，本集團有抵質押物涵蓋的抵質押物公允價值覆蓋的最大敞口為人民幣221.99億元。

抵質押物的公允價值為管理層根據目前抵押品處置經驗和市場狀況對最新可得的包括外部評估價值在內的估值情況確定。

(c) 已逾期貸款的逾期期限分析

	2018年12月31日				合計
	逾期 3個月以內	逾期 3個月至1年	逾期 1至3年	逾期 3年以上	
信用貸款	9,221	9,602	1,977	493	21,293
保證貸款	9,284	8,292	6,639	627	24,842
附擔保物貸款					
其中：抵押貸款	16,428	13,339	12,008	2,367	44,142
質押貸款	2,457	1,959	1,752	114	6,282
合計	37,390	33,192	22,376	3,601	96,559

	2017年12月31日				合計
	逾期 3個月以內	逾期 3個月至1年	逾期 1至3年	逾期 3年以上	
信用貸款	6,739	7,624	767	424	15,554
保證貸款	8,543	9,741	8,814	1,466	28,564
附擔保物貸款					
其中：抵押貸款	14,168	13,614	11,886	363	40,031
質押貸款	3,392	2,201	1,620	162	7,375
合計	32,842	33,180	23,087	2,415	91,524

逾期貸款是指本金或利息已逾期1天或以上的貸款。

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25 發放貸款及墊款(續)

(d) 應收融資租賃款淨額

應收融資租賃款全部由本集團子公司中信金融租賃有限公司(「中信租賃」)和中信國際金融控股有限公司(「中信國金」)發放，包括按融資租賃及具備融資租賃特徵的分期付款合約租借給客戶的機器及設備的投資淨額。這些合約的最初租賃期一般為一至二十五年。按融資租賃及分期付款合約應收的最低租賃應收款總額及其現值按剩餘到期日分析如下：

	2018年12月31日		2017年12月31日	
	最低租賃 應收款現值	最低租賃 應收款總額	最低租賃 應收款現值	最低租賃 應收款總額
1年以內(含1年)	11,826	14,182	6,920	9,952
1年至2年(含2年)	9,866	11,626	10,233	11,371
2年至3年(含3年)	7,863	9,140	8,365	9,066
3年以上	18,262	20,606	19,740	22,501
總額	47,817	55,554	45,258	52,890
預期信用損失準備				
—階段一	(1,001)		—	
—階段二	(429)		—	
—階段三	(100)		—	
—單項評估	—		(1)	
—組合評估	—		(1,003)	
應收融資租賃款淨額	46,287		44,254	

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26 金融投資

(a) 按產品類別

	附註	2018年12月31日
以公允價值計量且其變動計入損益的金融投資		
投資基金		189,176
債券投資		71,920
其中：指定以公允價值計量且其變動計入損益		52
資金信託計劃(註釋(i))		26,486
存款證及同業存單		16,713
理財產品		116
權益工具		4,461
賬面價值		308,872
以攤餘成本計量的金融投資		
債券投資		381,688
證券定向資產管理計劃(註釋(i))		228,502
資金信託計劃(註釋(i))		151,582
存款證及同業存單		11,406
小計		773,178
應計利息		8,430
減：減值準備	37	(3,370)
賬面價值		778,238
以公允價值計量且其變動計入其他綜合收益的金融投資(註釋(ii))		
債券投資		491,015
存款證及同業存單		12,644
小計		503,659
應計利息		6,687
賬面價值		510,346
已計入其他綜合收益的其他債權投資減值準備	37	(1,039)
指定以公允價值計量且其變動計入其他綜合收益的金融投資(註釋(ii))		2,707
金融資產投資賬面價值合計		1,600,163

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26 金融投資(續)

(a) 按產品類別(續)

註釋：

- (i) 於2018年12月31日，上述資金信託計劃及證券定向資產管理計劃涉及的資金中有人民幣990.95億元(2017年12月31日：人民幣919.76億元)已委託本行直接母公司中國中信有限公司(「中信有限」)下屬子公司及關聯公司進行管理。

基金信託計劃及證券定向資產管理計劃的基礎資產主要為信貸類資產、同業類資產和票據類資產(附註61(a)(viii))。

- (ii) 以公允價值計量且其變動計入其他綜合收益的金融資產投資。

	附註	2018年12月31日	
		權益工具	債務工具
成本／攤餘成本		2,630	498,130
累計計入其他綜合收益的公允價值變動金額		77	5,529
公允價值		2,707	503,659
已計提減值準備	37		(1,039)

(b) 按發行機構

	附註	2018年12月31日
中國內地		
—政府		475,246
—政策性銀行		122,411
—銀行及非銀行金融機構		400,793
—企業實體		126,144
小計		1,124,594
中國境外		
—政府		16,121
—銀行及非銀行金融機構		433,910
—公共實體		2,084
—企業實體		11,707
小計		463,822
應計利息		15,117
總額		1,603,533
減：以攤餘成本計量的金融投資減值準備	37	(3,370)
賬面價值		1,600,163
於香港上市		39,541
於香港以外地區上市		1,104,876
非上市		455,746
合計		1,600,163

於中國內地銀行間債券市場交易的債券劃分為「於香港以外地區上市」。

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26 金融投資(續)

(c) 按金融資產投資損失準備的評估方式分析

	附註	階段一	2018年12月31日 階段二	階段三	合計
以攤餘成本計量的金融資產投資總額		768,136	3,882	1,160	773,178
應計利息		8,422	8	—	8,430
減：減值準備	37	(2,680)	(152)	(538)	(3,370)
以攤餘成本計量的金融資產投資 賬面價值		773,878	3,738	622	778,238
以公允價值計量且其變動計入 其他綜合收益的金融投資		503,334	104	221	503,659
應計利息		6,686	1	—	6,687
以公允價值計量且其變動計入 其他綜合收益的金融投資賬面價值		510,020	105	221	510,346
受信用風險影響的金融投資賬面 價值總額		1,283,898	3,843	843	1,288,584
已計入其他綜合收益的其他債權投資 減值準備		(727)	(2)	(310)	(1,039)

27 可供出售金融資產

	註釋	2017年12月31日
債券	(a)	469,843
存款證及同業存單	(b)	40,947
權益工具		1,356
其中：		
以公允價值計量的權益工具	(c)	744
以成本計量的權益工具	(c)	612
投資基金	(d)	119,518
理財產品		26
合計		631,690

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27 可供出售金融資產(續)

(a) 可供出售債券投資由下列機構發行

	2017年12月31日
中國內地	
—政府	245,368
—政策性銀行	72,171
—銀行及非銀行金融機構	31,985
—企業實體	78,084
小計	427,608
中國境外	
—政府	13,635
—銀行及非銀行金融機構	18,535
—公共實體	1,151
—企業實體	8,914
小計	42,235
賬面價值	469,843
於香港上市	23,590
於香港以外地區上市	429,769
非上市	16,484
合計	469,843

(b) 可供出售存款證由下列機構發行

	2017年12月31日
中國境內	
—銀行	38,391
—政策性銀行	1,436
中國境外	
—銀行	1,120
賬面價值	40,947
於香港以外地區上市	40,947

(c) 可供出售權益投資由下列機構發行

	2017年12月31日
中國境內	
—企業實體	927
中國境外	
—銀行及非銀行金融機構	145
—企業實體	284
合計	1,356
於香港上市	284
於香港以外地區上市	70
非上市	1,002
合計	1,356

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27 可供出售金融資產(續)

(d) 可供出售投資基金由下列機構發行

	2017年12月31日
中國境內	
—銀行及非銀行金融機構	118,925
中國境外	
—銀行及非銀行金融機構	263
—企業實體	330
賬面價值	119,518
於香港以外地區上市	118,925
非上市	593
合計	119,518

於中國內地銀行間債券市場交易的債券劃分為「於香港以外地區上市」。

28 持有至到期投資

持有至到期債券由下列機構發行：

	附註	2017年12月31日
中國內地		
—政府		55,105
—政策性銀行		54,246
—銀行及非銀行金融機構		88,774
—企業實體		18,133
小計		216,258
中國境外		
—銀行及非銀行金融機構		325
—公共實體		3
小計		328
總額		216,586
減：減值準備	37	—
賬面價值		216,586
於香港上市		273
於香港以外地區上市		209,985
非上市		6,328
賬面價值		216,586
持有至到期投資公允價值		212,530
其中：上市債券市值		206,202

於中國內地銀行間債券市場交易的債券劃分為「於香港以外地區上市」。

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29 應收款項類投資

應收款項類投資按照資產類型分析：

	附註	2017年12月31日
證券定向資產管理計劃		268,247
金融機構理財產品		139,020
資金信託計劃		126,794
總額		534,061
減：減值準備	37	(2,943)
賬面價值		531,118

應收款項類投資的基礎資產主要為同業及他行理財類資產、信貸類資產和票據類資產。(附註61(a)(viii))。

30 對聯營及合營企業的投資

	註釋	2018年12月31日	2017年12月31日
對合營企業的投資	(a)	2,759	1,196
對聯營企業的投資	(b)	1,122	1,145
合計		3,881	2,341

(a) 對合營企業的投資

本集團於2018年12月31日主要合營企業的基本情況如下：

企業名稱	企業類型	註冊成立/ 經營地區	本集團 持股比例	主要業務	已發行 股份面值
中信百信銀行股份有限公司 (「中信百信銀行」)(註釋(i))	股份有限公司	中國內地	70.0%	金融服務	人民幣40億元
阿爾金銀行(註釋(ii))	股份有限公司	哈薩克斯坦	50.1%	金融服務	哈薩克斯坦 堅戈70.5億元

註釋：

- (i) 中信百信銀行於2017年11月18日開業，初始股本為人民幣20億元。根據中信百信銀行章程，中信百信銀行主要重大決議必需經過本行與另一投資方福建百度博瑞網絡科技有限公司(以下簡稱「福建百度博瑞」)一致同意後決策。經銀保監會批准，中信百信銀行於2018年完成增資，其中本行出資人民幣14億元，認購14億股普通股股份。另一股東福建百度博瑞出資人民幣6億元，認購6億股普通股股份。增資完成後，雙方股東持股比例保持不變。
- (ii) 於2018年，本行完成了對阿爾金銀行的50.1%股權的收購。根據阿爾金銀行章程，阿爾金銀行主要重大決議必須經過本行與另一股東哈薩克人民銀行的一致同意後決策。

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30 對聯營及合營企業的投資(續)

(a) 對合營企業的投資(續)

合營企業的主要財務概況如下：

企業名稱	截至2018年12月31日止年度				
	期末 資產總額	期末 負債總額	期末 淨資產總額	本期 經營收入	本期 淨利潤/(虧損)
中信百信銀行	35,924	32,701	3,223	1,295	(484)
阿爾金銀行	7,928	7,191	734	349	195

企業名稱	截至2017年12月31日止年度				
	期末 資產總額	期末 負債總額	期末 淨資產總額	本期 經營收入	本期 淨虧損
中信百信銀行	9,970	8,262	1,708	30	(291)

本集團對合營企業的投資變動情況如下：

	截至2018年 12月31日止年度	截至2017年 12月31日止年度
投資成本	3,229	1,400
於年初	1,196	—
對合營企業投資	1,829	1,400
對合營企業的投資損失	(274)	(204)
外幣報表折算差額	8	—
於年末	2,759	1,196

(b) 對聯營企業的投資

本集團通過子公司持有對聯營企業的投資，於2018年12月31日，本集團主要聯營企業的基本情況如下：

企業名稱	商業模式	註冊成立/ 經營地區	本集團 實際權益	主要業務	已發行 股本面值
中信國際資產管理有限公司 (「中信資產」)	股份有限公司	香港	46%	投資控股 及資產管理	港幣22.18億元
眾安金融服務有限公司 (「眾安金融」)	股份有限公司	香港	26.25%	投資控股	港幣10億元
濱海(天津)金融資產交易中心 股份有限公司(「濱海金融」)	股份有限公司	中國內地	20%	金融服務 及融資投資	人民幣5.0億元

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30 對聯營及合營企業的投資(續)

(b) 對聯營企業的投資(續)

聯營企業的主要財務概況如下：

企業名稱	截至2018年12月31日止年度				
	年末 資產總額	年末 負債總額	年末 淨資產總額	本年 經營收入	本年 淨利潤/(虧損)
中信資產	1,631	149	1,482	(718)	(768)
眾安金融	884	—	884	5	5
濱海金融	499	47	452	3	(30)

企業名稱	截至2017年12月31日止年度				
	年末 資產總額	年末 負債總額	年末 淨資產總額	本年 經營收入	本年 淨虧損
中信資產	2,412	236	2,176	181	(251)
濱海金融	581	98	483	1	(14)

本集團對聯營企業投資的變動情況如下：

	截至2018年 12月31日止年度	截至2017年 12月31日止年度
投資成本	1,489	1,183
於期/年初	1,145	1,111
對聯營企業投資	306	190
對聯營企業的投資損失	(368)	(81)
其他權益變動	(10)	8
已收股利	—	(11)
外幣報表折算差額	49	(72)
於期/年末	1,122	1,145

31 對子公司投資

	註釋	2018年12月31日	2017年12月31日
對子公司投資			
— 中信國金	(i)	16,570	16,570
— 信銀(香港)投資有限公司(「信銀投資」)	(ii)	1,577	1,577
— 浙江臨安中信村鎮銀行股份有限公司 (「臨安村鎮銀行」)	(iii)	102	102
— 中信租賃	(iv)	4,000	4,000
合計		22,249	22,249

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31 對子公司投資(續)

本集團於2018年12月31日的主要一級子公司如下：

公司名稱	註冊地	已發行 及繳足股本	業務範圍	本行直接 持股比例	子公司 持股比例	本集團實際 持股比例
中信國金(註釋(i))	香港	港幣75.03億元	商業銀行及 其他金融業務	100%	—	100%
信銀投資(註釋(ii))	香港	港幣18.89億元	借貸服務	99.05%	0.71%	99.76%
臨安村鎮銀行(註釋(iii))	中國內地	人民幣2億元	商業銀行業務	51%	—	51%
中信租賃(註釋(iv))	中國內地	人民幣40億元	金融租賃	100%	—	100%

註釋：

- (i) 中信國金為在香港註冊成立的投資控股公司，總部位於香港，業務範圍包括商業銀行及其他金融業務。本行擁有其100%的持股比例和表決權比例。中信國金擁有中信銀行(國際)有限公司(「中信銀行(國際)」)75%的股權。
- (ii) 信銀(香港)投資有限公司成立於1984年，原名振華國際財務有限公司，註冊地和主要經營地均為香港，在國際獲得國際政府工商註冊處頒發的「放債人牌照」。業務範圍包括資本市場投資、貸款等。本行擁有其99.05%的持股比例和表決權比例，中信國金持有信銀投資0.71%股權，中信銀行間接取得對信銀投資的99.76%有效控制權。
- (iii) 臨安村鎮銀行於2011年在浙江省成立，註冊資本人民幣2億元。主要經營商業銀行業務。本行持有其51%的持股比例和表決權比例。
- (iv) 中信租賃成立於2015年，註冊資本人民幣40億元。主要經營金融租賃業務。本行擁有其100%的持股比例和表決權比例。

32 投資性房地產

	2018年12月31日	2017年12月31日
年初公允價值	295	305
—公允價值變動	35	30
—本年轉入/(轉出)	93	(18)
—匯率變動影響	20	(22)
年末公允價值	443	295

本集團的投資性房地產為子公司持有的主要座落於香港的房產與建築物，並以經營租賃的形式租給第三方。這些投資性房地產所在地有活躍的房地產交易市場，本集團能夠從房地產市場取得同類或類似房地產的市場價格及其他相關資訊，從而對這些投資性房地產於2018年12月31日的公允價值做出評估。

於2018年12月31日，本集團的所有投資性房地產已由一家獨立測量師行，測建行(國際)有限公司，以公開市場價值為基準進行了重估。該等公允價值符合《國際財務報告準則第13號—公允價值計量》的定義。有關的重估盈餘及損失已分別計入本集團當期損益。測建行(國際)有限公司僱員為國際測量師學會資深專業會員，具有評估同類物業地點及類別的近期經驗。

本集團的投資性房地產歸集為公允價值第3層級。

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33 物業和設備

	房屋 建築物	在建工程	電腦設備 及其他	合計
成本或認定成本：				
2018年1月1日	21,313	1,078	11,018	33,409
本年增加	1,157	210	1,466	2,833
本年處置	(514)	—	(663)	(1,177)
本年轉出	(102)	—	(1,041)	(1,143)
匯率變動影響	31	—	59	90
2018年12月31日	21,885	1,288	10,839	34,012
累計折舊：				
2018年1月1日	(4,497)	—	(7,582)	(12,079)
計提折舊費用	(674)	—	(1,156)	(1,830)
本年轉出	9	—	492	501
本年處置	229	—	610	839
匯率變動影響	(16)	—	(42)	(58)
2018年12月31日	(4,949)	—	(7,678)	(12,627)
賬面淨值：				
2018年1月1日	16,816	1,078	3,436	21,330
2018年12月31日(註釋(i))	16,936	1,288	3,161	21,385

	房屋 建築物	在建工程	電腦設備 及其他	合計
成本或認定成本：				
2017年1月1日	17,468	470	10,359	28,297
本年增加	3,933	608	877	5,418
本年處置	(47)	—	(130)	(177)
匯率變動影響	(41)	—	(88)	(129)
2017年12月31日	21,313	1,078	11,018	33,409
累計折舊：				
2017年1月1日	(3,949)	—	(6,514)	(10,463)
計提折舊費用	(568)	—	(1,250)	(1,818)
本年處置	—	—	115	115
匯率變動影響	20	—	67	87
2017年12月31日	(4,497)	—	(7,582)	(12,079)
賬面淨值：				
2017年1月1日	13,519	470	3,845	17,834
2017年12月31日(註釋(i))	16,816	1,078	3,436	21,330

註釋：

- (i) 於2018年12月31日，所有權轉移手續尚未辦理完畢的房屋建築物的賬面價值為人民幣10.78億元(2017年12月31日：人民幣28.59億元)。本集團管理層預期尚未完成權屬變更不會影響本集團承擔這些資產的權利。

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34 商譽

	2018年12月31日	2017年12月31日
年初餘額	849	914
匯率變動影響	47	(65)
年末餘額	896	849

根據減值測試的結果，本集團於2018年12月31日商譽未發生減值(2017年12月31日：未減值)。

35 遞延所得稅

	2018年12月31日	2017年12月31日
遞延所得稅資產	23,174	21,825
遞延所得稅負債	(16)	(8)
淨額	23,158	21,817

(a) 按性質及管轄範圍分析

	2018年12月31日		2017年12月31日	
	可抵扣/ (應納稅) 暫時性差異	遞延所得稅 資產/(負債)	可抵扣/ (應納稅) 暫時性差異	遞延所得稅 資產/(負債)
遞延所得稅資產				
— 資產減值準備	95,710	23,729	68,409	17,060
— 公允價值調整	(9,944)	(2,526)	12,357	3,078
— 內退及應付工資	7,430	1,857	6,248	1,562
— 其他	238	114	402	125
合計	93,434	23,174	87,416	21,825
遞延所得稅負債				
— 公允價值調整	(86)	(16)	(48)	(8)
合計	93,348	23,158	87,368	21,817

(b) 遞延所得稅資產和遞延所得稅負債的抵銷

2018年12月31日，本集團抵銷的遞延所得稅資產/負債為人民幣27.20億元(2017年12月31日：人民幣2.62億元)。

(c) 遞延所得稅的變動情況：

	資產 減值準備	公允 價值調整	內退及 應付工資	其他	合計
2017年12月31日	17,060	3,070	1,562	125	21,817
會計政策變更	3,020	(2,588)	—	(10)	422
計入當年損益	3,633	404	298	2	4,337
計入其他綜合收益	—	(3,430)	(3)	—	(3,433)
匯率變動影響	16	2	—	(3)	15
2018年12月31日	23,729	(2,542)	1,857	114	23,158
2017年1月1日	13,165	(261)	721	(939)	12,686
計入當年損益	3,899	645	838	1,060	6,442
計入其他綜合收益	—	2,686	3	—	2,689
匯率變動影響	(4)	—	—	4	—
2017年12月31日	17,060	3,070	1,562	125	21,817

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36 其他資產

	註釋	2018年12月31日	2017年12月31日
長期資產預付款	(i)	10,833	10,521
應收利息	(ii)	2,205	—
應收手續費及佣金收入		3,534	4,740
代墊及待清算款項		2,356	2,030
抵債資產	(iii)	2,203	2,049
預付融資租賃款		1,679	1,546
貴金屬合同		1,632	26,313
預付租金		985	1,023
經營租入固定資產裝修支出		871	1,315
土地使用權		993	1,024
其他	(iv)	10,162	7,282
合計		37,453	57,843

註釋：

(i) 長期資產預付款

長期資產預付款主要是本集團為購置或建造辦公大樓預先支付的款項。

(ii) 應收利息

應收利息為金融工具已到期可收取但於報告日尚未收到的利息，按抵減對應減值準備後的淨額列示。本集團應收利息餘額已抵減的減值準備金額為44.36億元。

(iii) 抵債資產

	附註	2018年12月31日	2017年12月31日
土地、房屋及建築物		2,429	1,931
其他		499	518
總額		2,928	2,449
減：減值準備	37	(725)	(400)
賬面價值		2,203	2,049

於2018年12月31日，本集團的抵債資產均擬進行處置，無轉為自用資產的計劃(2017年12月31日：無)

(iv) 其他包括繼續涉入資產、暫付律師訴訟費、其他長期待攤費用、其他應收款等。

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37 資產減值準備變動表

	附註	截至2018年12月31日止年度				
		年初 賬面餘額	本年計提/ (轉回)	本年核銷 及轉出	其他 (註釋(i))	年末 賬面餘額
信用減值準備						
存放同業及其他金融機構款項	19	60	11	—	3	74
拆出資金	20	165	(1)	—	1	165
買入返售金融資產	23	37	(33)	—	—	4
應收利息		4,970	3,034	(3,606)	(4,398)	—
發放貸款及墊款	25	97,905	47,753	(46,938)	2,512	101,232
金融投資	26					
以攤餘成本計量		3,044	999	(689)	16	3,370
以公允價值計量且 其變動計入其他綜合收益		950	75	—	14	1,039
其他資產—金融資產		2,334	6,098	(1,182)	4,729	11,979
表外項目	45	4,557	(50)	—	36	4,543
合計		114,022	57,886	(52,415)	2,913	122,406
其他資產減值準備						
其他資產—抵債資產		400	347	(7)	(15)	725
合計		400	347	(7)	(15)	725

	附註	截至2017年12月31日止年度				
		年初 賬面餘額	本年計提/ (轉回)	本年核銷 及轉出	其他 (註釋(i))	年末 賬面餘額
存放同業及其他金融機構款項	19	34	(32)	—	(2)	—
拆出資金	20	9	—	—	(8)	1
應收利息	24	3,906	4,212	(3,977)	(195)	3,946
發放貸款及墊款	25	75,543	50,170	(35,691)	881	90,903
可供出售金融資產	27	162	(69)	—	(15)	78
持有至到期投資	28	2	(2)	—	—	—
應收款項類投資	29	1,756	1,018	—	169	2,943
其他資產		2,360	567	(364)	38	2,601
合計(註釋(ii))		83,772	55,864	(40,032)	868	100,472

註釋：

- (i) 其他包括折現回撥、應收利息的重分類以及由於匯率變動產生的影響。
- (ii) 除上述資產減值準備之外，本集團對表外項目的預計損失計提了減值準備(附註12)。

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38 同業及其他金融機構存放款項

按交易對手類型及所屬地理區域分析

	2018年12月31日	2017年12月31日
中國內地		
—銀行業金融機構	208,427	170,801
—非銀行金融機構	565,387	611,011
小計	773,814	781,812
中國境外		
—銀行業金融機構	4,242	16,142
—非銀行金融機構	57	53
小計	4,299	16,195
應計利息	4,151	—
合計	782,264	798,007

39 拆入資金

按交易對手類型及所屬地理區域分析

	2018年12月31日	2017年12月31日
中國內地		
—銀行業金融機構	58,681	43,172
—非銀行金融機構	47,239	28,733
小計	105,920	71,905
中國境外		
—銀行業金融機構	9,197	5,690
應計利息	241	—
合計	115,358	77,595

40 賣出回購金融資產款

(a) 按交易對手類型及所屬地理區域分析

	2018年12月31日	2017年12月31日
中國內地		
—人民銀行	93,151	88,063
—銀行業金融機構	25,911	46,321
—非銀行業金融機構	1,000	—
小計	120,062	134,384
中國境外		
—銀行業金融機構	218	116
小計	218	116
應計利息	35	—
合計	120,315	134,500

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40 賣出回購金融資產款(續)

(b) 按擔保物類別分析

	2018年12月31日	2017年12月31日
票據	33,809	52,415
債券	86,471	82,085
應計利息	35	—
合計	120,315	134,500

在賣出回購交易中，作為抵押品而轉讓的金融資產未終止確認。於2018年12月31日，本集團沒有相關擔保物權利已轉讓給交易對手的賣斷式交易，以上擔保物的資訊已包括在附註58擔保物的披露。

41 吸收存款

按存款性質分析

	2018年12月31日	2017年12月31日
活期存款		
—公司類客戶	1,516,861	1,645,002
—個人客戶	262,960	234,961
小計	1,779,821	1,879,963
定期及通知存款		
—公司類客戶	1,382,230	1,223,018
—個人客戶	449,549	298,477
小計	1,831,779	1,521,495
匯出及應解匯款	4,823	6,178
應計利息	33,188	—
合計	3,649,611	3,407,636

上述存款中包含保證金存款如下

	2018年12月31日	2017年12月31日
承兌匯票保證金	163,066	195,308
保函保證金	21,757	24,941
信用證保證金	6,234	9,289
其他	109,627	108,830
合計	300,684	338,368

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42 應付職工薪酬

	註釋	截至2018年12月31日止年度			
		年初餘額	本年增加額	本年支付額	年末餘額
短期薪酬	(a)	8,635	22,660	(20,909)	10,386
離職後福利					
—設定提存計劃	(b)	34	2,453	(2,456)	31
離職後福利					
—設定受益計劃	(c)	44	102	(111)	35
其他長期福利		125	6	(34)	97
合計		8,838	25,221	(23,510)	10,549

	註釋	截至2017年12月31日止年度			
		年初餘額	本年增加額	本年支付額	年末餘額
短期薪酬	(a)	8,673	23,253	(23,291)	8,635
離職後福利					
—設定提存計劃	(b)	32	2,377	(2,375)	34
離職後福利					
—設定受益計劃	(c)	35	11	(2)	44
其他長期福利		79	89	(43)	125
合計		8,819	25,730	(25,711)	8,838

(a) 短期薪酬列示

	截至2018年12月31日止年度			
	年初餘額	本年增加額	本年支付額	年末餘額
工資、獎金、津貼和補貼	7,553	17,818	(15,915)	9,456
社會保險費	28	1,469	(1,452)	45
職工福利費	—	1,400	(1,398)	2
住房公積金	10	1,300	(1,302)	8
工會經費和職工教育經費	955	416	(566)	805
住房補貼	75	196	(217)	54
其他短期福利	14	61	(59)	16
合計	8,635	22,660	(20,909)	10,386

	截至2017年12月31日止年度			
	年初餘額	本年增加額	本年支付額	年末餘額
工資、獎金、津貼和補貼	7,483	18,594	(18,524)	7,553
社會保險費	49	1,324	(1,345)	28
職工福利費	—	1,121	(1,121)	—
住房公積金	19	1,291	(1,300)	10
工會經費和職工教育經費	1,060	378	(483)	955
住房補貼	48	497	(470)	75
其他短期福利	14	48	(48)	14
合計	8,673	23,253	(23,291)	8,635

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42 應付職工薪酬(續)

(b) 離職後福利－設定提存計劃

離職後福利－設定提存計劃中包括基本養老保險費。根據中國的勞動法規，本集團為其國內員工參與了各省、市政府組織安排的基本養老保險計劃。根據計劃，本集團須就其員工的薪金、獎金及若干津貼，按若干比率向政府管理的基本養老保險計劃作出供款。

除了以上基本養老保險計劃外，本行為其合資格的員工定立了一個補充養老保險計劃(年金計劃)。此計劃由中信集團管理。本行2018年對計劃作出相等於合資格員工薪金及佣金的5%供款(截至2017年12月31日止年度：5%)，2018年對計劃作出供款的金額為人民幣7.57億元(截至2017年12月31日止年度：人民幣6.62億元)。

本集團為香港員工在當地設有界定供款公積金計劃及強制性公積金計劃。有關供款在供款發生時計入當期損益。

(c) 離職後福利－設定受益計劃

本集團對其退休的中國內地合資格員工支付補充退休福利。享有該等福利的員工為已退休員工。於報告日確認的金額代表未來應履行福利責任的折現值。

本集團於報告日的補充退休福利責任是由獨立精算公司(美國精算師協會會員)使用「預期累計福利單位法」進行精算評估。

除以上所述的供款外，本集團並無其他支付員工退休及其他退休後福利的重大責任。

43 應交稅費

	2018年12月31日	2017年12月31日
增值稅及附加	3,342	4,175
所得稅	1,570	4,668
其他	8	15
合計	4,920	8,858

44 應付利息

	2017年12月31日
吸收存款	28,097
向中央借款及同業存放款項	7,311
已發行債務憑證	3,551
其他	364
合計	39,323

根據本年披露形式的要求，2018年度相應金融負債計提的應計利息反映在附註38、附註39、附註40、附註41和附註46的披露中。

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45 預計負債

	2018年12月31日	2017年12月31日
表外業務減值準備	4,543	402
訴訟預計損失	470	394
合計	5,013	796

表外業務減值準備變動情況已在附註37所示。

預計訴訟損失變動情況：

	2018年12月31日	2017年12月31日
年初餘額	394	244
本年計提	220	152
本年轉回	—	(2)
本年支付	(144)	—
年末餘額	470	394

46 已發行債務憑證

	註釋	2018年12月31日	2017年12月31日
已發行：			
—債務證券	(a)	80,296	94,571
—次級債券			
其中：本行	(b)	118,450	68,448
中信銀行(國際)	(c)	5,520	5,280
—存款證	(d)	2,752	2,849
—同業存單	(e)	341,310	270,096
應計利息		4,155	—
合計		552,483	441,244

(a) 於報告日本行發行債務證券如下：

債券種類	發行日期	到期日	年利率	2018年 12月31日 賬面總額 人民幣	2017年 12月31日 賬面總額 人民幣
固定利率債券	2013年11月8日	2018年11月12日	5.20%	—	15,000
固定利率債券	2017年4月17日	2020年4月17日	4.20%	50,000	50,000
固定利率債券	2017年5月24日	2020年5月24日	4.40%	2,993	2,993
固定利率債券	2015年5月21日	2020年5月25日	3.98%	7,000	7,000
固定利率債券	2015年11月17日	2020年11月17日	3.61%	8,000	8,000
浮動利率債券	2017年12月14日	2020年12月14日	3.24%	4,814	4,555
固定利率債券	2017年12月14日	2020年12月14日	2.88%	2,063	1,952
浮動利率債券	2017年12月14日	2022年12月15日	3.34%	3,783	3,579
固定利率債券	2017年12月14日	2022年12月15日	3.13%	1,719	1,627
合計名義價值				80,372	94,706
減：未攤銷的發行成本及折價				(76)	(90)
減：集團層面合併抵消				—	(45)
賬面餘額				80,296	94,571

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46 已發行債務憑證(續)

(b) 本行發行的次級債於報告日的賬面金額為：

	註釋	2018年12月31日	2017年12月31日
下列時間到期的固定利率次級債券			
— 2025年5月	(i)	11,500	11,500
— 2027年6月	(ii)	19,983	19,981
— 2024年8月	(iii)	36,972	36,967
— 2028年9月	(iv)	30,000	—
— 2028年10月	(v)	19,995	—
合計		118,450	68,448

註釋：

- (i) 於2010年5月28日發行的固定利率次級債券的票面年利率為4.30%。本行可以選擇於2020年5月28日贖回這些債券。如果本行不行使贖回權，則此後5年期間內，票面年利率維持4.30%。
- (ii) 於2012年6月21日發行的固定利率次級債券的票面年利率為5.15%。本行可以選擇於2022年6月21日贖回這些債券。如果本行不行使贖回權，則此後5年期間內，票面年利率維持5.15%。
- (iii) 於2014年8月26日發行的固定利率次級債券的票面年利率為6.13%。本行可以選擇於2019年8月26日贖回這些債券。如果本行不行使贖回權，則此後5年期間內，票面年利率維持6.13%。
- (iv) 於2018年9月13日發行的固定利率次級債券的票面年利率為4.96%。本行可以選擇與2023年9月13日贖回這些債券。如果本行不行使贖回權，則此後5年期間內，票面年利率維持4.96%。
- (v) 於2018年10月22日發行的固定利率次級債券的票面年利率為4.80%。本行可以選擇與2023年10月22日贖回這些債券。如果本行不行使贖回權，則此後5年期間內，票面年利率維持4.80%。

(c) 中信銀行(國際)發行的次級債於報告日的賬面金額為：

	註釋	2018年12月31日	2017年12月31日
以下時間到期的固定利率次級票據			
— 2020年6月到期	(i)	3,465	3,341
— 2024年5月到期	(ii)	2,055	1,939
合計		5,520	5,280

註釋：

- (i) 於2010年8月24日，中信銀行(國際)發行票面年利率6.875%，面值美元5億元的次級票據。這些票據在新加坡交易所有限公司上市。
- (ii) 於2013年11月7日，中信銀行(國際)發行票面年利率6.00%，面值美元3億元的次級票據。中信銀行(國際)可以選擇於2019年5月7日及之後的每個付息日贖回這些債券。如果中信銀行(國際)不行使贖回權，則此後5年期間內，票面年利率為2019年5月7日當天5年期美國國債利率加4.718%。這些票據在香港交易所上市。

(d) 已發行存款證由中信銀行(國際)發行，年利率為2.05%至2.26%。

(e) 於2018年12月31日，本行發行的未到期的大額可轉讓同業定期存單賬面價值為3,413.10億元(2017年12月31日：2,700.96億元)，參考年收益率為2.80%至4.86%(2017年12月31日：4.00%至5.35%)，原始到期日為1個月到1年內不等。

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47 其他負債

	註釋	2018年12月31日	2017年12月31日
代收代付款項		13,829	13,545
待清算款項		11,010	6,667
遞延支付薪酬	(i)	9,162	6,306
預收及遞延款項		5,818	4,278
租賃保證金		1,579	1,616
貴金屬合同		1,383	4,872
預提費用		741	636
其他		10,539	7,996
合計		54,061	45,916

註釋：

(i) 於2018年12月31日，該金額人民幣91.62億元(2017年：63.06億元)，系與本集團提供服務相關並將根據發放計劃支付的遞延工資和獎金。

48 股本

	2018年12月31日及2017年12月31日	
	股份數 (百萬)	名義金額
已註冊、發行及繳足的普通股：		
A股	34,053	34,053
H股	14,882	14,882
合計	48,935	48,935
	2018年	2017年
1月1日	48,935	48,935
普通股股東投入資本	—	—
12月31日	48,935	48,935

49 優先股

發行在外的金融工具	股息率	發行價格 (元)	發行數量 (百萬股)	發行金額 (百萬元)	到期日或 續期情況	轉換情況
優先股	3.80%	100	350	35,000	無到期日	生轉換

經股東大會授權並經監管機構核准，2016年本行對不超過200名符合《優先股試點管理辦法》規定的合格投資者非公開發行不超過350億元的優先股，每股面值人民幣100元，股息率為每年3.80%。

本次發行的優先股扣除發行費用後的餘額共計人民幣349.55億元，全部用於補充其他一級資本，以提高本行一級資本充足率(附註62)。本次優先股採用分階段調整的票面股息率，每年支付一次股息，不可累計。發行時股息率為每年3.80%，股息率每5年調整一次，調整參考待償期為5年的國債到期收益率，並包括130%的固定溢價。

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49 優先股(續)

本行宣派和支付優先股股息由本行董事會根據股東大會授權決定。除非本行決議完全派發當期優先股股息，否則本行將不會向普通股股東進行利潤分配。本行有權取消部分或全部優先股派息，本優先股為非累積型優先股。優先股股東不可與普通股股東一起參與剩餘利潤分配。

經監管機構批准，本行在募集說明書中所規定的特定情形滿足時可行使贖回權，優先股股東無權要求本行贖回優先股。

當發生《中國銀監會關於商業銀行資本工具創新的指導意見》(銀監發[2012]56號)「二、(三)」中所規定的觸發事件時，並經監管機構批准，優先股以人民幣7.07元/股的價格全額或部分強制轉換為A股普通股。根據發行檔中約定的轉股價格調整方式及計算公式、當發生送紅股、配股、轉增股本和增發新股等情況時，轉股價格將進行調整以維護優先股股東和普通股股東之間的相對利益平衡。

本行發行的優先股份類為權益工具，列示於合併財務狀況表股東權益中。依據中國銀保監會相關規定，本優先股符合合格一級資本工具的標準。

歸屬於權益工具持有者的相關資訊：

	2018年	2017年
歸屬於本行股東的權益	436,661	388,002
歸屬於本行普通股持有者的權益	401,706	353,047
歸屬於本行其他權益工具持有者的權益	34,955	34,955
其中：當期已分配股利	1,330	1,330

於2018年12月31日止年度，本行向優先股股東分配發放股利13.30億元(於2017年12月31日止年度：人民幣13.30億元)。

於2018年12月13日本行董事會通過了關於非公開發行優先股方案的議案，擬在境內非公開發行優先股不超過人民幣400億元，每股票面金額人民幣100元。該議案於2019年1月30日經股東大會審議通過。

50 資本公積

	2018年12月31日	2017年12月31日
股本溢價	58,896	58,896
其他儲備	81	81
合計	58,977	58,977

	附註	2018年12月31日	2017年12月31日
1月1日		58,977	58,636
少數股東增資	55	—	341
12月31日		58,977	58,977

51 其他綜合收益

其他綜合收益由以下兩部分組成：以後會計期間不會重分類至損益的項目，如設定受益計劃重新計量變動淨額(附註42)和指定以公允價值計量且其變動計入其他綜合收益的金融投資公允價值變動；以後會計期間將重分類至損益的項目，主要包括以公允價值計量且其變動計入其他綜合收益的金融資產公允價值變動、以公允價值計量且其變動計入其他綜合收益的金融資產信用損失準備和外幣報表折算差額等。

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52 盈餘公積

盈餘公積變動情況

	2018年	2017年
1月1日	30,244	27,263
提取法定盈餘公積	4,206	3,920
12月31日	34,450	31,183

本集團在中國境內子公司需根據按財政部頒佈的《企業會計準則》及其他相關規定(統稱「中國會計準則」)核算的本年利潤的10%提取法定盈餘公積金。法定盈餘公積金累計額達到註冊資本的50%時，可以不再提取。本行提取法定盈餘公積金後，經股東大會決議，可以從本年利潤中提取任意盈餘公積金。本行按年提取法定盈餘公積。

法定盈餘公積金經股東大會批准後可用於彌補以前年度的虧損(如有)或轉增資本。但當以法定盈餘公積金轉為資本時，所留存的該項公積金結餘不得少於轉增前註冊資本的25%。

53 一般風險準備

	2018年	2017年
1月1日	74,251	73,911
提取一般風險準備	4	340
12月31日	74,255	74,251

根據財政部有關規定，本集團在中國境內的銀行業子公司應於每年年度終了根據承擔風險和損失的資產餘額的一定比例通過稅後利潤提取一般風險準備，用於彌補尚未識別的可能性損失。本集團按年計提一般風險準備。於2018年12月31日，本行一般風險準備已達到風險資產年末餘額的1.5%，2018年度無需提取。

54 利潤分配及未分配利潤

(a) 本年度利潤提取及除權派息以外的利潤分配

	附註	2018年	2017年
提取			
—法定盈餘公積金	52	4,206	3,920
—一般風險準備	53	4	340
12月31日		4,210	4,260

根據董事會於2019年3月26日的批准，本行2018年提取法定盈餘公積人民幣42.06億元，於2018年12月31日，本行一般風險準備已達到風險資產年末餘額的1.5%，2017年度無需提取。本行子公司臨安村鎮銀行也按照中國相關監管規定提取了一般風險準備。

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54 利潤分配及未分配利潤(續)

- (b) 根據於2018年5月25日召開的2017年度股東大會決議，本行向符合資格的普通股股東分配截至2017年12月31日止年度現金股息每10股人民幣2.61元，共約人民幣127.72億元。該股息已於2018年7月2日派發。
- (c) 根據於2018年8月27日召開的董事會會議決議，本行按照約定的票面股息率3.80%計算，向每股優先股股東發放現金股息3.80元人民幣，共計約13.30億元人民幣。該股息已於2018年10月26日派發。
- (d) 2019年3月26日，本行董事會建議分派截至2018年12月31日止年度現金股息每10股人民幣2.30元，該筆合計約人民幣112.55億元的股息將於年度股東大會決議通過後派發予本行於相關記錄日期登記在冊的普通股股東。這些股息作為財務狀況表日後非調整事項，未確認為截至2018年12月31日止年度的負債。
- (e) 於2018年12月31日，未分配利潤中包含歸屬於本行的子公司盈餘公積餘額人民幣2.00億元(截至2017年12月31日止年度：人民幣1.41億元)，其中子公司本年度計提的歸屬於本行的盈餘公積為人民幣0.56億元(2017年：人民幣0.53億元)。以上未分配利潤中包含的歸屬於本行的子公司盈餘公積餘額不能進行利潤分配。

55 非控制性權益

少數股東權益中包含歸屬於少數股東的普通股股東權益和其他權益工具持有者權益。於2018年12月31日，其他權益工具持有者的權益折合人民幣共計84.92億元。該其他權益工具為本集團下屬中信銀行(國際)於2014年4月22日、2016年9月29日及2018年11月6日發行的永續型非累積額外一級資本證券。

發行在外的 金融工具	發行日	賬面金額 百萬 美元	首個提前 贖回日	票面年利率	付息頻率
永續債	2014年 4月22日	300百萬 美元	2019年 4月22日	首個提前贖回日期前，票面年利率 定於7.25%，若屆時沒有行使贖回 權，票面年利率將每五年按五年期 美國國庫債券息率加5.627%重新 擬定	每半年一次
永續債	2016年 10月11日	500百萬 美元	2021年 10月11日	首個提前贖回日期前，票面年利率 定於4.25%，若屆時沒有行使贖回 權，票面年利率將每五年按五年期 美國國庫債券息率加3.107%重新 擬定	每半年一次
永續債	2018年 11月6日	500百萬 美元	2023年 11月6日	首個提前贖回日期前，票面年利率 定於7.10%，若屆時沒有行使贖回 權，票面年利率將每五年按五年期 美國國庫債券息率加4.151%重新 擬定	每半年一次

中信銀行(國際)有權自主決定利息支付政策以及是否贖回該證券，因此本集團認定其在會計分類上可界定為權益工具。

根據發行永續債的相關條款，中信國金於2018年對其上述發行的永續債的持有者進行了利息分配，共計發放利息折人民幣2.89億元(2017年：人民幣2.90億元)。

2017年9月29日，經過董事會決議通過，本行向子公司中信國金100%持股的子公司中信銀行(國際)增發新股。本次增資前，中信銀行(國際)系本行二級全資子公司，本次增資後中信國金持有中信銀行(國際)75%股權。

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56 現金流量表補充資料

現金及現金等價物

	2018年12月31日	2017年12月31日
現金	6,188	6,740
現金等價物		
存放中央銀行款項超額存款準備金	128,423	89,288
原到期日在3個月及以內的存放同業及其他金融機構款項	88,801	110,898
原到期日在3個月及以內的拆出資金	124,923	79,078
原到期日在3個月及以內的債券投資	27,674	51,911
現金等價物小計	369,821	331,175
合計	376,009	337,915

57 承擔及或有事項

(a) 信貸承諾

本集團信貸承諾包括貸款承擔、信用卡承擔、保函、信用證及承兌匯票服務。

貸款承擔和信用卡承擔是指本集團已審批並簽訂合同但尚未使用的貸款及信用卡透支額度。保函及信用證服務是本集團為客戶向第三方履約提供擔保。承兌匯票是指本集團對客戶簽發匯票作出的承兌承諾。本集團預期大部分的承兌匯票會與客戶償付款項同時結清。

信貸承諾的合約金額分類列示如下。所列示的貸款承擔及信用卡承擔金額為假設額度全部支用時的金額；保函、信用證、承兌匯票金額為如果交易對手未能履約，本集團於財務狀況表日確認的最大潛在損失金額。

	2018年12月31日	2017年12月31日
合同金額		
貸款承擔		
—原到期日為1年以內	4,521	14,926
—原到期日為1年或以上	35,508	57,434
小計	40,029	72,360
承兌匯票	393,851	427,561
信用卡承擔	434,590	310,315
開出保函	158,813	195,746
開出信用證	92,924	88,772
合計	1,120,207	1,094,754

(b) 信貸承諾按信用風險加權金額分析

	2018年12月31日	2017年12月31日
信貸承諾的信用風險加權金額	370,529	351,475

信用風險加權金額依據銀保監會相關規定，根據交易對手的狀況和到期期限的特點計算。採用的風險權重由0%至150%不等。

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57 承擔及或有事項(續)

(c) 資本承擔

(i) 於報告期末已授權的資本承擔如下：

	2018年12月31日	2017年12月31日
為購置物業及設備		
—已訂約	5,356	7,385

(ii) 本集團於2018年12月13日公告董事會審議通過本行發起成立信銀理財有限責任公司(簡稱「信銀理財」)。信銀理財註冊資本擬為不超過人民幣50億元，本行持股比例為100%。截至2018年12月31日，相關事宜尚續經監管機構核准。

(d) 經營租賃承擔

本集團以經營租賃方式租入若干物業和設備。這些租賃一般為期1年至5年，並可能有權選擇續期，屆時所有條款均可重新商定。本集團於報告期末根據不可撤銷的房屋建築物經營租賃協議在未來最低租賃付款額如下：

	2018年12月31日	2017年12月31日
一年以內	3,489	2,876
一年至兩年	2,776	2,892
兩年至三年	2,340	2,306
三年至五年	3,063	3,418
五年以上	1,266	2,122
合計	12,934	13,614

(e) 包含訴訟和糾紛的或有事項

本集團於報告期末已經根據本集團的會計政策對任何可能導致經濟利益流失的上述承擔和或有負債評估及計提準備金，包括潛在及未決訴訟和糾紛。

於2018年12月31日，本集團尚有涉及金額為人民幣2.71億元(2017年12月31日：人民幣7.48億元)的若干潛在及未決被訴案件。根據本集團內部及外部法律顧問的意見，本集團在2018年新增計提預計負債人民幣2.20億元(2017年：人民幣1.52億元)。本集團已對該等法律訴訟事項可能遭受的損失足額計提了預計負債，該等事項不會對本集團的財務狀況和經營成果產生重大不利影響(附註45)。

(f) 國債兌付承諾

作為中國國債承銷商，若債券持有人於債券到期日前兌付債券，本集團有責任為債券持有人承兌該國債。該等國債於到期日前的承兌價是按票面價值加上兌付日應計提的未付利息。應付債券持有人的應計利息按照財政部和人民銀行有關規則計算。承兌價可能與於承兌日市場上交易的類似債券的公允價值不同。

本集團於報告期末按票面值對已承銷、出售，但未到期的國債承兌責任如下：

	2018年12月31日	2017年12月31日
國債承兌責任	11,101	11,492

上述國債的原始期限為一至五年不等。本集團預計於國債到期日前通過本集團提前承兌的國債金額不重大。財政部對提前兌付的國債不會及時兌付，但會在國債到期時兌付本金和按發行協議支付利息。

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57 承擔及或有事項(續)

(g) 證券承兌承諾

於2018年12月31日，本集團及本行無未到期的證券承銷承諾(2017年12月31日：無)。

58 擔保物信息

(a) 作為擔保物的資產

- (i) 作為本集團日常經營活動中賣出回購、向中央銀行借款等業務的擔保物的金融資產的賬面價值列示如下：

	2018年12月31日	2017年12月31日
債券	439,272	407,755
票據貼現	33,955	52,780
其他	172	111
合計	473,399	460,646

於2018年12月31日以及2017年12月31日，本集團及本行與上述擔保物相關的負債均在協議生效日起12個月內到期，相關擔保物權利未轉移給交易對手。

- (ii) 此外，本集團部分債券投資及存放同業及其他金融機構款項作為衍生交易的抵質押物或交易場所的擔保金。於2018年12月31日，本集團及本行上述抵質押物賬面價值為人民幣13.35億元(2017年12月31日：人民幣16.68億元)，相關擔保物權利未轉移給交易對手。

(b) 收到的擔保物

本集團在相關買入返售業務中接受了債券和票據作為抵質押物，詳見附註23買入返售金融資產。根據上述交易合同條款，在擔保物所有人沒有違約的情況下，本集團不可以出售或再次向外抵質押特定抵質押物。於2018年12月31日，本集團無可以出售或再次向外抵質押的抵質押物(2017年12月31日：無)。2018年度，本集團未出售或再次向外抵質押上述抵質押物(2017年度：無)。

59 代客交易

(a) 委託貸款業務

本集團向企業單位與個人提供委託貸款服務以及委託住房公積金抵押貸款服務。所有委託貸款發放都是根據這些企業、個人或住房公積金管理中心的指示或指令，而用以發放該等貸款的資金均來自這些企業、個人或住房公積金管理中心的委託資金。

有關的委託資產和負債及委託住房公積金按揭業務，本集團一般並不對這些交易承擔信貸風險。本集團以受託人的身份，根據委託方的指令持有和管理這些資產及負債，並就所提供的服務收取手續費。

由於委託資產並不屬於本集團的資產，故未在財務狀況表內確認。提供有關服務的收入在損益及其他綜合收益表內的手續費收入中確認。

於報告期末的委託資產及負債如下：

	2018年12月31日	2017年12月31日
委託貸款	640,227	791,555
委託資金	640,229	791,556

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59 代客交易(續)

(b) 理財服務

本集團的理財業務主要是指本集團銷售給企業或個人的保本理財產品(附註65(c))和非保本理財產品(附註65(b))。

非保本理財產品募集資金投資於債券及貨幣市場工具、信貸及債務融資工具及權益類投資等投資品種。與非保本理財產品相關的信用風險、流動性風險以及利率風險由投資者承擔。本集團從該業務中獲取的收入主要包括理財產品的託管、銷售、投資管理等手續費收入。收入在損益及其他綜合收益表內確認為佣金收入。本集團與理財業務主體進行了資金往來的交易，上述交易基於市場價格進行定價(附註65(b))。

表外理財產品及募集的資金不是本集團的資產和負債，也不會在合併財務狀況表內確認。

於2018年12月31日，本集團管理的未納入本集團合併財務報表範圍的非保本理財產品投資總規模詳見附註65(b)。

60 分部報告

分部資產及負債和分部收入及支出按照本集團會計政策計量。

分部之間交易的內部收費及轉讓定價按管理目的確定，並已在各分部的業績中反映。內部收費及轉讓定價調整所產生的利息淨收入和支出以「內部利息淨收入／支出」列示。與第三方交易產生的利息收入和支出以「外部利息淨收入／支出」列示。

分部收入及支出、資產與負債包含直接歸屬某一分部，以及可按合理的基準分配至該分部的項目的數額。分部資產和負債不包括遞延稅項資產、對聯營及合營企業的投資和負債。分部收入、支出、資產和負債包含須在編製合併財務報表時抵銷的內部往來的結餘和內部交易。分部資本性支出是指在年度內購入預計會使用超過一年的分部資產(包括有形和無形資產)所產生的成本總額。

(a) 業務分部

作為管理層報告的用途，本集團的主要業務分部如下：

公司銀行業務

該分部向公司類客戶、政府機關和非金融機構提供多種金融產品和服務，包括投資銀行業務以及國際業務。這些產品和服務包括公司類貸款、存款服務、代理服務、匯款和結算服務及擔保服務等。

零售銀行業務

該分部向個人客戶和小企業類客戶提供多種金融產品和服務。這些產品和服務包括個人類貸款、存款服務、代理服務、匯款和結算服務及擔保服務等。

金融市場業務

該分部涵蓋本集團的資金資本市場業務和金融同業業務，具體包括於銀行間市場同業拆借交易、回購交易和債務工具投資等。金融市場業務亦進行代客衍生工具交易和外匯買賣。

其他業務及未分配項目

本業務分部範圍包括不能直接歸屬上述分部的本集團其餘業務，及未能合理地分配的若干總行資產、負債、收入或支出。本分部還對本集團整體流動性頭寸進行管理。

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60 分部報告(續)

(a) 業務分部(續)

	截至2018年12月31日止年度				合計
	公司 銀行業務	零售 銀行業務	金融 市場業務	其他業務及 未分配項目	
外部利息淨收入／(支出)	53,087	52,250	27,170	(27,735)	104,772
內部利息淨收入／(支出)	19,982	(32,360)	(18,247)	30,625	—
淨利息收入	73,069	19,890	8,923	2,890	104,772
淨手續費及佣金收入／(支出)	11,609	32,999	618	(78)	45,148
其他淨收入(註釋(i))	2,506	4,250	8,516	574	15,846
經營收入	87,184	57,139	18,057	3,386	165,766
經營費用					
—折舊及攤銷	(1,049)	(552)	(640)	(701)	(2,942)
—其他	(19,675)	(25,560)	(3,486)	(937)	(49,658)
信用減值損失	(42,216)	(15,295)	(187)	(188)	(57,886)
其他資產減值損失	—	—	—	(347)	(347)
投資性房地產重估收益	—	—	—	35	35
應佔聯營及合營企業損失	—	—	—	(642)	(642)
稅前利潤	24,244	15,732	13,744	606	54,326
所得稅					(8,950)
本期利潤					45,376
資本性支出	1,394	769	851	1,089	4,103

	2018年12月31日				合計
	公司 銀行業務	零售 銀行業務	金融 市場業務	其他業務及 未分配項目	
分部資產	2,328,330	1,155,488	1,488,115	1,067,726	6,039,659
對聯營及合營 企業的投資	—	—	118	3,763	3,881
遞延所得稅資產					23,174
資產合計					6,066,714
分部負債	3,046,177	1,538,976	716,638	311,821	5,613,612
遞延所得稅負債					16
負債合計					5,613,628
表外信貸承諾	1,027,283	92,924	—	—	1,120,207

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60 分部報告(續)

(a) 業務分部(續)

	截至2017年12月31日止年度				合計
	公司 銀行業務	零售 銀行業務	金融 市場業務	其他業務及 未分配項目	
外部利息淨收入／(支出)	56,534	43,899	20,671	(21,459)	99,645
內部利息淨收入／(支出)	16,442	(23,724)	(17,572)	24,854	—
淨利息收入	72,976	20,175	3,099	3,395	99,645
淨手續費及佣金收入	13,285	32,866	702	5	46,858
其他淨收入(註釋(i))	819	1,312	7,279	1,318	10,728
經營收入	87,080	54,353	11,080	4,718	157,231
經營費用					
—折舊及攤銷	(995)	(432)	(554)	(830)	(2,811)
—其他	(20,691)	(23,747)	(1,552)	(112)	(46,102)
資產減值損失	(44,651)	(9,891)	(210)	(1,035)	(55,787)
投資性房地產重估收益	—	—	—	30	30
應佔聯營及合營企業損失	—	—	—	(285)	(285)
稅前利潤	20,743	20,283	8,764	2,486	52,276
所得稅					(9,398)
淨利潤					42,878
資本性支出	3,309	1,981	1,953	1,157	8,400

	2017年12月31日				合計
	公司 銀行業務	零售 銀行業務	金融 市場業務	其他業務及 未分配項目	
分部資產	2,447,930	1,022,133	1,292,692	890,770	5,653,525
對聯營及合營企業的投資	—	—	131	2,210	2,341
遞延所得稅資產	—	—	—	—	21,825
資產合計					5,677,691
分部負債	3,075,264	1,272,327	784,837	132,822	5,265,250
遞延所得稅負債	—	—	—	—	8
負債合計					5,265,258
表外信貸承諾	784,439	310,315	—	—	1,094,754

註釋：

(i) 其他淨收入包括交易淨收益、投資性證券淨收益、套期淨損失和其他經營淨收益。

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60 分部報告(續)

(b) 地區分部

本集團主要是於中國境內地區經營，分行及支行遍佈全國31個省、自治區和中央政府直轄市。本行的主要子公司信銀投資和中信國金在香港註冊及經營，臨安村鎮銀行和中信租賃在中國註冊。

按地區分部列報資訊時，經營收入是以產生收入的分行所在地為基準劃分。分部資產和資本性支出則按相關資產的所在地劃分。

作為管理層報告的用途，地區分部的定義為：

- 「長江三角洲」指本集團下列一級分行所在的地區：上海、南京、蘇州、杭州和寧波，以及子公司臨安村鎮銀行；
- 「珠江三角洲及海峽西岸」指本集團下列一級分行所在的地區：廣州、深圳、東莞、福州、廈門和海口；
- 「環渤海地區」指本集團下列一級分行所在的地區：北京、天津、大連、青島、石家莊和濟南；
- 「中部地區」指本集團下列一級分行所在的地區：合肥、鄭州、武漢、長沙、太原和南昌；
- 「西部地區」指本集團下列一級分行所在的地區：成都、重慶、西安、昆明、南寧、呼和浩特、烏魯木齊、貴陽、蘭州、西寧、銀川和拉薩；
- 「東北地區」指本集團下列一級分行所在的地區：沈陽、長春和哈爾濱；
- 「總部」指本行總行機關和信用卡中心；及
- 「境外」包括信銀投資和中信國金及其子公司。

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60 分部報告(續)

(b) 地區分部(續)

	截至2018年12月31日止年度									合計
	長江三角洲	珠江三角洲 及海峽兩岸	環渤海地區	中部地區	西部地區	東北地區	總部	境外	抵消	
外部淨利息收入	26,679	17,920	14,234	16,865	17,332	2,334	3,504	5,904	—	104,772
內部淨利息收入/(支出)	(3,327)	(300)	6,477	(2,907)	(5,703)	(489)	6,578	(329)	—	—
淨利息收入	23,352	17,620	20,711	13,958	11,629	1,845	10,082	5,575	—	104,772
淨手續費及佣金收入	3,047	2,756	4,571	1,603	1,603	341	29,788	1,439	—	45,148
其他淨收入(註釋(i))	991	216	638	112	103	26	12,979	781	—	15,846
經營收入	27,390	20,592	25,920	15,673	13,335	2,212	52,849	7,795	—	165,766
經營費用										
—折舊及攤銷	(515)	(266)	(375)	(342)	(419)	(127)	(704)	(194)	—	(2,942)
—其他	(7,404)	(5,628)	(7,581)	(5,066)	(5,062)	(1,194)	(14,892)	(2,831)	—	(49,658)
信用減值損失及	(8,378)	(6,669)	(11,366)	(6,131)	(8,000)	(4,419)	(11,821)	(1,102)	—	(57,886)
其他資產減值損失	(113)	(9)	(66)	—	(83)	(9)	—	(67)	—	(347)
投資性房地產重估收益	—	—	—	—	—	—	—	35	—	35
應佔聯營及合營企業損失	—	—	—	—	—	—	(288)	(354)	—	(642)
投資利潤	10,980	8,020	6,532	4,134	(229)	(3,537)	25,144	3,282	—	54,326
所得稅										(8,950)
本期利潤										45,376
資本性支出	331	1,017	171	144	311	42	1,641	446	—	4,103

	2018年12月31日									合計
	長江三角洲	珠江三角洲 及海峽兩岸	環渤海地區	中部地區	西部地區	東北地區	總部	境外	抵消	
分部資產	1,184,230	812,520	1,255,616	594,775	539,071	97,329	2,442,818	337,570	(1,224,270)	6,039,659
對聯營及合營企業投資	—	—	—	—	—	—	2,878	1,003	—	3,881
遞延所得稅資產										23,174
資產合計										6,066,714
分部負債	1,191,150	800,478	1,228,822	596,075	524,880	106,680	2,084,629	282,868	(1,201,970)	5,613,612
遞延所得稅負債										16
負債合計										5,613,628
表外信貸承諾	189,531	133,112	125,076	140,766	77,284	10,914	427,397	16,127	—	1,120,207

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60 分部報告(續)

(b) 地區分部(續)

	截至2017年12月31日止年度								
	長江三角洲	珠江三角洲及海峽兩岸	環渤海地區	中部地區	西部地區	東北地區	總部	境外	抵消
外部淨利息收入	16,386	14,398	7,764	14,662	14,345	2,375	24,542	5,173	—
內部淨利息收入/(支出)	4,129	2,191	12,649	(158)	(2,061)	(576)	(15,987)	(187)	—
淨利息收入	20,515	16,589	20,413	14,504	12,284	1,799	8,555	4,986	—
淨手續費及佣金收入	4,150	3,689	5,724	1,940	1,945	302	27,564	1,544	—
其他淨收入(註釋(i))	647	372	702	204	99	25	7,108	1,571	—
經營收入	25,312	20,650	26,839	16,648	14,328	2,126	43,227	8,101	—
經營費用									
—折舊及攤銷	(472)	(289)	(412)	(335)	(386)	(104)	(640)	(175)	—
—其他	(7,555)	(5,379)	(7,717)	(5,067)	(4,996)	(1,233)	(11,288)	(2,867)	—
資產減值損失	(13,962)	(10,580)	(9,826)	(7,792)	(7,550)	(742)	(4,103)	(1,232)	—
投資性房地產重估收益	—	—	—	—	—	—	30	—	—
處分聯營及合營企業損失	—	—	—	—	—	—	(204)	(81)	—
稅前利潤	3,323	4,402	8,884	3,456	1,396	47	27,022	3,746	—
所得稅									(9,398)
年度利潤									42,878
資本性支出	3,193	198	347	1,161	301	38	2,987	175	—

	2017年12月31日								
	長江三角洲	珠江三角洲及海峽兩岸	環渤海地區	中部地區	西部地區	東北地區	總部	境外	抵消
分部資產	1,288,981	916,081	1,228,113	626,587	574,942	94,618	2,298,905	306,651	(1,681,333)
對聯營及合營企業的投资	—	—	—	—	—	—	1,196	1,145	—
遞延所得稅資產									21,825
資產合計									5,677,691
分部負債	1,135,639	820,311	1,079,757	565,919	483,560	86,047	2,466,613	266,293	(1,638,889)
遞延所得稅負債									8
負債合計									5,265,258
表外信貸承諾	198,104	158,719	154,949	161,686	85,618	13,277	304,020	18,381	—

註釋：

(i) 其他淨收入包括交易淨收益、投資性證券淨收益、套期淨損失和其他經營淨收益。

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61 風險管理

風險管理部分主要披露本集團所承擔的風險，以及對風險的管理和監控，特別是金融工具使用方面所面臨的主要風險：

- **信用風險：** 信用風險是指債務人或交易對手沒有履行合同約定的對本集團的義務或承擔，使本集團可能蒙受損失的風險。
- **市場風險：** 市場風險是指因市場價格(利率、匯率、股票價格和商品價格)的不利變動而使本集團表內和表外業務發生損失的風險。
- **流動性風險：** 流動性風險是指本集團無法以合理成本及時獲得充足資金，用於償付到期債務、履行其他支付義務和滿足正常業務開展的其他資金需求的風險。
- **操作風險：** 操作風險是指由不完善或有問題的內部程式、員工和資訊科技系統，以及外部事件所造成損失的風險，包括法律風險，但不包括策略風險和聲譽風險。

本集團已經制定了政策及程式以識別及分析上述風險，並設定了適當的風險限額和控制機制，而且還利用可靠及更新的執行資訊系統以監控這些風險和限額。本集團定期修訂並加強其風險管理制度和系統以反映市場和產品的最新變化，並借鑒風險管理中的最佳做法。內審部會定期進行審核以確保遵從相關政策及程式。

(a) 信用風險

信用風險管理

信用風險是指因債務人或交易對手違約而造成損失的風險。操作失誤導致本集團作出未獲授權或不恰當的發放貸款和墊款、資金承諾或投資，也會產生信用風險。本集團面臨的信用風險，主要源於本集團的發放貸款和墊款、資金運營業務以及表外信用風險敞口。

本集團對包括授信調查和申報、授信審查審批、貸款發放、貸後監控和不良貸款管理等環節的信貸業務全流程實行規範化管理，通過嚴格規範信貸操作流程，強化貸前調查、評級授信、審查審批、放款審核和貸後監控全流程管理，提高押品風險緩釋效果，加快不良貸款清收處置，推進信貸管理系統升級改造等手段全面提升本集團的信用風險管理水平。

本集團執行了所有必要的程式後仍認為無法合理預期可回收金融資產的整體或一部分時，則將其進行核銷。表明無法合理預期可回收款項的跡象包括：(1)強制執行已終止，以及(2)本集團的回收方法是沒收並處置擔保品，但仍預期擔保品的價值無法覆蓋全部本息。

除信貸資產會給本集團帶來信用風險外，對於資金業務，本集團通過謹慎選擇具備適當信用水準的同業及其他金融機構作為交易對手、平衡信用風險與投資收益率、綜合參考內外部信用評級資訊、分級授信，並運用適時的額度管理系統審查調整授信額度等方式，對資金業務的信用風險進行管理。此外，本集團為客戶提供表外承諾和擔保業務，因此存在客戶違約而需本集團代替客戶付款的可能性，並承擔與貸款相近的風險，因此本集團對此類業務適用信貸業務相類似的風險控制程式及政策來降低該信用風險。

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61 風險管理(續)

(a) 信用風險(續)

預期信用損失計量

自2018年1月1日起，本集團按照IFRS 9的規定、運用「預期信用損失模型」計量以攤餘成本計量和以公允價值計量且其變動計入其他綜合收益的債務工具金融資產。

對於納入預期信用損失計量的金融資產，本集團評估相關金融資產的信用風險自初始確認後是否顯著增加，運用「三階段」減值模型分別計量其損失準備，確認預期信用損失及其變動：

階段一：自初始確認後信用風險未顯著增加的金融工具進入「第1階段」，且本集團對其信用風險進行持續監控。第1階段金融工具的損失準備為未來12個月的預期信用損失，該金額對應為整個存續期預期信用損失中由未來12個月內可能發生的違約事件導致的部分。

階段二：如果識別出自初始確認後信用風險發生顯著增加，則本集團將其轉移至「第2階段」，但並未將其視為已發生信用減值的工具。第2階段金融工具的預期信用損失計量整個存續期預期信用損失。

階段三：如果金融工具發生明顯減值跡象，則將被轉移至「第3階段」。第3階段金融工具的預期信用損失計量整個存續期預期信用損失。

購入或源生已發生信用減值的金融資產是指初始確認時即存在信用減值的金融資產。這些資產的損失準備為整個存續期的預期信用損失。

本集團進行金融資產預期信用損失減值測試的方法包括預期損失模型法和現金流折現模型法。個人客戶類資產，劃分為階段一和階段二的公司類資產及金融資產投資，同業投資以及表外信貸資產適用預期損失模型法；劃分為階段三的公司類資產及金融資產投資適用現金流折現模型法。

在按照IFRS 9計算預期信用損失時，本集團採用的關鍵判斷及假設如下：

(1) 信用風險顯著增加

本集團在每個財務狀況表日評估相關金融工具的信用風險自初始確認後是否已顯著增加。當觸發一個或多個定量、定性標準及上限指標時，本集團認為金融工具的信用風險已發生顯著增加。

本集團通過設置定量、定性標準及上限指標以判斷金融工具的信用風險自初始確認後是否發生顯著增加，判斷標準主要包括1、債務人信用風險自初始確認後評級下遷至等級15及以下；2、借款人出現業務、財務和經濟狀況或經營情況的重大不利變化；3、其他信用風險顯著增加的情況。例如對於債務人合同付款(包括本金和利息)逾期30天(不含)至90天(含)的債項，本集團認為其信用風險顯著增加，並將其劃分至階段二。

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61 風險管理(續)

(a) 信用風險(續)

(2) 違約及已發生信用減值資產的定義

當金融資產發生信用減值時，本集團將該金融資產界定為已發生違約，一般來講，金融資產逾期超過90天則被認定為違約。

當對金融資產預期未來現金流量具有不利影響的一項或多項事件發生時，該金融資產成為已發生信用減值的金融資產。金融資產已發生信用減值的證據包括下列可觀察資訊：

- 發行方或債務人發生重大財務困難；
- 債務人違反合同，如償付利息或本金違約或逾期等；
- 債權人出於債務人財務困難有關的經濟或合同考慮，給予債務人在任何其他情況下都不會做出的讓步；
- 債務人很可能破產或進行其他債務重組；
- 發行方或債務人財務困難導致該金融資產的活躍市場消失；
- 以大幅折扣購買或源生一項金融資產，該折扣反映了發生信用損失的事實。

本集團違約定義已被一致地應用於本集團的預期信用損失計算過程中對違約概率(PD)、違約風險敞口(EAD)及違約損失率(LGD)的模型建立。

(3) 預期信用損失計量的參數

根據信用風險是否發生顯著增加以及資產是否已發生信用減值，本集團對不同的資產分別以12個月或整個存續期的預期信用損失計量損失準備。相關定義如下：

- 違約概率是指借款人在未來12個月或在整個剩餘存續期，無法履行其償付義務的可能性。
- 違約損失率是指本集團對違約敞口發生損失程度做出的預期。根據交易對手的類型、追索的方式和優先順序，以及擔保品或其他信用支持的可獲得性不同，違約損失率也有所不同。違約損失率為違約發生時風險敞口損失的百分比，以未來12個月內或整個存續期為基準進行計算。
- 違約風險敞口是指在未來12個月或在整個剩餘存續期中，在違約發生時，本集團應被償付的金額。

本集團定期監控並覆核預期信用損失計算相關的假設包括各期限下的違約概率及擔保品價值的變動情況。

本集團已將具有類似風險特徵的敞口進行歸類，分別估計違約概率、違約損失率、違約風險敞口等風險參數。本集團獲取了充分的資訊，確保其統計上的可靠性。本集團在持續評估和跟進逐個客戶及其金融資產的情況的基礎上計提預期信用損失準備。

本報告期內，估計技術或關鍵假設未發生重大變化。

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61 風險管理(續)

(a) 信用風險(續)

(4) 前瞻性信息

信用風險顯著增加的評估及預期信用損失的計算均涉及前瞻性資訊。本集團通過進行歷史資料分析，識別出影響各資產組合信用風險及預期信用損失的關鍵經濟指標。

這些經濟指標對違約概率的影響，對不同的金融工具有所不同。本集團每年對這些經濟指標進行預測，並進行回歸分析，在此過程中本集團應用了專家判斷，根據專家判斷的結果，確定這些經濟指標對違約概率和違約敞口的影響。

除了提供基礎經濟情景外，本集團結合統計分析及專家判斷結果來確定其他可能的情景及其權重。本集團以加權的12個月預期信用損失(第一階段)或加權的整個存續期預期信用損失(第二階段及第三階段)計量相關的減值準備。上述加權信用損失是由各情景下預期信用損失乘以相應情景的權重計算得出。

宏觀經濟場景及權重資訊

本集團自行構建巨集觀預測模型，並通過進行歷史數據分析，識別出影響各業務類型信用風險及預期信用損失的關鍵經濟指標，如國內生產總值(GDP)、發電量、城鎮登記失業率等。

2018年度，本集團考慮了不同的宏觀經濟情景，用於估計預期信用損失的重要宏觀經濟假設列示如下：

項目	範圍
國內生產總值同比增長率	5.70%-6.82%
發電量累計同比	2.78%-16.69%
城鎮登記失業率	3.70%-3.85%

減值模型主要採用自上而下的開發方法，建立了公司及零售等減值模型，包括建立了不同關鍵經濟指標與新增實際違約率的回歸模型，並利用模型預測結果和歷史違約資訊計算調整係數，進而對各債項違約概率(PD)進行前瞻性調整，實現對撥備的前瞻性計算。

本集團綜合考慮內外部資料、專家預測以及未來的最佳估計，定期完成樂觀、基礎和悲觀三種國內巨集觀情景和巨集觀指標的預測，用於資產減值模型。其中，基礎情景定義為未來最可能發生的情況，作為其他情景的比較基礎。樂觀和悲觀分屬比基礎情景更好和更差且較為可能發生的情景。目前本集團採用的基礎情景權重等於非基礎情景權重之和。本集團根據未來12個月三種情形下信用損失的加權平均值計提階段一的信用損失準備金，根據未來存續期內三種情形下信用損失的加權平均值計提階段二及階段三信用損失準備金。

對於無法建立回歸模型的資產組合，如客戶違約率極低，或沒有合適的內部評級資料的資產組合等，本集團主要採用已建立回歸模型的類似組合的預期損失比，以便增加現有減值模型的覆蓋範圍。

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61 風險管理(續)

(a) 信用風險(續)

(5) 敏感性信息

上述預期信用損失計量使用的參數以及前瞻性資訊的變化會對信用風險顯著增加的評估和預期信用損失的計量產生影響。

於2018年12月31日，假設樂觀情形的權重增加10%，而基礎情形的權重減少10%，本集團的信用減值準備減少人民幣28.68億元；假設悲觀情形的權重增加10%，而基礎情形的權重減少10%，本集團的信用減值準備增加人民幣21.66億元。

未發生信用減值貸款的損失準備由階段一和階段二的預期信用損失組成，分別為12個月預期信用損失和整個存續期預期信用損失。信用風險顯著增加會導致貸款從階段一轉移到階段二；下表列示了保持風險狀況不變，未發生信用減值貸款全部按照12個月預期信用損失產生的影響。

	2018年		
	假設未減值貸款 均處於階段一下 的信用損失	階段劃分 的影響	目前實際 信用損失
未發生信用減值貸款	53,070	1,790	54,860

(i) 最大信用風險敞口

在不考慮可利用的擔保物或其他信用增級的情況下，於報告期末的最大信用風險敞口是指每項金融資產減去其減值準備後的面值淨值。最大信用風險敞口金額列示如下：

	2018年12月31日				合計	2017年 12月31日
	階段一	階段二	階段三	不適用		
存放中央銀行款項	532,520	—	—	—	532,520	561,560
存放同業及其他金融機構款項	99,153	—	—	—	99,153	124,350
拆出資金	176,159	—	1	—	176,160	172,069
以公允價值計量且其變動計入當期損益的金融資產	—	—	—	—	—	61,380
衍生金融資產	—	—	—	31,991	31,991	65,451
買入返售金融資產	10,790	—	—	—	10,790	54,626
應收利息	—	—	—	—	—	32,643
發放貸款及墊款	3,425,701	70,888	19,061	—	3,515,650	3,105,984
金融投資						
以公允價值計量且其變動計入損益	—	—	—	308,872	308,872	—
以攤餘成本計量	773,878	3,738	622	—	778,238	—
以公允價值計量且其變動計入其他綜合收益	510,020	105	221	—	510,346	—
指定以公允價值計量且其變動計入其他綜合收益	—	—	—	2,707	2,707	—
可供出售金融資產	—	—	—	—	—	510,790
持有至到期投資	—	—	—	—	—	216,586
應收款項類投資	—	—	—	—	—	531,118
其他金融資產	17,440	2,191	4,667	—	24,298	47,972
小計	5,545,661	76,922	24,572	343,570	5,990,725	5,484,529
信貸承諾風險敞口	1,114,830	5,257	120	—	1,120,207	1,094,754
最大信用風險敞口	6,660,491	82,179	24,692	343,570	7,110,932	6,579,283

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61 風險管理(續)

(a) 信用風險(續)

(5) 敏感性信息(續)

(i) 最大信用風險敞口(續)

本集團根據資產的品質狀況對資產風險特徵進行內部評級，按內部評級尺規將納入預期信用損失計量的金融資產的信用等級區分為「風險等級一」、「風險等級二」、「風險等級三」和「違約級」。「風險等級一」是指客戶在國內同行業中具有競爭優勢，基本面良好，業績表現優秀，經營實力和財務實力較強，公司治理結構良好；「風險等級二」是指客戶在行業競爭中處於中游位置，基本面一般，業績表現一般，經營實力和財務實力處於中游，公司治理結構基本健全；「風險等級三」是指客戶在行業競爭中處於較差位置，基本面較為脆弱，業績表現差，經營實力和財務實力偏弱，公司治理結構存在缺陷。違約級的標準與已發生信用減值的定義一致。該信用等級為本集團為內部信用風險管理目的所使用。

下表對納入預期信用損失評估範圍的發放貸款及墊款和金融投資按照信用風險等級進行了分析。下列金融資產的賬面價值即本集團就這些資產的最大信用風險敞口。

	2018年12月31日				小計	損失準備	賬面價值
	風險等級一	風險等級二	風險等級三	違約級			
發放貸款及墊款							
第1階段(註釋(1))	2,713,135	683,890	60,616	—	3,457,641	(31,940)	3,425,701
第2階段	414	9,373	83,889	—	93,676	(22,788)	70,888
第3階段	—	—	—	65,433	65,433	(46,372)	19,061
金融投資							
—債權投資							
第1階段	671,939	104,619	—	—	776,558	(2,680)	773,878
第2階段	—	3,890	—	—	3,890	(152)	3,738
第3階段	—	—	—	1,160	1,160	(538)	622
—其他債權投資							
第1階段	493,858	16,162	—	—	510,020	(727)	510,020
第2階段	—	105	—	—	105	(2)	105
第3階段	—	—	—	221	221	(310)	221
最大信用風險敞口	3,879,346	818,039	144,505	66,814	4,908,704	(105,509)	4,804,234

註釋：

- (1) 第1階段包括以公允價值計量且其變動計入其他綜合收益的發放貸款及墊款，其減值沒有包含在該項目列示損失準備中。

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61 風險管理(續)

(a) 信用風險(續)

(ii) 預期信用損失計量

下表列示了發放貸款及墊款賬面餘額的本期變動：

	階段1	階段2	階段3
期初餘額	3,036,736	92,227	67,933
轉移：			
階段1淨轉出	(84,271)	—	—
階段2淨轉入	—	11,115	—
階段3淨轉入	—	—	73,156
本年新發生，淨額(註釋(i))	495,119	(10,215)	(28,961)
本年核銷	—	—	(46,937)
其他(註釋(ii))	10,057	549	242
期末餘額	3,457,641	93,676	65,433

下表列示了金融投資賬面餘額的本期變動：

	階段1	階段2	階段3
期初餘額	1,064,552	347	45
轉移：			
階段1淨轉出	(8,430)	—	—
階段2淨轉入	—	3,875	—
階段3淨轉入	—	—	4,555
本年新發生，淨額(註釋(i))	227,172	(236)	(2,528)
本年核銷	—	—	(689)
其他(註釋(ii))	3,280	9	2
期末餘額	1,286,574	3,995	1,385

註釋：

(i) 本年新發生，淨額主要包括因購買、源生或除核銷外的終止確認而導致的賬面餘額變動。

(ii) 其他包括應收利息重分類及外匯變動的影響。

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61 風險管理(續)

(a) 信用風險(續)

(ii) 預期信用損失計量(續)

下表列示了發放貸款及墊款減值準備的本期變動：

	階段1	階段2	階段3
期初餘額	30,664	24,674	42,565
轉移(註釋(i))：			
階段1淨轉出	(1,870)	—	—
階段2淨轉入	—	515	—
階段3淨轉入	—	—	48,640
本年新發生，淨額(註釋(ii))	4,702	(1,838)	(1,337)
參數變化(註釋(iii))	(1,540)	(625)	1,107
本年核銷	—	—	(46,937)
其他(註釋(iv))	116	62	2,334
期末餘額	32,072	22,788	46,372

下表列示了金融投資減值準備的本期變動：

	階段1	階段2	階段3
期初餘額	3,953	10	31
轉移(註釋(i))：			
階段1淨轉出	(239)	—	—
階段2淨轉入	—	144	—
階段3淨轉入	—	—	1,843
本年新發生，淨額(註釋(ii))	370	—	—
參數變化(註釋(iii))	(703)	—	(341)
本年核銷	—	—	(689)
其他(註釋(iv))	26	—	4
期末餘額	3,407	154	848

註釋：

- (i) 本年減值準備的轉移項目主要包括階段變化對預期信用損失計量產生的影響。
- (ii) 本年新發生，淨額主要包括因購買、源生或除核銷外的終止確認而導致的減值準備的變動。
- (iii) 參數變化主要包括風險敞口變化以及除階段轉移影響外的模型參數常規更新導致的違約概率和違約損失率的變化對預期信用損失產生的影響。
- (iv) 其他包括收回已核銷、應收利息的重分類以及由於匯率變動產生的影響。

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61 風險管理(續)

(a) 信用風險(續)

(iii) 發放貸款及墊款按行業分佈情況分析：

	2018年12月31日			2017年12月31日		
	貸款 總額	%	附擔保物 貸款	貸款 總額	%	附擔保物 貸款
公司類貸款						
—房地產開發業	312,923	8.7	273,640	333,055	10.4	272,486
—製造業	295,005	8.2	140,199	324,029	10.1	141,571
—租賃和商務服務	282,699	7.8	177,013	221,786	6.9	134,207
—水利、環境和公共設施管理業	208,922	5.8	106,882	179,441	5.6	87,763
—批發和零售業	151,391	4.2	89,064	193,818	6.1	103,102
—交通運輸、倉儲和郵政業	151,038	4.2	76,331	152,851	4.8	79,120
—建築業	79,086	2.2	31,980	77,878	2.4	31,442
—電力、燃氣及水的生產 和供應業	72,938	2.0	40,669	70,523	2.2	32,688
—公共及社會機構	13,366	0.4	2,721	18,566	0.6	5,399
—其他客戶	313,757	8.6	128,377	285,900	8.9	120,153
小計	1,881,125	52.1	1,066,876	1,857,847	58.0	1,007,931
個人類貸款	1,484,490	41.0	1,000,203	1,231,584	38.6	859,513
貼現貸款	242,797	6.7	—	107,456	3.4	—
應計利息	8,338	0.2	—	—	—	—
發放貸款及墊款總額	3,616,750	100.0	2,067,079	3,196,887	100.0	1,867,444

(iv) 發放貸款及墊款按地區分佈情況分析：

	2018年12月31日			2017年12月31日		
	貸款 總額	%	附擔保物 貸款	貸款 總額	%	附擔保物 貸款
環渤海地區(包括總部)	1,123,293	31.1	426,447	967,864	30.3	428,764
長江三角洲	784,722	21.7	507,327	691,183	21.6	443,504
珠江三角洲及海峽西岸	549,491	15.2	448,719	493,118	15.4	390,394
中部地區	463,100	12.8	296,286	421,810	13.2	265,898
西部地區	433,143	12.0	269,765	389,152	12.2	231,120
東北地區	75,682	2.1	51,582	67,609	2.1	44,403
中國境外	178,981	4.9	66,953	166,151	5.2	63,361
應計利息	8,338	0.2	—	—	—	—
總額	3,616,750	100.0	2,067,079	3,196,887	100.0	1,867,444

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(除特別註明外，以人民幣百萬元列示)

61 風險管理(續)

(a) 信用風險(續)

(v) 發放貸款及墊款按擔保方式分佈情況分析：

	2018年12月31日	2017年12月31日
信用貸款	806,154	708,164
保證貸款	492,382	513,823
附擔保物貸款	2,067,079	1,867,444
其中：抵押貸款	1,658,484	1,510,366
質押貸款	408,595	357,078
小計	3,365,615	3,089,431
貼現貸款	242,797	107,456
應計利息	8,338	—
貸款和墊款總額	3,616,750	3,196,887

(vi) 已重組的發放貸款及墊款

	2018年12月31日		2017年12月31日	
	總額	佔貸款及 墊款總額 百分比	總額	佔貸款及 墊款總額 百分比
已重組的發放貸款及墊款	21,588	0.60%	23,245	0.73%
—逾期超過3個月的已重組發放 貸款及墊款	18,748	0.52%	19,859	0.62%

已重組的發放貸款及墊款是指因為借方的財政狀況變差或借方沒有能力按原本的還款計劃還款，而需重組或磋商的貸款或墊款，而其修改的還款條款乃本集團原先不做考慮的優惠。於2018年12月31日，債務人發生財務困難的情況下，債權人按照其與債務人達成的協議或者法院的裁定做出讓步的事項不重大。

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61 風險管理(續)

(a) 信用風險(續)

(vii) 債務工具按照信用評級進行分類

本集團採用信用評級方法監控持有的債券組合信用風險狀況。評級參照債券發行機構所在國家主要評級機構的評級。於報告日債券投資賬面價值按投資評級分佈如下：

2018年12月31日						
	未評級 (註釋(i))	AAA	AA	A	A以下	合計
債務工具按發行方劃分：						
—政府	371,368	114,370	11,693	265	—	497,696
—政策性銀行	108,816	8,664	—	7,016	—	124,496
—公共實體	178	29	1,666	—	—	1,873
—銀行及非銀行金融機構	26,995	181,031	4,569	23,595	9,591	245,781
—企業	55,240	48,675	10,047	7,230	6,254	127,446
證券定向資產管理計劃	228,392	—	—	—	—	228,392
資金信託計劃	178,019	—	—	—	—	178,019
合計	969,008	352,769	27,975	38,106	15,845	1,403,703

2017年12月31日						
	未評級 (註釋(i))	AAA	AA	A	A以下	合計
債務工具按發行方劃分：						
—政府	257,551	48,565	8,440	375	—	314,931
—政策性銀行	127,848	—	—	609	—	128,457
—公共實體	3	—	1,151	—	—	1,154
—銀行及非銀行金融機構	8,506	160,311	3,986	15,953	6,734	195,490
—企業	9,014	96,367	23,018	15,138	5,187	148,724
合計	402,922	305,243	36,595	32,075	11,921	788,756

註釋：

- (i) 本集團持有的未評級債務工具主要為國債，政策性銀行金融債券，商業銀行債券，非銀行金融機構債券，證券定向資產管理計劃及資金信託計劃。

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61 風險管理(續)

(a) 信用風險(續)

(viii) 金融投資中證券定向資產管理計劃和資金信託計劃按投資基礎資產的分析

	2018年12月31日	2017年12月31日
證券定向資產管理計劃和資金信託計劃		
—同業類資產	16,650	—
—一般信貸類資產	300,089	—
—銀行票據類資產	89,831	—
應收款項類投資		
—同業理財類資產	—	153,510
—信貸類資產	—	303,386
—票據類資產	—	77,165
總額	406,570	534,061

本集團對於證券定向資產管理計劃和資金信託計劃的信貸類資產納入綜合授信管理體系，對債務人的風險敞口進行統一授信和管理。其中的信貸類資產的擔保方式包括保證、抵押、質押。

(b) 市場風險

市場風險是指因市場價格(利率、匯率、股票價格和商品價格)的不利變動而使本集團表內和表外業務發生損失的風險。本集團建立了涵蓋市場風險識別、計量、監測和控制環節的市場風險管理制度體系，通過產品准入審批和限額管理對市場風險進行管理，將潛在的市場風險損失控制在可接受水準。

本集團風險內控委員會負責審批市場風險管理的重要政策制度，建立恰當的組織結構和資訊系統以有效識別、計量、監測和控制各項業務所承擔的市場風險，確保足夠的人力、物力等資源投入以加強市場風險管理。風險管理部門獨立對全行市場風險進行管理和控制，負責擬定市場風險管理政策制度和授權限額，提供獨立市場風險報告，以有效識別、計量及監測全行市場風險。業務部門負責在日常經營活動中主動履行市場風險管理職責，有效識別、計量、控制經營行為中涉及的各種市場風險要素，確保業務發展和風險承擔之間的動態平衡。

本集團使用敏感性指標、外匯敞口、利率重定價缺口等作為監控市場風險的主要工具。

本集團日常業務面臨的市場風險包括利率風險和外匯風險。

利率風險

本集團利率風險主要來源於資產負債利率重新定價期限錯配對收益的影響，以及市場利率變動對資金交易頭寸的影響。

對於資產負債業務的重定價風險，本集團主要通過缺口分析進行評估、監測，並根據缺口現狀調整浮動利率貸款與固定利率貸款比重、調整貸款重定價週期、優化存款期限結構等。

對於資金交易頭寸的利率風險，本集團採用久期分析、敏感度分析、壓力測試和情景模擬等方法進行有效監控、管理和報告。

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61 風險管理(續)

(b) 市場風險(續)

利率風險(續)

下表列示於報告期末資產與負債於相關期間及預期下一個復位價日期(或合同到期日，以較早者為準)的平均利率。

		2018年12月31日					
	平均利率 註釋(i)	合計	不計息	3個月內	3個月至1年	1年至5年	5年以上
資產							
現金及存放中央銀行款項	1.54%	538,708	17,047	521,661	—	—	—
存放同業及其他金融機構款項	2.22%	99,153	114	94,039	5,000	—	—
拆出資金	3.38%	176,160	873	129,236	46,051	—	—
買入返售金融資產	2.59%	10,790	—	10,790	—	—	—
發放貸款及墊款(註釋(ii))	4.86%	3,515,650	8,635	1,577,525	918,215	996,066	15,209
金融投資							
以公允價值計量且其變動計入損益		308,872	225,164	28,057	26,624	20,915	8,112
以攤餘成本計量	4.71%	778,238	8,541	67,972	181,186	388,840	131,699
以公允價值計量且其變動計入 其他綜合收益	3.80%	510,346	8,529	42,830	73,607	288,337	97,043
指定以公允價值計量且其變動 計入其他綜合收益		2,707	2,707	—	—	—	—
其他		126,090	124,208	1,711	171	—	—
資產合計		6,066,714	395,818	2,473,821	1,250,854	1,694,158	252,063
負債							
向中央銀行借款	3.29%	286,430	—	68,350	218,080	—	—
同業及其他金融機構存放款項	3.54%	782,264	4,151	553,283	224,660	170	—
拆入資金	3.49%	115,358	241	83,859	31,224	—	34
以公允價值計量且其變動 計入損益的金融負債		962	962	—	—	—	—
賣出回購金融資產款	2.84%	120,315	35	110,790	9,490	—	—
吸收存款	1.88%	3,649,611	20,940	2,605,686	647,223	375,730	32
已發行債務憑證	4.52%	552,483	4,155	98,144	247,974	95,260	106,950
其他		106,205	104,823	1,382	—	—	—
負債合計		5,613,628	135,307	3,521,494	1,378,651	471,160	107,016
資產負債盈餘/缺口		453,086	260,511	(1,047,673)	(127,797)	1,222,998	145,047

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61 風險管理(續)

(b) 市場風險(續)

利率風險(續)

2017年12月31日							
	平均利率 註釋(i)	合計	不計息	3個月內	3個月至1年	1年至5年	5年以上
資產							
現金及存放中央銀行款項	1.56%	568,300	23,810	544,490	—	—	—
存放同業及其他金融機構款項	2.21%	124,350	—	120,240	4,110	—	—
拆出資金	3.07%	172,069	—	87,328	84,741	—	—
買入返售金融資產	2.89%	54,626	—	54,626	—	—	—
應收款項類投資	4.25%	531,118	38,907	196,646	86,330	141,352	67,883
發放貸款及墊款(註釋(ii))	4.61%	3,105,984	370	1,391,782	799,622	900,054	14,156
投資(註釋(iii))	3.28%	916,521	123,246	138,729	117,223	386,946	150,377
其他		204,723	178,407	9,383	16,933	—	—
資產合計		5,677,691	364,740	2,543,224	1,108,959	1,428,352	232,416
負債							
向中央銀行借款	3.13%	237,600	—	41,500	196,100	—	—
同業及其他金融機構存放款項	3.75%	798,007	2,812	623,409	171,781	5	—
拆入資金	2.85%	77,595	—	39,440	38,123	—	32
賣出回購金融資產款	2.91%	134,500	—	121,677	12,823	—	—
吸收存款	1.59%	3,407,636	14,605	2,647,574	503,511	241,939	7
已發行債務憑證	4.17%	441,244	—	199,063	88,880	116,353	36,948
其他		168,676	163,769	2,393	2,514	—	—
負債合計		5,265,258	181,186	3,675,056	1,013,732	358,297	36,987
資產負債盈餘/(缺口)		412,433	183,554	(1,131,832)	95,227	1,070,055	195,429

註釋：

(i) 平均利率是指本年利息收入／支出對平均計息資產／負債的比率。

(ii) 本集團以上列報為「3個月內」重定價的發放貸款及墊款包括於2018年12月31日餘額為人民幣422.89億元(扣除減值損失準備)(2017年12月31日：人民幣436.60億元)。

(iii) 投資包括分類為以公允價值計量且其變動計入當期損益的金融資產、可供出售金融資產、持有至到期投資的投資和對聯營及合營企業的投資。

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61 風險管理(續)

(b) 市場風險(續)

利率風險(續)

本集團採用敏感性分析衡量利率變化對本集團淨利息收入的可能影響。下表列出本集團於2018年12月31日和2017年12月31日按當日資產和負債進行利率敏感性分析結果。

	2018年12月31日		2017年12月31日	
	利息淨收入	其他綜合收益	利息淨收入	其他綜合收益
上升100個基點	(11,435)	(1,409)	(6,328)	(1,229)
下降100個基點	11,435	1,409	6,328	1,229

以上敏感性分析是基於非衍生資產和負債具有靜態的利率風險結構以及某些假設。有關的分析僅衡量一年內利率變化，反映為一年內本集團非衍生資產和負債的重新定價對本集團按年化計算利息收入的影響，基於以下假設：(i)所有在三個月內及三個月後但一年內重新定價或到期的資產和負債均假設在有關期間開始時重新定價或到期；(ii)收益率曲線隨利率變化而平行移動；及(iii)資產和負債組合無其他變化，且所有頭寸將會被持有，並在到期後續期。本分析並不會考慮管理層可能採用風險管理方法所產生的影響。由於基於上述假設，利率增減導致本集團淨利息收入出現的實際變化可能與此敏感性分析的結果不同。

外匯風險

外匯風險是指因匯率的不利變動而使銀行表內和表外業務發生損失的風險。本集團主要採用外匯敞口分析來衡量匯率風險的大小，並通過即期和遠期外匯交易及將以外幣為單位的資產與相同幣種的對應負債匹配來管理其外匯風險，並適當運用衍生金融工具(主要是外匯掉期)管理外幣資產負債組合。

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61 風險管理(續)

(b) 市場風險(續)

外匯風險(續)

各資產負債項目於報告期末的外匯風險敞口如下：

	人民幣	美元 (折人民幣)	2018年12月31日 港幣 (折人民幣)	其他 (折人民幣)	合計
資產					
現金及存放中央銀行款項	525,321	12,668	535	184	538,708
存放同業及其他金融機構款項	64,670	23,757	2,429	8,297	99,153
拆出資金	123,262	41,291	9,137	2,470	176,160
買入返售金融資產	9,832	958	—	—	10,790
發放貸款及墊款	3,263,386	122,573	109,773	19,918	3,515,650
金融投資					
以公允價值計量且其變動計入損益	287,997	18,146	2,729	—	308,872
以攤餘成本計量	775,749	2,489	—	—	778,238
以公允價值計量且其變動計入 其他綜合收益	429,671	50,766	23,970	5,939	510,346
指定以公允價值計量且其變動計入 其他綜合收益	2,340	155	212	—	2,707
其他	121,762	1,858	515	1,955	126,090
資產合計	5,603,990	274,661	149,300	38,763	6,066,714
負債					
向中央銀行借款	286,430	—	—	—	286,430
同業及其他金融機構存放款項	777,789	2,582	131	1,762	782,264
拆入資金	101,094	14,139	125	—	115,358
以公允價值計量且其變動 計入損益的金融負債	—	962	—	—	962
賣出回購金融資產款	120,097	218	—	—	120,315
吸收存款	3,283,244	205,993	138,905	21,469	3,649,611
已發行債務憑證	531,768	20,715	—	—	552,483
其他	93,020	3,626	7,625	1,934	106,205
負債合計	5,193,442	248,235	146,786	25,165	5,613,628
資產負債盈餘/(缺口)	410,548	26,426	2,514	13,598	453,086
信貸承諾	1,004,799	95,187	12,862	7,359	1,120,207
衍生金融工具(註釋(i))	33,795	(38,861)	22,205	(14,261)	2,878

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61 風險管理(續)

(b) 市場風險(續)

外匯風險(續)

各資產負債項目於報告日的外匯風險敞口如下(續)：

	人民幣	美元 (折人民幣)	2017年12月31日 港幣 (折人民幣)	其他 (折人民幣)	合計
資產					
現金及存放中央銀行款項	551,528	15,956	650	166	568,300
存放同業及其他金融機構款項	83,703	25,650	8,411	6,586	124,350
拆出資金	133,686	28,356	6,703	3,324	172,069
買入返售金融資產	54,626	—	—	—	54,626
應收款項類投資	531,118	—	—	—	531,118
發放貸款及墊款	2,880,887	106,687	103,638	14,772	3,105,984
投資	846,759	46,739	18,687	4,336	916,521
其他	199,761	1,904	1,618	1,440	204,723
資產總計	5,282,068	225,292	139,707	30,624	5,677,691
負債					
向中央銀行借款	237,600	—	—	—	237,600
同業及其他金融機構存放款項	769,690	15,103	349	12,865	798,007
拆入資金	66,913	10,411	253	18	77,595
賣出回購金融資產款	134,384	116	—	—	134,500
吸收存款	3,053,751	201,668	128,314	23,903	3,407,636
已發行債務憑證	421,420	19,122	702	—	441,244
其他	159,456	1,966	3,381	3,873	168,676
負債合計	4,843,214	248,386	132,999	40,659	5,265,258
資產負債盈餘/缺口	438,854	(23,094)	6,708	(10,035)	412,433
信貸承諾	938,064	117,615	20,124	18,951	1,094,754
衍生金融工具(註釋(i))	(20,790)	9,158	21,489	7,532	17,389

註釋：

- (i) 衍生金融工具反映貨幣衍生工具的名義本金淨額，包括未交割的即期外匯、遠期外匯、外匯掉期和貨幣期權。

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61 風險管理(續)

(b) 市場風險(續)

外匯風險(續)

本集團採用敏感性分析衡量匯率變化對本集團利潤的可能影響。下表列出本集團於2018年12月31日和2017年12月31日匯率敏感性分析結果。

	2018年12月31日		2017年12月31日	
	稅前利潤	其他綜合收益	稅前利潤	其他綜合收益
升值5%	582	(1)	582	6
貶值5%	(582)	1	(582)	(6)

以上敏感性分析基於資產和負債具有靜態的匯率風險結構，以及以下假設：(i)各種匯率敏感度是指各幣種對人民幣於報告日當天收盤(中間價)匯率絕對值波動500個基點造成的匯兌損益；(ii)各幣種對人民幣匯率同時同向波動且未考慮不同貨幣匯率變動之間的相關性；(iii)計算外匯敞口時，包含了即期外匯敞口、外匯衍生工具，且所有頭寸將會被持有，並在到期後續期。本分析並不會考慮管理層可能採用風險管理方法所產生的影響。由於基於上述假設，匯率變化導致本集團利潤和其他綜合收益出現的實際變化可能與此敏感性分析的結果不同。貴金屬被包含在本敏感性分析計算的貨幣敞口中。

(c) 流動性風險

流動性風險是指本集團無法以合理成本及時獲得充足資金，用於償付到期債務、履行其他支付義務和滿足正常業務開展的其他資金需求的風險。本集團流動性風險主要源於資產負債期限結構錯配，客戶集中提款等。

本集團實行統一的流動性風險管理模式，總行負責制定本集團流動性風險管理政策、策略等，在法人機構層面集中管理流動性風險；境內外附屬機構在本集團總體流動性風險管理政策框架內，根據監管機構要求，制定自身的流動性風險管理策略、程式等。

本集團根據整體資產負債情況和市場狀況，設定各種比例指標和業務限額管理流動性風險；並通過持有流動性資產滿足日常經營中可能發生的不可預知的支付需求。

本集團主要運用如下手段對流通性情況進行監測分析：

- 流動性缺口分析；
- 流動性指標檢測(包括但不限於流動性覆蓋率、淨穩定資金比例、存貸比、流動性比例、流動性缺口率、超額備付率等監管指標和內部管理目標)；
- 情景分析；
- 壓力測試。

在此基礎上，本集團建立了流動性風險的定期報告機制，及時向高級管理層報告流動性風險最新情況。

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61 風險管理(續)

(c) 流動性風險(續)

下表列示資產與負債於報告期末根據相關剩餘到期還款日的分析：

	2018年12月31日						合計
	即期償還	3個月內	3個月至1年	1至5年	5年以上	無期限 (註釋(i))	
資產							
現金及存放中央銀行款項	134,917	—	1,288	—	—	402,503	538,708
存放同業及其他金融機構款項	65,701	28,245	5,207	—	—	—	99,153
拆出資金	—	129,317	46,843	—	—	—	176,160
買入返售金融資產	—	10,790	—	—	—	—	10,790
發放貸款及墊款(註釋(ii))	7,117	585,723	952,830	910,098	1,022,976	36,906	3,515,650
金融投資							
以公允價值計量且其變動計入損益	—	30,418	43,589	29,476	8,115	197,274	308,872
以攤餘成本計量	—	68,375	182,641	394,010	132,878	334	778,238
以公允價值計量且其變動計入 其他綜合收益	31	39,437	75,556	295,308	99,920	94	510,346
指定以公允價值計量且其變動計入 其他綜合收益	—	—	—	—	—	2,707	2,707
其他	34,630	17,382	12,238	28,655	180	33,005	126,090
資產總計	242,396	909,687	1,320,192	1,657,547	1,264,069	672,823	6,066,714
負債							
向中央銀行借款	80	68,350	218,000	—	—	—	286,430
同業及其他金融機構存放款項	319,576	236,910	225,607	171	—	—	782,264
拆入資金	—	84,099	31,225	—	34	—	115,358
以公允價值計量且其變動 計入損益的金融負債	962	—	—	—	—	—	962
賣出回購金融資產款	—	110,823	9,492	—	—	—	120,315
吸收存款	1,880,088	746,341	647,718	375,432	32	—	3,649,611
已發行債務憑證	—	98,205	247,992	97,354	108,932	—	552,483
其他	50,170	16,677	16,827	6,554	4,419	11,558	106,205
負債總計	2,250,876	1,361,405	1,396,861	479,511	113,417	11,558	5,613,628
(短)/長頭寸	(2,008,480)	(451,718)	(76,669)	1,178,036	1,150,652	661,265	453,086

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61 風險管理(續)

(c) 流動性風險(續)

下表列示資產與負債於報告期末根據相關剩餘到期還款日的分析(續)：

	2017年12月31日					無期限 (註釋(i))	合計
	即期償還	3個月內	3個月至1年	1至5年	5年以上		
資產							
現金及存放中央銀行款項	96,481	3,523	1,923	—	—	466,373	568,300
存放同業及其他金融機構款項	69,392	50,819	4,139	—	—	—	124,350
拆出資金	400	86,928	84,741	—	—	—	172,069
買入返售金融資產	—	54,626	—	—	—	—	54,626
應收款項類投資	504	196,142	91,944	174,645	67,883	—	531,118
發放貸款及墊款(註釋(ii))	12,973	495,684	769,740	862,643	919,143	45,801	3,105,984
投資(註釋(iii))	1,114	96,202	124,076	417,814	155,248	122,067	916,521
其他	69,662	47,606	55,520	12,831	7,357	11,747	204,723
資產總計	250,526	1,031,530	1,132,083	1,467,933	1,149,631	645,988	5,677,691
負債							
向中央銀行借款	—	41,550	196,050	—	—	—	237,600
同業及其他金融機構存放款項	240,616	385,586	171,800	5	—	—	798,007
拆入資金	—	39,440	38,123	—	32	—	77,595
賣出回購金融資產款	—	121,677	12,823	—	—	—	134,500
吸收存款	1,982,218	670,433	513,039	241,939	7	—	3,407,636
已發行債務憑證	—	199,063	88,880	116,353	36,948	—	441,244
其他	68,746	42,866	40,546	6,506	1,430	8,582	168,676
負債總計	2,291,580	1,500,615	1,061,261	364,803	38,417	8,582	5,265,258
(短)/長頭寸	(2,041,054)	(469,085)	70,822	1,103,130	1,111,214	637,406	412,433

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61 風險管理(續)

(c) 流動性風險(續)

下表按照報告日至合同到期日的剩餘期限列示了資產和負債的現金流。表中披露的金額是未折現的合同現金流：

	2018年12月31日					無期限 (註釋(i))	合計
	即期償還	3個月內	3個月至1年	1至5年	5年以上		
非衍生金融工具現金流量							
資產							
現金及存放中央銀行款項	134,721	1,621	6,608	—	—	402,503	545,453
存放同業及其他金融機構款項	67,502	29,625	5,326	—	—	—	102,453
拆出資金	—	134,633	57,838	—	—	—	192,471
買入返售金融資產	—	10,795	—	—	—	—	10,795
發放貸款及墊款(註釋(ii))	8,797	620,238	1,042,464	1,197,180	1,536,250	40,738	4,445,667
金融投資							
以公允價值計量且其變動計入損益	—	35,039	47,703	31,114	88,205	200,776	402,837
以攤餘成本計量	—	74,135	201,371	418,337	163,300	5,880	863,023
以公允價值計量且其變動計入 其他綜合收益	31	43,751	97,680	375,381	145,474	11,941	674,258
指定以公允價值計量且其變動計入 其他綜合收益	—	—	—	—	—	2,406	2,406
其他	34,630	17,381	12,239	28,655	180	33,275	126,360
資產總計	245,681	967,218	1,471,229	2,050,667	1,933,409	697,519	7,365,723
負債							
向中央銀行借款	80	64,769	226,130	—	—	—	290,979
同業及其他金融機構存放款項	573,392	662,179	485,918	31,575	—	—	1,753,064
拆入資金	—	89,065	40,706	—	34	—	129,805
以公允價值計量且其變動 計入損益的金融負債	962	—	—	—	—	—	962
賣出回購金融資產款	—	110,983	9,483	155	—	—	120,621
吸收存款	1,880,996	760,404	679,534	429,917	40	—	3,750,891
已發行債務憑證	—	98,780	306,786	180,166	108,932	—	694,664
其他	50,171	16,677	16,827	6,554	4,419	11,558	106,206
負債總計	2,505,601	1,802,857	1,765,384	648,367	113,425	11,558	6,847,192
(短)/長頭寸	(2,259,920)	(835,639)	(294,155)	1,402,300	1,819,984	685,961	518,531
衍生金融工具現金流量							
以淨值交割的衍生金融工具	—	(56)	44	128	23	—	139
以總額交割的衍生金融工具							
其中：現金流入	—	1,194,286	1,244,844	48,220	—	—	2,487,350
現金流出	—	(802,726)	(1,243,629)	(48,151)	—	—	(2,094,506)

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61 風險管理(續)

(c) 流動性風險(續)

下表按照報告日至合同到期日的剩餘期限列示了資產和負債的現金流。表中披露的金額是未折現的合同現金流(續)：

	2017年12月31日					無期限 (註釋(i))	合計
	即期償還	3個月內	3個月至1年	1至5年	5年以上		
非衍生金融工具現金流量							
資產							
現金及存放中央銀行款項	96,481	5,348	7,820	—	—	466,373	576,022
存放同業及其他金融機構款項	69,392	51,126	4,353	—	—	—	124,871
拆出資金	400	87,275	88,704	—	—	—	176,379
買入返售金融資產	—	54,664	—	—	—	—	54,664
應收款項類投資	504	198,785	104,126	207,422	83,377	—	594,214
發放貸款及墊款(註釋(ii))	14,928	527,401	851,330	1,121,708	1,373,413	48,140	3,936,920
投資(註釋(iii))	1,114	103,323	145,063	470,191	171,707	122,117	1,013,515
其他	69,662	47,606	55,520	12,831	7,357	11,747	204,723
資產總計	252,481	1,075,528	1,256,916	1,812,152	1,635,854	648,377	6,681,308
負債							
向中央銀行借款	—	42,083	203,230	—	—	—	245,313
同業及其他金融機構存放款項	240,617	391,400	178,750	6	—	—	810,773
拆入資金	—	39,494	38,166	—	33	—	77,693
賣出回購金融資產款	—	122,362	13,009	—	—	—	135,371
吸收存款	1,983,354	682,437	541,013	271,799	8	—	3,478,611
已發行債務憑證	—	200,312	100,698	135,496	40,673	—	477,179
其他	68,746	43,151	40,277	6,491	1,430	8,582	168,677
負債總計	2,292,717	1,521,239	1,115,143	413,792	42,144	8,582	5,393,617
(短)/長頭寸	(2,040,236)	(445,711)	141,773	1,398,360	1,593,710	639,795	1,287,691
衍生金融工具現金流量							
以淨值交割的衍生金融工具							
	—	9	(85)	(295)	17	—	(354)
以總額交割的衍生金融工具							
其中：現金流入	—	1,185,850	1,750,876	27,070	3	—	2,963,799
現金流出	—	(1,185,464)	(1,749,920)	(26,861)	—	—	(2,962,245)

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61 風險管理(續)

(c) 流動性風險(續)

本集團的表外項目主要有承兌匯票、信用卡承擔、開出保函、開出信用證及貸款承諾。下表按合同的剩餘期限列表外項目金額：

	1年以內	2018年12月31日		合計
		1至5年	5年以上	
承兌匯票	393,851	—	—	393,851
信用卡承擔	427,681	6,909	—	434,590
開出保函	83,905	68,354	6,554	158,813
貸款承擔	7,033	15,578	17,418	40,029
開出信用證	90,634	2,290	—	92,924
合計	1,003,104	93,131	23,972	1,120,207

	1年以內	2017年12月31日		合計
		1至5年	5年以上	
承兌匯票	427,490	71	—	427,561
信用卡承擔	310,315	—	—	310,315
開出保函	113,575	81,171	1,000	195,746
開出信用證	86,600	2,172	—	88,772
貸款承擔	18,718	24,784	28,858	72,360
合計	956,698	108,198	29,858	1,094,754

註釋：

- (i) 現金及存放中央銀行款項中的無期限金額是指存放於人民銀行的法定存款準備金與財政性存款。拆出資金、發放貸款及墊款、金融投資項中無期限金額是指已發生信用減值或已逾期1個月以上的部分。股權投資亦於無期限中列示。
- (ii) 逾期1個月以內的未減值發放貸款及墊款歸入即期償還類別。
- (iii) 投資包括分類為以公允價值計量且其變動計入損益的金融資產、可供出售金融資產及持有至到期投資。關於投資，剩餘到期日不代表本集團打算持有至最終到期。

(d) 操作風險

操作風險是指由不完善或有問題的內部程式、員工和資訊科技系統，以及外部事件所造成損失的風險，包括法律風險，但不包括策略風險和聲譽風險。

本集團在以內控措施為主的環境下通過健全操作風險管理機制，實現對操作風險的識別、評估、監測、控制、緩釋和報告，從而降低操作風險損失。這套涵蓋所有業務環節的機制涉及財務、信貸、會計、結算、儲蓄、資金、中間業務、電腦系統的應用與管理、資產保全和法律事務等。其中主要內控措施包括：

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61 風險管理(續)

(d) 操作風險(續)

- 通過建立全集團矩陣式授權管理體系，開展年度統一授權工作，嚴格限定各級機構及人員在授予的許可權範圍內開展業務活動，在制度層面進一步明確了嚴禁越權從事業務活動的管理要求；
- 通過採用統一的法律責任制度並對違規違紀行為進行追究和處分，建立嚴格的問責制度；
- 推動全行操作風險管理文化建設，進行操作風險管理專家隊伍建設，通過正規培訓和上崗考核，提高本集團員工的風險管理意識；
- 根據相關規定，依法加強現金管理，規範賬戶管理，提升可疑交易監測手段，並加強反洗錢的教育培訓工作，努力確保全行工作人員掌握反洗錢的必需知識和基本技能以打擊洗錢交易；
- 為減低因不可預見的意外情況對業務的影響，本集團對所有主要業務尤其是後台運作均設有後備系統及緊急業務復原方案等應變設施。本集團還投保以減低若干營運事故可能造成的損失。

此外，本集團持續優化完善操作風險管理系統建設，為有效識別、評估、監測、控制和報告操作風險提供資訊化支援。管理資訊系統具備記錄和存儲操作風險損失資料和操作風險事件資訊、支援操作風險和控制自我評估、監測關鍵風險指標等功能。

62 資本充足率

資本充足率反映了本集團穩健經營和抵禦風險的能力，是本集團資本管理的核心。本集團資本管理目標是在滿足法定監管要求的基礎上，根據實際面臨的風險狀況，參考國際先進同業的資本充足率水準及本集團經營狀況，審慎確定資本充足率目標。

本集團根據戰略發展規劃、業務擴張情況、風險變動趨勢等因素採用情景模擬、壓力測試等手段預測、規劃和管理資本充足率。

本集團管理層根據銀保監會規定的方法定期監控資本充足率。本集團及本行分別於每半年及每季度向銀保監會提交所需資訊。

2013年1月1日起，本集團按照銀保監會於2012年頒佈的《商業銀行資本管理辦法(試行)》及其他相關規定的要求計算資本充足率。這些計算依據可能與國際及其他國家所採用的相關依據存在差異。

銀保監會要求商業銀行在2018年底前達到《商業銀行資本管理辦法(試行)》規定的資本充足率要求，對於系統重要性銀行，銀保監會要求其核心一級資本充足率不得低於8.50%，一級資本充足率不得低於9.50%，資本充足率不得低於11.50%。對於非系統重要性銀行，銀保監會要求其核心一級資本充足率不得低於7.50%，一級資本充足率不得低於8.50%，資本充足率不得低於10.50%。此外，在境外設立的子銀行或分行也會直接受到當地銀行監管機構的監管，不同國家對於資本充足率的要求有所不同。本年度內，本集團遵守了監管部門規定的資本要求。

本集團按照銀保監會的《商業銀行資本管理辦法(試行)》及其他相關規定計量資本充足率。按照要求，本報告期信用風險加權資產計量採用權重法，市場風險加權資產計量採用標準法，操作風險加權資產計量採用基本指標法。

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62 資本充足率(續)

按要求計算的核心一級資本充足率、一級資本充足率及資本充足率如下：

	2018年12月31日	2017年12月31日
核心一級資本充足率	8.62%	8.49%
一級資本充足率	9.43%	9.34%
資本充足率	12.47%	11.65%
資本基礎組成部分		
核心一級資本：		
股本	48,935	48,935
資本公積	58,977	58,977
其他綜合收益	5,269	(11,784)
盈餘公積	34,450	31,183
一般風險準備	74,255	74,251
未分配利潤	179,820	163,121
非控制性權益可計入部分	4,422	3,872
總核心一級資本	406,128	368,555
核心一級資本調整項目：		
商譽扣減與之相關的遞延稅負債後的淨額	(896)	(849)
其他無形資產(不含土地使用權)扣減與之相關的遞延稅負債後的淨額	(1,878)	(1,139)
對有控制權但不併表的金融機構的核心一級資本投資	—	—
核心一級資本淨額	403,354	366,567
其他一級資本(註釋(i))	37,768	36,811
一級資本淨額	441,122	403,378
二級資本：		
二級資本工具及其溢價可計入金額	104,515	60,842
超額貸款損失準備	37,122	37,255
非控制性權益可計入部分	634	1,346
資本淨額	583,393	502,821
風險加權總資產	4,677,713	4,317,502

註釋：

- (i) 截至2018年12月31日，本集團其他一級資本包括本行發行的優先股(附註49)和非控制性權益資本可計入部分(附註55)。

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63 公允價值資料

公允價值估計是根據金融工具的特性和相關市場資料於某一特定時間做出，一般是主觀的。本集團根據以下層級確定及披露金融工具的公允價值：

- 第一層級：集團在估值當天可取得的相同資產或負債在活躍市場的報價(未經過調整)。該層級包括在交易所上市的權益工具和債務工具以及交易的衍生產品等。
- 第二層級：輸入變數為除了第一層級中的活躍市場報價之外的可觀察變數，通過直接或者間接可觀察。劃分為第二層級的債券投資大部分為人民幣債券。這些債券的公允價值按照中央國債登記結算有限責任公司的估值結果確定，此層級還包括發放貸款及墊款中的部分轉貼現和福費廷，以及大多數場外衍生工具。外匯遠期及掉期、利率掉期、外匯期權等採用現金流折現法和遠期定價、掉期模型和期權定價模型；轉貼現和福費廷採用現金流折現法對其進行估值。輸入參數的來源是彭博、萬得和路透交易系統等可觀察的公開市場。
- 第三層級：資產或負債的輸入變數基於不可觀察的變數。該層級包括一項或多項重大輸入為不可觀察變數的權益工具和債務工具。管理層從交易對手處詢價或使用估值技術確定公允價值，涉及的不可觀察變數主要包括折現率和市場價格波動率等參數。

金融資產和金融負債的公允價值是根據以下方式確定：

- 一 擁有標準條款並在活躍市場交易的金融資產和金融負債，其公允價值是參考市場標價的買入、賣出價分別確定。
- 一 不在活躍市場交易的金融資產和金融負債，其公允價值是根據公認定價模型或採用對類似工具可觀察的當前市場標價根據折現現金流分析而確定。如不存在對類似工具可觀察的市場交易標價，則使用交易對手詢價進行估值，且管理層對此價格進行了分析。對於非期權類的衍生金融工具，其公允價值利用工具期限內適用的收益率曲線按折現現金流分析來確定；對於期權類的衍生金融工具，其公允價值則利用期權定價模型來確定。

本集團對於金融資產及金融負債建立了獨立的估值流程。金融市場部、金融同業部、投資銀行部負責金融資產和金融負債的估值工作。風險管理部對於估值方法、參數、假設和結果進行獨立驗證，運營管理部按照估值流程獲取估值結果並按照賬務核算規則對估值結果進行賬務處理，財務會計部基於經獨立審閱的估值結果準備金融資產和金融負債的披露資訊。

不同類型金融工具的估值政策和程式由本集團風險管理委員會批准。對估值政策和程式的任何改變，在實際採用前都需要報送風險管理委員會批准。

2018年度，本集團合併財務報表中公允價值計量所採用的估值技術和輸入值並未發生重大變化。

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63 公允價值資料(續)

(a) 不以公允價值計量的金融資產和金融負債的公允價值情況

本集團不以公允價值計量的金融資產和負債主要包括現金及存放中央銀行款項、存放同業及其他金融機構款項、拆出資金、買入返售金融資產、以攤餘成本計量的發放貸款及墊款、以攤餘成本計量的金融投資、持有至到期投資、應收款項類投資、向中央銀行借款、同業及其他金融機構存放款項、拆入資金、賣出回購金融資產款、吸收存款和已發行債務憑證。

除以下項目外，本集團上述金融資產和金融負債的到期日大部分均為一年以內或者主要為浮動利率，其賬面價值接近公允價值。

	賬面價值		公允價值	
	2018年 12月31日	2017年 12月31日	2018年 12月31日	2017年 12月31日
金融資產：				
金融投資				
—以攤餘成本計量的金融投資	778,238	—	778,779	—
持有至到期投資	—	216,586	—	212,530
應收款項類投資	—	531,118	—	533,669
金融負債：				
已發行債務憑證				
—已發行存款證(非交易用途)	2,813	2,849	2,752	2,849
—已發行債務證券	82,091	94,571	80,625	94,131
—已發行次級債	126,269	73,728	126,041	76,246
—已發行同業存單	341,310	270,096	335,475	265,071

以上金融資產和金融負債的公允價值按公允價值層級列示如下：

	2018年12月31日			合計
	第一層級	第二層級	第三層級	
金融資產：				
金融投資				
—以攤餘成本計量的金融投資	2,109	501,890	274,780	778,779
金融負債：				
已發行債務憑證				
—已發行存款證(非交易用途)	—	2,752	—	2,752
—已發行債務證券	—	80,625	—	80,625
—已發行次級債	5,642	120,399	—	126,041
—已發行同業存單	—	335,475	—	335,475
	2017年12月31日			合計
	第一層級	第二層級	第三層級	
金融資產：				
持有至到期投資	897	211,633	—	212,530
應收款項類投資	—	92,967	440,702	533,669
金融負債：				
已發行債務憑證				
—已發行存款證(非交易用途)	—	2,849	—	2,849
—已發行債務證券	—	94,131	—	94,131
—已發行次級債	5,531	70,715	—	76,246
—已發行同業存單	—	265,071	—	265,071

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63 公允價值資料(續)

(b) 以公允價值計量的金融資產和金融負債的年末公允價值

	第一層級 (註釋(i))	第二層級 (註釋(i))	第三層級 (註釋(ii))	合計
2018年12月31日餘額				
持續的公允價值計量				
資產				
以公允價值計量且其變動計入				
其他綜合收益的發放貸款及墊款				
——一般貸款	—	137	—	137
——貼現	—	96,383	—	96,383
以公允價值計量且其變動計入損益的				
金融投資				
——債券投資	2,815	62,319	6,786	71,920
——投資基金	4,879	178,451	5,846	189,176
——存款證及同業存單	—	16,713	—	16,713
——理財產品	—	—	116	116
——權益工具	540	—	3,921	4,461
——資金信託計劃	—	—	26,486	26,486
以公允價值計量且其變動計入				
其他綜合收益的金融投資				
——債券投資	64,506	421,783	4,726	491,015
——存款證及同業存單	662	11,982	—	12,644
指定以公允價值計量且其變動計入				
其他綜合收益的金融投資				
——權益工具	295	—	2,412	2,707
衍生金融資產				
——利率衍生工具	8	6,098	—	6,106
——貨幣衍生工具	—	24,825	1	24,826
——貴金屬衍生工具	—	1,048	—	1,048
——信用衍生工具	—	11	—	11
持續以公允價值計量的金融資產總額	73,705	819,750	50,294	943,749
負債				
以公允價值計量且其變動計入損益的				
金融負債				
——賣空債券	962	—	—	962
衍生金融負債				
——利率衍生工具	12	5,962	—	5,974
——貨幣衍生工具	—	24,500	1	24,501
——貴金屬衍生工具	—	1,170	—	1,170
——信用衍生工具	—	1	—	1
持續以公允價值計量的金融負債總額	974	31,633	1	32,608

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63 公允價值資料(續)

(b) 以公允價值計量的金融資產和金融負債的年末公允價值(續)

	第一層級 (註釋(i))	第二層級 (註釋(i))	第三層級 (註釋(ii))	合計
2017年12月31日餘額				
持續的公允價值計量				
資產				
以公允價值計量且其變動				
計入當期損益的金融資產				
交易性金融資產				
—債券投資	3,480	35,248	—	38,728
—投資基金	—	2,000	1	2,001
—同業存單	177	19,223	—	19,400
指定以公允價值計量且其變動				
計入當期損益的金融資產				
—債券投資	198	5,577	—	5,775
衍生金融資產				
—利率衍生工具	—	2,552	1	2,553
—貨幣衍生工具	—	62,030	—	62,030
—貴金屬衍生工具	—	868	—	868
可供出售金融資產				
—債券投資	48,906	420,925	12	469,843
—投資基金	189	119,259	70	119,518
—存款證及同業存單	104	40,843	—	40,947
—理財產品	—	26	—	26
—權益工具	744	—	—	744
持續以公允價值計量的金融資產總額	53,798	708,551	84	762,433
負債				
衍生金融負債				
—利率衍生工具	—	2,311	1	2,312
—貨幣衍生工具	—	62,368	—	62,368
—貴金屬衍生工具	—	257	—	257
持續以公允價值計量的金融負債總額	—	64,936	1	64,937

註釋：

(i) 本年在第一、第二和第三公允價值層級之間沒有發生重大的層級轉移。

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63 公允價值資料(續)

(b) 以公允價值計量的金融資產和金融負債的年末公允價值(續)

註釋：(續)

(ii) 第三公允價值層級本年年初至本年年末的變動情況如下表所示：

	資產				負債		
	以公允價值計量且其變動計入損益的金融投資	以公允價值計量且其變動計入其他綜合收益的金融投資	指定以公允價值計量且其變動計入其他綜合收益的金融投資	衍生金融資產	合計	衍生金融負債	合計
2018年1月1日	45,535	4,850	237	1	50,623	(1)	(1)
在當期損益中確認的利得或損失總額	194	(40)	—	1	155	(1)	(1)
在其他綜合收益中確認的利得或損失總額	—	102	(9)	—	93	—	—
購買	8,549	1,700	2,185	—	12,434	—	—
出售和結算	(11,105)	(1,926)	—	(1)	(13,032)	1	1
轉出/轉入	—	39	—	—	39	—	—
匯率變動影響	(18)	1	(1)	—	(18)	—	—
2018年12月31日	43,155	4,726	2,412	1	50,294	(1)	(1)

	資產						負債		
	交易性金融資產 投資基金	指定為公允價值計量且其變動計入當期損益的金融資產 資產證券投資	衍生金融資產 利率衍生工具	可供出售金融資產 債券投資	可供出售金融資產 投資基金	權益工具	合計	衍生金融負債 利率衍生工具	合計
2017年1月1日	1	—	2	13	83	—	99	(2)	(2)
利得或損失總額	—	—	—	—	—	—	—	—	—
—在當期損益中確認的利得或損失總額	—	—	—	—	—	—	—	—	—
購買	—	—	—	—	(8)	—	(9)	(1)	(1)
出售和結算	—	—	(1)	—	(5)	—	(6)	—	—
匯率變動的影響	—	—	—	(1)	(5)	—	(6)	—	—
2017年12月31日	1	—	1	12	70	—	84	(1)	(1)

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64 關聯方

(a) 關聯方關係

- (i) 本集團受中國中信有限公司(「中信有限」)控制，中信有限成立於中國，持股本公司65.37%的股份。本集團的最終控股母公司是中信集團(成立於中國)。
- (ii) 本集團關聯方包括中信集團及中信有限的子公司、合營企業和聯營企業。本行與子公司的交易以一般交易價格為定價基礎，按正常商業條款進行。本行與子公司之間的關聯方交易已在編製本合併財務報表過程中抵銷。

2015年12月31日，本行向中國煙草總公司非公開發行2,147,469,539股股票。此次增資後，中國煙草總公司持有本行股份4.39%。並於2016年3月17日的股東大會選舉並派駐了一名非執行董事，於2016年6月24日經銀保監會核准了其任職資格。至此，中國煙草總公司因能夠對本行施加重大影響而構成本行的關聯方。

2015年2月，新湖中寶股份有限公司(以下稱「新湖中寶」)通過其全資子公司持有2,292,579,000股本行H股股票，持股比例為4.68%，並於2016年3月17日的股東大會選舉並派駐了一名非執行董事，於2016年11月16日經銀保監會核准了其任職資格。至此，新湖中寶因能夠對本行施加重大影響而構成本行的關聯方。2016年11月29日，新湖中寶股份有限公司通過其全資子公司共持有本行H股股票至2,320,177,000股，持股比例提升至4.74%。2017年10月，新湖中寶股份有限公司通過其全資子公司共持有本行H股股票至2,446,265,000股，持股比例提升至4.999%。

中國保利集團有限公司(「中國保利集團」)通過二級市場持有27,216,400股本行A股股票，持股比例為0.06%，並於2018年5月25日的股東大會選舉向本行派駐了一名非職工代表監事。至此，中國保利集團因能夠對本行施加重大影響而構成本行的關聯方。

(b) 關聯交易

本集團於相關年度內與關聯方之交易為正常的銀行交易，主要包括借貸、資產轉讓(如：以公募形式發行資產支持證券)、理財投資、存款、待清算款、表外業務及買賣和租賃物業。以上銀行交易均在一般及日常業務過程中按正常的商業條件進行，以每筆交易發生時的相關市場現價成交。

本集團與關聯方於相關年度的交易金額以及有關交易於報告日的餘額列示如下：

	截至2018年12月31日止年度		
	最終母公司及其下屬企業	其他持股公司(註釋(i))	聯營及合營企業
損益			
利息收入	244	4	63
手續費及佣金收入和其他業務收入	1,240	2	—
利息支出	(445)	(869)	(17)
交易淨損失	(32)	—	—
其他服務費用	(1,398)	—	—
	截至2017年12月31日止年度		
	最終母公司及其下屬企業	其他持股公司(註釋(i))	聯營及合營企業
損益			
利息收入	337	46	—
手續費及佣金收入和其他業務收入	1,573	—	8
利息支出	(597)	(407)	(21)
交易淨收益	9	—	11
其他服務費用	(940)	—	—

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64 關聯方(續)

(b) 關聯交易(續)

	最終母公司及 其下屬企業	2018年12月31日 其他持股公司 (註釋(i))	聯營及 合營企業
資產			
發放貸款及墊款	10,645	14,363	—
減：貸款損失準備	(258)	(417)	—
發放貸款及墊款淨額	10,387	13,946	—
存放同業及其他金融機構款項	—	—	5,364
金融投資			
以公允價值計量且其變動計入損益	310	—	—
以攤餘成本計量	4,258	4,318	—
拆出資金	1,547	—	—
衍生金融資產	60	—	—
對合營和聯營企業的投資	—	—	3,881
其他資產	10,941	—	—
負債			
同業及其他金融機構款項存放款項	25,710	178	1,201
衍生金融負債	24	—	—
吸收存款	37,496	41,756	17
拆入資金	2,503	—	—
其他負債	1,222	—	—
表外項目			
保函及信用證	1,828	452	—
承兌匯票	72	—	—
委託存款	45,729	6,641	—
委託貸款	18,514	12,540	—
來自理財服務的資金	707	—	—
接受擔保金額	52,986	9,638	—
衍生金融資產名義金額	7,950	—	—

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64 關聯方(續)

(b) 關聯交易(續)

	最終母公司及其下屬企業	2017年12月31日 其他持股公司 (註釋(i))	聯營及 合營企業
資產			
發放貸款及墊款	16,556	875	—
減：組合計提損失準備	(172)	(12)	—
發放貸款及墊款淨額	16,384	863	—
存放同業及其他金融 機構款項	—	—	7,000
拆出資金	418	—	—
衍生金融資產	14	—	—
應收利息	123	1	—
可供出售金融資產	390	—	—
長期股權投資	—	—	2,341
其他資產	10,104	—	—
負債			
同業及其他金融機構 存放款項	16,205	178	266
拆入資金	2,800	—	—
衍生金融負債	6	—	—
吸收存款	69,094	17,362	75
應付利息	107	21	1
其他負債	72	—	—
表外項目			
保函及信用證	1,979	13	—
承兌匯票	618	190	—
委託存款	7,695	1,500	—
委託貸款	2,130	6,446	—
來自理財服務的資金	496	—	450
接受擔保金額	7,793	867	—
衍生金融資產名義金額	1,710	—	—

註釋：

(i) 其他持股公司包含中國煙草總公司、新湖中實和中國保利集團。

上述披露的本集團與中國煙草總公司、新湖中實和中國保利集團的關聯交易及餘額為被確認為關聯方關係的期間內的資訊。2018年本集團與中國煙草總公司的子公司和中國保利集團的子公司的交易並不重大。

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64 關聯方(續)

(c) 關鍵管理人員及其直系親屬及關聯公司

本集團的關鍵管理人員是指有權力及責任直接或間接地計劃、指令和控制本集團活動的人士，包括董事、監事和高級管理人員。

本集團和關鍵管理人員與其直系親屬、及受這些人士所控制或共同控制的公司，在正常經營過程中進行多項銀行交易。除以下披露的資訊外，本集團與這些人士與其直系親屬及其所控制或共同控制的公司並無重大交易及交易餘額。

董事、監事和高級管理人員於2018年12月31日尚未償還貸款總額為人民幣40萬元(2017年12月31日：人民幣337萬元)。

本年內關鍵管理人員的薪酬列示如下：

	2018年12月31日 人民幣千元	2017年12月31日 人民幣千元
薪酬及其他酬金	11,751	13,495
酌定獎金	24,141	20,134
定額供款退休金計劃供款	2,693	2,860
合計	38,585	36,489

(d) 定額供款退休金計劃供款以及補充退休福利

本集團還為其合資格的員工參與了補充定額退休金供款計劃，該計劃由中信集團負責管理(附註42(b))。

(e) 與中國國有實體進行的交易

本集團正處於一個以國家控制實體占主導地位的經濟制度下營運。那些國家控制實體是由中國政府通過其政府機構、代理機構、附屬機構或其他機構直接或間接擁有的(統稱「國有實體」)。

與包含中國煙草總公司間接控制的子公司和中國保利集團間接控制的子公司在內的其他國有實體進行的交易包括但不限於以下各項：

- 貸款及存款；
- 拆入及拆出銀行間結餘；
- 衍生交易；
- 委託貸款及其他託管服務；
- 保險及證券代理及其他中間服務；
- 買賣、承銷及承兌由國有實體發行的債券；
- 買賣及租賃物業及其他資產；及
- 提供及接受公用服務及其他服務。

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64 關聯方(續)

(c) 與中國國有實體進行的交易(續)

該些交易所執行的條款跟本集團日常銀行業務過程中與非國有實體進行交易所執行的條款相似。本集團亦已制定其定價策略及就貸款、存款及佣金收入等主要產品及服務制定審批程式。該等定價策略及審批程式與客戶是否為國有實體無關。經考慮其關係的性質後，董事認為該等交易並非重大關聯方交易，故毋須獨立披露。

65 在結構化主體中的權益

(a) 在第三方機構發起設立的未納入合併財務報表範圍的結構化主體中享有的權益

本集團投資於部分其他機構發行的未納入合併的結構化主體，並確認其產生的投資收益。這些結構化主體主要包括理財產品、專項資產管理計劃、信託投資計劃、資產支持融資債券以及投資基金。

於2018年12月31日，本集團通過直接持有投資而在第三方機構發起設立的結構化主體中享有的權益的眼面價值及其在本集團的財務狀況表的相關資產負債項目列示如下：

	2018年12月31日				最大 風險敞口
	以公允價值計量且其變動計入損益的金融投資	以攤餘成本計量的金融投資	以公允價值計量且其變動計入其他綜合收益的金融投資	合計	
他行理財產品	116	—	—	116	116
非銀行金融機構管理的專項資產管理計劃	—	228,502	—	228,502	228,502
信託投資計劃	26,486	151,582	—	178,068	178,068
資產支持融資債券	1,289	39,846	61,994	103,129	103,129
投資基金	189,176	—	—	189,176	189,176
合計	217,067	419,930	61,994	698,991	698,991

	2017年12月31日				最大 風險敞口
	以公允價值計量且其變動計入當期損益的金融資產	持有至到期投資	可供出售金融資產	應收款項類投資	
他行理財產品	—	—	26	139,020	139,046
非銀行金融機構管理的專項資產管理計劃	—	—	—	268,247	268,247
信託投資計劃	—	—	—	126,794	126,794
資產支持融資債券	—	34,234	16,877	—	51,111
投資基金	2,001	—	119,518	—	121,519
合計	2,001	34,234	136,421	534,061	706,717

理財產品、信託投資計劃、專項資產管理計劃、資產支持融資債券以及投資基金的最大風險敞口為其在報告日的公允價值或賬面價值。資產支持融資債券的最大風險敞口按其在資產狀況表中確認的分類為其在報告日的攤餘成本或公允價值。

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65 在結構化主體中的權益(續)

(b) 在本集團作為發起人但未納入合併財務報表範圍的結構化主體中享有的權益

本集團發起設立的未納入合併財務報表範圍的結構化主體，主要包括本集團發行的非保本保收益理財產品。理財業務主體主要投資於貨幣市場工具、債券以及信貸資產等固定收益類資產。作為這些產品的管理人，本集團代理客戶將募集到的理財資金根據產品合同的約定投入相關基礎資產，根據產品運作情況分配收益給投資者。本集團在這些未納入合併財務報表範圍的結構化主體中享有的權益主要指通過管理這些結構化主體賺取管理費收入。

於2018年12月31日，本集團管理的未納入本集團合併財務報表範圍的非保本理財投資總規模總額為人民幣10,589.07億元(2017年12月31日：人民幣11,326.76億元)。

2018年度，本集團在上述結構化主體確認的手續費及佣金收入為人民幣26.28億元(2017年12月31日止年度：人民幣55.36億元)；利息收入為人民幣22.71億元(2017年12月31日止：人民幣22.58億元)，利息支出為人民幣6.20億元(2017年：人民幣16.13億元)。

於2018年12月31日，本集團向自身發起設立的非保本理財產品拆出資金餘額及買入返售金融資產為人民幣635.00億元(2017年12月31日：人民幣704.88億元)；拆入的資金餘額為446.05億元(2017年12月31日：259.01億元)。於本年度內，本集團向自身發起設立的非保本保收益理財產品拆出資金及買入返售金融資產的最大敞口為人民幣681.44億元(2017年：人民幣723.72億元)；拆入資金的最大敞口為人民幣134.35億元(2017年12月31日：人民幣442.33億元)。這些交易是根據正常的商業交易條款和條件進行。

於2018年12月31日，上述理財服務涉及的資產中有人民幣1,988.92億元(2017年12月31日：人民幣2,021.67億元)委託中信集團子公司及聯營企業進行管理。

(c) 本集團發行及管理的保本型理財產品

本集團對發行及管理的保本型理財產品提供本金保證承諾。本集團根據集團的會計政策將理財的投資和相應資金，按照有關資產或負債的性質，分類於對應的金融資產或金融負債中列示。

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66 金融資產轉讓

2018年度，在日常業務中，本集團的金融資產轉讓包括資產證券化交易、資產收益權結構化轉讓、不良貸款轉讓和賣出回購金融資產款。

本集團進行的某些交易會將已確認的金融資產轉讓給第三方或特殊目的信託。這些金融資產轉讓若符合終止確認條件的，相關金融資產全部或部分終止確認。當本集團保留了已轉讓資產的絕大部分風險與回報時，相關金融資產轉讓不符合終止確認的條件，本集團繼續在財務狀況表中確認上述資產。

賣出回購金融資產款披露詳見附註40。2018年，本集團資產證券化交易、資產收益權結構化轉讓和貸款轉讓交易額共計人民幣2,275.18億元(2017年：人民幣1,756.01億元)。

資產證券化交易和資產收益權結構化轉讓

在日常交易中，本集團將信貸資產出售給特殊目的信託，再由特殊目的信託向投資者發行資產支持證券。根據附註4(c)和附註5，本集團會按照風險和報酬的保留程度及是否放棄了控制，分析判斷是否終止確認相關信貸資產。

2018年度，本集團通過資產證券化交易和資產收益權結構化轉讓的金融資產賬面原值人民幣1,926.65億元(2017年：1,272.71億元)。其中，對於信貸資產轉讓賬面原值人民幣71.97億元(2017年：8.65億元)，本集團確認的繼續涉入資產和繼續涉入負債為人民幣8.97億元(2017年：人民幣0.79億元)，其餘部分終止確認。

貸款轉讓

2018年度，本集團通過其他方式轉讓貸款賬面原值人民幣348.53億元(2017年：人民幣483.30億元)，其中，轉讓不良貸款人民幣348.53億元(2017年：人民幣387.33億元)。本集團通過附註4(c)和附註5(iv)評估風險和報酬的轉讓情況，認為上述金融資產符合完全終止確認條件。

6/ 金融資產和金融負債的抵銷

當依法有權抵銷債權債務且該法定權利是現時可執行的，並且交易雙方準備按淨額進行結算，或同時結清資產和負債時(「抵銷準則」)，金融資產和負債以抵銷後的淨額在財務狀況表中列示。

於2018年12月31日，本集團上述遵循可執行的淨額結算安排或類似協議的金融資產與金融負債的金額不重大。

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68 本行財務狀況表和權益變動表

財務狀況表

	2018年12月31日	2017年12月31日
資產		
現金及存放中央銀行款項	533,393	564,105
存放同業及其他金融機構款項	78,758	102,139
貴金屬	4,988	3,348
拆出資金	144,364	149,511
以公允價值計量且其變動計入當期損益的金融資產	—	59,976
衍生金融資產	26,571	61,795
買入返售金融資產	10,790	54,626
應收利息	—	31,674
發放貸款及墊款	3,285,963	2,886,685
金融投資		
以公允價值計量且其變動計入損益	293,542	—
以攤餘成本計量	777,883	—
以公允價值計量且其變動計入其他綜合收益	449,350	—
指定以公允價值計量且其變動計入其他綜合收益	2,242	—
可供出售金融資產	—	579,623
持有至到期投資	—	216,586
應收款項類投資	—	531,118
對子公司和合營企業的投资	25,008	23,445
物業和設備	20,956	20,594
無形資產	1,301	1,135
遞延所得稅資產	22,458	21,605
其他資產	33,108	51,249
資產合計	5,710,675	5,359,214
負債		
向中央銀行借款	286,350	237,500
同業及其他金融機構存放款項	782,768	799,259
拆入資金	71,482	34,088
以公允價值計量且其變動計入損益的金融負債	962	—
衍生金融負債	25,784	61,236
賣出回購金融資產款	120,095	134,384
吸收存款	3,397,318	3,181,070
應付職工薪酬	9,508	8,024
應交稅費	4,086	8,153
應付利息	—	38,395
預計負債	4,944	796
已發行債務憑證	541,053	430,176
其他負債	44,800	38,131
負債合計	5,289,150	4,971,212
股東權益		
股本	48,935	48,935
優先股	34,955	34,955
資本公積	61,359	61,359
其他綜合收益	5,167	(9,782)
盈餘公積	34,450	31,183
一般風險準備	73,370	73,370
未分配利潤	163,289	147,982
股東權益合計	421,525	388,002
負債和股東權益總計	5,710,675	5,359,214

第十章 合併年度財務報表附註

截至2018年12月31日止年度
(除特別註明外，以人民幣百萬元列示)

68 本行財務狀況表和權益變動表(續)

權益變動表

	股本	優先股	資本公積	其他綜合 收益	盈餘公積	一般風險 準備	未分配 利潤	股東權益 合計
2017年12月31日	48,935	34,955	61,359	(9,782)	31,183	73,370	147,982	388,002
會計政策變更	—	—	—	4,478	(939)	—	(8,442)	(4,903)
2018年1月1日	48,935	34,955	61,359	(5,304)	30,244	73,370	139,540	383,099
(一)本期利潤	—	—	—	—	—	—	42,057	42,057
(二)其他綜合收益	—	—	—	10,471	—	—	—	10,471
綜合收益合計	—	—	—	10,471	—	—	42,057	52,528
(三)利潤分配								
1. 提取盈餘公積	—	—	—	—	4,206	—	(4,206)	—
2. 對本行普通股股東的股利分配	—	—	—	—	—	—	(12,772)	(12,772)
3. 對本行優先股股東的股利分配	—	—	—	—	—	—	(1,330)	(1,330)
2018年12月31日	48,935	34,955	61,359	5,167	34,450	73,370	163,289	421,525

	股本	優先股	資本公積	其他綜合 收益	盈餘公積	一般風險 準備	未分配 利潤	股東權益 合計
2017年1月1日	48,935	34,955	61,359	(1,737)	27,263	73,370	124,557	368,702
本年增減變動金額								
(一)淨利潤	—	—	—	—	—	—	39,196	39,196
(二)其他綜合收益	—	—	—	(8,045)	—	—	—	(8,045)
綜合收益總額	—	—	—	(8,045)	—	—	39,196	31,151
(三)利潤分配								
1. 提取盈餘公積	—	—	—	—	3,920	—	(3,920)	—
2. 對本行普通股股東的股利分配	—	—	—	—	—	—	(10,521)	(10,521)
3. 對本行優先股股東的股利分配	—	—	—	—	—	—	(1,330)	(1,330)
2017年12月31日	48,935	34,955	61,359	(9,782)	31,183	73,370	147,982	388,002

第十章 合併年度財務報表附註

截至2018年12月31日止年度
(除特別註明外，以人民幣百萬元列示)

69 董事及監事福利及薪酬

(a) 董事及監事報酬

截至2018年12月31日止年度，作為本集團董事及監事提供服務而支付或應收的酬金列載如下：

現任董事姓名	截至2018年12月31日止年度 作為本公司董事及監事提供服務而支付或應收的酬金						就按於擔任 董事/監事 職務而支付或 應收的酬金		總計
	袍金 人民幣千元	薪金 人民幣千元	酌情獎金 人民幣千元	房屋津貼 人民幣千元	津貼及 實物福利 人民幣千元	退休福利計劃 的應主供款 人民幣千元	就按於擔任 董事/監事 職務而支付或 應收的酬金 人民幣千元	就管理本公司 的事務提供其 他董事/監事 職務而支付或 應收的酬金 人民幣千元	
執行董事：									
李耀祥註釋(i)	—	—	—	—	—	—	—	—	—
方台英	—	600	652	—	132	184	—	—	1,568
非執行董事：									
曹國強註釋(i)(iv)	—	233	229	—	104	63	—	—	629
黃芳註釋(i)	—	—	—	—	—	—	—	—	—
萬經明註釋(i)	—	—	—	—	—	—	—	—	—
獨立非執行董事：									
何繼	300	—	—	—	—	—	—	—	300
陳麗華	300	—	—	—	—	—	—	—	300
錢軍	300	—	—	—	—	—	—	—	300
殷立基	82	—	—	—	—	—	—	—	82
監事/外部監事/職工監事									
劉成	—	467	451	—	47	99	—	—	1,064
陳長清註釋(i)	—	—	—	—	—	—	—	—	—
王秀虹	300	—	—	—	—	—	—	—	300
賈祥森	300	—	—	—	—	—	—	—	300
廖偉	300	—	—	—	—	—	—	—	300
程普升	—	360	2,373	—	164	178	—	—	3,075
陳耀武	—	440	2,327	—	179	184	—	—	3,130
曾玉芳	—	330	2,457	—	117	329	—	—	3,233
2018年離職人員									
常振明註釋(ii)	—	—	—	—	—	—	—	—	—
舒錫註釋(iii)	—	—	—	—	—	—	—	—	—
吳小波註釋(v)	225	—	—	—	—	—	—	—	225
王聯章註釋(v)	225	—	—	—	—	—	—	—	225
朱榮鳴註釋(v)	—	—	—	—	—	—	—	—	—
孫德順註釋(vi)	—	900	1,124	—	222	209	—	—	2,455

第十章 合併年度財務報表附註

截至2018年12月31日止年度
(除特別註明外，以人民幣百萬元列示)

69 董事及監事福利及薪酬(續)

(a) 董事及監事報酬(續)

截至2017年12月31日止年度，作為本集團董事及監事提供服務而支付或應收的酬金列載如下：

截至2017年12月31日止年度 作為本公司董事及監事提供服務而支付或應收的酬金									
現任董事姓名	袍金 人民幣千元	薪金 人民幣千元	酌情獎金 人民幣千元	房屋津貼 人民幣千元	津貼及 實物福利 人民幣千元	退休福利計劃 的僱主供款 人民幣千元	就接辦前任 董事/監事 一職而支付 或應收的酬金 人民幣千元	就管理本公司 的事務提供其 他董事/監事 服務而支付或 應收的酬金 人民幣千元	總計 人民幣千元
執行董事：									
李廣祥	—	—	—	—	—	—	—	—	—
孫德順	—	900	1,112	—	351	233	—	—	2,596
非執行董事：									
朱卓鳴	—	—	—	—	—	—	—	—	—
黃芳	—	—	—	—	—	—	—	—	—
高裡明	—	—	—	—	—	—	—	—	—
常振明	—	—	—	—	—	—	—	—	—
獨立非執行董事：									
吳小慶	300	—	—	—	—	—	—	—	300
王耀章	300	—	—	—	—	—	—	—	300
何樂	300	—	—	—	—	—	—	—	300
陳麗華	300	—	—	—	—	—	—	—	300
饒軍	300	—	—	—	—	—	—	—	300
監事/外部監事/職工監事									
曹國強	—	700	658	—	297	219	—	—	1,874
王秀虹	300	—	—	—	—	—	—	—	300
賈祥森	300	—	—	—	—	—	—	—	300
鄭偉	300	—	—	—	—	—	—	—	300
程晉升	—	340	2,418	—	261	202	—	—	3,221
陳福武	—	630	2,191	—	281	211	—	—	3,113
曾玉芳	—	320	2,344	—	94	340	—	—	3,098
舒揚	—	—	—	—	—	—	—	—	—
2017年離職人員									
朱小黃註釋(vii)	—	—	—	—	—	—	—	—	—
馮淑萍註釋(viii)	—	145	806	—	24	47	—	—	1,022
馬海清註釋(viii)	—	70	539	—	85	68	—	—	762

第十章 合併年度財務報表附註

截至2018年12月31日止年度
(除特別註明外，以人民幣百萬元列示)

69 董事及監事福利及薪酬(續)

(a) 董事及監事報酬(續)

註釋：

- (i) 李慶萍女士、曹國強先生、黃芳女士、萬裡明先生和鄧長清先生未在本行領取薪酬。其薪酬由本行主要普通股股東承擔。兩位董事由中信股份和中信集團(「母公司」)任命，其薪酬由母公司支付，兩位董事及一位監事分別由新湖中寶、中國煙草總公司和保利集團有限公司任命，並涉及向母公司及其本行提供的服務。由於四位董事及一位監事對向母公司和本行提供的服務難以進行分配，故此並未作出分攤。
- (ii) 常振明先生於2018年1月離任。
- (iii) 舒揚先生於2018年2月離任。
- (iv) 曹國強先生於2018年3月離任。
- (v) 吳小慶女士、王聯章先生和朱阜鳴於2018年9月離任。
- (vi) 孫德順先生於2019年2月離任。
- (vii) 朱小黃先生於2017年3月離任。
- (viii) 溫淑萍女士和馬海清先生於2017年9月離任。

(b) 其他利益和權益

截至2018年12月31日止年度，無直接或間接向董事及監事支付或應付的董事退休福利及終止福利(2017年：無)。

截至2018年12月31日和2017年12月31日，本集團向董事、監事、受該等董事及監事控制的法人團體及該董事及監事的關連主體提供的貸款餘額不重大；

截至2018年12月31日止年度，本公司並無簽訂任何涉及本集團之業務而本公司之董事及監事直接或間接在其中擁有重大權益之重要交易、安排或合同(2017年：無)。

70 財務狀況表日後事項

- (a) 於2019年3月4日，本行公開發行4億張A股可轉換公司債券(以下簡稱「A股可轉債」)，每張面值人民幣為100元共計人民幣400億元。A股可轉債的初始轉股價格為每股人民幣7.45元，期限為自發行之日起6年，即從2019年3月4日至2025年3月3日。
- (b) 本行於2019年3月26日召開的董事會會議通過發行無固定期限資本債券的議案，同意在境內外市場公開發行不超過400億元人民幣或等值外幣無固定期限資本債券。截至本報告披露日，相關事宜尚須經監管機構核准。

第十章 未經審核補充財務資料

(除特別注明外，以人民幣百萬元列示)

以下所載資料並不構成經審核財務報表的一部分，有關資料僅供參考。

1 按《國際財務報告準則》與按中國相關會計規則和法規(「中國準則」)而編製的財務報表之間的差異調節

中信銀行股份有限公司(「本行」)按照國際會計準則委員會頒佈的《國際會計準則》的規定編製包括本行和子公司(統稱「本集團」)的截至2018年12月31日止年度的合併財務報告。

作為一家在中華人民共和國(「中國」)註冊成立的金融機構，本集團亦按照中華人民共和國財政部頒佈的《企業會計準則》的規定編製截至2018年12月31日止年度的合併財務報告。

本集團按照《國際財務報告準則》編製的合併財務報告及按照《企業會計準則》第32號編製的合併財務報告中列示的截至2018年12月31日止年度的淨利潤和於2018年12月31日的股東權益並無差異。

2 流動性覆蓋率

	2018年12月31日	2017年12月31日
流動性覆蓋率	114.33%	97.98%

流動性覆蓋率是根據銀保監會《商業銀行流動性風險管理辦法(試行)》及相關統計制度的規定，基於按中國會計準則確定的資料計算的。

3 貨幣集中度

	美元	2018年12月31日		
		港幣	其他	合計
即期資產	291,086	143,406	33,019	467,511
即期負債	276,119	147,045	(4,303)	418,861
遠期購入	1,240,838	194,757	53,275	1,488,870
遠期出售	(1,256,218)	(172,554)	(67,729)	(1,496,501)
期權	(23,481)	2	193	(23,286)
淨頭寸	528,344	312,656	14,455	855,455

	美元	2017年12月31日		
		港幣	其他	合計
即期資產	225,292	139,707	30,624	395,623
即期負債	(248,386)	(132,999)	(40,659)	(422,044)
遠期購入	1,630,824	116,379	49,774	1,796,977
遠期出售	(1,621,525)	(94,772)	(40,212)	(1,756,509)
期權	(141)	(118)	(2,030)	(2,289)
淨頭寸	(13,936)	28,197	(2,503)	11,758

第十章 未經審核補充財務資料

(除特別注明外，以人民幣百萬元列示)

4 國際債權

國際債權包含所有幣種的跨境申索及本國外幣債權。本集團主要從事中國大陸業務經營，並視所有的除中國大陸以外的第三方申索為跨境申索。

國際債權包括存放中央銀行款項，存放和拆放同業及其他金融機構款項，為交易而持有的金融資產，指定為以公允價值計量且其變動計入損益的金融資產，發放貸款及墊款，買入返售金融資產，金融投資等。

國際債權按國家或地區分別披露。在計及任何風險轉移後，若國家或地區的跨境申索占國際債權總金額的10%或以上，方會在本文列報。若申索的擔保方所在地與對方所在地有所不同，或債務方是銀行的境外分行而銀行總部設於另一國家，方會作出風險轉移。

	2018年12月31日			合計
	銀行	官方機構	非銀行 私人機構	
亞太區，不包括中國內地	25,970	314	63,854	90,138
—其中屬於香港的部分	16,335	307	56,098	72,740
歐洲	6,025	3	12,350	18,378
南北美洲	25,623	41,616	65,373	132,612
非洲	186	—	—	186
合計	57,804	41,933	141,577	241,314

	2017年12月31日			合計
	銀行	官方機構	非銀行 私人機構	
亞太區，不包括中國內地	33,040	418	56,421	89,879
—其中屬於香港的部分	25,305	411	49,538	75,254
歐洲	1,817	1	7,115	8,933
南北美洲	20,570	47,179	50,786	118,535
非洲	—	—	—	—
合計	55,427	47,598	114,322	217,347

第十章 未經審核補充財務資料

(除特別注明外，以人民幣百萬元列示)

5 按地區劃分的已逾期發放貸款及墊款

	貸款及 墊款總額	2018年12月31日 逾期超過3個月 的貸款及墊款	已發生 信用減值貸款
環渤海地區(包括總部)	1,123,293	23,325	25,738
長江三角洲	784,722	8,582	9,193
珠江三角洲及海峽西岸	549,491	7,506	7,729
中部地區	463,100	7,994	8,565
西部地區	433,143	6,475	7,638
東北地區	75,682	4,903	5,083
中國內地以外的地區	178,981	384	1,470
應計利息	8,338	—	—
合計	3,616,750	59,169	65,416

	貸款及 墊款總額	2017年12月31日 逾期超過3個月 的貸款及墊款	已減值貸款
環渤海地區(包括總部)	967,864	15,861	15,225
長江三角洲	691,183	10,949	9,672
珠江三角洲及海峽西岸	493,118	6,796	6,029
西部地區	421,810	10,669	10,705
中部地區	389,152	9,566	7,809
東北地區	67,609	3,340	2,271
中國內地以外的地區	166,151	1,501	1,937
合計	3,196,887	58,682	53,648

6 已逾期存拆放同業款項和已逾期發放貸款及墊款總額

(a) 已逾期存拆放同業款項總額

	2018年12月31日	2017年12月31日
已逾期存拆放同業款項總額	1	1
佔存拆放同業款項總額百分比	0.00036%	0.00058%

(b) 已逾期發放貸款及墊款總額

	2018年12月31日	2017年12月31日
本金或利息已逾期達下列期間的 發放貸款及墊款：		
— 3至6個月	13,181	13,207
— 6至12個月	20,011	19,976
— 超過12個月	25,977	25,499
合計	59,169	58,682
佔發放貸款及墊款總額百分比：		
— 3至6個月	0.37%	0.41%
— 6至12個月	0.55%	0.62%
— 超過12個月	0.72%	0.80%
合計	1.64%	1.83%

第十章 未經審核補充財務資料

(除特別注明外，以人民幣百萬元列示)

6 已逾期存拆放同業款項和已逾期發放貸款及墊款總額(續)

(b) 已逾期發放貸款及墊款總額(續)

- 根據國際金融管理局的要求，以上分析指逾期超過3個月的貸款及墊款。
- 有指定還款日期的貸款及墊款在其本金或利息逾期時會被分類為已逾期。
- 須於接獲通知時償還的貸款及墊款，在借款人接獲還款通知但並無根據指示還款時被分類為已逾期。如果須於接獲通知時償還的貸款及墊款超出已知會借款人的獲批准的限額，均會被視為已逾期。
- 於2018年12月31日，上述已逾期發放貸款及墊款全部為已發生信用減值的貸款，合計為人民幣469.08億元(2017年12月31日，按單項方式評估損失準備的貸款為人民幣376.85億元)

逾期超過3個月的發放貸款及墊款

	2018年12月31日	2017年12月31日
有抵質押物涵蓋	31,690	21,147
無抵質押物涵蓋	15,218	16,538
合計	46,908	37,685
損失準備	(28,026)	(26,477)
賬面價值	18,882	11,208
抵質押物公允價值覆蓋的最大敞口	29,187	19,197

抵質押物的公允價值為管理層根據目前抵押品處置經驗和市場狀況對最新可得包括外部評估價值在內的估值情況確定。

7 中國內地非銀行業務頭寸

本行是一家在中國內地成立的商業銀行，且主要銀行業務均在中國內地進行。截至2018年12月31日，本行大部分的非應收銀行頭寸均來自於與境內企業或個人的業務。不同對手方的各種頭寸在本年度財務報表的附註中進行了分析。



第十一章

股東參考資料

第十一章 股東參考資料

11.2.2 主要指數成份股

上證A股指數

上證180指數

上證綜合指數

上證公司治理指數

新上證綜合指數

滬深300指數

中證100指數

中證800指數

恆生H股金融業指數

11.2.3 投資者查詢

投資者如有查詢請聯絡：

中信銀行股份有限公司投資者關係團隊

地址：北京市東城區朝陽門北大街9號

電話：+86-10-8523 0010

傳真：+86-10-8523 0079

電郵：ir@citicbank.com

11.3 其他資料

本行A股年度報告備有中文版本，H股年度報告備有中、英文版。閣下可致函本行H股股份過戶登記處香港中央證券登記有限公司索取按照國際財務報告準則編製的H股年度報告，或本行總行(北京市東城區朝陽門北大街9號)索取按照中國會計準則編製的A股年度報告。閣下亦可在上交所網站(www.sse.com.cn)、香港聯交所披露易網站(www.hkexnews.hk)和本行網站(www.citicbank.com)閱覽本年度報告中文及英文版本。

倘閣下對如何索取本年度報告或如何在本行網址上閱覽該文件有任何疑問，請致電本行投資者熱線+86-10-8523 0010。

11.2 股東查詢

股東若對所持股份有任何查詢，例如股份轉讓、轉名、更改地址、損失股票等事項，請致函如下地址：

A股

中國證券登記結算有限責任公司上海分公司
上海市浦東新區陸家嘴東路166號中國保險大廈3層
電話：+86-21-6887 0587

H股

香港中央證券登記有限公司
香港灣仔皇后大道東183號合和中心17樓1712-16號鋪
電話：+852-2862 8555
傳真：+852-2865 0990
電郵：hkinfo@computershare.com.hk

優先股

中國證券登記結算有限責任公司上海分公司
上海市浦東新區陸家嘴東路166號中國保險大廈3層
電話：+86-21-6887 0587

11.2.1 信用評級

截至報告期末，本行信用評級為：

標普： (1) 主體信用長期評級：BBB+；
(2) 短期評級：A-2；
(3) 長期評級展望：穩定。

穆迪： (1) 存款評級：Baa2/P-2；
(2) 基礎信用評級：ba2；
(3) 展望：正面。

惠譽： (1) 違約評級：BBB；
(2) 支持力評級：2；
(3) 支持力底線評級：BBB；
(4) 生存力評級：b+；
(5) 展望：穩定。

11.2.2 主要指數成份股

上證A股指數

上證180指數

上證綜合指數

上證公司治理指數

新上證綜合指數

滬深300指數

中證100指數

中證800指數

恆生H股金融業指數

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投資者熱線：+86-10-85230010
投資者電子信箱：ir@citicbank.com
網址：www.citicbank.com



♻ 本年度報告由可循環再造紙印刷



中信银行

CHINA CITIC BANK

以 信 致 远 融 智 无 限

(A joint stock limited company incorporated
in the People's Republic of China with limited liability)

Stock Code: 0998

Strive to Be the Company Offering the
Best Comprehensive Financial Services

2018

Annual Report

Corporate Profile

China CITIC Bank was founded in 1987. It is one of the earliest emerging commercial banks established during China's reform and opening up and also China's first commercial bank participating in financing at both domestic and international financial markets. A keen contributor to China's economic development, the Bank is renowned at home and abroad for brushing numerous track records in the modern Chinese financial history. In April 2007, the Bank simultaneously listed its A and H shares at the Shanghai Stock Exchange and the Stock Exchange of Hong Kong Limited.

The Bank aspires to become "the enterprise offering the best comprehensive financial services". To attain this development vision, the Bank fully leverages on the unique competitive advantages of CITIC Group in placing financial and non-financial businesses on an equal footing, and at the same time holds firm to its "customer orientation" and adheres to the business concept of "safe CITIC Bank, compliant operation, science and technology for growth, serving the real economy, market orientation and value creation". For corporate customers and institutional customers, the Bank offers integrated financial solutions in corporate banking business, international business, financial markets business, institutional banking business, investment banking business, factoring business and custody business. For individual customers, the Bank provides diversified financial products and services in retail banking, credit card, consumer finance, wealth management, private banking, going abroad finance and e-banking. As such, the Bank satisfies the needs of corporate, institutional and individual customers for comprehensive financial services on all fronts.

As at the end of 2018, the Bank had 1,410 outlets in 146 large and medium-sized cities in China and 6 affiliates at home and abroad including CITIC International Financial Holdings Corporation Limited ("CIFH"), CNCB (Hong Kong) Investment Co., Ltd., CITIC Financial Leasing Co., Ltd., Zhejiang Lin'an CITIC Rural Bank Limited, CITIC aiBank Corporation Limited, and JSC Altyn Bank. CITIC Bank International Limited ("CNCBI"), a subsidiary of CIFH, recorded 38 outlets in Hong Kong SAR, Macau SAR, New York, Los Angeles, Singapore and mainland China. CNCB (Hong Kong) Investment Co., Ltd. had 3 subsidiaries in Hong Kong and mainland China. CITIC aiBank Corporation Limited, a joint venture co-sponsored by the Bank and Baidu, was the first independent legal entity practicing direct banking in China. JSC Altyn Bank had 6 outlets and 1 private banking center in Kazakhstan.

For over three decades, the Bank has persevered in serving the real economy, engaging in stable healthy business operation and keeping abreast with the times. Thriving through over 30 years' growth and expansion, the Bank has become a financial conglomerate with strong comprehensive competitiveness and powerful brand influence, registering more than RMB6 trillion total assets and nearly 60,000 employees. In 2018, The Banker magazine of the United Kingdom rated the Bank the 24th on its list of the "Top 500 Global Bank Brands" and the 27th on its list of the "Top 1,000 World Banks" in terms of tier-one capital.

Important Notice

The Board of Directors, the Board of Supervisors, directors, supervisors and senior management members of the Bank guarantee that the information contained in the 2018 Annual Report does not include any false records, misleading statements or material omissions, and assume several and joint liabilities for its truthfulness, accuracy and completeness.

The meeting of the Board of Directors of the Bank adopted the full text and summary of the Bank's 2018 Annual Report on 26 March 2019. All of the 9 eligible directors attended the meeting, with Director Wan Liming, due to conflicting schedules, entrusting Director Huang Fang to attend and vote on his behalf as proxy. The supervisors of the Bank attended the meeting as non-voting delegates.

The 2018 annual financial reports that the Bank prepared in accordance with the PRC Accounting Standards and the International Financial Reporting Standards (IFRS) were audited respectively by PricewaterhouseCoopers Zhong Tian LLP (Special and General Partnership) and PricewaterhouseCoopers in accordance with the auditing standards of mainland China and Hong Kong SAR respectively, with both firms producing an audit report with a standard unqualified audit opinion.

Ms. Li Qingping as Chairperson of the Board of Directors, Mr. Fang Heying as Vice President and concurrently Chief Financial Officer of the Bank and Ms. Li Peixia as General Manager of the Finance and Accounting Department of the Bank hereby guarantee the truthfulness, accuracy and completeness of the financial report contained in the Bank's 2018 Annual Report.

Profit Distribution Plan: Chapter 5 "Report of the Board of Directors — Profit and Dividend Distribution of Ordinary Shares" of this report discloses the Bank's Profit Distribution Plan for 2018 as reviewed and adopted by the Board of Directors and to be submitted to the 2018 Annual General Meeting for deliberation. The plan proposes to pay a cash dividend of RMB2.30 per 10 shares (before tax). No scheme for transfer of capital reserve to share capital will be applied for the current year.

Cautionary note on forward-looking statements: Forward looking statements such as future plans and development strategies contained in this report do not constitute substantive commitments of the Bank to its investors. Investors and relevant persons are kindly reminded to maintain adequate risk awareness of such statements and understand the differences between plans, forecasts and commitments.

Material risk reminder: During the reporting period, the Bank was not aware of any material risk that would adversely affect its future development strategies and business targets. The Bank has detailed in this report the major risks that it was and may be exposed to in its operation and management and its countermeasures thereof. For relevant information thereof, please refer to "Risk Management" and "Outlook" in Chapter 4 "Management Discussion and Analysis" of the report.

For the purpose of this report, numbers are expressed in Renminbi (RMB) unless otherwise specially stated. The report is compiled both in Chinese and English. Should there be any discrepancy between Chinese and English versions, the Chinese version shall prevail.

Mission and Vision

Vision

Mission

To create value for customers, seek happiness for employees, make profit for shareholders and perform responsibility for the society

Core values

Brand motto

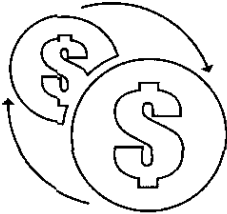
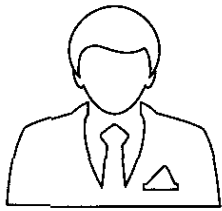
Building “trust” for long-term growth, incorporating smart services for boundless financing



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Performance Overview

Operating performance: 	Operating income	Net profit
	165.766 billion RMB	44.513 billion RMB
	Total assets	Fastest net profit growth in 5 years
	6,066.714 billion RMB	4.57%
Profitability: 	ROAA	Cost-to-income ratio
	0.77%	30.71%
	ROAE	Net interest margin
	11.36%	1.94%
Asset quality: 	Allowance coverage ratio	
	157.98%	
	NPL ratio	The ratio of allowance for impairment of loans to total loans
	1.77%	2.80%
Customer base: 	Corporate customers	Mobile banking customers
	629,900	36.70 million
	Retail banking customers	Credit cards issued
	88.32 million	67.06 million

Definitions

BBVA	Banco Bilbao Vizcaya Argentaria S.A.
Baidu	Fujian Baidu Borui Internet Technology Co., Ltd.
The reporting period	From 1 January 2018 to 31 December 2018
The Group	China CITIC Bank Corporation Limited and its subsidiaries
Bank/Company/China CITIC Bank/CITIC Bank/CNCB	China CITIC Bank Corporation Limited
Poly Group	China Poly Group Corporation Limited
Articles of Association	Articles of Association of China CITIC Bank Corporation Limited
State Council	State Council of the People's Republic of China
Lin'an CITIC Rural Bank	Zhejiang Lin'an CITIC Rural Bank Limited
SSE	Shanghai Stock Exchange
Auditors	PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers
SEHK	The Stock Exchange of Hong Kong Limited
Hong Kong Listing Rules	The Listing Rules of the Stock Exchange of Hong Kong Limited
Xinhua Zhongbao	Xinhua Zhongbao Co., Ltd.
CNCB Investment	CNCB (Hong Kong) Investment Co., Ltd. (formerly China Investment and Finance Limited)
Central Bank/PBOC	The People's Bank of China
Former CBRC	Former China Banking Regulatory Commission
MOF	Ministry of Finance of the People's Republic of China
PRC Accounting Standards	PRC Accounting Standards for Enterprises
China Tobacco	China Tobacco Corporation
CBIRC	China Banking and Insurance Regulatory Commission
CSRC	China Securities Regulatory Commission
CITIC aiBank	CITIC aiBank Corporation Limited
CITIC Limited	CITIC Limited (formerly known as CITIC Pacific Limited prior to renaming in August 2014)
CIAM	CITIC International Assets Management Limited

Definitions

CIFH	CITIC International Financial Holdings Limited
CITIC Group	CITIC Group Corporation Limited (formerly known as CITIC Group Corporation prior to renaming in December 2011)
CITIC Financial Leasing	CITIC Financial Leasing Co., Ltd.
CITIC Pacific	CITIC Pacific Limited
CNCBI	CITIC Bank International Limited (formerly CITIC Ka Wah Bank Limited)
CITIC Corporation Limited	CITIC Corporation Limited (formerly known as CITIC Limited prior to renaming in August 2014)

.Note: The definitions are arranged in the alphabetic order of Mandarin Pinyin

Geographical segments of the Group and the Bank as disclosed in this report and as defined for financial reporting purposes are as follows:

“Yangtze River Delta” refers to the following areas where tier-1 branches and a subsidiary of the Group are located: Shanghai, Nanjing, Suzhou, Hangzhou and Ningbo, as well as Lin'an CITIC Rural Bank;

“Pearl River Delta and West Strait” refers to the following areas where tier-1 branches of the Group are located: Guangzhou, Shenzhen, Dongguan, Fuzhou, Xiamen and Haikou;

“Bohai Rim” refers to the following areas where tier-1 branches and a subsidiary of the Group are located: Beijing, Tianjin, Dalian, Qingdao, Shijiazhuang and Jinan; and CITIC Financial Leasing Co., Ltd and CITIC aiBank Corporation Limited;

“Central” region refers to the following areas where tier-1 branches of the Group are located: Hefei, Zhengzhou, Wuhan, Changsha, Taiyuan and Nanchang;

“Western” region refers to the following areas where tier-1 branches of the Group are located: Chengdu, Chongqing, Xi'an, Kunming, Nanning, Hohhot, Urumqi, Guiyang, Lanzhou, Xining, Yinchuan and Lhasa;

“Northeastern” region refers to the following areas where tier-1 branches of the Group are located: Shenyang, Changchun and Harbin;

“Head Office” refers to the Headquarters and the Credit Card Center of the Bank; and

“Overseas” includes all the operations of CNCB Investment and CIFH and their subsidiaries and JSC Altyn Bank.



Li Qingping

*Chairperson
Executive Director*

Chairperson's Letter to Shareholders

Dear shareholders,

2018 marks the 40th anniversary of China's reform and opening up. With the imperative confidence and strategic focus under the economic new normal, the Bank pursued progress amid stability and focused on reform and value creation, achieving a good start to the implementation of its 2018-2020 development plan and sustaining the sound momentum of healthy and steady development. At this point, I would like to report to our shareholders that for the year 2018 the Group realized net profit of RMB44.51 billion, up 4.6% year on year, the highest rate of growth over the recent five years; profit before allowance of RMB112.56 billion, 4.2% higher than last year; and net operating income of RMB165.77 billion, a growth of 5.4% over last year. The Bank's ratio of non-performing loans (NPLs) and allowance coverage ratio stood at 1.77% and 157.98%, respectively. In the absence of external sources for replenishment of tier-one capital, the Group's core tier-one and tier-one capital adequacy ratios went up by 0.13 and 0.09 percentage point over the end of the previous year, respectively.

Differentiated regional development is one of the major reform measures set out in the Bank's 2018-2020 development plan. Its purpose is to manage branches by category for synergistic growth in alignment with the national strategy on development of key regions. In our view, coordinated allocation of resource elements is the key to differentiated regional development. We focused on this as the crux of all matters to strive for the effect that "the sum of one plus one is larger than two". In 2018, the Bank's strategic pivotal branches generated a combined operating income of RMB60.5 billion, corresponding to a growth rate 7.3 percentage points higher than the branch average across the Bank; the proportions of their deposits and loans reached 54.1% and 44.7%, up 2.2 and 0.9 percentage points, respectively. The branches in the key regions recorded numerous new growth highlights, with some of them increasing operating income by 9.2%. Going forward, we will continue to introduce both "guiding" incentive policies and "restrictive" constraints, further optimize the allocation of resource elements, and accelerate the formation of a regional echelon-based development pattern with reasonable layout, highlighted focuses and distinctive features. In the mean time, as one of the first commercial banks that emerged in China's reform and opening up and engaged in financing in both at home and abroad, we paid increasing attention to our arrangements for internationalized development. In 2018, the application for establishment of the Bank's London Branch was undergoing official review and approval by the local regulatory authority, entering the final stage of preparation work; and the application for establishment of the Bank's Hong Kong Branch and the upgrading of its Sydney Representative Office to a branch were also in good progress. In addition, the Bank completed its acquisition of a majority stake in JSC Altyn Bank, becoming the first Chinese bank to access the local market in Kazakhstan through mergers and acquisitions. We will give full play to the advantages of JSC Altyn Bank and at the same time rely on the platform of CITIC Group, the Bank's controlling shareholder, to build greater synergy of the markets along the "One Belt and One Road". We will strive to ensure the mutual complementation between regional differentiated and internationalized management so as to give full support to attain the vision of "the enterprise offering the best comprehensive financial services".

The greater effect of optimized allocation of resource elements lies in its contribution to the financial supply side structural reform. In recent years, we attached equal importance to incremental and existing resources, balanced advance and retreat in a comprehensive manner, made financial supply more adaptive and flexible with credit assets as the core, and supported the real economy better. These efforts were very rewarding. As at the end of 2018, the Group's balances of corporate loans and personal loans recorded RMB2.12 trillion and RMB1.48 trillion, an increase of RMB158.6 billion and RMB252.9 billion over the beginning of the year, respectively; the proportion of loans to industries in the "active support" category went up by 4.65 percentage points, while that to those industries in the "strict control" and "reduce and exit" categories declined by 0.94 and 1.8 percentage points, respectively. In addition, the Bank made proactive exit from 1,590 accounts of low-quality low-efficiency loan customers, involving a total amount of RMB59.54 billion, and raised the share of loan customers rated A and above by 5.79 percentage points. The development of green finance is now a universal consensus. In 2018, the Bank granted annual green loans of RMB62.9 billion, RMB4.99 billion more than the beginning of the year. When promoting structural reform of the financial supply side, we paid attention to coordinating our planning with differentiated regional development. Among other things, the Bank was the first commercial bank to issue loans to Xiong'an Group. As at the end of 2018, the Bank's balance of Renminbi general corporate loans to the three regions, i.e., the Beijing-Tianjin-Hebei region, the Yangtze River Delta, and the Guangdong-Hong Kong-Macau Greater Bay Area, grew by RMB43 billion over the beginning of the year, and took up 52.5% of the Bank total. As the government promotes the set-up of the Science and Technology Innovation Board, we will pay more attention to those technology-intensive and innovation-driven ventures and boost resource reserve and incubation, in order to add a new impetus to the financial supply side structural reform.

Chairperson's Letter to Shareholders

Our goal, however, does not stop at that. What we need in addition is a deeper layer of reform — to further our business restructuring and create space and increase stamina for future growth. In recent years, we focused our efforts on pushing forward retail banking transformation to build a robust “Troika” business structure that consists of corporate banking, retail banking and financial markets. Thanks to our unremitting efforts in promoting system construction, reinforcing the “customer-orientation” concept, making product innovation in close alignment with the market, and enhancing application of artificial intelligence, the Bank was able to release its retail productivity at a quicker pace. For the year 2018, the Group's net operating income and fee-based income from retail banking accounted for 34% and 61% of their respective totals; the Bank's retail customers exceeded 88.3 million accounts, an increase of 22.65% over the previous year, of which credit card business brought along 5.50 million incremental debit card customers, and mobile banking registered more than 36 million accounts of customers with an increase of over 9 million accounts in 2018 alone; and the retail transaction volume increased by 48.6% year on year. Retail AUM approached the RMB1.8 trillion threshold, achieving an annual increase of RMB298.5 billion; the Group's personal deposits recorded RMB712.5 billion, a yearly growth of RMB179.1 billion; personal loan balance stood at RMB1.48 trillion; credit card transaction volume exceeded RMB2 trillion, taking up nearly 7% of the multi-bank transaction market. As time brings along rewards, we are more resolute in our stance to push forward transformation of retail banking in the future.

The transformation of retail banking has made remarkable achievements. What we pursue in our business restructuring, however, is much more than that. To some extent, the Bank's traditional advantage in corporate banking has served as the ballast stones for retail banking transformation over the recent years. With the retail segment entering a sound orbit of transformation, we have decided that it is time to push forward full-range transformation of corporate banking to prepare the Bank for participation in a more open market and lay the foundation for higher quality development. In fact, the Bank began to reform its corporate banking segment in the second half of 2017, when the corporate banking units started to take over the post-lending management functions and assume the “Defense Line 1” responsibilities. In 2018, we carried out a lot more fundamental, systematic and groundbreaking work in comprehensively transforming corporate banking business. Among others, we improved the regulations, institutional framework and management model for unified credit extension to legal-person customers, strengthened the role of customer units in credit business, improved integrated services for corporate customers, and effectively promoted the development of corporate customer groups. These efforts enabled the Bank to achieve the expansion of customer base, stronger partnership with premium core customers, substantial growth of supply chain finance, and even more comprehensive service functions at its outlets. In 2018, the Bank recorded 630,000 accounts of corporate customers, 35,000 accounts more than that at the beginning of the year, of which effective corporate customers grew by 5,995 accounts and effective corporate settlement customers of transaction banking recorded 113,900 accounts. Comprehensive transformation of corporate banking is an important responsibility aimed at the future. We will carry it on with unswerving efforts.

The “Troika” business structure would never materialize without the contribution of financial markets business. Adhering to the light-capital orientation and closely following such national strategies as the Belt and Road Initiative and the Free Trade Zones (FTZs), we built better products throughout the cross-border service chain, developed solid products to support internationalization of the Renminbi, and optimized integrated cross-border services for the Renminbi and foreign currencies. 2018 witnessed overall downward movement of market interest rates and other externalities. In response, the Bank captured the right market opportunities and set the right investment rhythm to further consolidate its unique competitive edges in financial markets, international business and custody business. As a result, all the three segments enjoyed a boost in market competitiveness and business contribution. For the year 2018, the Bank realized light-capital income of RMB27.41 billion, an increase of 5.2%; and remained a leading runner in terms of foreign exchange purchase and sale, international receipt and payment and cross-border Renminbi receipt and payment. As at the end of 2018, the Bank registered an asset custody scale of RMB8.44 trillion, a growth of 4.8% compared with the beginning of the year; its “Interbank +” platform recorded 1,216 accounts of subscribed customers, a growth of 49.02%; and achieved a transaction volume of RMB1.43 trillion, up 12.77% year on year. For the year 2018, the Bank completed RMB21.90 trillion Renminbi currency market transactions, up 48% year on year, much higher than the market growth rate of 25%, reflecting the Bank's transaction-making capability and market influence. At the same time, the Bank simultaneously prepared for the establishment of its global trading platform and overseas branches; and closely followed the construction pace of the Shanghai FTZ by preparing the set-up of its Shanghai sub-center for financial markets business. All these are important arrangements in the Bank's continuing efforts to expand the scope of its financial markets business. Going forward, we will further develop financial market business with unique characteristics and further improved professionalism.

In the process of promoting business restructuring, we made active efforts to develop inclusive finance and support the private economy from the perspective of cultivating market dynamics and reserving kinetic energy. Over the past year, we comprehensively strengthened the top-level design of inclusive finance, reinforced the institutional and mechanism reforms of key branches and boosted marketing of affiliates. A particular point was made to address the two layers of issues, i.e., "do the right thing" and "do things the right way". At the end of 2018, as per the CBIRC's "two increase and two control" assessment standards, the Bank's loan balance of inclusive finance stood at RMB136.4 billion, an increase of RMB44.5 billion or 48.45% over the end of the previous year, which effectively helped small and micro enterprises walk out of their financing difficulties. Let me give you an example. Benefiting from the Bank's small and medium-sized supplier loans, a small/micro business owner in garment processing business managed to turn all his receivables into cash long before the end of 2018. He was thus relieved from the chronic plague of collecting receivables from his customers. In his words, "I felt a particular kind of warmth in the freezing winter of 2018." We are very pleased with this. In addition, we issued "fourteen targeted measures" to support the private economy, whereby we comprehensively applied a variety of financial products to better serve well-managed private enterprises, including the creation of China's first medium to long-term risk mitigation tool for private enterprises. As at the end of 2018, the balance of loans to private enterprises accounted for nearly 40% of the Bank total. Going forward, we will ensure that our efforts in developing inclusive finance and supporting the private economy achieve higher quality and better results.

As Chairperson of the Bank's Innovation Management Committee, what I think about most is whether we can grasp future trends and gain competitive edges for tomorrow. We have gone beyond the debate as to whether we should position ourselves as more in financial services or more in technology. Rather, we have made greater efforts to boost financial technology (fin-tech) innovation. Multiple measures are in place to promote the full-range integration of finance and technology in mentality, concept, business model and management pattern. Specifically, we have established the special incentives to reward major technological and other innovations, built the Internet-company-style promotion and incentive mechanisms for tech personnel, and constructed the teamwork model for integration of IT and business. In 2018, the Bank launched the "CITIC Brain", which has attained the preliminary capacity for providing smart services to multiple areas such as retail banking, corporate banking, custody business and compliance. In parallel with this, we made our financial services more mobile and scenario-specific, actively tried exporting technology services, and promoted IT cooperation in an open sharing financial ecosphere with an open mind. The blockchain forfeiting trading system launched by the Bank, the first of its kind in the country, recorded RMB10 billion business volume on the chain. In addition, the Bank issued the first "blockchain + supply chain" innovative pilot project to build a new-style supply chain ecosphere of open cooperation with blockchain technology, ushering in a new model for the development of its supply chain finance. The self-service discounted bill product "Xin Miao Tie", in particular, has registered more than 1,400 accounts of subscribed customers and over RMB11.5 billion transaction value since it went alive online during the year. CITIC aiBank, a joint venture co-sponsored by the Bank and Baidu, actively explored and applied new and high technologies. For the first year after its inception, CITIC aiBank recorded total assets of RMB35.9 billion, more than 12 million users, nearly RMB80 billion online disbursement of inclusive finance loans, and an allowance coverage ratio of over 300%. It is no wonder that the "aiBank model" is setting up a new pattern for innovation and development of Internet banking, and CITIC aiBank has become the first state-controlled bank recognized as a state-level high-tech enterprise. Going forward we will build a comprehensive fin-tech ecosphere and welcome more fin-tech personnel to join us.

Chairperson's Letter to Shareholders

While actively engaged in reform and innovation, we have never forgotten the root and foundation of commercial banks, of which striving for robust growth of core deposits is of particular importance. In the Internet era, user behavior migrates from offline to online, and the ways and means of online customer acquisition are undergoing profound changes. In 2018, corporate deposits and institutional group deposits in general declined by RMB2.6 trillion compared with those in 2017. These are the objective facts. But we know all too well that the growth of core deposits in essence boils down to customer management, and that there is no better way to win customers over than to prove that we genuinely understand our customers and are capable of creating value for our customers. Therefore, we started from the integration of customer services and made full efforts to transform the Bank towards "customer-orientation" and a "process-based bank". To this end, we worked harder to gain a comprehensive accurate understanding of customer needs, and coordinate various factors such as customer, product, risk, pricing and resources in a better manner, which boosted our capacity for the provision of comprehensive customer services. In addition, we started from the three major business segments and defined the direction of liability restructuring in 2019. For instance, in corporate banking, we will strive to achieve breakthroughs in supply chain finance and cash management, strengthen the roles of bill pool, B2B e-commerce and other major products in increasing deposits, and dive deep into the Internet trading scenes and the UnionPay agency-payment market. In retail banking, we will accurately identify the direction of financial technology and upgrade the payment and settlement functionalities, in order to retain and grow deposits. For financial interbank business, we will enhance interaction with fund custody, promote products that enjoy stable scales and cost advantages, enrich the "Interbank +" platform and drive forward the development of settlement funds. We want to make sure that the Bank will never grow its core deposits purely by the gust of chance.

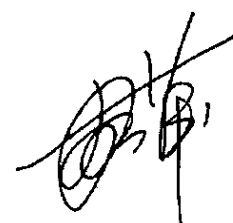
Asset quality management is another eternal foundation of commercial banks. We perform our risk control responsibilities with a serious, calm and resolute attitude. Strategically, we insist on pursuing progress amid stability and shooing problems in the course of reform and development; tactically, we focus on major conflicts and address key issues. In 2018, while continuing to achieve profit growth, the Group accrued RMB58.2 billion allowance, an increase of 4.4% over the previous year; loans overdue for 90 days and more took up 92.41% of the total NPLs, a drop of 16.97 percentage points from the end of the previous year, indicating more solid asset quality. In 2018, the NPL balance and NPL ratio both went up, which had something to do with the larger environment but was also the result of our more stringent recognition of problem loans. The latter, while exerting certain pressure on asset quality data in the short run, is absolutely necessary for the Bank in its efforts to cement its development foundation in the long run. In addition, the Bank enjoys some favorable conditions in its future asset quality management. For instance, in recent years, the Bank deepened business transformation, continuously optimized the allocation of general-category assets, made its corporate loan structure more rational, constantly improved its accountability system, kept raising risk prevention awareness across the Bank, made in-depth application of risk quantification tools, and developed a more robust system for management of problem assets. As always, we are determined to uphold the risk control discipline, enhance our professionalism, and make sure that steady and lasting results can be achieved in our asset quality management.

Chairperson's Letter to Shareholders

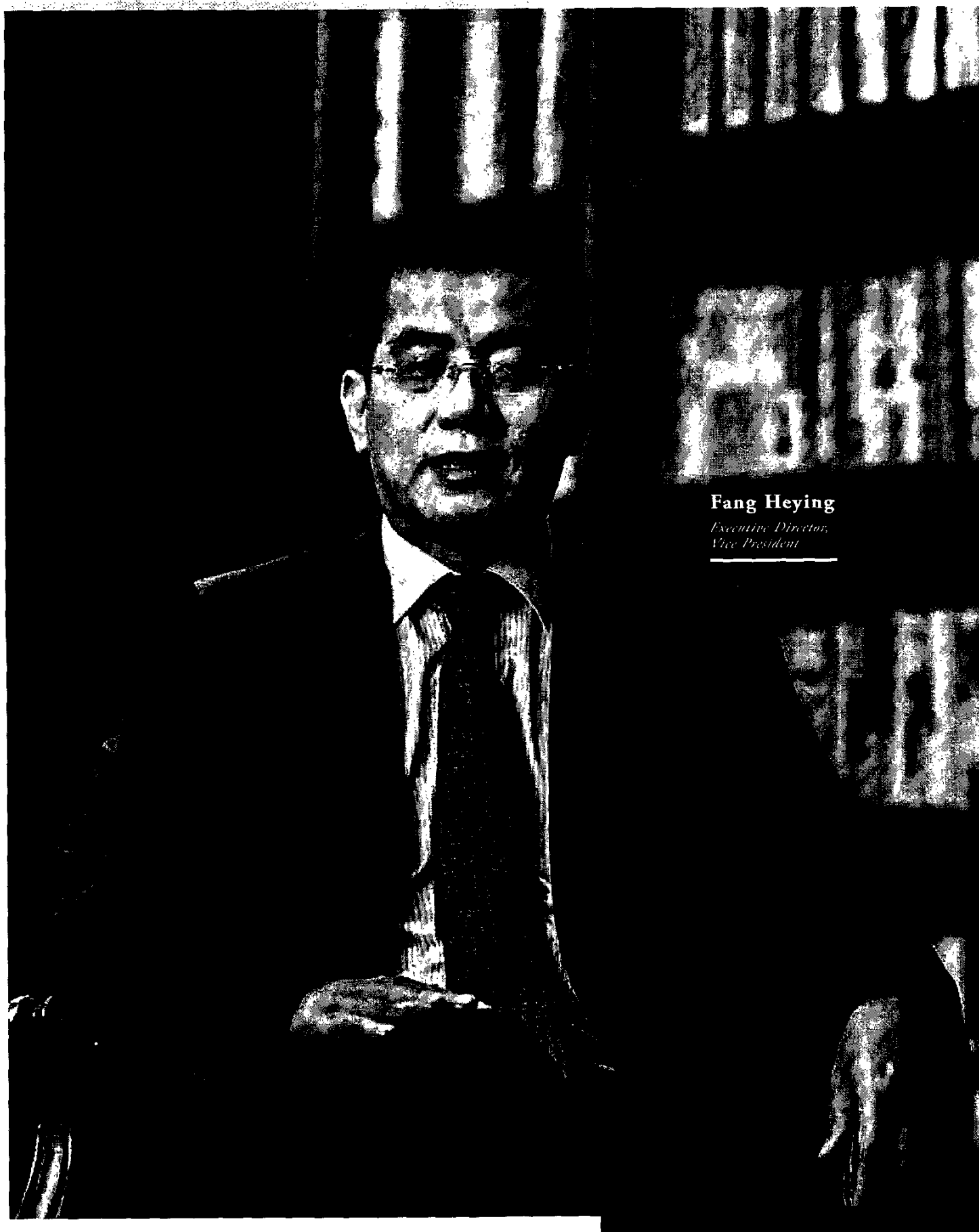
There is no better way to bring hope to the future than to enlighten people and stimulate vitality. In recent years, the Bank actively explored a new model of human resources management, which released the vitality of its units at all levels, coordinated the construction of talent teams in all types, paced up the training of core talents, and nurtured a group of CNCB "big craftsman" and industry champions. We let all our employees understand that success depends not on chance but on devotion to work. The Bank has a wealth management manager who, despite her lack of academic background, now manages nearly RMB1.5 billion assets. The secret of her success in achieving a "grand reversal" and winning the trust of customers lies in her dedication to work and devotion to customers. I am very proud of her. Meanwhile, however, we are profoundly aware that a bank is not the simple sum of its individual employees or various units; instead there is something deeper, broader and more lasting that is essential to the success of a bank. This something is corporate culture, of which the most critical component is the sense of responsibility, not only responsibility to the cause of CITIC Bank but also responsibility to the larger society. Over the recent years, the Bank held on to the social attributes of financial services through active exploration of new models for precision poverty alleviation. Its "CITIC Bank • New Great Wall High School Self-Development Classes" program supported education for poverty alleviation purpose. Its "CITIC Bank • Ai You Young Heart Project" contributed to poverty alleviation through the promotion of medical care for poor children. The Bank also carried out fixed-point poverty alleviation in Xietongmen County of Tibet Autonomous Region, Aksu City and Jiashi County of Xinjiang Uygur Autonomous Region and Dangchang County of Gansu Province, and dispatched managerial personnel to these places to help reduce poverty. At the same time, its outlets offered extensive financial services with a human touch, such as special services particularly designed for the blind, the disabled and the elderly. In 2018, the Bank was named "Annual Enterprise Award" for the People's Enterprise Social Responsibility Awards by the People's Daily. In our opinion, this honor is a call for future action. We will respond the call by continuous fulfillment of our social responsibility.

Dear shareholders, due to age reason, Mr. Sun Deshun no longer serves as president and executive director of the Bank. We at the board would like to extend our sincere gratitude to Mr. Sun Deshun for the great contributions he made to the Bank during his term of office. The board has decided to engage Mr. Fang Heying as president of the Bank in succession to Mr. Sun Deshun. Mr. Fang is an outstanding person long cultivated by the Bank. We expect that our shareholders will, as always, support the board, Mr. Fang Heying and the senior management.

We worked all the way through 2018 without the slightest slacking or shortcutting. In 2019, we will continue our reform for more positive changes.



Li Qingping
Chairperson, Executive Director
26 March 2019



Fang Heying

*Executive Director,
Vice President*

President's Letter to Shareholders

Dear shareholders,

With the engagement by the board in March 2019, I will serve as President of CITIC Bank in succession to Mr. Sun Deshun who is no longer incumbent due to age reason. At this point, I would like to report to our shareholders the operating results of CITIC Bank for the year 2018, on behalf of Mr. Sun Deshun and the entire management team.

The past year was both a year of drastic turbulences in the economic and financial environments at home and abroad and the first year for implementing the 2018-2020 development plan of the Bank. In accordance with the work arrangements of the board, we, the management, pushed forward strategy implementation, deepened business transformation and withstood the test. For the year 2018, the Group realized operating income of RMB165.766 billion, an increase of 5.43% year on year; and net profit attributable to its shareholders of RMB44.513 billion, up 4.57% year on year, while continuing to accrue allowances at a high level. With more stringent criteria for recognition of non-performing loans (NPLs), the Group recorded a year-end NPL ratio of 1.77%, a slight rise of 0.09 percentage point year on year. These figures indicate that the Group sustained the momentum of healthy and steady development in the overall sense.

In the past year, the Bank further cemented its foundation for development. First, a more balanced business structure took shape. A relatively balanced business structure enables a bank greater resilience to volatilities of economic cycles. An important goal of the Bank's new three-year plan is to build a "Troika" development pattern under which its three major business segments, i.e., corporate banking, retail banking and financial markets, will develop in parallel. In the past year, we initiated the transformation of corporate banking business on all fronts. Among others, we formulated the 2018-2020 Implementation Program for the Transformation of Corporate Banking Business based on extensive market survey and analysis. The program further defined the growth positioning, transformation direction and driving initiatives of the Bank's corporate banking business and aimed at maintaining and expanding the Bank's competitive advantages by pushing forward reform and innovation of traditional corporate banking. At the same time, we continued to transform and develop retail banking and financial markets businesses. These efforts were very rewarding. For the reporting period, the Bank's retail deposits and retail assets under management (AUM) grew by RMB153.8 billion and RMB298.5 billion, respectively, both hitting a new high; and the financial markets segment overcame the adverse effects of the external environment to achieve a more than 70% year-on-year growth of operating income and a contribution markedly greater than that of the previous year. For the reporting period, the Group's profit before tax from corporate banking, retail banking and financial markets accounted for 44.6%, 29.0% and 25.3% of the total, respectively, indicating a more reasonable profit structure and greater capacity for sustainable development.

President's Letter to Shareholders

Second, a stronger customer base was in place. Whether a medium-sized bank can stand out in the increasingly fierce peer competition depends on whether it can secure support from customers. In the recent years, we persistently followed the "customer orientation" concept. In our pursuit of the ultimate customer experience, we broke through the shackles of traditional business mindsets and management models, and reshaped our business processes in accordance with the principle of integrating customer management and service. Our efforts are paying off. By the end of the reporting period, the Bank achieved an upgrade of its marketing services among effective corporate customers and basic customer groups, and expanded partnership with premium private enterprises and publicly listed companies at a faster pace. With an annual growth of more than 30,000 accounts, our corporate customer groups were further expanded. As at the end of the reporting period, the Bank recorded 88.318 million accounts of retail banking customers, up 22.6% year on year; the two major APPs, i.e., *Mobile Card Space* and *Mobile Banking*, had more than 11.13 million and 6.87 million accounts of active monthly users, up 77% and 52% year on year, respectively. The "Interbank +" platform registered a nearly 50% year-on-year growth of subscribed customers; the newly built self-service discounted bill product "Xin Miao Tie" recorded more than 1,400 accounts of subscribed customers and achieved over RMB11.5 billion transaction value since it went alive online during the year.

Third, asset quality enjoyed a boost. Underlying the quality of bank assets is the overall structure and risk control of credit assets. In recent years, in line with the trends of domestic socio-economic development, we favored the retail banking segment in our loan investment, making the Bank's loan distribution structure much more optimal. For the reporting period, the Group's retail loans grew by RMB252.9 billion, which was 61% of the total incremental loans; the proportion of the retail loan balance reached 41.14%, 2.62 percentage points higher than the beginning of the year; and the NPL ratio of retail loans (excluding credit card loans) stood at 0.64%, down 0.17 percentage point from the end of the previous year. As such, the Group got a strong support for its stabilization of asset quality across the board. In addition, the Group further tightened the criteria for recognition of non-performing loans, proactively including loans overdue for 90 days and more in non-performing loans. As a result, loans overdue for 90 days and more took up 92.41% of the Group's total non-performing loans, a big drop of 16.97 percentage points year on year. While working hard to control incremental non-performing loans, we continued to invest resources in the digestion of existing non-performing loans. In 2018, the Group wrote off RMB46.94 billion non-performing loans and accrued RMB58.23 billion allowances, making RMB166.31 billion cumulative allowance accruals for the past three years, a leading runner among its peers in this regard. These efforts enabled the Group to continuously cement the foundation for medium and long-term development.

In the past year, the Bank further enhanced its operation and management. First, the light-style development model went further. We followed the mindset of "accelerating turnover and adjusting structures" to turn over balance-sheet assets at a faster speed and push the business structure to transform in the light-style direction. During the reporting period, the Bank made RMB227.5 billion outbound transfer of assets in all types, saving risk assets by about RMB155.0 billion. While making impressive income from such transfer and further optimizing the structure of existing assets, these efforts also effectively released space for credit extension and reduced capital occupation. In the absence of external sources for replenishment of tier-one capital, the Group's core tier-one and tier-one capital adequacy ratios went up by 0.13 and 0.09 percentage point for the whole year, respectively, indicating the Group's market-proven internal capacity of capital generation. At the same time, we increased the weight of the internal rating approach in capital management to 100% and made greater efforts to develop businesses with lower capital occupation. During the reporting period, the Bank outperformed the market to achieve income growth in asset custody business and recorded more than RMB8.4 trillion assets under custody. The family trust business, a partnership with companies including CITIC Trust, was well received by the market, capturing a market share of 15%. We hope that, as the light-style development model goes further, the Bank will gradually get rid of its dependence on external capital and have its business growth and endogenous capital replenishment enter a virtuous circle.

Second, risk management capability continued to grow. Risk management is the "life line" of any bank and the greatest concern of investors over the recent years. For us, risk management is always the top priority of operation and management. Therefore, we made constant innovations to the ways and approaches of management in order to build a risk control system that fully integrates with the transformation of business models. During the reporting period, we enhanced the unified credit management for legal-person customers and thereby strengthened the main-player role of the customer departments in credit business. After a full summary of our experiences in handling risk incidents over the past few years, we introduced the mechanisms of managing access of incremental loan customers by "name list" and classifying existing assets into "four categories" for better management. At the same time, we sorted out the existing customers into the four categories of "support, maintain, reduce and exit", based on which we adopted corresponding pertinent strategies. For instance, we intensified our efforts to exit from business with customers that had failed our risk control standards. During the reporting period, the Bank classified 30,100 accounts of corporate customers into the "four categories" and made exit from 1,590 accounts of loan customers, markedly optimizing its loan customer mix. In addition, we strengthened active management of non-performing assets, carried out timely research to anticipate market trends, and leveraged on the window period of non-performing asset transfer. As a result, our profitability indicators such as the non-performing asset recovery ratio successfully outperformed the market. In 2018, the Bank completed total cash collection and recovery of RMB28.72 billion (including the recovery of RMB2.44 billion assets written off in previous years) and disposed RMB73.31 billion principals of non-performing assets, both hitting record highs and minimizing asset losses.

Third, the processes of reform and innovation kept pacing up. Business transformation of a bank fundamentally depends on how it reforms its management system and innovation mechanism. During the reporting period, we further improved the innovation management committee mechanism, developed medium to long-term innovation plans, and set up special incentives to reward major innovations. Over the year, we launched 18 Class I innovative projects online, pushed forward breakthroughs in 7 important tasks of 4 major categories, and successfully executed a group of unique innovation projects under the "chain finance" model such as "Cloud Chain". A growing atmosphere of promoting innovation for development was taking shape throughout the Bank. At the same time, we accelerated the construction of a smart and platform-based system for integrated development of finance and technology, and actively promoted the application of new technologies such as big data and artificial intelligence in customer management, product innovation and risk control. Riding on the trend of integration of finance and technology, the Bank launched the "CITIC Brain" (AI technology platform), which has attained the preliminary capacity for supporting smart application in multiple areas such as quantified trading, marketing, risk control, service and operation. We hope that through our efforts, CITIC Bank will become a commercial bank with advanced management concepts, innovative tech thinking and champion tech talents in the future.

In the past year, the Bank held a firmer grip on its transformation direction. First, the regional differentiation strategy moved forward with sure steps. The Bank's new three-year development plan put forward the idea of promoting unique regional development in a differentiated manner. Specifically, the Bank managed its branches by category and with differentiated policies in full alignment with regional economic characteristics and its own actual situations. Its resource policies favored regions with lower capital consumption, higher capital use efficiency and greater value creation, so that better positioned regions will achieve faster growth and the Bank will elevate its overall competitiveness. Over the year, the Bank applied various approaches, such as differentiated pricing authorization, greater input of human and credit resources and priority support to business innovation, to pace up the development of its strategic pivotal regional branches in "Beijing, Shanghai, Guangzhou, Shenzhen, Nanjing and Hangzhou". The proportion of general corporate loans in these regions went up to 43.3%, an increase of 2.8 percentage points year on year. In addition, the Bank established regional coordinated development committees for the Beijing-Tianjin-Hebei region, the Yangtze River Delta and the Guangdong-Hong Kong-Macao Greater Bay Area, so that the branches in these core regions could lead synergistic development in the neighboring areas. With these efforts, we strove to build a robust layout characterized by incremental development, going from individual key points to chain-linked lines and from lines to extended areas, and to achieve overall growth with all regions progressing hand in hand. We expect that, in about three years, we will build a regional echelon-based development pattern with reasonable layout, highlighted focuses and distinctive features, whereby our medium-sized banking business will give full play to its competitive edges and make even better contribution to national and regional economic development.

President's Letter to Shareholders

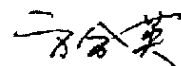
Second, inclusive finance enjoyed a better framework. We regard inclusive finance not only as an important direction of the Bank in its adaptation to situational changes and exploration of market demands, but also as a strategic choice for the Bank in its transformation of development pattern, optimization of business structure and cultivation of future core customers. At present, inclusive finance enjoys unprecedented policy opportunities and an enabling eco-environment. In 2018, the Bank rode on such opportunities to further enhance the top-level design of inclusive finance. Among others, we set up the tier-one Inclusive Finance Department at the Head Office and built a platform that integrated the operation and management of the "review, approval, disbursement and post-lending" procedures. These efforts enabled the Bank constant improvements to its organizational structure and increasingly smooth operation of its systems. In addition, we took full advantage of big data and other technological means to promote model innovation in terms of customer channel, marketing pattern and credit rating. With the precondition of effective risk control, the Bank favored inclusive finance from the policy perspective in terms of performance evaluation and expense coverage. As a result, its inclusive financial services registered faster development in an all-round manner. As at the end of the reporting period, the Bank's inclusive finance loans as per the PBOC's targeted reserve requirement ratio (RRR) cut statistical criteria totaled RMB142.7 billion, a year-on-year increase of RMB40.2 billion, which successfully met the highest-grade RRR cut assessment criteria and gained more room for further growth of the Bank in the future.

Third, credit card business entered the fast lane of development. In recent years, the Bank accelerated the application of fin-tech innovations in its credit card business. Among others, a relatively fledged basic platform was built with the use of big data technology, which, by meeting customer demands for financial services at different stages, gave the Bank an early-bird edge in differentiated business growth. As at the end of 2018, the Bank recorded credit card loan balance of RMB442.05 billion, up more than 150% over the end of 2015; and achieved a 36.1% annual compound growth rate (ACGR) of credit card transaction volume for the past three years. During the reporting period, due to the impact of industry chaos such as cash loans, the NPL ratio of domestic credit card loans went up, arousing some market concerns about credit card risks. In our view, however, compared with international experiences, the prevailing forward-looking indicators of Chinese residents, such as their overall leverage level, the proportion of their outstanding credit card loan balance and the number of credit cards per capita are still within relatively safe ranges; therefore, the prospect of credit card business remains promising. In terms of its own reality, after years of continuous system building and resource input, the Bank has developed a relatively mature total-process business system and risk control system for its credit card business. In the face of the complex changes in the market, we will continue with our vigorous investment in credit card business and are confident that we will be able to keep business risk at a reasonable level through ongoing enhancement of refined management.

In addition, CITIC aiBank, a joint venture co-sponsored by the Bank and Baidu and the first independent legal entity practicing direct banking in China, targets relatively weak areas of traditional banking services. It focuses on smart batch acquisition of customers through online and offline scenarios, and concentrates on small-amount and high-frequency businesses such as payment, financing and wealth management. Since opening for business in November 2017, CITIC aiBank has recorded more than 12 million users, over RMB35 billion total assets, nearly RMB80 billion online disbursement of inclusive finance loans to more than 4 million personal users and 580,000 small and micro business owners. From these figures, we witness the good development potential of CITIC aiBank and its growing synergy with the Bank in terms of differentiated operations and mutual complementation. During the reporting period, the Bank and Baidu jointly made RMB2 billion capital increase for CITIC aiBank to supplement its share capital and support its rapid growth, indicating the full confidence of both shareholders in its growth prospect. We hope that CITIC aiBank will embark on a path of innovation and development different from that taken by a traditional bank, and that its fin-tech explorations can bring more inspiration and support to the Bank for future growth.

President's Letter to Shareholders

The track record of the past year has been splendid, and even greater progress is to be expected for the coming year. 2019 marks the 70th anniversary of PRC and the 40th anniversary of CITIC Group. Thriving through 32 years' growth and expansion, the Bank has become a medium to large commercial bank well-known at home and abroad, with more than RMB6 trillion total assets and nearly 60,000 employees. It is now steadily forging forward towards even higher goals with sure steps. As an "old CITIC person" who has served CITIC Bank for more than 20 years, I am profoundly aware of my heavy responsibilities as president of the Bank. Looking forward, under the leadership of the board, I together with all members of management will join hands with the rank and file of the Bank, follow the directions of national strategies, remain true to our original aspiration, and accelerate development of the Bank. Our cause is like a relay race in which the baton is passed down from generation to generation. Let us strive even harder to build CITIC Bank into an "enterprise offering the best comprehensive financial services"!



Fang Heying

Executive Director, Vice President¹

26 March 2019

¹ The Board of Directors meeting on 26 February 2019 reviewed and adopted related proposals on engaging Mr. Fang Heying to be President of the Bank, giving the consent that Mr. Fang Heying would serve as President of the Bank as of the date when CBIRC approves his qualification for office, prior to which Mr. Fang Heying would perform the duties of the President of the Bank.

Chapter 1 Corporate Introduction

1.1 Corporate Information

Registered Name in Chinese	中信银行股份有限公司(abbreviated as「中信銀行」)
Registered Name in English	CHINA CITIC BANK CORPORATION LIMITED (abbreviated as "CNCB")
Legal Representative	Li Qingping
Secretary to the Board of Directors	Lu Wei
Joint Company Secretaries	Lu Wei, Kam Mei Ha Wendy (FCS, FCIS)
Securities Representative of the Company	Wang Junwei
Registered Address	No. 9 Chaoyangmen Beidajie, Dongcheng District, Beijing
Postal code of the registered address	100010
Office Address	No. 9 Chaoyangmen Beidajie, Dongcheng District, Beijing
Office Postal Code	100010
Official Website	www.citicbank.com
Telephone/Fax	+86-10-85230010/+86-10-85230079
Email Address	ir@citicbank.com
Principal Place of Business in Hong Kong	Level 54 Hopewell Center, 183 Queen's Road East, Hong Kong
Newspapers for Information Disclosure	China Securities Journal, Shanghai Securities News, Securities Times Website designated by the CSRC to publish A-share annual reports: www.sse.com.cn Website designated by the SEHK to publish H-share annual reports: www.hkexnews.hk
Websites for Information Disclosure	Office of the Board of Directors of CITIC Bank, No. 9 Chaoyangmen Beidajie, Dongcheng District, Beijing
Place Where Annual Reports are Kept	East & Concord Partners
Legal adviser as to PRC Laws	Clifford Chance LLP
Legal adviser as to Hong Kong Laws	PricewaterhouseCoopers Zhong Tian LLP (Special General Partnership) 11/F, PricewaterhouseCoopers Center, No.2 Corporate Avenue, No. 202 Hubin Road, Huangpu District, Shanghai (Postal code: 200021)
Domestic Auditor	Zhu Yu and Li Yan
Domestic signing CPAs	PricewaterhouseCoopers
Overseas Auditor	22/F, Prince's Building, Central, Hong Kong
Overseas signing CPA	Chen Guangde
Sponsor 1 for continuous supervision and guidance	CITIC Securities Co., Ltd.
Office Address	23/F, CITIC Securities Mansion, No. 48 Liangmaqiaolu, Chaoyang District, Beijing
Signing sponsor representatives	Ma Xiaolong and Cheng Yue
Duration of continuous supervision and guidance	From 19 March 2019 to 31 December 2020 (Where the convertible bonds are not fully converted to shares upon expiry of the duration of continuous supervision and guidance, the duration shall be extended to the time of full conversion of the convertible bonds)
Sponsor 2 for continuous supervision and guidance	China International Capital Corporation Limited (CICC)
Office Address	27-28/F, China World Office 2, No. 1 Jianguomen Waidajie, Beijing
Signing sponsor representatives	Gao Shengliang and Shi Fang
Duration of continuous supervision and guidance	From 19 March 2019 to 31 December 2020 (Where the convertible bonds are not fully converted to shares upon expiry of the duration of continuous supervision and guidance, the duration shall be extended to the time of full conversion of the convertible bonds)

A-share Registrar	China Securities Depository and Clearing Corporation Limited Shanghai Branch 3/F, China Insurance Building, No. 166 East Lujiazui Road, Pudong New Area, Shanghai	
H share Registrar	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong	
Listing Venue, Stock Name and Stock Code	A-share: Ordinary shares	Shanghai Stock Exchange
	CNCB	601998
	Preference shares	Shanghai Stock Exchange
	CITIC Excellent 1	360025
	H-share: Ordinary shares	Hong Kong Stock Exchange
	CITIC Bank	0998

1.2 Contact Persons and Contact Details

	Secretary to the Board of Directors	Securities Representative of the Company
Name	Lu Wei	Wang Junwei
Address	No. 9 Chaoyangmen Beidajie, Dongcheng District, Beijing	No. 9 Chaoyangmen Beidajie, Dongcheng District, Beijing
Telephone	+86-10-85230010	+86-10-85230010
Fax	+86-10-85230079	+86-10-85230079
Email Address	ir@citicbank.com	ir@citicbank.com

1.3 Business Overview of the Company

1.3.1 Main Business of the Company

The Bank aspires to become the enterprise offering the best comprehensive financial services. To attain this development vision, the Bank fully leverages on the unique competitive advantages of CITIC Group in placing financial and non-financial businesses on an equal footing, and at the same time holds firm to its “customer orientation” and adheres to the business concept of “safe CITIC Bank, compliant operation, science and technology for growth, serving the real economy, market orientation and value creation”. For corporate customers and institutional customers, the Bank offers integrated financial solutions in corporate banking business, international business, financial markets business, institutional banking business, investment banking business, factoring business and custody business. For individual customers, the Bank provides diversified financial products and services in retail banking, credit card, consumer finance, wealth management, private banking, going abroad finance and e-banking. As such, the Bank satisfies the needs of corporate, institutional and individual customers for comprehensive financial services on all fronts. For details please refer to Chapter 4 “Management Discussion and Analysis” of this report.

1.3.2 Note on Material Changes in the Company's Main Assets

The Group's main assets include loans and advances to customers, deposits and placements with, and loans to banks and non-bank institutions, financial assets held under resale agreements, financial investments, cash and deposits and placements with central banks. As at the end of the reporting period, these aforementioned assets took up 97.5% of the Group's total assets, an increase of 1.1 percentage point over the end of the previous year. Please refer to Chapter 4 “Management Discussion and Analysis — Analysis of the Financial Statements” of this report for information on changes in the Group's main assets.

1.3.3 Core Competitiveness Analysis

The Bank insisted upon coordinated development of profit, quality and scale, and continuously enhanced its core competitiveness, in a bid to become “the enterprise offering the best comprehensive financial services” with distinctive business characteristics, outstanding profitability, robust asset quality and leading status in key regions.

Corporate governance and business operation were scientific, efficient and effective. Since its inception, the Bank always adhered to market-oriented operation and constantly improved its corporate governance and business operation systems and mechanisms. The result was the formation of an organizational structure characterized by efficient management and professional division of duties. In accordance with relevant laws, regulations and regulatory requirements and the general requirements on incorporating Party building into the company’s Articles of Association, and in alignment with its own real situations, the Bank added the relevant provisions on Party building in state-owned enterprises into its Articles of Association. With reference to the theory and practice of modern bank development, the Bank set up a corporate governance framework comprising the Board of Directors, the Board of Supervisors, the general meeting of shareholders, and the senior management. According to the principle of separating the front, middle and back offices, the Bank established a matrix management model with the Head Office departments as the lines and the branches and sub-branches as the arrays. The Bank actively adapted itself to the external situations and regulatory requirements by building a refined management platform with development plans as the orientation, asset management as the core and value return as the goal. By means of capital planning, allocation, monitoring and benchmarking, the Bank optimized its business structure and reasonably allocated its resources to increase return on capital.

Business grew in an all-round balanced manner. Embracing its traditional advantages and DNAs, the Bank developed a business structure with corporate banking as the main body and retail banking and financial markets businesses as the two wings, and gradually shifted towards the “Troika” direction. Supported by the transformation of corporate banking and based on its traditional business advantages, the Bank built a system for precise customer marketing and a system of distinctive products and services, which further consolidated its market position. Leveraging the transformation of retail banking as a breakthrough, the Bank provided comprehensive services in “big” retail banking and developed good customer experience in line with the full range of retail customer needs to create value for customers. The Bank regarded the financial markets as a new growth point and therefore built the product system that covered the money market, the capital market and the international financial markets. In addition, it created innovative service models to continuously build capacity for management of diversified assets and liabilities. During the reporting period, the Group’s net profit from corporate banking, retail banking and financial markets took up 44.6%, 29.0% and 25.3% of the total, respectively, indicating a more balanced operating profit structures and greater capacity for sustainable development.

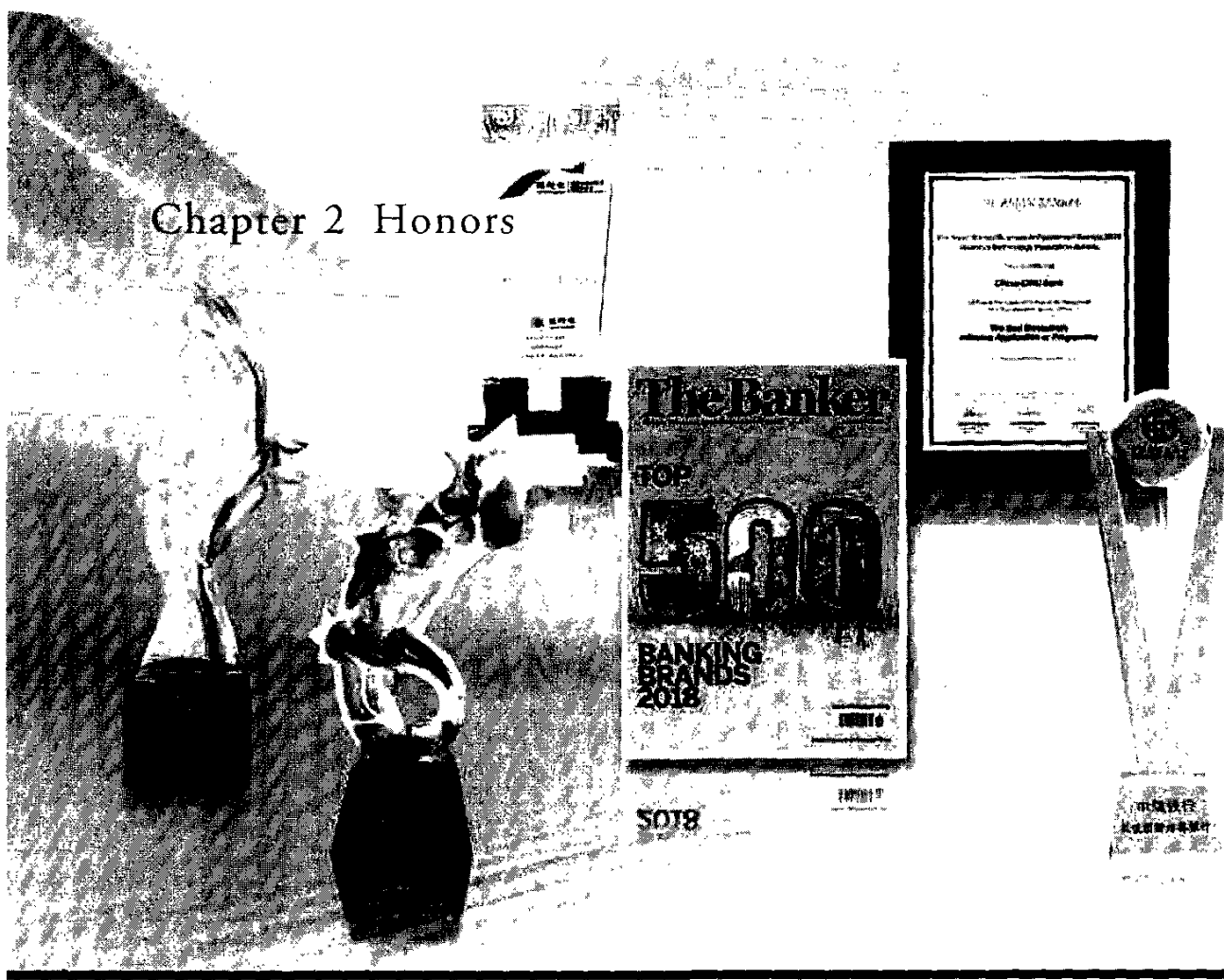
Financial technology facilitated innovation. The Bank paid great attention to the innovation and application of financial technology. Guided by the notion of “science and technology for innovation and growth”, the Bank made enthusiastic exploration and constant innovation in internet finance, digitization and smart transformation. With active R&D of financial products based on new technologies such as big data and artificial intelligence, the Bank improved the availability and accessibility of its financial services and enhanced the precision of its customer service. In addition, the Bank connected itself with internet platforms of non-financial enterprises, made continuing innovation of products, optimized systems and renovated processes, which in turn provided the enterprises and their upstream and downstream customers with better experience of traditional banking services and supported the real economy with better services. CITIC aiBank, a joint venture co-sponsored by the Bank and Baidu, fully integrated the financial and technological DNAs of the two shareholders to build a smart inclusive financial service platform with the twin drivers of technology and data.

Comprehensive synergy exhibited remarkable advantages. Synergy, as both the development strategy and unique feature of CITIC Group, is a distinctive competitive edge of the Bank, and key to the Bank’s aspiration of becoming the enterprise offering the best comprehensive financial services. In accordance with the overall requirements of the 2018-2020 development plan, the Bank integrated internal and external resources, and built new dynamics for customer acquisition, stabilization and growth of deposits, risk prevention and value creation from the six dimensions of group, region, cross-border, parent-subsidiary, segment and organization. As at the end of the reporting period, the Bank and the subsidiaries of CITIC Group jointly provided RMB625.843 billion finance for its corporate customers; made combined investment of RMB12.725 billion in cooperation with CITIC Financial Leasing and CITIC aiBank; and recorded RMB221.279 billion cross-border finance in partnership with CNCBI and CNCB Investment.

Risk prevention and control was scientific and effective. The Bank made constant efforts to promote the reform of its risk management system and cultivated a risk control and compliance culture on all fronts. Among others, the Bank continuously improved the total risk management system by developing regulations, constructing systems and building processes. Risk management responsibilities of the “Three Defense Lines” were implemented; risk prevention and control awareness of the business units was reinforced; and the professional risk management level of all employees upgraded. At the same time, the Bank implemented the differentiated development strategy and continued to optimize its credit business structure. The allocation of general assets became increasingly rational and the resilience against the risks of economic cycles got a boost. In order to manage and control risks in a more proactive manner, the Bank enhanced active management of problem assets, toughened its non-performing loan recognition criteria, and comprehensively consolidated the quality of its credit assets. In addition, the Bank boosted IT-based smart risk management, including but not limited to active exploration into the application of artificial intelligence and big data analysis technology in risk management, and continuous elevation of the application of risk quantification techniques. With all these efforts, the Bank was able to steadily upgrade the management level of various risks. During the reporting period, the Group further tightened the criteria for recognition of non-performing loans, taking the initiative to classify loans overdue for 90 days and longer as non-performing loans. As at the end of the period, the ratio of loans overdue for 90 days and longer to non-performing loans stood at 92.41%, a decrease of 16.97 percentage points year on year.

Brand influence continued to escalate. After more than three decades’ development, the Bank has set up a network of affiliates covering major large and medium-sized cities in mainland China, and established operations in London, Sydney, Hong Kong SAR, Macau SAR, New York, Los Angeles, Singapore, etc. With the provision of a full range of financial products and high-quality customer service, the Bank enjoyed a high reputation and extensive influence at both domestic and overseas markets. The Bank guides its brand strategy with the motto of “Building trust for long-term growth, incorporating smart services for boundless financing”. In 2018, The Banker magazine of the United Kingdom rated the Bank the 24th on its list of the “Top 500 Global Bank Brands”, and the 27th on its list of the “Top 1,000 World Banks” in terms of tier-one capital. In May 2018, the Forbes magazine ranked the Bank the 85th on its list of the “Top 2,000 Global Enterprises”.

Chapter 2 Honors



Rankings and brand value awards

In February 2018, The Bank ranked the 24th on the list of the "Top 500 Global Bank Brands" published by The Banker magazine of the United Kingdom.

In May 2018, the Bank ranked the 85th on the list of the "Top 2,000 Global Enterprises" published by the Forbes.

In July 2018, the Bank ranked the 27th in terms of tier-one capital on the list of the "Top 1,000 World Banks" published by The Banker magazine of the United Kingdom.

In November 2018, in the "2018 China Employer Branding Awards" sponsored by ChinaHR.com, the Bank made to the list of the "Top 50 Best Chinese Employers for University Graduates" and the list of the "Top 15 Best Chinese Employers in the Financial Industry for University Graduates".

In December 2018, in the competition for the "2018 Gold-Medal List of Chinese Financial Institutions" sponsored by the Financial News, the Bank was named "Best Brand Building Bank of the Year".

Awards for comprehensive financial services

Corporate banking business

In June 2018, the Bank won the honor of "Best International Settlement Bank" from the China Banking Association.

In November 2018, the Bank received the "Best Performance Award for Syndicated Loans" from the China Banking Association; and was named "2018 Enterprise of the Year for Excellence in Innovation of Auto Finance Service for Auto Dealers in China" by the China Automobile Dealers Association.

In December 2018, the Bank was named 2018 "Bank of the Year for Best Supply Chain Financial Services" by the Caijing magazine; and 2018 "Bank of the Year for Inclusive Financial Services" and "Bank of the Year for Excellence in Big-Customer Financial Services" by the 21st Century Finance and Economics.

Retail banking business

In March 2018, the Bank's Private Banking was named "Overall Best National Private Bank" by Asiamoney.

In November 2018, the Bank was named "China's Most Progressive Private Bank" by The Asian Banker, and "Private Bank of the Year" by the Economic Observer.

Interbank business

In January 2018, the Bank was named "Core Institutional Investor", "Excellent Issuer of Interbank Certificates of Deposit" and "Excellent Money Market Institutional Investor" at the interbank local currency market by the National Interbank Funding Center; was named "Excellent Comprehensive Institutional Market Maker" by National Association of Financial Market Institutional Investors (NAFMII); and "Core Institutional Investor" and "Excellent Derivatives Market Institutional Investor" by the China Foreign Exchange Trade System.

In March 2018, the Bank received multiple honors from the China Foreign Exchange Trade System, including the 2017 "Best Market Making Award", "Best Trading Award", "Best Spot Trading Award", "Best Forward Swap Trading Award", "Award for the Most Popular Institutional Market Maker in Forward Swap Trading", "Award for the Institutional Market Maker with the Best Technology", "Award for the Institutional Market Maker with the Best Back-office Support", "Best Options Member Award" and "Award for Options with the Best Market Making Potentials".



The Banker
TOP 1000
WORLD BANKS 2018
 thebankerdatabase.com

China Citic Bank
 World Ranking: 27
 Country Ranking: 10



In April 2018, the Bank was named “Excellent Comprehensive Institutional Market Maker” at the interbank bond market by the National Association of Financial Market Institutional Investors (NAFMII); and received the honors of “2017 Outstanding Financial-Category Member” and “Excellent Market Maker at the Interbank Price Inquiry Market” of the Shanghai Gold Exchange.

Financial technology awards

In January 2018, the Bank’s “Block chain-based Domestic Letter of Credit Information Transmission System” won the “Innovation Award on the 2017 China Financial Technology Innovation List” from the Organizing Committee of the China Financial Technology Innovation Conference.

In May 2018, the Bank won numerous awards from The Asian Banker, including the “Compliance Risk Technology Implementation of the Year”, the “Annual Financial Markets Achievement Award”, the “The Best Blockchain Initiative, Application or Program Award”, the “Best Customer Relations Management Project in China”, and the “Award for Best Custody System Implementation in China”.

In September 2018, the Bank received the “Trade Finance Innovation Award” in the competition for the “2017-2018 Financial Technology Jiefu Award” sponsored by Caishiv.com.

In October 2018, in the competition for the “2018 China Financial Technology Innovation List” sponsored by the China Financial Certification Center (CFCA), the Bank’s mobile banking was named “Excellent Solution for Financial Technology Innovation and Application”.

In November 2018, the Bank won the 2018 “Internet Finance Innovation Award” and the “Best Corporate Internet Banking Award” from the China Financial Certification Center (CFCA).

Social responsibility awards

In March 2018, the Bank won the “2017 Award for Outstanding Contribution” from the China Foundation for Poverty Alleviation (CFPA).

In June 2018, the Bank won the “Best Green Finance Award” and the “Best Social Responsibility Manager Award” from the China Banking Association.

In December 2018, the Bank won the “Annual Enterprise Award” in the 13th Competition for the People’s Enterprise Social Responsibility Awards sponsored by People.cn.

Comprehensive awards

In April 2018, the Bank received the “Award for Best Contribution to Fee-Based Income” and the “Special Contribution Award from the Special Committee on Fee-Based Income” from the China Banking Association.

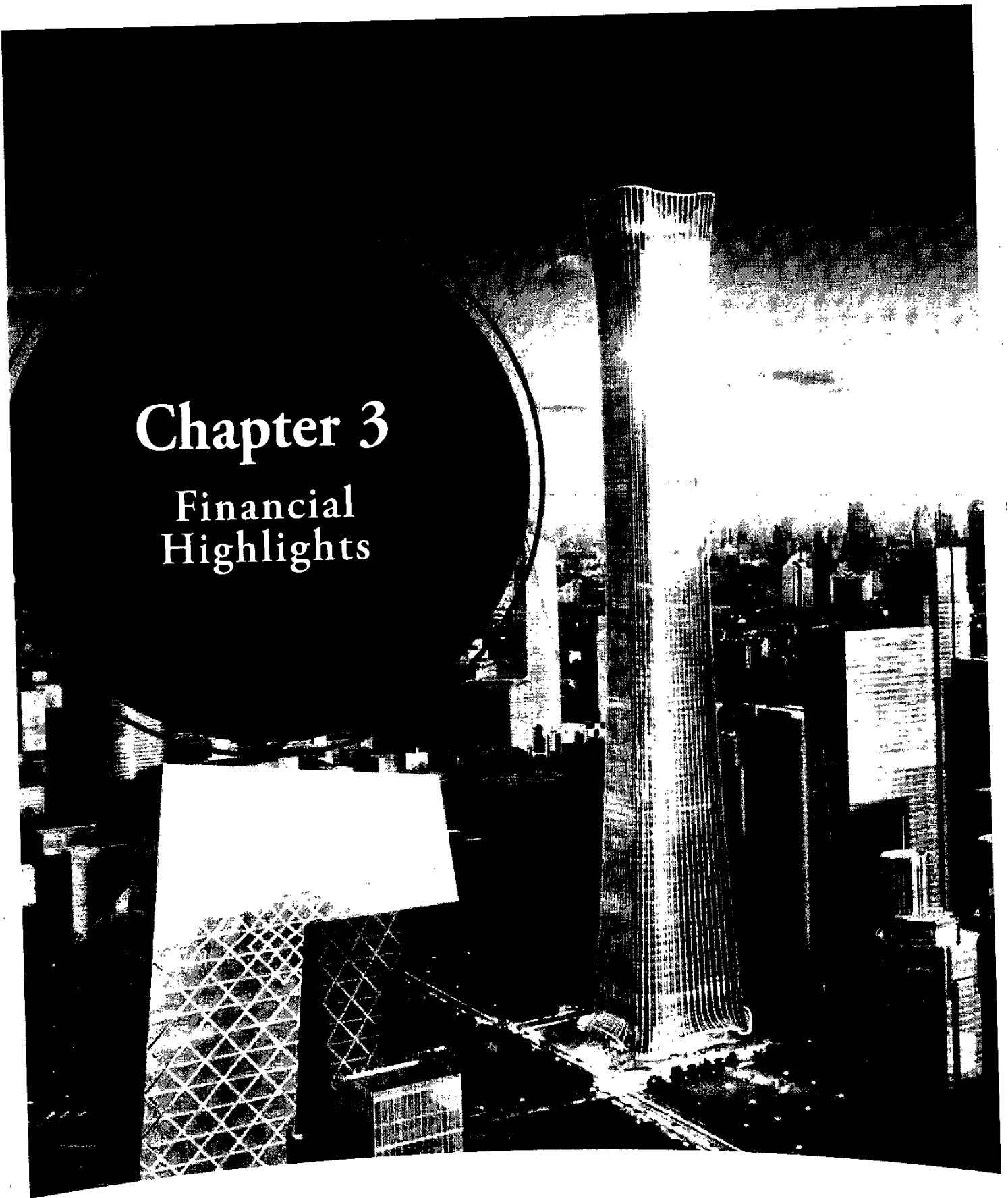
In August 2018, the Bank was rated “Type A in Annual Information Disclosure for 2017-2018” by the Shanghai Stock Exchange.

In November 2018, the Bank was named 2018 “China Loan House” by IFR Asia.

In December 2018, the Bank’s issue of US dollar offshore bonds was named “Best Bank Bond” by The Asser. Also in the same month the Bank won the “Excellent Financial Bond Issuer Award” and the “Excellent ABS Initiator Award” from China Central Depository & Clearing Co., Ltd. (CCDC) and received the “Award for Listed Companies with Best Investor Relations Management” from Sina Finance.

Chapter 3

Financial Highlights



Chapter 3 Financial Highlights

3.1 Operating Performance

Unit: RMB million

Item	2018	2017	Growth rate (%)	2016
Operating income	165,766	157,231	5.43	154,159
Profit before tax	54,326	52,276	3.92	54,608
Net profit attributable to the equity holders of the Bank	44,513	42,566	4.57	41,629
Net cash flow from/(used in) operating activities	102,316	54,074	89.21	218,811
Per share				
Basic earnings per share (RMB)	0.88	0.84	4.76	0.85
Diluted earnings per share (RMB)	0.88	0.84	4.76	0.85
Net cash flow from/(used in) operating activities per share (RMB)	2.09	1.11	88.29	4.47

Unit: RMB million

Item	For the year 2018			
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Operating income	39,792	41,588	40,474	43,912
Net profit attributable to the equity holders of the Bank	12,166	13,555	11,078	7,714
Net cash flow from/(used in) operating activities	(56,207)	68,607	164,832	(74,916)

3.2 Profitability Indicators

Item	2018	2017	Increase/ (decrease) in percentage point	2016
Return on average assets (ROAA) ⁽¹⁾	0.77%	0.74%	0.03	0.76%
Return on average equity (ROAE) ⁽²⁾	11.36%	11.63%	(0.27)	12.58%
Cost-to-income ratio (excluding tax and surcharges) ⁽³⁾	30.71%	30.05%	0.66	27.75%
Credit cost ⁽⁴⁾	1.40%	1.64%	(0.24)	1.67%
Net interest spread ⁽⁵⁾	1.85%	1.64%	0.21	1.89%
Net interest margin ⁽⁶⁾	1.94%	1.79%	0.15	2.00%

Notes: (1) Calculated as net profit divided by the average of the balances of total assets at the beginning and end of the period.

(2) Calculated as net profit attributable to the ordinary shareholders of the Bank divided by the average of total beginning and ending equity attributable to the ordinary shareholders of the Bank.

(3) Calculated as operating expenses less tax and administrative expenses divided by operating income.

(4) Calculated as current-year accruals of allowance for impairment losses on loans and advances to customers divided by average balance of loans and advances to customers.

(5) Calculated as average yield on interest-earning assets minus average cost rate of interest-bearing liabilities.

(6) Calculated as net interest income divided by average balance of interest-earning assets.

3.3 Scale Indicators

Item	Unit: RMB million			
	31 December 2018	31 December 2017	Growth rate (%)	31 December 2016
Total assets	6,066,714	5,677,691	6.85	5,931,050
Total loans and advances to customers ⁽¹⁾	3,608,412	3,196,887	12.87	2,877,927
— Corporate loans	1,881,125	1,857,847	1.25	1,846,274
— Discounted bills	242,797	107,456	125.95	75,047
— Personal loans	1,484,490	1,231,584	20.54	956,606
Total liabilities	5,613,628	5,265,258	6.62	5,546,554
Total deposits from customers ⁽¹⁾	3,616,423	3,407,636	6.13	3,639,290
— Corporate demand deposits ⁽²⁾	1,521,684	1,651,180	(7.84)	1,691,065
— Corporate time deposits	1,382,230	1,223,018	13.02	1,390,212
— Personal demand deposits	262,960	234,961	11.92	232,960
— Personal time deposits	449,549	298,477	50.61	325,053
Deposits from banks and non-bank financial institutions ⁽¹⁾	778,113	798,007	(2.49)	981,446
Placements from banks and non-bank financial institutions ⁽¹⁾	115,117	77,595	48.36	83,723
Total equity attributable to the equity holders of the Bank	436,661	399,638	9.26	379,224
Net asset per share attributable to the equity holders of the Bank (RMB)	8.92	8.17	9.18	7.75
Net asset per share attributable to the ordinary shareholders of the Bank (RMB)	8.21	7.45	10.20	7.04

Note: (1) For the convenience of analysis, the scale indicators of assets and liabilities did not include relevant data on interest receivables or interest payables.

(2) Corporate demand deposits included demand deposits from corporate customers and outward remittance and remittance payables of corporate customers.

3.4 Asset Quality Indicator

Item	31 December 2018		31 December 2017		Increase (decrease) in percentage points of Actual Value	31 December 2016	
	Regulatory value ⁽¹⁾	Actual Value	Regulatory value	Actual Value		Regulatory value	Actual Value
NPL ratio ⁽¹⁾	—	1.77%	—	1.68%	0.09	—	1.69%
Allowance coverage ratio ⁽²⁾	≥140%	157.98%	≥150%	169.44%	(11.46)	≥150%	155.50%
The ratio of allowance for impairment of loans to total loans ⁽³⁾	≥2.1%	2.80%	≥2.5%	2.84%	(0.04)	≥2.5%	2.62%

Note: (1) Calculated as balance of NPLs divided by total loans and advances to customers.

(2) Calculated as balance of allowance for impairment of loans and advances to customers divided by balance of NPLs.

(3) Calculated as balance of allowance for impairment of loans and advances to customers divided by total loans and advances to customers.

(4) According to the former CBRC's Notice on the Regulatory Requirements on Adjusting Allowances for Loan Impairment Losses of Commercial Banks (CBRC Issue [2018] No.71), the regulatory policy of differentiated dynamic adjustment of allowances was practiced for joint-stock banks.

3.5 Other Main Regulatory Indicators

Item ⁽¹⁾	Regulatory value	31 December 2018	31 December 2017	Increase/ (decrease) in percentage points	31 December 2016
Capital adequacy profile					
Core tier-one capital adequacy ratio	≥7.50%	8.62%	8.49%	0.13	8.64%
Tier-one capital adequacy ratio	≥8.50%	9.23%	9.34%	0.09	9.65%
Capital adequacy ratio	≥10.50%	12.47%	11.65%	0.82	11.98%
Leverage profile					
Leverage ratio	≥4%	6.37%	6.18%	0.19	5.47%
Liquidity risk profile					
Liquidity coverage ratio ⁽²⁾	≥100%	114.33%	97.98%	16.35	91.12%
Liquidity ratio					
Including: Renminbi	≥25%	50.80%	45.29%	5.51	40.98%
Foreign currencies	≥25%	59.85%	84.11%	(24.26)	63.37%

Notes: (1) The figures in the table were calculated in accordance with the regulatory standards of the Chinese banking industry. Except for the liquidity coverage ratio which was data of the Bank, all other indicators were data of the Group.

(2) As per the requirements of the Measures on Liquidity Risk Management of Commercial Banks (CBIRC Decree [2018] No. 3), the liquidity coverage ratio of commercial banks should reach 100% by the end of 2018 and shall not fall below 90% during the transition period.

3.6 Differences between IFRS and PRC Accounting Standards

There is no difference between the 2018 year-end net assets and the net profit of the Group for the reporting period calculated according to the PRC Accounting Standards and those calculated as per the International Financial Reporting Standards (IFRS).

3.7 Five-Year Financial Summary

Item	Unit: RMB million				
	2018	2017	2016	2015	2014
Operating performance					
Operating income	165,766	157,231	154,159	145,545	124,839
Profit before tax	54,326	52,276	54,608	54,986	54,574
Net profit attributable to the equity holders of the Bank	44,513	42,566	41,629	41,158	40,692
Net cash flow from/(used in) operating activities	102,316	54,074	218,811	(20,835)	34,150
Per share					
Basic earnings per share (RMB)	0.88	0.84	0.85	0.88	0.87
Diluted earnings per share (RMB)	0.88	0.84	0.85	0.88	0.87
Net cash flow from (used in) operating activities per share (RMB)	2.09	1.11	4.47	(0.43)	0.73
Scale indicators					
Total assets	6,066,714	5,677,691	5,931,050	5,122,292	4,138,815
Total loans and advances to customers	3,608,412	3,196,887	2,877,927	2,528,780	2,187,908
Total liabilities	5,613,628	5,265,258	5,546,554	4,802,606	3,871,469
Total deposits from customers	3,616,423	3,407,636	3,639,290	3,182,775	2,849,574
Total equity attributable to the equity holders of the Bank	436,661	399,638	379,224	317,740	259,677
Net asset per share attributable to the equity holders of the Bank (RMB)	8.92	8.17	7.75	6.49	5.55
Net asset per share attributable to the ordinary shareholders of the Bank (RMB)	8.21	7.45	7.04	6.49	5.55
Profitability indicators					
Return on average assets (ROAA)	0.77%	0.74%	0.76%	0.90%	1.07%
Return on average equity (ROAE)	11.36%	11.63%	12.58%	14.26%	16.77%
Cost-to-income ratio (excluding tax and surcharges)	30.71%	30.05%	27.75%	27.87%	30.41%
Credit cost	1.40%	1.64%	1.67%	1.51%	1.06%
Net interest spread	1.85%	1.64%	1.89%	2.13%	2.19%
Net interest margin	1.94%	1.79%	2.00%	2.31%	2.40%
Asset quality indicators					
NPL ratio	1.77%	1.68%	1.69%	1.43%	1.30%
Allowance coverage ratio	157.98%	169.44%	155.50%	167.81%	181.26%
The ratio of allowance for impairment of loans to total loans	2.80%	2.84%	2.62%	2.39%	2.36%
Capital adequacy ratio					
Core tier-one capital adequacy ratio	8.62%	8.49%	8.64%	9.12%	8.93%
Tier-one capital adequacy ratio	9.43%	9.34%	9.65%	9.17%	8.99%
Capital adequacy ratio	12.47%	11.65%	11.98%	11.87%	12.33%

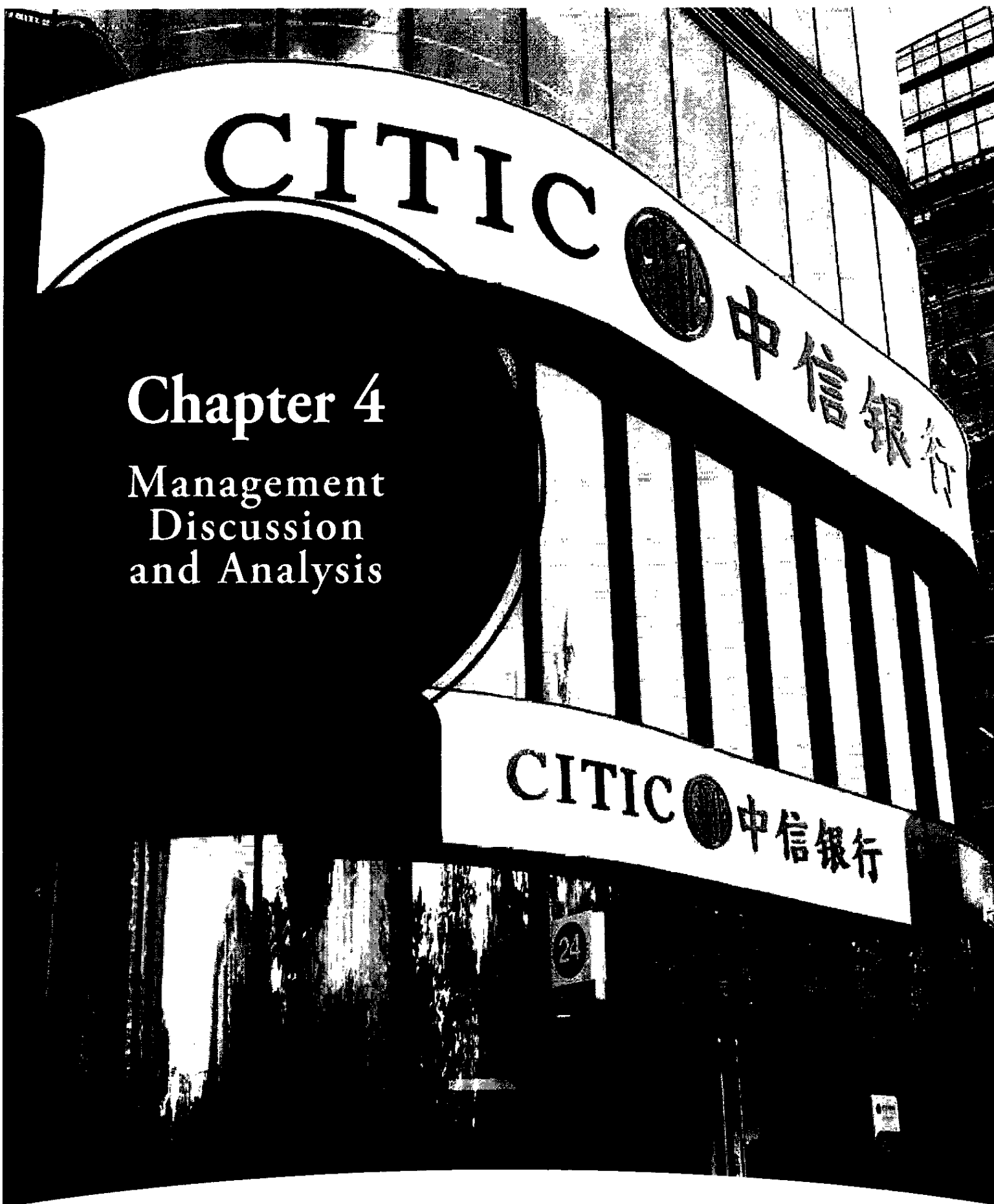
3.8 Explanations about Changes in Presentation of Financial Statements and the Analysis Standards

In 2018, the Ministry of Finance promulgated the Notice on Amending and Issuing the Formats of Financial Statements for Financial Enterprises (Cai Kuai [2018] No. 36), according to which the Group prepared its 2018 annual financial statements, without reinstating the information of the comparison period.

As per the requirements of the notice, interest on financial instruments accrued according to the effective interest rate method should be included in the book balance of the corresponding financial instrument and reflected in relevant items of the balance sheet, instead of being separately posted under "interest receivables" or "interest payables". For the convenience of analysis, the scale indicators of assets and liabilities involved in Chapter 3 "Financial Highlights" and Chapter 4 "Management Discussion and Analysis" excluded relevant data on interest receivables and interest payables.

Chapter 4

Management Discussion and Analysis



Chapter 4 Management Discussion and Analysis

4.1 Overview of the External Macro Environment and the Bank's Operating Results

4.1.1 Economic, Financial and Regulatory Environments

In 2018, the global economy maintained the momentum of recovery albeit with marked divides. Due to the impact of trade frictions, the Fed's tightening of monetary policy and the geopolitical conflicts, the global economy was exposed to growing downward risk. The Chinese economy recorded stable overall performance, continuing to grow within a reasonable range and enjoying better quality of development. Over the course of 2018, in year-on-year term, China's gross domestic product (GDP) grew by 6.6%; consumer price index (CPI) rose by 2.1%; industrial producer price index went up by 3.5%; national urban surveyed unemployment rate remained at around 5%; the contribution of consumption to economic growth increased by 18.6 percentage points; and the debt-to-asset ratio of industrial enterprises above the designated size declined by 0.5 percentage point. However, under the influence of the severe and complex external environment, China's economic operation was characterized by changes amid stability and worries amid change, with some economic indicators recording slower growth and some enterprises suffering difficult business operation. The economy in general faced downward pressure.

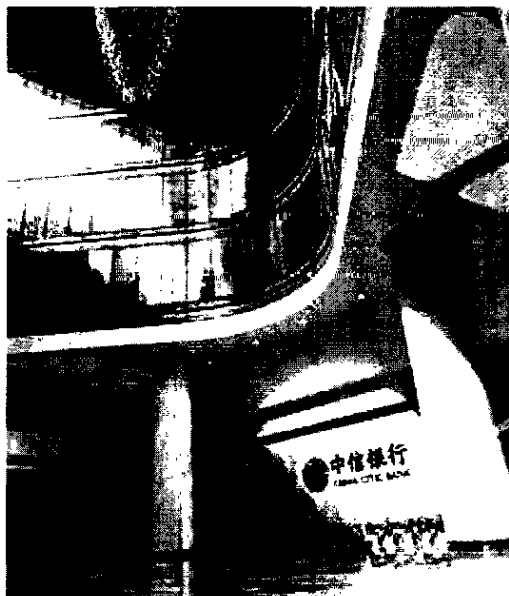
In accordance with the requirements of the 19th National Congress of the Communist Party of China (CPC), the National Financial Work Conference and the Central Economic Work Conference, the Chinese financial regulators had the financial sector provide better service to the real economy and resolutely fought the tough battle of preventing and resolving material risks. The People's Bank of China (PBOC) continued the prudent monetary policy, implemented the targeted reserve requirement ratio (RRR) cut for financial institutions, smoothed the transmission mechanism of monetary policy, and increased support for private enterprises from the three channels of bonds, credit loans and equity. The CBIRC intensified the rectification of market, and introduced heavier penalties against irregularities committed by commercial banks to prevent and resolve risks in key areas. Among others, the CBIRC released multiple new regulations such as the Measures for Liquidity Risk Management of Commercial Banks and the Measures for Supervision and Management of Wealth Management Business of Commercial Banks. The domestic money supply in China continued to increase at a slower pace, while credit loans and social financing both maintained a reasonable growth rate. As at the end of the reporting period, the balance of broad money (M2), the balance of Renminbi loans and the stock of social financing stood at RMB182.67 trillion, RMB136.3 trillion, and RMB200.75 trillion, growing by 8.1%, 13.5% and 9.8% over the end of the previous year, respectively.

4.1.2 Overview of the Bank's Operating Results

The reporting period witnessed profound and complex changes in both domestic and overseas economic situations. In response, the Bank earnestly implemented its 2018-2020 development plan, maintained its strategic focus, adhered to the overall tone of "pursuing progress amid stability", and highlighted the work requirements of "returning to the basics of financial services, reinforcing compliance and promoting transformation". As a result, the Bank achieved a sound momentum of development in all businesses and further enhanced management efficiency and effectiveness.

Operating strength enjoyed steady improvement. During the reporting period, the Group steadily improved its operating results. For the whole year, the Group realized RMB44.51 billion net profit attributable to its equity holders, a growth of 4.6% over last year, the highest growth for the last five years; and its net operating income registered RMB165.77 billion, up 5.4% from last year. Asset quality of the Bank went for the better. Loans overdue for 90 days and more took up 92.41% of the Bank's total non-performing loans, a drop of 16.97 percentage points from the end of the previous year. In the year 2018, the Bank wrote off RMB46.94 billion non-performing loans, an increase of RMB11.25 billion year on year. The Bank's allowance coverage ratio and ratio of allowance for impairment of loans to total loans stood at 158% and 2.8%, respectively, both above regulatory requirements. The Bank's assets continued to grow at a reasonable pace. As at the end of the reporting period, the Bank's total assets exceeded RMB6 trillion, a growth of RMB389 billion or 6.9% over the end of the previous year; its total loans to customers stood at RMB3.61 trillion, 12.9% more than the end of the previous year; and its total deposits from customers recorded RMB3.62 trillion, up 6.1% from the end of last year.

Business structure enjoyed ongoing optimization. During the reporting period, the Bank effectively promoted the building of corporate customer groups, increasing the number of effective corporate settlement customers by 13,900 accounts. The “five head-office-to-head-office model”² was fully implemented for strategic customers, and cooperation with institutional customers in key areas went further. The total number of corporate customers reached 630,000 accounts at the reporting period. Credit resources continued to favor retail banking business, with personal loans accounting for 41.1% of the total, up 2.6 percentage points from the end of the previous year. Retail banking of the Group made even greater contribution to profit, with retail non-interest income recording RMB37.25 billion, a 9.0% year-on-year growth, and the share of retail non-interest income reaching 61.1%, up 1.7 percentage points. The financial markets segment kept enhancing its competitiveness, realizing RMB13.6 billion income from capital-light businesses, up 15.3%, accounting for 49.6% of the Bank total capital-light income. In light of the situational changes, the Bank made further adjustments to its asset structure, reducing its inter-bank assets and structured investment by a combined amount of RMB193.2 billion, representing a significant drop of 21.8%. The Bank remained a leading runner among joint-stock banks in terms of foreign exchange purchase and sale, international receipt and payment, and cross-border Renminbi receipt and payment.



Characteristic development progressed in an orderly manner. The Bank continued to promote business synergy with the subsidiaries of CITIC Group and its own subsidiaries and strengthened segment interaction within CITIC Group. During the reporting period, the Bank provided RMB625.843 billion co-finance for customers in partnership with CITIC Group's subsidiaries, and extended RMB221.279 billion cross-border finance to its customers in cooperation with CNCBI and CNCB Investment. These characteristic businesses recorded a steady value growth. In addition, the Bank was a leading market runner in multiple aspects, such as the scales of ultra-short-term finance and underwriting, going abroad financial services, the scale of family trust and “Kuajing Bao” transaction volume. At the same time, the Bank initiated the reform of its inclusive finance system. Among others, it established the Inclusive Finance Leading Group and the tier-one Inclusive Finance Department. As at the end of the reporting period, the Bank's inclusive finance loans as per the PBOC's targeted reserve requirement ratio (RRR) cut statistical criteria totaled RMB142.729 billion, a year-on-year increase of RMB40.242 billion, successfully meeting the highest-grade RRR cut assessment criteria.

Risk prevention and control improved continuously. The Bank strengthened its unified credit management system for legal-person customers, enhanced the main-actor role of the customer departments in its credit business, introduced the mechanisms of managing new customers by “name list” and classifying existing customers into “four categories”, and pushed forward active management of risky and problem assets. During the reporting period, the Bank disposed RMB73.309 billion principals of non-performing assets, completed RMB28.723 billion cash collection and recovery including the cash recovery of RMB2.441 billion assets written off in previous years, a growth of 67.00% year on year, and collected RMB1.314 billion interest on non-performing loans, up 20.99% year on year. In addition, the Bank focused on strengthening the construction of a risk culture. Through rectification of financial chaos and by implementing its “413 Compliance Action”³, the Bank promoted coordination and interaction among its departments and boosted an atmosphere of active compliance.

² Refers to the business model that features “Head Office to Head Office Negotiation, Head Office to Head Office Project Acquisition, Head Office to Head Office Parallel Operation, Head Office to Head Office Resource Allocation and Head Office to Head Office Risk Control”.

³ Under the “413 Compliance Action”, the Bank carried out 4 special actions, i.e., “escort action” for rule implementation, “demoning action” for behavior management, “sword action” for chaos rectification, and “governance action” for repeated investigations versus repeated violations; and implemented 13 initiatives, i.e., re-examine business processes, develop compliance manuals, strengthen implementation of rules and regulations, practice the system for part-time managerial functions, curb improper trading practices, conduct flying inspections for incident prevention, boost advocacy and early warning education, supervise continuous rectification, carry out self-examination and self-correction on a rolling basis, rectify the root causes, define the compliance red lines, conduct screening for rectification, and continuously follow up assessment results.

Stronger foundational support was provided for development. To further optimize resource allocation, the Bank practiced differentiated pricing authorization for branches with “comprehensive return” as the core. In particular, the Bank increased the independent pricing mandate of strategic pivotal branches. The proportion of corporate loans granted by these branches went up to 43.29%, up 2.78 percentage points over the end of the previous year. During the reporting period, the Bank drove forward asset turnover in an orderly manner. RMB227.8 billion outbound transfer of assets in all types was made in total, saving risk assets by about RMB155.0 billion, which effectively released space for credit extension and reduced capital occupation. Moreover, the Bank launched the “CITIC Brain”, an AI technology platform with the capacity to provide smart services in multiple areas such as retail banking, corporate banking, custody business and compliance. In addition, the Bank took the lead to set up the L/C application alliance in China and won an award for technology innovation from the Asian Banker with its blockchain-based domestic L/C system. Meanwhile, the Bank pushed forward the “Double Hundred Double Thousand” talent project and fully established a training system for certification of employee qualifications. On top of all these, the Bank implemented the financial technology strategy, engaging tech talents through multiple channels with great vigor and high efficiency.

4.2 Analysis of the Financial Statements

4.2.1 Income Statement Analysis

For the reporting period, the Group realized RMB44.513 billion profit attributable to the equity holders of the Bank, up 4.57% from last year. The table below sets out the changes in the main items of the Group's income statement during the reporting period.

Item	Unit: RMB million			
	2018	2017	Increase/ (decrease)	Growth rate (%)
Operating income	165,766	157,231	8,535	5.43
— Net interest income	104,772	99,645	5,127	5.15
— Net non-interest income	60,994	57,586	3,408	5.92
Operating expenses	(52,600)	(48,913)	(3,687)	7.54
Credit and other asset impairment losses ⁽¹⁾	(58,233)	(55,787)	(2,446)	4.38
Profit before tax	54,326	52,276	2,050	3.92
Income tax	(8,950)	(9,398)	448	(4.77)
Profit for the year	45,376	42,878	2,498	5.83
Including: Net profit attributable to the equity holders of the Bank	44,513	42,566	1,947	4.57

Notes: (1) Formerly under “Asset impairment losses” item in 2017 according to the then financial instrument standard.

4.2.1.1 Operating Income

For the reporting period, the Group realized operating income of RMB165.766 billion, up 5.43% over last year, of which net interest income and net non-interest income accounted for 63.2% and 36.8% of the total, respectively.

Item	2018 (%)	2017 (%)	2016 (%)
Net interest income	63.2	63.4	68.8
Net non-interest income	36.8	36.6	31.2
Total	100.0	100.0	100.0

4.2.1.2 Net Interest Income

For the reporting period, the Group realized net interest income of RMB104.772 billion, an increase of RMB5.127 billion or 5.15% over last year. The growth in net interest income was mainly attributable to the increased yield rate on interest-earning assets.

The table below sets out the average balances and average interest rates of the Group's interest-earning assets and interest-bearing liabilities, of which average balances of assets and liabilities are on daily basis.

Unit: RMB million

Item	2018			2017		
	Average balance	Interest	Average yield/ cost rate (%)	Average balance	Interest	Average yield/ cost rate (%)
Interest-earning assets						
Loans and advances to customers	3,405,578	165,608	4.86	3,064,369	141,336	4.61
Financial investments ⁽¹⁾	1,142,526	49,474	4.33	1,625,937	61,462	3.78
Deposits and placements with central banks	456,515	7,049	1.54	490,041	7,633	1.56
Deposits and placements with, and loans to banks and non-bank financial institutions	353,672	10,675	3.02	339,891	9,263	2.73
Financial assets held under resale agreements	38,077	987	2.59	36,910	1,068	2.89
Subtotal	5,396,368	233,793	4.33	5,557,148	220,762	3.97
Interest-bearing liabilities						
Deposits from customers	3,526,276	66,254	1.88	3,346,853	53,190	1.59
Deposits and placements from banks and non-bank financial institutions	842,701	29,778	3.53	1,089,966	39,902	3.66
Debt securities issued	496,358	22,416	4.52	459,737	19,171	4.17
Borrowings from central banks	271,306	8,937	3.29	196,804	6,151	3.13
Financial assets sold under repurchase agreements	57,115	1,623	2.84	92,397	2,691	2.91
Others	496	13	2.62	490	12	2.45
Subtotal	5,194,252	129,021	2.48	5,186,247	121,117	2.33
Net interest income		104,772			99,645	
Net interest spread ⁽²⁾			1.85			1.64
Net interest margin ⁽³⁾			1.94			1.79

Notes: (1) Financial investments in 2018 included financial investments measured at amortized cost and financial investments measured at fair value through other comprehensive income. Financial investments in 2017 included available-for-sale financial assets, held-to-maturity investments and investments classified as receivables presented as per the previous accounting standard on financial instruments.

(2) Calculated as average yield rate of interest-earning assets minus average cost rate of interest-bearing liabilities.

(3) Calculated as net interest income divided by average balance of interest-earning assets.

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The table below sets out the changes in the Group's net interest income resulting from movements in the scale and interest rate factors.

Unit: RMB million

Item	2018 compared with 2017		
	Scale factor	Interest rate factor	Total
Assets			
Loans and advances to customers	15,730	8,542	24,272
Financial investments	(18,273)	6,285	(11,988)
Deposits and placements with central banks	(523)	(61)	(584)
Deposits and placements with, and loans to banks and non-bank financial institutions	376	1,036	1,412
Financial assets held under resale agreements	34	(115)	(81)
Changes in interest income	(2,656)	15,687	13,031
Liabilities			
Deposits from customers	2,853	10,211	13,064
Deposits and placements from banks and non-bank financial institutions	(9,050)	(1,074)	(10,124)
Debt certificates issued	1,527	1,718	3,245
Borrowings from central banks	2,332	454	2,786
Financial assets sold under repurchase agreements	(1,027)	(41)	(1,068)
Others	—	1	1
Changes in interest expense	(3,365)	11,269	7,904
Changes in net interest income	709	4,418	5,127

Net Interest Margin and Net Interest Spread

For the reporting period, the Group's net interest margin and net interest spread registered 1.94% and 1.85%, an increase of 0.15 and 0.21 percentage point over last year, respectively.

4.2.1.3 Interest Income

For the reporting period, the Group realized interest income of RMB233.793 billion, an increase of RMB13.031 billion or 5.90% over last year. The increase in interest income was primarily due to the central bank's reduction of the deposit reserve ratio, and the Group's efforts to optimize its business structure and enhance its pricing management. Interest income from loans and advances to customers was the main component of interest income.

Interest Income from Loans and Advances to Customers

The Group recorded RMB165.608 billion interest income from loans and advances to customers for the reporting period, a growth of RMB24.272 billion or 17.17% over last year, primarily because of the RMB341.209 billion increase in the average balance of loans and advances to customers and the increase of 0.25 percentage point in the average yield rate.

Classification by Maturity Structure

Unit: RMB million

Item	2018			2017		
	Average balance	Interest income	Average yield (%)	Average balance	Interest income	Average yield (%)
Short-term loans	1,199,731	54,522	4.54	1,138,694	47,935	4.21
Medium to long-term loans	2,205,847	111,086	5.04	1,925,675	93,401	4.85
Total	3,405,578	165,608	4.86	3,064,369	141,336	4.61

Classification by Business

Unit: RMB million

Item	2018			2017		
	Average balance	Interest income	Average yield (%)	Average balance	Interest income	Average yield (%)
Corporate loans	1,886,203	95,562	5.07	1,852,573	89,053	4.81
Discounted loans	177,579	8,645	4.87	91,921	4,004	4.36
Personal loans	1,341,796	61,401	4.58	1,119,875	48,279	4.31
Total	3,405,578	165,608	4.86	3,064,369	141,336	4.61

Interest Income from Financial Investments

For the reporting period, the Group's interest income from financial investments recorded RMB49.474 billion, a decrease of RMB11.988 billion or 19.50% from last year, mainly due to the Group's efforts to reduce asset management plans managed by securities companies and investment in wealth management products, which led to a drop of RMB483.411 billion in the average balance of such investment.

Interest Income from Deposits and Placements with Central Banks

The Group's interest income from deposits and placements with central banks for the reporting period stood at RMB7.049 billion, a drop of RMB0.584 billion or 7.65% from last year, mainly because the average balance of deposits and placements with central banks declined by RMB33.526 billion as a result of the central bank's downward adjustment of the Renminbi statutory deposit reserve ratio.

Interest Income from Deposits and Placements with, and Loans to Banks and Non-bank Financial Institutions

The Group registered RMB10.675 billion interest income from deposits and placements with, and loans to banks and non-bank financial institutions for the reporting period, an increase of RMB1.412 billion or 15.24% from last year, mainly because the average yield rate on such deposits, placements and loans went up by 0.29 percentage point.

Interest Income from Financial Assets Held under Resale Agreements

The Group recorded RMB987 million interest income from financial assets held under resale agreements for the reporting period, a decrease of RMB81 million or 7.58% from last year, mainly because the average yield rate on such financial assets went down by 0.30 percentage point.

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4.2.1.4 Interest Expense

The Group's interest expense for the reporting period was RMB129.021 billion, an increase of RMB7.904 billion or 6.53% over last year. Interest expense increased primarily because the cost rate of interest-bearing liabilities stood at 2.48%, a rise of 0.15 percentage point from last year.

Interest Expense on Deposits from Customers

The Group's interest expense on deposits from customers for the reporting period was RMB66.254 billion, an increase of RMB13.064 billion or 24.56% over last year. Interest expense increased primarily because the balance of deposits from customers increased by RMB179.423 billion and the average cost rate of customer deposits rose by 0.29 percentage point.

Unit: RMB million

Item	2018			2017		
	Average balance	Interest expense	Average cost rate (%)	Average balance	Interest expense	Average cost rate (%)
Corporate deposits						
Time and call deposits	1,389,757	40,952	2.95	1,303,396	32,833	2.52
Demand deposits	1,505,852	13,408	0.89	1,507,450	12,571	0.83
Subtotal	2,895,609	54,360	1.88	2,810,846	45,404	1.62
Personal deposits						
Time and call deposits	386,994	11,201	2.89	311,517	7,169	2.30
Demand deposits	243,673	693	0.28	224,490	617	0.27
Subtotal	630,667	11,894	1.89	536,007	7,786	1.45
Total	3,526,276	66,254	1.88	3,346,853	53,190	1.59

Interest Expense on Deposits and Placements from Banks and Non-Bank Financial Institutions

For the reporting period, the Group's interest expense on deposits and placements from banks and non-bank financial institutions was in the amount of RMB29.778 billion, a drop of RMB10.124 billion or 25.37% from last year, mainly because the Group further adjusted its business structure and the average balance of deposits and placements from banks and non-bank financial institutions decreased by RMB247.265 billion.

Interest Expense on Debt Certificates Issued

For the reporting period, the Group's interest expense on debt certificates issued stood at RMB22.416 billion, an increase of RMB3.245 billion or 16.93% over last year, primarily because of the 0.35 percentage point rise in the average cost rate of the debt certificates issued and the RMB36.621 billion growth in the average balance thereof.

Interest Expense on Borrowings from Central Banks

For the reporting period, the Group's interest expense on borrowings from central banks was RMB8.937 billion, an increase of RMB2.786 billion or 45.29% over last year, mainly due to the RMB74.502 billion increase in the average balance of such borrowings.

Interest Expense on Financial Assets Sold under Repurchase Agreements

For the reporting period, the Group's interest expense on financial assets sold under repurchase agreements was RMB1.623 billion, a decline of RMB1.068 billion or 39.69% from last year, primarily due to the RMB35.282 billion decrease in the average balance of such financial assets.

4.2.1.5 Net Non-Interest Income

For the reporting period, the Group realized net non-interest income of RMB60.994 billion, a growth of RMB3.408 billion or 5.92% over last year.

Unit: RMB million

Item	2018	2017	Increase/ decrease	Growth Rate (%)
Net fee and commission income	45,148	46,858	(1,710)	(3.65)
Net trading gain	6,519	6,583	(64)	(0.97)
Net gain from investment securities	9,046	3,757	5,289	140.78
Net hedging gain	(1)	1	(2)	(200.00)
Other net operating income	282	387	(105)	(27.13)
Total	60,994	57,586	3,408	5.92

4.2.1.6 Net Fee and Commission Income

During the reporting period, the Group realized RMB45.148 billion net fee and commission income, a drop of RMB1.710 billion or 3.65% year on year, of which amount bank card fees recorded a growth of RMB2.203 billion or 7.23% over last year, mainly the result of increase in credit card fees and growth in income from billing business; commission for custodian and other fiduciary business declined by RMB2.693 billion or 30.82% from last year, mainly due to the impact of the New Regulations on Asset Management and the new regulations on VAT plus lower fee income from wealth management business; and guarantee and consulting fees went down by RMB745 million or 11.72% from last year, mainly because of the decrease in consulting and advisory fee income.

Unit: RMB million

Item	2018	2017	Increase/ decrease	Growth Rate (%)
Bank card fees	32,656	30,453	2,203	7.23
Commission for custodian business and other fiduciary	6,044	8,737	(2,693)	(30.82)
Guarantee and consulting fees	5,613	6,358	(745)	(11.72)
Agency fees and commission	4,839	4,534	305	6.73
Settlement and clearance fees	1,269	1,215	54	4.44
Other fees and commission	318	390	(72)	(18.46)
Subtotal	50,739	51,687	(948)	(1.83)
Fee and commission expense	(5,591)	(4,829)	(762)	15.78
Net fee and commission income	45,148	46,858	(1,710)	(3.65)

4.2.1.7 Net Trading Gain and Net Gain from Investment Securities

For the reporting period, the Group's net trading gain and net gain from investment securities registered a combined amount of RMB15.565 billion, an increase of RMB5.225 billion over last year, mainly because of the changes in the measurement of some businesses following the implementation of the new accounting standards on financial instruments, i.e., changing from recognition of interest income to recognition of non-interest income, plus the increase in investment gain from asset securitization.

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4.2.1.8 Operating Expenses

For the reporting period, the Group incurred RMB52.60 billion operating expenses, an increase of RMB3.687 billion or 7.54% over last year. The Group pushed forward the implementation of the new three-year development plan. Under the premise of ensuring effective support for strategy implementation and business development, the Group further promoted refined management and control of operating costs, controlling the cost-to-income ratio at a reasonable level. For the reporting period, the Group's cost-to-income ratio (excluding tax and surcharges) stood at 30.71%, up 0.66 percentage point over last year.

Unit: RMB million				
Item	2018	2017	Increase/ decrease	Growth Rate (%)
Staff costs	29,599	27,416	2,183	7.96
Property and equipment expenses and amortization	9,255	9,104	151	1.66
Other general operating and administrative expenses	12,047	10,733	1,314	12.24
Subtotal	50,901	47,253	3,648	7.72
Tax and surcharges	1,699	1,660	39	2.35
Total	52,600	48,913	3,687	7.54
Cost-to-income ratio	31.73%	31.11%	Up 0.62 percentage point	
Cost-to-income ratio (excluding tax and surcharges)	30.71%	30.05%	Up 0.66 percentage point	

4.2.1.9 Credit and Other Asset Impairment Losses

After adopting the new accounting standards on financial instrument, the Group accrued credit impairment loss based on the expected credit loss model. For the reporting period, the Group's credit impairment loss and other asset impairment losses totaled RMB58.233 billion, an increase of RMB2.446 billion or 4.38% over the previous year.

Unit: RMB million				
Item	2018	2017	Increase/decrease	Growth Rate (%)
Loans and advances to customers	47,753	50,170	(2,417)	(4.82)
Interest receivable	3,034	4,212	(1,178)	(27.97)
Financial investments ⁽¹⁾	1,074	947	127	13.41
Interbank business ⁽²⁾	(23)	(32)	9	(28.13)
Other receivables	6,098	295	5,803	1,967.12
Off-balance-sheet items	(50)	(77)	27	(35.06)
Repossessed assets	347	272	75	27.57
Total	58,233	55,787	2,446	4.38

Notes: (1) Impairment losses on financial investments in 2017 included impairment losses on available-for-sale financial assets, held-to-maturity investments and investments classified as receivables presented as per the previous accounting standard on financial instruments.

(2) Including the impairment losses on deposits and placements with, and loans to banks and non-bank financial institutions, and financial assets held under resale agreements.

4.2.1.10 Income Tax

The Group's income tax expense for the reporting period recorded RMB8.950 billion, a decrease of RMB448 million or 4.77% from last year, and its effective tax rate stood at 16.47%, a drop of 1.51 percentage points from last year, mainly because the Group had more items eligible for reduction of taxable amounts on permanent differences such as government bonds and local debts.

4.2.2 Balance Sheet Analysis

4.2.2.1 Assets

As at the end of the reporting period, the Group recorded total assets of RMB6,066.714 billion, an increase of 6.85% from the end of the previous year, mainly because the Group increased its loans and advances to customers and financial investments.

Unit: RMB million

Item	31 December 2018		31 December 2017	
	Balance	Proportion (%)	Balance	Proportion (%)
Total loans and advances to customers	3,608,412	59.5	3,196,887	56.3
Allowance for impairment of loans and advances to customer measured at amortized cost	(101,022)	(1.7)	(90,903)	(1.6)
Net loans and advances to customers	3,507,390	57.8	3,105,984	54.7
Total financial investments ⁽¹⁾	1,588,416	26.2	1,448,319	25.6
Allowance for impairment of financial investments measured at amortized cost	(3,354)	(0.1)	(3,021)	(0.1)
Net financial investments	1,585,062	26.1	1,445,298	25.5
Investment in associates and joint ventures	3,881	0.1	2,341	—
Cash and deposits with central banks	538,515	8.9	568,300	10.0
Deposits and placements with, and loans to banks and non-bank financial institutions	274,326	4.5	296,419	5.2
Financial assets held under resale agreements	10,784	0.2	54,626	1.0
Others ⁽²⁾	146,758	2.4	204,723	3.6
Total	6,066,714	100.0	5,677,691	100.0

Notes: (1) Financial investments as at 31 December 2017 included financial assets measured at fair value through profit or loss for the current period, available-for-sale financial assets, held-to-maturity investments and investments classified as receivables presented as per the previous accounting standard on financial instruments.

(2) Including precious metals, derivative financial assets, interest receivables, fixed assets, intangible assets, investment properties, goodwill, deferred income tax assets and other assets.

Loans and Advances to Customers

As at the end of the reporting period, the Group recorded RMB3,608.412 billion total loans and advances to customers, up 12.87% over the end of the previous year. Net loans and advances to customers accounted for 57.8% of total assets, a growth of 3.1 percentage points over the end of the previous year. The Group's balance of loans and advances to customer measured at amortized cost took up 97.3% of total loans and advances to customers. The table below sets out the classification of the Group's loans and advances to customers by measurement attribute.

Unit: RMB million

Item	31 December 2018		31 December 2017
	Balance	Proportion (%)	Balance
Loans and advances to customer measured at amortized cost	3,511,892	97.3	—
Loans and advances to customer measured at fair value through other comprehensive income	96,520	2.7	—
Total loans and advances to customers	3,608,412	100.0	3,196,887

Please refer to the section of "Loan Quality Analysis" in this chapter for analysis of the Group's loans and advances to customers.

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Financial Investments

As at the end of the reporting period, the Group recorded RMB1,588.416 billion total financial investments, growing by RMB140.097 billion or 9.67% over the end of the previous year, mainly because the Group had more investments in debt securities and funds.

Classification of the Group's financial investments by product is set out in the table below.

Unit: RMB million

Item	31 December 2018		31 December 2017	
	Balance	Proportion (%)	Balance	Proportion (%)
Investment in debt securities	944,623	59.5	730,982	50.4
Investment funds	189,176	11.9	121,547	8.4
Investment management plans managed by securities companies	228,502	14.4	268,247	18.5
Trust investment plans	178,068	11.2	126,794	8.8
Certificates of deposit and interbank certificates of deposit	40,763	2.6	60,347	4.2
Investment in equity instruments	7,168	0.4	1,356	0.1
Investment in wealth management products	116	—	139,046	9.6
Total financial investments	1,588,416	100.0	1,448,319	100.0

Classification of the Group's financial investments by measurement attribute is set out in the table below.

Unit: RMB million

Item	31 December 2018		31 December 2017
	Balance	Proportion (%)	Balance
Financial assets measured at fair value through profit or loss	308,872	19.4	—
Financial investments measured at amortized cost	773,178	48.7	—
Financial assets measured at fair value through other comprehensive income	503,659	31.7	—
Financial assets designated to be measured at fair value through other comprehensive income	2,707	0.2	—
Total financial investments	1,588,416	100.0	1,448,319

Investment in Debt Securities

As at the end of the reporting period, the Group had RMB944.623 billion investment in debt securities, an increase of RMB213.641 billion or 29.23% over the end of the previous year, primarily because the Group optimized its asset allocation and increased investments in tax-light and capital-light government bonds.

Classification of Debt Securities Investment by Issuing Institution

Unit: RMB million

Item	31 December 2018		31 December 2017	
	Balance	Proportion (%)	Balance	Proportion (%)
Banks and non-bank financial institutions	207,254	21.9	146,627	20.1
Government	491,368	52.0	314,813	43.1
Policy banks	118,121	12.5	130,509	17.9
Business entities	125,796	13.3	137,879	18.7
Public entities	2,084	0.2	1,154	0.2
Total debt securities	944,623	100.0	730,982	100.0

Breakdown of Significant Investments in Financial Debt Securities

The table below sets out the breakdown of significant investments in financial debt securities held by the Group as at 31 December 2018.

Unit: RMB million

Name of Debt Securities	Book value	Maturity Date (DD/MM/YY)	Coupon rate (%)	Accrued impairment allowance
Debt Securities 1	4,371	20/08/2029	5.98%	—
Debt Securities 2	4,289	18/02/2021	2.96%	—
Debt Securities 3	3,993	06/07/2028	4.04%	—
Debt Securities 4	3,758	04/03/2019	2.72%	—
Debt Securities 5	3,500	20/12/2021	3.79%	0.41
Debt Securities 6	3,497	28/04/2020	4.20%	0.41
Debt Securities 7	3,081	27/02/2023	3.24%	—
Debt Securities 8	2,997	08/03/2021	3.25%	0.77
Debt Securities 9	2,790	07/01/2019	2.77%	—
Debt Securities 10	2,498	22/11/2021	3.25%	0.29
Total	34,774			1.88

Note: There was no material change in the financial conditions of above securities' issuers during the reporting period, and the allowance for impairment losses is accrued according to expected loss model as required by the new accounting standards on financial instruments.

Investment in Associates and Joint Ventures

As at the end of the reporting period, the Group recorded RMB3.881 billion investment in associates and joint ventures, an increase of 65.78% over the end of the previous year. This amount included RMB2.759 billion investment in joint ventures, up 130.69% over the end of the previous year, mainly for acquisition of equity in JSC Altyn Bank and capital increase in CITIC aiBank. As at the end of the reporting period, the Group's balance of allowance for impairment of investment in associates and joint ventures was zero. For relevant details, please refer to Note 30 "Investment in Associates and Joint Ventures" to the financial report.

Unit: RMB million

Item	31 December 2018	31 December 2017
Investments in joint ventures	2,759	1,196
Investments in associates	1,122	1,145
Allowance for impairment losses	—	—
Net investment in associates and joint ventures	3,881	2,341

Derivatives

Unit: RMB million

Item	31 December 2018			31 December 2017		
	Nominal principal	Fair value Assets	Liabilities	Nominal principal	Fair value Assets	Liabilities
Interest rate derivatives	1,845,632	6,106	5,974	1,641,988	2,553	2,312
Currency derivatives	2,595,674	24,826	24,801	3,347,855	62,030	62,368
Other derivatives	59,461	1,059	1,171	51,586	868	257
Total	4,500,770	31,991	31,946	5,041,429	65,451	64,937

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Reposessed Assets

Unit: RMB million

Item	31 December 2018	31 December 2017
Original value of reposessed assets	2,928	2,449
— Land, premises and buildings	2,429	1,931
— Others	499	518
Allowances for impairment of reposessed assets	(725)	(400)
— Land, premises and buildings	(449)	(80)
— Others	(276)	(320)
Total book value of reposessed assets	2,203	2,049

Changes in Impairment Allowances

Unit: RMB million

Item	31 December 2017	Impact of beginning conversions based on new accounting standards	Accruals/ reversals during the period	Write-offs during the current period	Others	31 December 2018
Loans and advances to customers ⁽¹⁾	90,903	7,002	47,753	(46,938)	2,512	101,232
Financial investments ⁽²⁾	3,021	973	1,074	(689)	30	4,409
Interbank business ⁽⁴⁾	1	261	(23)	—	4	243
Interest receivable	3,946	1,024	3,034	(3,606)	(4,398)	—
Other receivables	2,201	133	6,098	(1,182)	4,729	11,979
Off-balance-sheet items	402	4,155	(50)	—	36	4,543
Subtotal of allowances for credit impairment	100,474	13,548	57,886	(52,415)	2,913	122,406
Reposessed assets	400	—	347	(7)	(15)	725
Subtotal of allowances for other asset impairments	400	—	347	(7)	(15)	725
Total	100,874	13,548	58,233	(52,422)	2,898	123,131

Notes: (1) Including recovery of write-offs, re-classification of interest receivables and impacts of exchange rate changes.

(2) Including allowances for impairment of loans and advances to customers measured at amortized cost, and allowances for impairment of loans and advances to customers measured at fair value through other comprehensive income.

(3) Including allowances for impairment of financial investments measured at amortized cost and impairment of financial investments measured at fair value through other comprehensive income.

(4) Including deposits and placements with, and loans to banks and non-bank financial institutions and financial assets held under resale agreements.

4.2.2.2 Liabilities

As at the end of the reporting period, the Group recorded total liabilities of RMB5,613.628 billion, up 6.62% from the end of the previous year, primarily due to the increase in deposits from customers and debt certificates issued.

Unit: RMB million

Item	31 December 2018		31 December 2017	
	Balance	Proportion (%)	Balance	Proportion (%)
Borrowings from central banks	281,580	5.0	237,600	4.5
Deposits from customers	3,616,423	64.4	3,407,636	64.7
Deposits and placements from banks and non-bank financial institutions	893,230	15.9	875,602	16.6
Financial assets sold under repurchase agreements	120,280	2.1	134,500	2.6
Debt certificates issued	548,328	9.8	441,244	8.4
Others ^(Note)	153,787	2.8	168,676	3.2
Total liabilities	5,613,628	100.0	5,265,258	100.0

Note: Including trading financial liabilities, derivative financial liabilities, staff remunerations payable, tax and fee payables, interest payables, estimated liabilities, deferred income tax liabilities and other liabilities.

Deposits from Customers

As at the end of the reporting period, the Group's total deposits from customers recorded RMB3,616.423 billion, an increase of RMB208.787 billion or 6.13% over the end of the previous year; and customer deposits accounted for 64.4% of total liabilities, a drop of 0.3 percentage point from the end of the previous year. The Group's balance of corporate deposits was RMB2,903.914 billion, a rise of RMB29.716 billion or 1.03% over the end of the previous year; and that of personal deposits stood at RMB712.509 billion, an increase of RMB179.071 billion or 33.57% over the end of the previous year.

Unit: RMB million

Item	31 December 2018		31 December 2017	
	Balance	Proportion (%)	Balance	Proportion (%)
Corporate deposits				
Demand deposits	1,521,684	42.1	1,651,180	48.5
Time and call deposits	1,382,230	38.2	1,223,018	35.8
Including: negotiated deposits	86,739	2.4	28,092	0.8
Subtotal	2,903,914	80.3	2,874,198	84.3
Personal deposits				
Demand deposits	262,960	7.3	234,961	6.9
Time and call deposits	449,549	12.4	298,477	8.8
Subtotal	712,509	19.7	533,438	15.7
Total	3,616,423	100.0	3,407,636	100.0

Breakdown of Deposits from Customers by Currency

Unit: RMB million

Item	31 December 2018		31 December 2017	
	Balance	Proportion (%)	Balance	Proportion (%)
Renminbi	3,251,691	89.9	3,053,751	89.6
Foreign currencies	364,732	10.1	353,885	10.4
Total	3,616,423	100.0	3,407,636	100.0

Breakdown of Deposits by Geographical Region

Unit: RMB million

Item	31 December 2018		31 December 2017	
	Balance	Proportion (%)	Balance	Proportion (%)
Head Office	13,018	0.4	12,361	0.4
Bohai Rim	880,790	24.4	806,528	23.7
Yangtze River Delta	883,353	24.4	823,925	24.2
Pearl River Delta and West Strait	648,245	17.9	619,598	18.2
Central	483,987	13.4	478,097	14.0
Western	373,770	10.3	378,958	11.1
Northeastern	82,789	2.3	62,311	1.8
Overseas	250,471	6.9	225,858	6.6
Total deposits from customers	3,616,423	100.0	3,407,636	100.0

4.2.3 Shareholders' Equity

The table below sets out the changes in shareholders' equity in the Group during the reporting period.

Unit: RMB million

Item	2018							Total shareholders' equity
	Share capital	Other equity instrument	Capital reserve	Other comprehensive income	Surplus reserve and general risk reserve	Retained earnings	Non-controlling interest	
31 December 2017	48,935	34,955	58,977	(11,704)	105,434	163,121	12,795	412,433
Changes to the Accounting Policies				4,544	(939)	(9,502)	(235)	(6,132)
1 January 2018	48,935	34,955	58,977	(7,260)	104,495	153,619	12,560	406,301
1. Net profit						44,513	863	45,376
2. Other comprehensive income				12,509			(47)	12,462
3. Owners' capital input							3,343	3,343
4. Profit distribution					4,210	(18,312)	(294)	(14,396)
31 December 2018	48,935	34,955	58,977	5,269	108,705	179,820	16,425	453,086

4.2.4 Loan Quality Analysis

During the reporting period, the Group recorded overall controllable asset quality, steady scale growth of credit assets, slight rise in NPL ratio and stable level of allowance coverage. As at the end of the reporting period, the Group registered RMB3,608.412 billion balance of total loans, up 12.87% over the end of the previous year; an NPL ratio of 1.77%, slightly up 0.09 percentage point over the end of the previous year; a 157.98% allowance coverage ratio, a drop of 11.46 percentage points from the end of the previous year; and a 2.80% ratio of balance of allowance for loan impairment to total loans, a drop of 0.04 percentage point from the end of the previous year, respectively.

Concentration of Loans by Product

As at the end of the reporting period, the Group's balance of corporate loans (excluding discounted bills) recorded RMB1,881.125 billion, an increase of RMB23.278 billion or 1.25% over the end of the previous year; and its balance of personal loans reached RMB1,484.490 billion, an increase of RMB252.906 billion or 20.54% over the end of the previous year. Personal loans grew faster than corporate loans, and their balance took up a proportion of 41.14%. Balance of discounted bills increased by RMB135.341 billion over the end of the previous year. The Group's balance of corporate non-performing loans (excluding discounted bills) and that of personal non-performing loans increased by RMB6.909 billion and RMB3.487 billion over the end of the previous year, corresponding to a 0.34 and 0.07 percentage point rise in their respective NPL ratios over the end of the previous year, respectively.

Unit: RMB million

	31 December 2018				31 December 2017			
	Balance	Proportion (%)	Balance of NPLs	NPL ratio	Balance	Proportion (%)	Balance of NPLs	NPL ratio
Corporate loans	1,881,125	52.13	49,122	2.61	1,857,847	58.12	42,213	2.27
Personal loans	1,484,490	41.14	14,906	1.00	1,231,584	38.52	11,419	0.93
Discounted bills	242,797	6.73	0	0.00	107,456	3.36	16	0.01
Total loans	3,608,412	100.00	64,028	1.77	3,196,887	100.00	53,648	1.68

Breakdown of Loans by Type of Guarantee

As at the end of the reporting period, the Group's loan guarantee structure basically remained stable. The combined balance of loans secured by collateral and pledge loans stood at RMB2,067.080 billion, an increase of RMB199.636 billion over the previous year, and took up a proportion of 57.28%, 1.14 percentage points lower than the end of the previous year. The combined balance of unsecured loans and guaranteed loans recorded RMB1,298.535 billion, a rise of RMB76.548 billion over the end of the previous year, accounting for 35.99% of the total, down 2.23 percentage points from the end of the previous year.

Unit: RMB million

Type of Guarantee	31 December 2018		31 December 2017	
	Balance	Proportion (%)	Balance	Proportion (%)
Unsecured loans	806,153	22.34	708,164	22.15
Guaranteed loans	492,382	13.65	513,823	16.07
Loans secured by collateral	1,658,485	45.96	1,510,366	47.25
Pledge loans	408,595	11.32	357,078	11.17
Subtotal	3,365,615	93.27	3,089,431	96.64
Discounted bills	242,797	6.73	107,456	3.36
Total loans	3,608,412	100.00	3,196,887	100.00

Concentration of Loans by Geographic Region

As at the end of the reporting period, the Group registered a total loan balance of RMB3,608.412 billion, an increase of RMB411.525 billion or 12.87% over the end of the previous year. The Group's balances of loans to the Bohai Rim, the Yangtze River Delta and the Pearl River Delta ranked the top three, recording RMB1,123.293 billion, RMB784.722 billion and RMB549.491 billion, and accounting for 31.13%, 21.75% and 15.23% of the Group total, respectively. In terms of growth rate, the Bohai Rim, the Yangtze River Delta and the Northeastern region recorded the highest growth, reaching 16.06%, 13.53% and 11.94%, respectively. The Group's NPLs were mainly concentrated in the Bohai Rim, the Yangtze River Delta and the Central region. Their NPL balances summed up to RMB42.675 billion, accounting for a combined 66.65% of total. In terms of incremental NPLs, the Bohai Rim registered the largest amount of RMB9.825 billion and its NPL ratio rose by 0.66 percentage point; followed by the Northeastern region, which recorded RMB2.797 billion incremental NPLs and a 3.34 percentage points rise in its NPL ratio.

The regional distribution of the Group's NPLs changed mainly because: (1) during the reporting period, small and medium-sized private enterprises (SMEs) in coastal and economically developed regions were subject to higher pressures as a result of the price hike of raw materials, rising cost of transportation, more stringent inspections for environmental protection purpose and difficulty in exporting products, which adversely impacted asset quality of banks; and (2) overcapacity industries in some regions remained under the pressure of restructuring and were exposed to concentrated outbreak of risks, which in turn resulted in more incremental NPLs in these regions.

Unit: RMB million

	31 December 2018				31 December 2017			
	Balance	Proportion (%)	Balance of NPLs	NPL ratio (%)	Balance	Proportion (%)	Balance of NPLs	NPL ratio
Bohai Rim ⁽¹⁾	1,123,293	31.13	25,050	2.23	967,864	30.29	15,225	1.57
Yangtze River Delta	784,722	21.75	9,146	1.17	691,183	21.62	9,672	1.40
Pearl River Delta and West Strait	549,491	15.23	7,679	1.40	493,118	15.42	6,029	1.22
Western	433,143	12.00	7,136	1.65	389,152	12.17	7,809	2.01
Central	463,100	12.83	8,479	1.83	421,810	13.19	10,705	2.54
Northeastern	75,682	2.10	5,068	6.70	67,609	2.11	2,271	3.36
Overseas	178,981	4.96	1,470	0.82	166,151	5.20	1,937	1.17
Total Loans	3,608,412	100.00	64,028	1.77	3,196,887	100.00	53,648	1.68

Note: (1) Including the Head Office.

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Concentration of Loans by Sector

As at the end of the reporting period, real estate and manufacturing were the top two sector borrowers of the Group's corporate loans. Their loan balances recorded RMB312.923 billion and RMB295.005 billion, respectively, collectively taking up 16.85% of the Group's total loans, down 3.71% from the end of the previous year. In terms of growth rate, loans to the four sectors, namely, rental and business services, water, environment and public utilities management, production and supply of electric power, gas and water, and construction grew faster, up 27.46%, 16.43%, 3.42% and 1.55% over the end of the previous year, respectively, all being higher than the average growth rate of corporate loans.

As at the end of the reporting period, the Group's NPLs were mainly concentrated in two sectors, i.e., manufacturing sector and wholesale and retail sector. Their NPL balances collectively accounted for 53.89% of the total, and respectively increased by RMB4.799 billion and RMB2.183 billion over the end of the previous year, corresponding to a 2.14 and 2.99 percentage points rise in their respective NPL ratios compared with the end of the previous year.

The sector distribution of the Group's NPLs changed mainly because: (1) some enterprises in the manufacturing, wholesale and retail, and rental and business services sectors incurred credit risks due to fiercer industry competition and declining profitability that resulted from multiple factors such as overcapacity and insufficient market demand; and (2) the differentiation of real estate market intensified the risks of property development loans.

As at the end of the reporting period, the Group's NPL balances in the four sectors, i.e., transportation, storage and postal service, production and supply of electric power, gas and water, rental and business services, and real estate increased by RMB1.320 billion, RMB0.627 billion, RMB0.621 billion and RMB0.227 billion over the end of the previous year, and their corresponding NPL ratios went up by 0.88, 0.83, 0.08 and 0.09 percentage point, respectively. The Group's NPL balances in the two sectors, i.e., construction, and water, environment and public utilities management, decreased by RMB0.905 billion and RMB0.165 billion over the end of the previous year, and their corresponding NPL ratios went down by 1.19 and 0.11 percentage point, respectively.

(Unit: RMB million)

	31 December 2018				31 December 2017			
	Balance	Proportion (%)	Balance of NPLs	NPL ratio (%)	Balance	Proportion (%)	Balance of NPLs	NPL ratio (%)
Manufacturing	295,005	8.18	21,642	7.34	324,029	10.14	16,843	5.20
Real Estate	312,923	8.67	1,882	0.35	333,055	10.42	855	0.26
Wholesale and retail	151,391	4.20	12,863	8.50	193,818	6.06	10,680	5.51
Transportation, storage and postal service	151,038	4.19	2,091	1.38	152,851	4.78	771	0.50
Water, environment and public utilities management	208,922	5.79	267	0.13	179,441	5.61	432	0.24
Construction	79,086	2.19	1,158	1.46	77,878	2.44	2,063	2.65
Rental and business service	282,699	7.83	2,042	0.72	221,786	6.94	1,421	0.64
Production and supply of electric power, gas and water	72,938	2.02	1,310	1.80	70,523	2.21	683	0.97
Public and social organizations	13,366	0.37	0	0.00	18,566	0.58	0	0.00
Others	313,757	8.69	6,467	2.12	285,909	8.94	8,465	2.96
Corporate loans subtotal	1,881,125	52.13	49,122	2.61	1,857,847	58.12	42,213	2.27
Discounted bills	242,797	6.73	0	0.00	107,456	3.36	16	0.01
Personal loans	1,484,490	41.14	14,906	1.00	1,231,584	38.52	11,419	0.93
Total loans	3,608,412	100.00	64,028	1.77	3,196,887	100.00	53,648	1.68

Concentration of Borrowers of Corporate Loans

The Group focused its attention on concentration risk control over its corporate loan borrowers. During the reporting period, the Group complied with the applicable regulatory requirements on concentration of borrowers. Since a single borrower was defined by the Group as a specific legal entity, one borrower could be the related party of another borrower.

Major regulatory indicator	Regulatory Standard	31 December 2018	31 December 2017	31 December 2016
Percentage of loans to the largest single customer (%) ⁽¹⁾	≤10	2.44	2.25	2.71
Percentage of loans to the top 10 customers (%) ⁽²⁾	≤50	14.49	16.88	16.40

Notes: (1) Percentage of loans to the largest single customer = balance of loans to the largest single customer/net capital.

(2) Percentage of loans to the top 10 customers = balance of loans to the top 10 customers/net capital.

Unit: RMB million

		31 December 2018		
Sector		Balance	Percentage in total loans (%)	Percentage in net capital (%)
Borrower A	Financial industry	14,243	0.39	2.44
Borrower B	Real estate	12,417	0.34	2.13
Borrower C	Public management, social security and social organizations	9,484	0.26	1.63
Borrower D	Real estate	8,849	0.25	1.52
Borrower E	Manufacturing	7,182	0.20	1.23
Borrower F	Financial industry	6,966	0.19	1.19
Borrower G	Real estate	6,800	0.19	1.17
Borrower H	Transportation, storage and postal service	6,364	0.18	1.09
Borrower I	Real estate	6,200	0.17	1.06
Borrower J	Manufacturing	6,000	0.17	1.03
Total loans		84,505	2.34	14.49

As at the end of the reporting period, the total balance of corporate loans from the Group to the top 10 customers amounted to RMB84.505 billion, taking up 2.34% of its total loans and 14.49% of its net capital.

Five-Class Loan Classification

The Group measures and manages the quality of its credit assets pursuant to the Guidelines on the Classification of Loan Risks formulated by the former CBRC. These guidelines require Chinese commercial banks to classify their credit assets into five classes, namely, pass, special mention, substandard, doubtful and loss, of which the last three classes are regarded as non-performing loans.

During the reporting period, the Bank continued to reinforce centralized management of loan classification and kept enhancing the system for management of credit asset risks by class. While adhering to the core criteria of “safety of loan recovery”, the Bank handled different classes of loans with different risk management measures, taking into full consideration various factors that may impact the quality of credit assets.

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The Bank's process for approving classification of loan risks includes the following steps: business departments conduct post-lending inspections in the first place, after which credit departments of the branches provide preliminary opinions, followed by preliminary approval by credit management departments of the branches; thereafter the branch risk directors review and approve the preliminary approvals; and the Head Office gives the final approval. With regard to loans with material changes in risk profiles, the Bank adjusts their classification in a dynamic manner.

Unit: RMB million

	31 December 2018		31 December 2017	
	Balance	Proportion (%)	Balance	Proportion (%)
Pass	3,459,343	95.87	3,074,855	96.18
Special mention	85,041	2.36	68,384	2.14
Substandard	26,141	0.72	21,931	0.68
Doubtful	30,779	0.85	25,157	0.79
Loss	7,108	0.20	6,560	0.21
Total Loans	3,608,412	100.00	3,196,887	100.00
Performing loans	3,544,384	98.23	3,143,239	98.32
Non-performing loans	64,028	1.77	53,648	1.68

Note: Performing loans include pass loans and special mention loans. Non-performing loans include substandard loans, doubtful loans and loss loans.

As at the end of the reporting period, the Group's balance of pass loans increased by RMB384.488 billion over the end of the previous year, and accounted for 95.87% of its total loan balance, representing a drop of 0.31 percentage point over the end of the previous year; and the balance of special mention loans increased by RMB16.657 billion, accounting for 2.36% of its total loan balance, up 0.22 percentage point over the end of the previous year. The balance of the Group's NPLs recognized in accordance with the regulatory risk classification criteria stood at RMB64.028 billion, representing an increase of RMB10.380 billion over the end of the previous year; and its NPL ratio recorded 1.77%, up 0.09 percentage point over the end of the previous year.

During the reporting period, the Group's NPL balance and NPL ratio went up. The main influencing factors included the following: (1) the Bank tightened the recognition standard of non-performing loans, downgrading loans overdue for 90 days and more to the non-performing category, which resulted in more incremental NPLs; (2) small and medium-sized enterprises and private enterprises in general were subject to higher business pressures due to the impact of weak domestic economic growth, with some of them caught in business hardship; (3) continuous de-leveraging requirements exposed some heavily indebted enterprises to greater capital pressures; and (4) the US trade protectionism started to impact the export business of some enterprises. These factors exposed some enterprises to growing credit risk.

At the beginning of 2018, the Group had already made sufficient projection and preparation in response to the changing trends of loan quality. With its pertinent measures for risk prevention and resolution, the Group was able to put the movements in non-performing loans under control. During the reporting period, the Group worked hard to improve loan quality. Among others, it reinforced the disposal of NPLs, disposing RMB73.324 billion NPL principals by means of recovery and write-off.

Migration of Loans

The table below sets out the migration of the Bank's loans across the five classes during the reporting period.

	31 December 2018	31 December 2017	31 December 2016
Migration ratio of pass loans (%)	2.53	1.96	2.09
Migration ratio of special mention loans (%)	48.27	35.16	28.94
Migration ratio of substandard loans (%)	73.53	46.05	55.37
Migration ratio of doubtful loans (%)	41.91	32.05	43.67
Ratio of migration from performing to non-performing loans (%)	1.63	1.45	1.58

As at the end of the reporting period, the Bank's ratio of migration from performing to non-performing loans was 1.63%, a rise of 0.18 percentage point over the end of the previous year, mainly because the Bank tightened the recognition standard of non-performing loans, downgrading loans overdue for 90 days and more to the non-performing category, which resulted in a significant increase in non-performing loans. The migration ratios of substandard and doubtful loans both went up year on year.

Loans Overdue

Unit: RMB million

	31 December 2018		31 December 2017	
	Balance	Proportion (%)	Balance	Proportion (%)
Loans repayable on demand	3,511,853	97.32	3,105,363	97.14
Loans overdue ⁽¹⁾				
1-90 days	37,391	1.04	32,842	1.03
91-180 days	13,181	0.37	13,207	0.41
181 days or more	45,987	1.27	45,475	1.42
Subtotal	96,559	2.68	91,524	2.86
Total loans	3,608,412	100.00	3,196,887	100.00
Loans overdue for 91 days or more	59,168	1.64	58,682	1.84
Restructured loans ⁽²⁾	21,588	0.60	23,245	0.73

Notes: (1) Loans overdue refer to loans with principals or interest overdue for one day or more.

(2) Restructured loans refer to loans overdue or downgraded but the conditions of which (e.g. amount and term) have been rearranged.

During the reporting period, the Group's overdue loans increased due to the impacts of the external economic environment. As at the end of the reporting period, the Group's balance of overdue loans recorded RMB96.559 billion, an increase of RMB5.035 billion over the end of the previous year, and the proportion of overdue loans in total loans went down by 0.18 percentage point over the end of the previous year. Of these overdue loans, 1.04% were short-term and/or temporary loans with a maturity of less than 3 months. The proportion of loans overdue for 90 days and more was 1.64%, a decrease of 0.20 percentage point from the end of last year. The increase in the balance of overdue loans was mainly due to the growing risk exposures in some regions and sectors.

The Group managed and controlled loan restructuring in a stringent and prudent manner. As at the end of the reporting period, the Group restructured RMB21.588 billion loans, a reduction of RMB1.657 billion in amount and a decrease of 0.13 percentage point in proportion from the end of the previous year.

Analysis of Allowance for Loan Impairment

The group set aside adequate allowance for loan impairment losses based on expected loss model as required by the new accounting standards on financial instruments in the light of customer default rate, default loss rate and many other quantitative indexes as well as macro perspective adjustments.

Unit: RMB million

	31 December 2018	31 December 2017
Impact of beginning conversions based on new accounting standards	7,002	—
Beginning balance	97,905	75,543
Accruals during the period ⁽¹⁾	47,753	50,170
Transfer out and others ⁽²⁾	11(7)	(586)
Write-offs	(46,938)	(35,691)
Recovery of loans and advances written off in previous years	2,441	1,467
Ending balance	101,215	90,903

Notes: (1) Equal to the net loan impairment loss recognized as accruals for the Group in the consolidated income statement of the Group.

(2) Including allowance for loan released due to the conversion of loans to repossessed assets, foreign exchange rate changes and others.

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The Group set aside adequate allowance for loan impairment losses according to the principles of prudence and truthfulness. As at the end of the reporting period, the Group's balance of allowance for loan impairment registered RMB101.154 billion. After the beginning conversions according to the new accounting standards, the balance of the Group's allowance for loan impairment stood at RMB97.905 billion, and at the end of the reporting period, there was an increase of RMB3.249 billion in such allowance compared with the beginning balance. The Group's ratio of balance of allowance for loan impairment to NPL balance (i.e., the allowance coverage ratio) and ratio of balance of allowance for loan impairment to total loans (i.e., the ratio of allowance for impairment of loans to total loans) stood at 157.98% and 2.80%, declining by 11.46 and 0.04 percentage point over the end of the previous year, respectively.

During the reporting period, the Group accrued RMB47.753 billion as allowance for loan impairment, a decrease of RMB2.417 billion year on year. The reasons underlying the change in allowance accruals were: (1) the Bank tightened the criteria for recognition of non-performing loans, downgrading loans overdue for 90 days and more to the non-performing category; and (2) with more vigorous NPL disposal and write-off, the Bank increased the consumption of allowances.

4.2.5 Major Off-Balance Sheet Items

The table below sets out the Group's major off-balance-sheet items and their balances as at the end of the reporting period.

Item	Unit: RMB million	
	31 December 2018	31 December 2017
Credit commitments		
— Bank acceptance bills	393,851	427,561
— Letters of guarantee	158,813	195,746
— Letters of credit	92,924	88,772
— Irrevocable loan commitments	40,029	72,360
— Credit card commitments	434,590	310,315
Subtotal	1,120,207	1,094,754
Operating leasing commitments	12,934	13,614
Capital commitments	5,356	7,385
Pledged assets	473,399	460,646
Total	1,611,896	1,576,399

4.2.6 Cash Flow Statement Analysis

Net Cash Flows from Operating Activities

The Group's net cash inflow from operating activities registered RMB102.316 billion, an increase of RMB48.242 billion over last year, primarily because the cash inflows resulting from the increase in deposits from customers, growth in interbank business, and decrease in financial investments offset the cash outflows resulting from increase in loans and advances to customers and gave rise to a net cash inflow.

Net Cash Flows Used in Investing Activities

The Group's net cash flows used in investing activities recorded RMB144.573 billion, an increase of RMB10.878 billion from last year, mainly because net cash outflow for financial investments increased over last year.

Net Cash Flows Generated from Financing Activities

The Group's net cash flows generated from financing activities registered RMB74.042 billion, an increase of RMB34.597 billion over last year, primarily because the cash inflow in the form of proceeds from issuance of interbank deposit certificates and bonds offset cash flows used to repay matured interbank deposit certificates and bonds and gave rise to a net cash inflow.

Unit: RMB million

Item	2018	Year-on-year increase (%)	Main reason
Net Cash Flows from Operating Activities	102,316	89.21	
Including: Cash inflow due to reduced financial investments	17,850	(96.55)	Classification of investment management products managed by securities companies and trust investment plans as investment activities as per the new accounting standards on financial instruments
Cash inflow due to increase in deposits from customers	196,044	Negative in last year	Increase in various deposits
Net cash outflow due to increase in interbank business ^{Note 7}	91,758	Negative in last year	Decrease in interbank assets during the previous year
Cash outflow due to increase in loans and advances to customers	(450,950)	23.36	Increase in various loans
Cash Flow Used in Investing Activities	(144,573)	8.14	
Including: Proceeds from redemption of investments	1,396,004	38.60	Increase in sale and redemption of financial investments
Payments on acquisition of investments	(1,535,459)	35.69	Increase in financial investments
Cash Flow Generated from Financing Activities	74,042	87.71	
Including: Proceeds from Issuance of debt certificates	922,161	6.87	Issuance of interbank deposit certificates and bonds
Principal repayment for issued debt certificates	(815,230)	1.72	Repayment of matured interbank deposit certificates and bonds
Interest payment for issued debt certificates	(21,837)	23.38	Increase in payment of interests on interbank deposit certificates and bonds
Payment of dividends	(14,395)	18.52	Increase in payment of cash dividends

Note: Including deposits and placements with, and loans to banks and non-bank financial institutions, financial assets held under resale agreements, deposits and placements from banks and non-bank financial institutions, and financial assets sold under repurchase agreements.

4.2.7 Major Accounting Estimates and Assumptions

The preparation of the financial statements in conformity with the International Financial Reporting Standards (IFRS) required the Group to make certain accounting estimates and assumptions when applying its accounting policies to determine the amounts of assets and liabilities as well as profits and losses for the reporting period. The accounting estimates and assumptions made by the Group were based on its historical experience and other factors such as reasonable expectations of future events. The key assumptions involved in such estimates and the judgment on uncertainties were reviewed on an on-going basis. Such accounting estimates and assumptions made by the Group were all appropriately recognized during the current period of the concerned changes and will be recognized as such during the subsequent periods of any impacts resulting from such changes.

The basis for preparing the Group's financial statements was influenced by estimates and judgments in the following main aspects: loans and advances to customers, classification and measurement of financial investments, impairment of financial investments, fair value of financial instruments, income tax, retirement benefit liabilities and judgments on the extent of control over investment targets.

4.2.8 Major Financial Statement Items with More than 30% Changes

Unit: RMB million

Item	End of 2018/2018	Increase/ Decrease over previous year-end/ previous year (%)	Main Reason
Precious metals	4,988	49.0	Increase in self-held precious metals
Financial assets measured at fair value through profit or loss for the current period	—	—	Item cancelled as per the new formats of financial statements for financial enterprises
Derivative financial assets	31,991	(51.1)	Decrease in revaluation net gain from currency derivatives
Financial assets held under resale agreements	10,790	(80.2)	Decrease in domestic debt securities held under resale agreements
Interest receivable	—	—	Item cancelled as per the new formats of financial statements for financial enterprises
Financial investments	1,600,163	—	Item added as per the new formats of financial statements for financial enterprises
— Financial investments measured at fair value through profit or loss	308,872	—	Item added as per the new formats of financial statements for financial enterprises
— Financial investments measured at amortized cost	778,238	—	Item added as per the new formats of financial statements for financial enterprises
— Financial investments measured at fair value through other comprehensive income	510,346	—	Item added as per the new formats of financial statements for financial enterprises
— Financial investments designated for measurement at fair value through other comprehensive income	2,707	—	Item added as per the new formats of financial statements for financial enterprises
Available-for-sale financial assets	—	—	Item cancelled as per the new formats of financial statements for financial enterprises
Held-to-maturity investments	—	—	Item cancelled as per the new formats of financial statements for financial enterprises
Investments classified as receivables	—	—	Item cancelled as per the new formats of financial statements for financial enterprises
Investment in associates and joint ventures	3,881	65.8	Acquisition of JSC Atyrn Bank and capital increase for CITIC aiBank
Deposits and placements from banks and non-bank financial institutions	115,358	48.7	Increase in placements from domestic banks and non-bank financial institutions
Derivative financial liabilities	31,646	(51.3)	Decrease in revaluation net gain from currency derivatives
Tax payables	4,920	(44.5)	Decrease in balance of tax payable
Interest payable	—	—	Item cancelled as per the new formats of financial statements for financial enterprises
Estimated liabilities	5,013	529.8	Increase in allowances for impairment of off-balance-sheet items
Other comprehensive income (loss)	5,269	Negative as at the end of last year	Impact of beginning conversions based on classification and measurement requirements as per the new accounting standards on financial instruments, and increase in revaluation reserves of financial investment for the current period
Net gain from investment securities	9,046	140.8	1. Implementation of the new accounting standard on financial instruments, resulting in changes in the measurement of some businesses, changing from recognition of interest income to recognition of investment income 2. Increase in gains from investment securities
Asset impairment loss	—	—	Item cancelled as per the new formats of financial statements for financial enterprises
Credit impairment loss	(57,886)	—	Item added as per the new formats of financial statements for financial enterprises
Other asset impairment losses	(347)	—	Item added as per the new formats of financial statements for financial enterprises

4.2.9 Segment Report

4.2.9.1 Business Segments

Major business segments of the Group include corporate banking, retail banking and financial markets business.

Unit: RMB million

Business Segment	2018				2017			
	Segment Operating Income	Proportion (%)	Segment Profit before tax	Proportion (%)	Segment Operating Income	Proportion (%)	Segment Profit before tax	Proportion (%)
Corporate banking	87,184	52.6	24,244	44.6	87,080	55.4	20,743	39.7
Retail banking	57,139	34.5	15,732	29.0	54,353	34.6	20,283	38.8
Financial markets business	18,057	10.9	13,744	25.3	11,080	7.0	8,764	16.8
Others and unallocated	3,386	2.0	606	1.1	4,718	3.0	2,486	4.7
Total	165,766	100.0	54,326	100.0	157,231	100.0	52,276	100.0

4.2.9.2 Geographical Segments

The table below lists the operating results of the Group for the reporting period by geographical segment.

Unit: RMB million

Geographical Segments	31 December 2018				For the year 2018	
	Total assets ⁽¹⁾		Total liabilities ⁽²⁾		Profit before tax	
	Amount	Proportion (%)	Amount	Proportion (%)	Amount	Proportion (%)
Head Office	2,445,696	40.5	2,084,629	37.1	25,144	46.3
Yangtze River Delta	1,184,230	19.6	1,191,150	21.2	10,980	20.2
Pearl River Delta and West Strait	812,520	13.5	800,478	14.3	8,020	14.8
Bohai Rim	1,255,616	20.8	1,228,822	21.9	6,532	12.0
Central	594,775	9.8	596,075	10.6	4,134	7.6
Western	539,071	8.9	524,880	9.4	(229)	(0.4)
Northeastern	97,329	1.6	106,680	1.9	(3,537)	(6.5)
Overseas	338,573	5.6	282,868	5.0	3,282	6.0
Offset	(1,224,270)	(20.3)	(1,201,970)	(21.4)	—	—
Total	6,043,540	100.0	5,613,612	100.0	54,326	100.0

Notes: (1) Excluding deferred tax assets.

(2) Excluding deferred tax liabilities.

Unit: RMB million

Geographical Segments	31 December 2017				For the year 2017	
	Total assets ⁽¹⁾		Total liabilities ⁽²⁾		Profit before tax	
	Amount	Proportion (%)	Amount	Proportion (%)	Amount	Proportion (%)
Head Office	2,300,101	40.7	2,466,613	46.8	27,022	51.7
Yangtze River Delta	1,288,981	22.8	1,135,639	21.6	3,323	6.4
Pearl River Delta and West Strait	916,081	16.2	820,311	15.6	4,402	8.4
Bohai Rim	1,228,113	21.7	1,079,757	20.5	8,884	17.0
Central	626,587	11.1	565,919	10.7	3,456	6.6
Western	574,942	10.2	483,560	9.2	1,396	2.7
Northeastern	94,618	1.7	86,047	1.6	47	0.1
Overseas	307,796	5.4	266,293	5.1	3,746	7.1
Offset	(1,681,353)	(29.8)	(1,638,889)	(31.1)	—	—
Total	5,655,866	100.0	5,265,250	100.0	52,276	100.0

Notes: (1) Excluding deferred tax assets.

(2) Excluding deferred tax liabilities.

4.3 Business Overview

This section analyzes all data and information from the Bank's perspective.

4.3.1 Corporate Banking Business

In 2018, the Bank initiated transformation of its corporate banking business on all fronts. Among others, the Bank managed new customers by “name list” and classified existing customers into “four categories”, strengthened the dominant role of the customer departments, reinforced exit from customers of low quality and low efficiency, and further improved its risk control system. In addition, the Bank improved the building of corporate customer base, fully implemented the “five head-office-to-head-office model” for strategic customers, and deepened cooperation with institutional customers in key areas. In the meanwhile, the Bank enhanced its marketing services among basic customer groups and effective corporate customers, building a more solid customer base. Efforts were also made to tap customer value throughout their industry chains. With innovative launch of unique supply chain finance projects such as “Loans to Wine Venders” and “Cloud Chain”, the Bank made new breakthroughs in the development of corporate banking products. In multiple areas such as bond underwriting, cross-border mergers and acquisitions, syndicated loans and equity financing, the Bank landed a group of standard-setting and first-of-its-kind projects, successfully maintaining its competitiveness in investment banking.

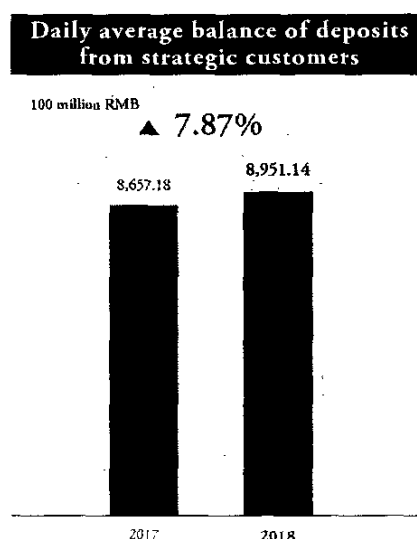
The Bank realized RMB81.787 billion net operating income from its corporate banking business for the reporting period, down 0.20% over last year, representing 52.25% of its total operating income. This amount included RMB12.941 billion net non-interest income from corporate banking, representing 22.23% of the Bank's total net non-interest income.

4.3.1.1 Corporate Customer Management

During the reporting period, the Bank achieved good results in managing its strategic customers and institutional customers. As at the end of the reporting period, the Bank recorded 630,000 accounts of corporate customers in total, an increase of 35,000 accounts over the previous year, including an increase of more than 8,600 accounts of basic customers⁴ and about 6,000 accounts of effective customers⁵ over last year.

Management of Strategic Customers

In line with the principle of “one policy, one account; one team, one account”, the Bank provided differentiated and high-quality financial services to its strategic customers that included premium enterprises in the world's top 500, China's top 500 and industry leaders. During the reporting period, the Bank continued to deeply engage key customers through “Head Office to Head Office Negotiation, Head Office to Head Office Project Acquisition, Head Office to Head Office Parallel Operation, Head Office to Head Office Resource Allocation and Head Office to Head Office Risk Control”. These efforts helped the Bank to build seamless connection between customer needs and commercial banking services, and reduce the cost of communication between the Bank and the enterprises. In addition, the Bank promoted “chain marketing”, focusing on five major industries, i.e., automobile, internet, real estate, home appliances and liquor. While providing high-quality financial services to strategic customers, the Bank focused on expanding its services to relevant upstream and downstream enterprises along the industry chains of the strategic customers, thus extending the value of managing the strategic customers.



⁴ Refers to corporate customers with daily average deposit of RMB100,000 and above.

⁵ Refers to corporate customers with daily average deposit of RMB500,000 and above (excluding non-small-business loan customers).

During the reporting period, the Bank's daily average balance of deposits from strategic customers stood at RMB895.114 billion, an increase of 7.87% over the previous year; and operating income from managing the strategic customers reached RMB30.826 billion, an increase of 4.69% over last year. The Bank provided RMB2.38 trillion comprehensive finance to its strategic customers by means of granting bank loans and underwriting debt securities. As at the end of the reporting period, the strategic customers recorded good loan quality in the overall sense.

Management of Institutional Customers

The Bank leveraged on the unique competitiveness of its institutional customer business, made constant innovations to its professional and smart model of institutional customer management and paced up the construction of a new-type bank-government partnership that featured "fund arrangement, resource integration, capital operation and asset management". During the reporting period, the Bank further deepened its cooperation with institutional customers at all levels, participated in the top-level design of the Ministry of Transport's reform of its transportation investment and financing system, once again became the only joint-stock bank qualified to partner with the Ministry of Industry and Information Technology for major technology transformation projects, and concluded strategic partnership agreements with multiple local governments including the Gansu Provincial People's Government. Riding on the development opportunities available from "Internet + Government" and inclusive finance, the Bank successfully launched online the "Bank-Law Connect" and the "Smart Payment" platform for education. In addition, the Bank further enriched the product functionalities of its "Smart Payment" system, offering payment management and online lending services to institutional customers and the general public that these customers serves, which effectively enhanced customer viscosity.

As at the end of the reporting period, the Bank recorded 33,500 accounts of institutional customers⁶ of various types and RMB299.586 billion balance of loans for these customers, an increase of 8.81% over the end of the previous year. Such loans were mainly invested in urban construction, land and housing, transportation, and education, science, culture and health. The Bank's institutional customers had a 0.14% NPL ratio. For the reporting period, the institutional customers registered RMB1,078.859 billion daily average deposits (excluding negotiated deposits), an increase of 3.79% over last year, taking up 39.86% of the Bank's daily average balance of corporate deposits (excluding negotiated deposits), up 0.53 percentage points from last year.



6 Due to its needs for management of corporate customers, the Bank reclassified the existing institutional customers and made corresponding regressive calculation of the beginning base figures.

4.3.1.2 Corporate Deposit Business

While continuing to boost marketing for low-cost settlement deposits, the Bank appropriately increased the absorption of market-based deposits in response to changes in market situations and diversified customer needs, and kept the cost of its corporate deposit at a level lower than that of its peers. During the reporting period, the Bank's daily average balance of corporate deposits stood at RMB2.78 trillion, an increase of RMB84.511 billion over last year. As at the end of the reporting period, the cost rate of its corporate deposits was 1.89%, up 0.25 percentage point compared with the end of last year.

4.3.1.3 Corporate Loan Business

The Bank made continuous efforts to optimize its asset structure, tilting its credit resources towards key regions, key sectors and key customers. The corporate loans granted by the strategic pivotal regional branches in Beijing, Shanghai, Guangzhou, Shenzhen, Nanjing and Hangzhou increased by RMB44.885 billion compared with the end of the previous year, and the proportion thereof went up to 43.29%, up 2.78 percentage points from the end of the previous year. The incremental loans were mainly invested in those industries in the "active support" and "optimize or adjust" categories such as the pharmaceutical and business services sectors, whose loan balances increased by a combined amount of RMB56.631 billion over the end of the previous year. In contrast, industries in the "strict control", "reduce" and "exit" categories such as the wholesale, metal products and low-end manufacturing sectors recorded a combined decline of RMB50.178 billion of their loan balances compared with the end of the previous year.

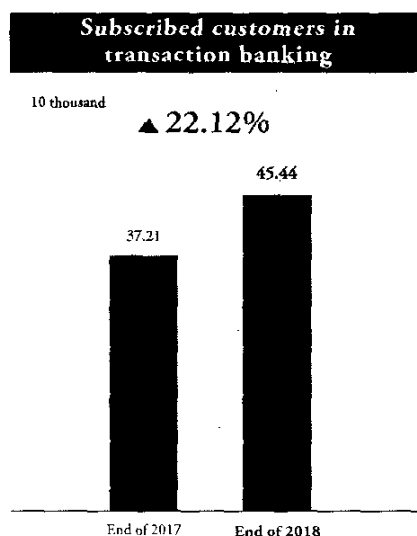
As at the end of the reporting period, the Bank's balance of corporate loans recorded RMB1,916.898 billion, up 8.59% compared with the end of the previous year. The actual average interest rate on corporate loans stood at 5.11%, up 0.23 percentage point over the end of the previous year.

4.3.1.4 Key Corporate Businesses

Transaction Banking Business

Based on its advantages in developing corporate banking business, the Bank continuously enhanced the comprehensive service capabilities of its transaction banking business. During the reporting period, the Bank launched Transaction Banking 2.0 in the full sense, effectively integrating more than 1,000 product functions in data, application and electronic channel at the entry layers. Its launch of service channels such as corporate online banking, corporate mobile banking, and bank-enterprise direct connect further enhanced the one-stop financial service capabilities of transaction banking. In addition, a series of innovative settlement products, such as employer settlement card, agreement collection, and UnionPay express payment were launched, which flexibly generated settlement service solutions according to customer needs, and successfully embedded the Bank's products and services into the daily transaction links of the customers. As such, the Bank provided its customers with more convenient online services.

As at the end of the reporting period, the Bank recorded 454,400 accounts of subscribed customers in transaction banking, a growth of 82,300 accounts or 22.12% over the end of the previous year. For the reporting period, transaction banking completed 75.5679 million transactions, an increase of 0.12% over last year, and realized business income of RMB691 million, an increase of 3.13% over last year.



Investment Banking Business

The Bank took investment banking business as an important support for implementing the strategy on becoming the company offering the best comprehensive financial services. With the orientation of "returning to the basics of financial services and serving the real economy", the Bank vigorously developed such businesses and products as bond underwriting, finance for mergers and acquisitions (M&A), syndicated loans, and investment-lending interaction. As a result, its investment banking maintained a steady and relatively fast pace of development.

The M&A finance business of the Bank successfully assisted a group of M&A projects that supported the development of the real economy, implemented the “Belt and Road” Initiative and served the supply-side structural reform. The Bank closely followed the orientation of national strategies and the direction of market innovation by pushing forward the execution of a number of projects that rendered special support to private enterprises, including underwriting the first debt financing instrument issued by a local state-owned enterprise to provide special support to private enterprises. With corporate asset securitization entering the normal development stage, the Bank’s underwriting of asset-backed notes (ABN) exceeded RMB10 billion. During the reporting period, the Bank successfully underwrote the first green travel ABN, the first scenic spot tickets ABN, the first home-purchase payment ABN and the first state-owned enterprise commercial property mortgage loan ABN in China.

For the reporting period, the Bank’s investment banking achieved RNB8.972 billion business income and underwrote 481 debt financing instruments totaling RMB375.510 billion in amount, ranking the 5th on the market⁷.

International Business

The Bank focused on the core of customer management and professional services in its international business. It continued to consolidate and deepen the “Troika” business development pattern of “traditional basic business, cross-border investment and finance, and corporate foreign currency denominated assets and liabilities” with the precondition of business compliance. During the reporting period, the Bank strictly implemented various regulatory policies, and was rated a Class A bank by the State Administration of Foreign Exchange in the latter’s assessment of bank implementation of regulations on foreign exchange management in 2018. Against the backdrop of continuous deepening of foreign exchange management and market-oriented reform of the Renminbi exchange rates, the Bank captured market opportunities and actively served the real economy. In light of the requirements of constructing the “Belt and Road” Initiative and the trend of Chinese-funded enterprises “going global” for development, the Bank established 30 export credit projects and helped Chinese-funded enterprises complete 34 issues of overseas debts. At the same time, the Bank promoted the development of the Free Trade Zone (FTZ) business in an orderly manner. Its FTZ cross-border loan disbursement increased by 73.21% year on year. In addition, the Bank successfully issued its first non-resident non-risk-bearing foreign currency wealth management product in the Shanghai FTZ. Further, the Bank actively carried out electronic innovation. Its blockchain domestic L/C system won the “The Best Blockchain Initiative, Application or Program Award” from the Asian Banker, the Second Prize for Science and Technology Development from the PBOC in 2017 and the Financial Innovation Award from the China Banking Association. The Bank continued to promote the intensive operation model. Its international business operation center completed the second-batch takeover of branch document business, taking over the document business of 27 branches to further reduce operating costs and operational risk through centralized processing.

For the reporting period, the Bank’s forex purchase and sale recorded USD139.831 billion, representing a market share of 3.64%, rising to the top of all joint-stock banks and 5th among all domestic banks⁸; and its forex receipts and payments for international balance of payments registered USD259.081 billion, representing a market share of 3.69%, continuing to top all joint-stock banks⁹. Its cross-border Renminbi receipts and payments amounted to RMB301.113 billion, a year-on-year increase of 94.54%, ranking the first among joint-stock banks¹⁰. The Bank comprehensively strengthened the risk management of foreign currency loans, which kept improving the quality of foreign currency assets. As at the end of the reporting period, the Bank’s balance of foreign currency non-performing assets was RMB681 million, and the non-performing ratio thereof was 1.44%, down 69.07 and 0.46 percentage points from the end of the previous year, respectively.

⁷ Ranking based on Wind Info data.

⁸ End of December 2018 data from the Monthly Statistics of SAFE.

⁹ Ibid.

¹⁰ End of December 2018 data from the Monthly Statistics of PBOC.

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Asset Custody Business

The Bank upheld and continued to deepen its corporate business development model of “commercial banking + investment banking + custody”. In addition, the Bank kept enhancing the development of its custody business operation system and institutional framework. During the reporting period, the Bank continued to consolidate the diversified development pattern for its custody business. The six trillion-level “big single products”, i.e., public offering funds, asset management plans of securities companies, trust assets, bank wealth management, third-party regulatory products and private equity funds, all registered a sound momentum of development. The Bank won the bid for the custodianship of the occupational annuity plans of the central state organs and institutions, gradually forming distinctive competitive advantages. During the reporting period, the Bank’s new operation system for asset custody, i.e., the “ACE+π FASTER” system, successfully went alive online, preliminarily achieving the development goals of “simple operation, smart process, integrated configuration, and real-time monitoring”.

For the reporting period, the Bank overcame the adverse effects resulting from the scale reduction of Tianhong Yu’e bao after the regulators required the latter to reduce and divert its business. As at the end of the reporting period, assets under the Bank’s custody recorded RMB8.44 trillion, an increase of RMB384.982 billion or 4.78% over the previous year. Despite the general decline of custody income in the industry, the Bank realized RMB3.535 billion income from its asset custody business, up 7.06% from last year. During the reporting period, the Bank ranked the 2nd among all joint-stock banks in terms of total custody business income and topped its peers in terms of the amount and growth rate of incremental custody income¹¹. Among its income from assets custody business, RMB154 million income came from pension fund, up 16.20% from last year.

Special Topic: Inclusive Finance

In active response to the orientation of relevant government policies on vigorously developing inclusive finance, the Bank promoted the construction of an inclusive finance business system with enthusiasm. During the reporting period, the Bank established a joint task force across multiple departments on the basis of setting up the Inclusive Finance Leading Group with the chairperson as the group leader and the president and vice president in charge of inclusive finance as her deputies. In parallel with the establishment of the tier-one Inclusive Finance Department at the Head Office, the Bank paced up efforts to set up inclusive finance departments at the branches. In addition, the Bank built the operation and management platform that integrated “review, approval, disbursement, post-lending” management, making constant improvement to the organizational structure of inclusive finance. To actively support the development of inclusive financial services, the Bank also applied multiple approaches to increase policy support and resource input, such as profit subsidies for performance evaluation, special cost support, differentiated provisioning policies, and priority guarantee of loan size and supply, etc.

In line with the “short-term, frequent and fast” fund requirements of inclusive finance customers, and based on actual circumstances and real fund usage, the Bank set its positioning in inclusive finance as “simple, clear, extensive and appropriate”, and focused on key areas to promote the development of standard products. While effectively controlling risks, the Bank accelerated the reengineering of business processes, greatly simplified the credit extension process and improved business efficiency. In order to reduce the financial costs of small and micro enterprises, the Bank launched several online functionalities, such as “borrow and repay at any time” and “loan renewal without principal repayment”, giving rise to an inclusive finance product system that covered three major categories: basic products, featured products and innovative products.

To go “online, data-based and smart”, the Bank actively built online financing channels and achieved online self-service throughout the processes of loan application, contract signing, fund withdrawal and loan repayment. In addition, the Bank leveraged big data and the Internet to develop models for review/approval automation and smart post-lending risk control, which resulted in parametric control and rapid processing of inclusive financial services.

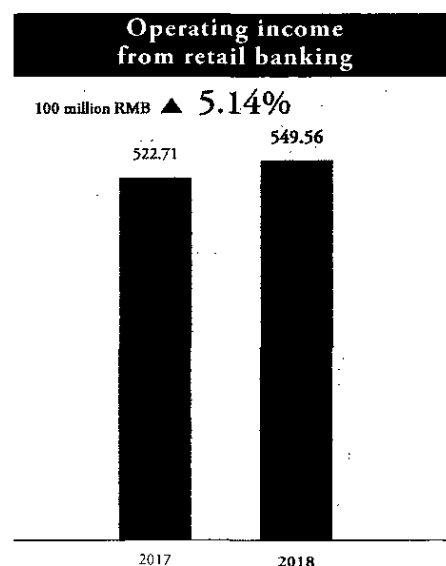
¹¹ According to the statistics released by the China Banking Association.

During the reporting period, the Bank successfully met the “two increase and two control” assessment requirements of the CBIRC and the conditions for the highest-grade RRR cut assessment criteria of the PBOC. As at the end of the reporting period, the balance of the Bank’s inclusive finance loan balance as per the CBIRC assessment criteria¹² was RMB136.353 billion, an increase of RMB44.503 billion or 48.45% over the end of the previous year, which was 34.93 percentage points higher than the average growth rate of various other loans. The number of customers with loan balances recorded 82,200 accounts, an increase of 22,300 accounts or 37.18% over the end of the previous year; the loan interest rate was 6.10%, down 0.22 percentage point from the end of the previous year. Thus, the Bank achieved positive results in alleviating the financing difficulties of small and micro enterprises. The non-performing ratio of loans to small and micro enterprises as per the government definition¹³ stood at 2.53%, which met the risk tolerance requirement of “no more than 2 percentage points higher than the non-performing ratio of various loans”. As at the end of the reporting period, the Bank’s balance of inclusive finance loans as per the PBOC’s RRR cut criteria¹⁴ totaled RMB142.729 billion, a growth of RMB40.242 billion over the end of the previous year, taking up 10.52% of the Bank’s total incremental loans.

4.3.2 Retail Banking Business

During the reporting period, the Bank was confronted by internal and external economic and financial situations such as more intensive competition in wealth management business and growing maturity of financial technology (fin-tech). In response, the Bank upheld the “customer orientation” business concept and focused on development of customers, products, channels and foundational capabilities in order to become “the bank offering the best customer experience”. It made continuous efforts to develop unique products such as Xinjin Bao, robo-advisor, going abroad finance, family trust, carte blanche asset management, mobile banking and credit card, and prioritized the advancement of three major business areas, i.e., asset business, wealth management and payment settlement. With innovations made to mobile channels and customer acquisition models as well as the support of big data and precision marketing technology, the Bank sustained relatively fast growth of its retail banking business while constantly upgrading customer management and service experience.

During the reporting period, the Bank realized RMB54.956 billion net operating income from retail banking, an increase of 5.14% over last year, accounting for 35.11% of its total net operating income. Of this amount, RMB36.622 billion was net non-interest income, up 9.14% from last year, taking up 62.91% of the Bank’s total net non-interest income, an increase of 0.52 percentage point. Credit card business contributed RMB30.815 billion to total net non-interest income from retail banking, accounting for 52.94% of the Bank’s total net non-interest income. Fee-based income from bank cards and payment settlement recorded RMB1.06 billion, a growth of RMB311 million or 41.45% over last year, achieving a new breakthrough.



4.3.2.1 Retail Customer Management

Through precision customer marketing and more effective stratified management of retail customers, the Bank achieved systematic management of and service provision for retail customers and relatively high growth in the number of retail customers. As at the end of the reporting period, the Bank recorded 88.3176 million accounts of retail customers, a growth of 22.65% over the end of the previous year; and 735,000 accounts of medium-to-high-end customers¹⁵, representing a growth of 25.11% over the end of the previous year.

¹² Refers to loans to small and micro enterprises no more than RMB10 million (inclusive) per account.

¹³ Refer to loans to small businesses, loans to micro enterprises, loans to industrial and commercial households and loans to small and micro business owners that meet the requirements of the Regulations on the Standards for Classifying Small and Medium-sized Enterprises promulgated by the four ministries including the Ministry of Industry and Information Technology.

¹⁴ Refers to loans no more than RMB5 million (inclusive) per account that are granted to small and micro enterprises, industrial and commercial households and small and micro business owners, as well as such loans granted for the purposes of rural household production and business operation, start-up business guarantee, consumption of registered poverty population, and financial aid for education.

¹⁵ Refers to customers each having at least RMB500,000 daily average AUM with the Bank.

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By means of constructing a customer management system, integrating online and offline channels and making scenario-based customer acquisition, the Bank reinforced the building of retail banking brands for the middle and old-aged, female and young customers (collectively the “three major customer groups”), and set up exclusive rights for the “three major customer groups” in the “CITIC Red” rights system. As at the end of the reporting period, the Bank recorded 12.4023 million middle-and-old-aged customers, 7.5488 million female customers and 30.2332 million young customers, a growth of 23.14%, 25.42% and 22.13% over the end of the previous year, respectively.

The Bank continued to strengthen its mechanism for interaction between corporate and retail banking businesses to achieve mutual conversion of premium corporate and retail customer resources. As at the end of the reporting period, the Bank recorded 4.8943 million valid accounts of customers receiving its agency salary payments through such interaction; and registered RMB205.074 billion retail AUM for these customers. During the report period, the Bank newly acquired 5,706 accounts of high-end retail customers and 2,507 accounts of new base corporate customers¹⁶.

4.3.2.2 Personal Deposit Business

Starting from customer needs and experience, the Bank focused its efforts on products and marketing, and pushed for the growth of personal deposits by multiple measures. In terms of products, the Bank vigorously promoted the creation of products in its liability business. Key liability products with market influence such as “Yue Yue Xi”, personal large-amount deposit certificates and structured deposits were successively released. At the same time, through optimization of product functionalities, expansion of product types and stratification of product pricing, the Bank enabled its customers richer product choices and better service experience. The Bank continued to rely on product-sale scenes to innovate products, launching “Huoqi Bao” for large-amount settlement customers, “Xinyue Bao” for customers who had already paid deposits for their home purchases, and print-version personal large-amount deposit slips to customers relocating from demolished urban-rural conjunction areas. In terms of marketing, the Bank strengthened process management, ensured sound follow-up connection of matured deposits, matched the needs of elderly customers and customers with low risk bearing capability, and provided the customers with suitable products. As at the end of the reporting period, the Bank’s balance of personal deposits registered RMB590.094 billion, an increase of 35.26% over the end of the previous year, hitting a new high in terms of annual growth.

4.3.2.3 Personal Loan Business

In active response to the policy orientation of the government, the Bank vigorously developed personal loan business, achieving rapid coordinated development of personal loan business in terms of profitability, quality and scale. During the reporting period, the Bank further built up its personal loan business by upgrading customer acquisition capability, improving products and optimizing processes. In terms of customer acquisition, the Bank continued to improve the three major approaches of customer acquisition, i.e., “online acquisition, channel acquisition and customer-recommend-customer acquisition”. In terms of products, the Bank established a standard personal loan product system and further optimized the business processes and product functions for basic products such as mortgage loans, unsecured loans and pledge loans. At the same time, the Bank vigorously promoted the multi-scenario application of personal consumer loans, launched products based on the mobile banking terminal such as “Xin Miao Dai” (meaning CNCB instant loans), continued to expand credit data channels and continuously augmented the basic customer groups of consumer loans. As at the end of the reporting period, the Bank had accumulatively accessed more than 140 direct-connect and non-direct-connect data channels of the public provident fund and tax fund.

During the reporting period, the Bank continued to comply with the government requirements on property regulation and control at all levels and conducted its housing mortgage business accordingly. The Bank recorded RMB629.215 billion balance of home mortgage loans, a growth of RMB136.452 billion over the end of the previous year, with the growth rate being 10.54 percentage points higher than last year. As at the end of the reporting period, the Bank’s balance of personal loans (excluding credit card) was RMB1,016.484 billion, representing an increase of 15.94% over the end of the previous year. During the reporting period, the weighted average interest rate of newly granted personal loans stood at 6.20%, a rise of 0.18 percentage point from last year.

¹⁶ Refers to customers each having at least RMB10,000 daily average account balance with the Bank.

4.3.2.4 Key Businesses of Retail Banking

Wealth Management Business

The Bank enhanced product innovation in response to market changes and in line with customer needs. These efforts contributed to relatively rapid growth of its wealth management business. In terms of wealth management for retail customers, the Bank tried its best to push forward the transformation towards NAV products in accordance with the New Regulations on Asset Management, recording a 25.98% growth in the scale of existing NAV personal wealth management products by the end of the reporting period. In terms of agency fund sale, in line with the market conditions, the Bank vigorously promoted the sale of bond funds, achieving a 152.67% increase in the sale of non-monetary funds compared with the previous year. At the same time, the Bank's big single product "Xinjin Bao" continued to attract customer attention. As at the end of the reporting period, "Xinjin Bao" recorded 2.094 million accounts of newly subscribed customers, an increase of 5.84% over last year. The Bank carried out R&D and preparation of robo-advisor projects with great zest. During the reporting period, the Bank launched "CITIC Robo-Advisor"¹⁷, providing customers with such functions as one-click purchase of fund portfolios, adjustment and optimization of positions, monthly investment reporting and fund diagnosis. During the reporting period, the cumulative yields on the portfolios outperformed the benchmarking main market indices.

As at the end of the reporting period, the retail customers of the Bank recorded total AUM balance of RMB1,784.626 billion and an AUM balance of RMB845.776 billion for VIP retail customers at the Bank, an increase of 20.09% and 23.48% over the previous year, respectively. For the reporting period, daily average AUM balance stood at 1,686.576 billion, up 20.23% compared with last year.

Private Banking Business

The Bank put forward the brand proposition of "guarding the warmth of inheritance with good faith" and formulated the 2018-2020 development plan for its private banking business based on the business philosophy of "creating value for customers" and the positioning of developing its private banking into "a profit center that integrates management and operation with management at higher levels and operation at lower levels". Relying on the Group's resource advantages and based on refined management and professional operation, the Bank improved the mechanisms and institutional arrangements of its private banking business and provided private banking customers with leading financial and non-financial comprehensive service solutions.

During the reporting period, the Bank established 15 private banking centers at various branches to enhance regional service and operation capabilities. It also provided private banking customers with diamond butler services, the first of its kind in the industry, and achieved exclusive total-channel private banking services such as online banking and online service. By integrating expert resources for family inheritance, the Bank's two big single products, i.e., family trust and carte blanche asset management, gained market reputation, leading the industry in terms of both market share and customer satisfaction. As a result, the private banking segment got a boost in its capability for comprehensive customer management, and continued to release customer value contribution.



¹⁷ "CITIC Robo-Advisor" is a one-click personal wealth solution of the Bank that integrates data analysis, quantitative analysis of quantitative models and qualitative research results of expert teams. It selects premium funds from the entire market of public offering funds to build investment portfolios. Through smart analysis of users' customer portraits, "CITIC Robo-Advisor" accurately recommends fund portfolios, tracks market trends in real time and provides user portfolios with diagnostic analysis and dynamic rebalancing services.

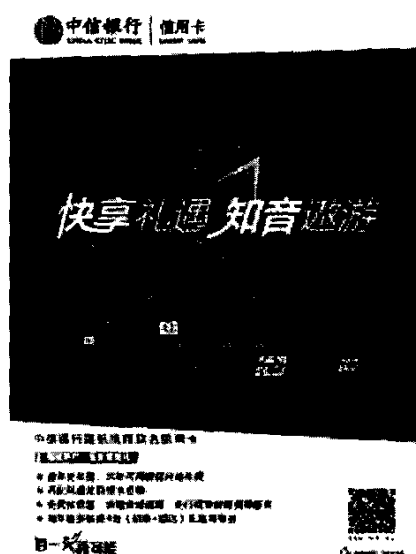
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As at the end of the reporting period, the Bank recorded 33,900 accounts of private banking customers, an increase of 7,203 accounts or 27.02% over the end of the previous year; and an AUM balance of RMB486.203 billion for its private banking customers, up RMB99.861 billion or 25.85% over the previous year end. The private banking business of the Bank won extensive market recognition (more than 20 awards domestically and abroad) in the year, including the honor of "Overall Best National Private Bank" from Asiamoney.

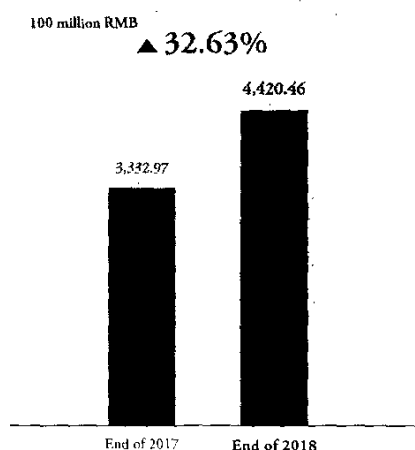
Credit Card Business

In credit card business, the Bank continued to practice the "smart development" business concept, adhered to "customer orientation", and comprehensively deepened management of both the full process and its various components. It also strove to create "top card choice" for customers and built differentiated competitive advantages. With an open attitude for win-win cooperation, the Bank partnered with many outstanding enterprises across different industries to deepen the channel potential and build a "financial ecosphere without boundaries" that covered all consumption scenes including life, entertainment, culture and business travel. With these efforts, the Bank provided customers with more humanized and personalized products and services.

The Bank accelerated the construction of the "finance +" system and continued to promote the "finance + business travel" strategy. Co-branded credit cards were issued in partnership with Sichuan Airlines, Okay Airways, Hebei Airlines and Luxury Card, and tri-party joint-branded credit cards were issued in cooperation with Air China and Ctrip to create the ultimate service experience of business travel for cardholders. At the same time, the Bank sped up the arrangement of the "finance + retail" layout, launching the first Yonghui-CNCB co-branded credit card with Yonghui Superstores, which was the exclusive credit card product to access the Yonghui Financial Supermarket, creating a new scene model for financial supermarkets. In exploring the new cross-sector possibilities in "finance + sports", the Bank joined hands with Real Madrid to launch Real Madrid's first exclusive fan credit card in China, which provided exclusive financial services for Real Madrid fans and was well received by the market. The Bank also introduced the "finance + health" one-stop service platform — Health Bank, the first of its kind in the industry, providing cardholders with comprehensive convenient health services such as registration, medical consultation, physical examination, dental cleaning and genetic testing. At the same time, the Bank cooperated with Zhong An Insurance to launch the co-branded credit card for Internet insurance, providing customers with all-round life protection and support that fit their specific needs.



Balance of credit card loans



As at the end of the reporting period, the Bank had issued a cumulative number of 67.0569 million credit cards, an increase of 35.27% over the end of the previous year, and recorded RMB442.046 billion balance of credit card loans, a growth of 32.63% over the end of the previous year. During the reporting period, the Bank's credit card transaction volume was RMB2,081.583 billion, an increase of 39.48% year on year; and the incremental number of issued credit card registered 17.4861 million, representing an increase of 43.44% over last year. For the reporting period, the Bank realized RMB46.023 billion income from credit card business, a growth of 17.81% over the previous year, which included RMB19.310 billion income from installment business. In addition, the Bank actively promoted credit card asset-backed securitization (ABS) business, accelerating credit-card asset turnover and thereby effectively reduced capital occupation. During the reporting period, the Bank cumulatively issued RMB105.266 billion credit card installment ABS products and RMB1.433 billion credit card non-performing asset ABS products.

Going Abroad Financial Services

Going abroad finance is a unique big single product of the Bank's retail banking business with a history of 20 years and a track record of serving going-abroad customers by more than 20 million person-times. Thanks to continuing business expansion, the Bank is now the authoritative financial institution in partnership with the embassies of 9 countries (including the USA, the UK, Australia and Singapore, etc.) for provision of visa services. The Bank has developed a system of products in five major categories, i.e., foreign currency liabilities, cross-border settlement, visa, credit certification and global asset allocation. During the reporting period, the Bank continued to innovate its going abroad financial services in line with customer needs and pain points and pursuant to its goal of becoming an industry leader in personal foreign exchange business. In particular, the Bank launched competitive products and services such as customized foreign currency deposits, foreign currency Xinjin Bao, smart foreign exchange purchase and sale, and the UK visa visiting service. By holding events together with the U.S. Embassy in China to celebrate the 20-year partnership, the Bank further consolidated its professional authority and advantages in going abroad financial services. In addition, the Bank organized a strong team of 2,000 professionals engaged in going abroad financial services and personal foreign exchange business, and built a strong team of 400 well-rounded international planners. At the same time, the Bank successfully launched its online platform for going abroad financial services, which, through an "online + offline" and "financial + non-financial" going abroad financial ecosphere, satisfied the financial service needs of customers before, during and after their overseas trips for various purposes including tourism, studies and business travels.

As at the end of the reporting period, the Bank recorded more than 5.6631 million accounts of customers using its going abroad financial services, bringing in 420,600 new customers for the Bank, and the corresponding balance of personal foreign currency deposits with the Bank reached USD5.19 billion, up 31.54% over the end of the previous year.

4.3.2.5 Consumer Rights Protection and Service Quality Management

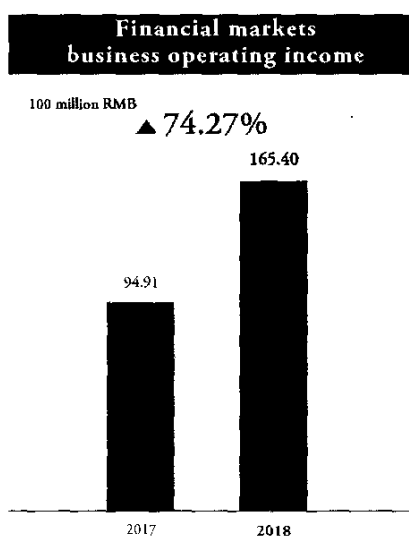
After setting up the Consumer Rights Protection Committee under the Board of Directors and the Consumer Rights Protection Office as a tier-one managerial function, the Bank continued to improve the management system for consumer rights protection at the branches in accordance with relevant work requirements of the CBIRC. As at the end of the reporting period, the Bank's 38 tier-one branches had all established consumer rights protection functions. In order to strengthen the inspection of consumer rights protection and ensure compliance of services and sales, the Head Office supervised its service quality and consumer rights protection by various means such as unannounced visits, announced outlet inspections, monitoring and inspections and mutual inspections between branches. As always, the Bank adhered to the concept of developing "a bank of best customer experience". To this end, it launched the project of "building distinctive outlet features" across the board for the sub-branches to form unique features in terms of outlet design, customer service, event organization and product marketing. At the same time, through the retail business process penetration project, the "branch experience officer" initiative and other activities, the Bank listened to the voice of the front line, paid attention to the opinions of the branches, and established a bottom-up information feedback and optimization mechanism. These efforts continuously improved its service quality and internal management.

During the reporting period, in the competitions held by the China Banking Association (CBA), the Bank received the "2018 Outstanding Contribution Award for Civilized Standard Services in the Chinese Banking Industry" and 40 of its outlets made to the list of "1,000 Role Model Units of the Chinese Banking Industry for Excellence in Service Provision in 2018", a leading runner among all joint-stock banks.

4.3.3 Financial markets business

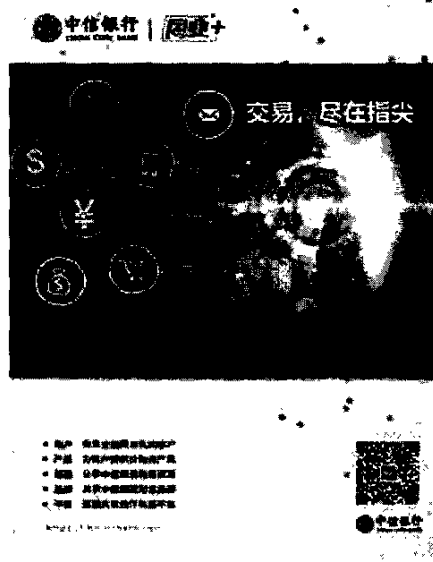
In face with the grim and complex financial environments at home and abroad, the Bank actively promoted the transformation of its financial markets business with the objective of shifting from scale expansion to quality improvement, from holding for profit to trading for profits and from product marketing to customer management. These efforts enabled continuing optimization of the asset-liability structure and significantly improved the profitability of its financial markets business.

For the reporting period, the Bank's financial markets business segment recorded operating income of RMB16.540 billion, a growth of 74.27% over last year, representing a 10.57% proportion in the Bank's total operating income. Of this income figure, non-interest income from financial markets business recorded RMB8.150 billion, an increase of 24.11% year on year, accounting for 14.00% of the Bank's total net non-interest income.



4.3.3.1 Interbank Business

In its interbank business, the Bank made active efforts to implement the goals of the new three-year strategic plan. Specifically, the Bank made pre-judgement of the market situation in advance, captured market opportunities, deepened the construction of customer management system, focused on key businesses and effectively reduced costs. As a result, the interest spread between its interbank assets and liabilities expanded markedly, and asset quality got a continuous boost. As at the end of the reporting period, the Bank's balance of financial interbank assets (including deposits and placements with, and loans to banks and non-bank institutions) recorded RMB222.304 billion, representing a drop of 11.66% over the end of the previous year; and its balance of financial interbank liabilities (including deposits and placements from banks and non-bank financial institutions) amounted to RMB850.065 billion, an increase of 2.01% over the end of the previous year.



During the reporting period, the bill business exhibited the trend of developing towards standard and centralized operation. In response, the Bank leveraged its advantages in centralized operation of its bill business at the Head Office and branch centers. In particular, the Bank continuously accelerated the turnover rate of bills and effectively improved resource use efficiency for economy of scale. It adopted multiple measures at the same time to promote the development of bill direct discount business according to corporate customers' financing demand, and thereby helped improve financing efficiency for the real economy and markedly enhanced its ability to serve the real economy. During the reporting period, the Bank's volume of bill direct discount business exceeded RMB500 billion, including RMB120 billion financing for support to private enterprises; the average daily balance

of bill rediscounting reached RMB14.5 billion, up more than 50% over the previous year, with all bills from small and micro enterprises. In September 2018, the Bank launched "Xin Miao Tie", an innovative self-service electronic discounted bill product. At the end of the year, "Xin Miao Tie" recorded over 1,400 accounts of subscribed customers, and more than RMB11.5 billion discounted financing, becoming an important starting point for the Bank to support inclusive finance. As at the end of the reporting period, the balance of the Bank's bill assets amounted to RMB335.865 billion, representing an increase of 82.08% compared with the end of the previous year; and the proportion of electronic bill business stood at 99.37%, representing an increase of 0.85 percentage point over the end of last year.

The Bank built the “CITIC Interbank+” platform, the interbank financial service platform built with priority efforts, and continued to research and develop new products and optimize exiting functionalities during the reporting period, resulting in constant improvements to customer experience. As at the end of the reporting period, the platform had 1,216 accounts of interbank legal-person customers, an increase of 49.02% over the end of the previous year, and recorded a transaction volume of RMB1.43 trillion, up 12.77% from last year.

4.3.3.2 Financial markets business

The Bank actively conducted currency market transactions such as Renminbi interbank lending, borrowings and bond repos. While meeting the needs for liquidity management, the Bank also improved the operating results of short-term capital. As at the end of the reporting period, the Bank recorded a RMB21.90 trillion total volume of money market transactions. At the same time, the Bank fully leveraged active liability financing instruments such as interbank certificates of deposit. With RMB873.230 billion interbank certificates of deposit issued during the reporting period, the Bank became a market leader in terms of the volume of such issuance.

The Bank offered pertinent multi-layer exchange rate risk management solutions to meet customer needs for financing and value preservation, cross-border M&A, hedging forex receipt and payment, and management of Renminbi and foreign currency denominated assets and liabilities. Its innovative exchange rate product portfolios included forex trading, spot and forward forex purchase and sale, swaps, options and others. Thus, the Bank helped customers achieve value preservation and appreciation of their forex assets. During the reporting period, the Bank completed USD1.97 trillion forex market making transactions, up 11.29% from last year, and continued to be on the list of top market makers at the interbank forex market. The Bank closely followed market trends, optimized bond asset allocation, appropriately extended investment cycles, and made flexible choice of trading targets in order to tap the relative value change of different assets, and at the same time emphasized prevention and control of credit risk to improve the overall return on bond assets. In active response to regulatory policies, the Bank promoted the development of “Bond Connect” business, further consolidating its status as a core market maker at the interbank bond market. The Bank further optimized the structure of the precious metal leasing business, actively supported the gold-user entities in the real economy, and at the same time boosted trading to promote steady development of the gold import business. During the reporting period, the Bank ranked the 4th¹⁸ on the market for gold market making by way of book finding, and was successfully shortlisted on the first groups offering forward silver quotations, further expanding its scope of precious metals market making.

4.3.3.3 Asset Management Business

During the reporting period, the PBOC, the CBIRC and other regulators successively issued a series of regulatory documents such as the Guiding Opinions on Regulating Asset Management Business of Financial Institutions and the Measures for the Regulation of Wealth Management Business of Commercial Banks (collectively “the New Regulations on Asset Management”) to further regulate the asset management business of commercial banks in a comprehensive manner.

In active response to changes in the policy environment, the Bank steadily promoted the transformation of its asset management business. In accordance with the policy orientation of “managing other people’s wealth on their behalf as entrusted”, the Bank further strengthened the ability for active management of wealth management assets and allocation of general-category assets. Its focus was placed on reinforcing investment in standardized debt assets, making appropriate arrangements in equity assets and cross-border market operations, and ensuring successful reduction of non-standardized assets or transfer of such assets to standardized assets. At the same time, the Bank continued to promote the transformation of wealth management business, increased resource input, accelerated the rectification of existing business, and promoted the restructuring of wealth management business into a corporation. To this end, the Bank comprehensively pushed forward the transformation of products, assets, customers, sales, risks, operations, and mechanisms, and strove to build a reliable boutique asset management business with unique characteristics.

As at the end of the reporting period, the Bank’s existing scale of non-risk-bearing wealth management products recorded RMB925.259 billion, down 2.89% from the end of the previous year, in which NAV products took up a proportion of 26.44%. The overall profile of the products remained healthy and stable. Due to the impact of factors such as the New Regulations on Asset Management, the currency market and the payment of VAT, the Bank slowed down the investment pace of wealth management funds, recording a decline in the overall yield on its asset management business. For the reporting period, the Bank’s wealth management business realized income of RMB2.75 billion, a decrease of 50.32% from the previous year and generated total yield of RMB57.182 billion for customers, an increase of 25.25% over last year.

18 Based on data from the Shanghai Gold Exchange

Special Topic: Impact Analysis of the New Regulations on Asset Management

The Bank actively responded to the challenges brought by the New Regulations on Asset Management on its wealth management business. Systematic responses were put in place to effectively promote the healthy and relatively fast development of wealth management business. First, on 13 December 2018, the Board of Directors of the Bank reviewed and approved the proposal on establishing a wholly-owned subsidiary for wealth management business with a registered capital of no more than RMB5 billion. Second, the Bank formulated a transformation plan for its asset management business. In accordance with the development requirements of “integrating business strategies, professionalizing asset management, differentiating marketing services, and branding social influence”, the Bank strove to build a reliable boutique asset management business. Third, the Bank comprehensively sorted out the main business processes and operational specifications for product launch, investment, trading, custody, information disclosure, risk control, and compliance management, made full use of the policy transition period, and further improved the asset management system. Fourth, the Bank made innovations to its businesses and products. Specifically, the Bank reformed existing products, transforming open-ended products into quasi monetary funds, transforming period products into closed NAV products; adjusted and optimized the maturity structures of wealth management products and enriched long-term wealth management product lines; innovated fixed-income products, hybrid products and equity products, by improving the NAV performance of the products while striving to reduce net value fluctuations and fall after rise and enhancing stability of product valuation. Fifth, the Bank consolidated its customer base. Among other things, the Bank strictly implemented the qualified investor system by reinforcing the testing and assessment of customer risk tolerance and investment willingness; and further broke down its customer groups to formulate differentiated marketing strategies for different types of customers and design competitive exclusive products accordingly. Sixth, the Bank sped up its system construction, and re-examined and accelerated the construction of its asset management system, in order to meet the regulatory requirements on valuation and accounting of NAV products and measurement of risk assets. After smooth completion of the second phase of the asset management system, the Bank accelerated the construction of its third phase. Seventh, the Bank increased the offering of NAV products.

The Bank adopted the following mindset for handling non-standardized wealth management assets: According to the relevant requirements of the New Regulations on Asset Management, before the conclusion of the transition period (end of 2020), where a bank asset management product is directly or indirectly invested in non-standardized debt assets (abbreviated as “non-standardized assets”), the termination dates of the underlying non-standardized assets shall not be later than the expiration date of the closed asset management product or the latest open day of the open-ended asset management product. As at the end of the reporting period, the Bank had completed the combing and screening of the existing non-standardized assets, and actively studied and discussed the post-transition asset handling plan. The mindset for handling the existing non-standardized assets is as follows: for non-standardized assets with maturity dates before the end of the transition period, they will naturally expire on their maturity dates; for non-standardized assets with maturity dates after the end of the transition period, if the remaining period is relatively short, the Bank will launch special products compliant with the New Regulations on Asset Management to connect with the expiring assets; for assets that meet the conditions for non-standardized to standardized transfer, the Bank will actively convert them into standardized assets by means such as issuing ABS and ABN; for assets with relatively long remaining period and other assets, the Bank will handle them by requiring the borrowers to repay the loans in advance, transferring the assets, or returning the assets to the balance sheet; and for some equity assets with longer maturity, when relevant conditions are met, they will be handled through asset transfer.

4.3.4 Comprehensive Financial Services

The Bank adhered to the business concept of “customer orientation” and made full use of the unique CITIC Group advantages in placing financial and non-financial businesses on an equal footing to continuously enhance in-depth business cooperation with the subsidiaries of CITIC Group and its own subsidiaries on all fronts and in multiple areas and meet the customer needs for comprehensive financial services.

In terms of CITIC group synergy, for the reporting period the Bank provided enterprises with comprehensive finance of RMB625.843 billion in conjunction with CITIC Group’s financial subsidiaries by means of syndicated loans, bond underwriting, equity financing and private equity investment, up 2.67% over last year. In addition, the Bank made RMB409.471 billion agency sale of products from CITIC Group’s financial subsidiaries, a growth of 29.87% over last year. As at the end of the reporting period, the Bank jointly managed RMB16.573 billion enterprise annuities in partnership with CITIC Group’s subsidiaries, an increase of 3.81% over the end of the previous year; and provided custody services to RMB1,133.602 billion products of CITIC Group’s subsidiaries, representing an increase of 0.16% compared with the end of last year.

In terms of parent-subsidiary synergy, the Bank integrated the professional and online service resources of CITIC Financial Leasing and CITIC aiBank and strengthened innovation of product and service models to maximize the improvement of customer experience. During the reporting period, in cooperation with CITIC Financial Leasing, the Bank implemented 20 bank-lease projects with total investment of RMB9.641 billion. In addition, the Bank executed 42 joint projects in cooperation with CITIC aiBank, with total investment of RMB3.084 billion.

In respect of cross-border synergy, in line with the general trend of transformation and the requirements of internationalized business operation, the Bank used cross-border synergy as a highlight feature of its services for corporate customers. With CNCBI and CNCB Investment as the major service platform at home and abroad, the Bank expanded its cooperation radius and enriched its service contents, providing integrated comprehensive cross-border services for customers. During the reporting period, the cross-border projects jointly implemented by the Bank and its subsidiaries recorded a combined amount of RMB221.279 billion.

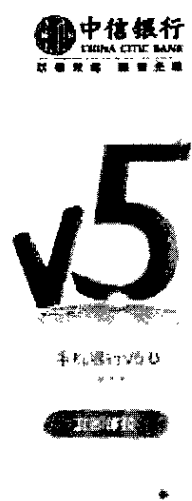
In terms of regional synergy, the Bank actively implemented the national strategy on regional coordinated development and issued the Work System of the Regional Coordinated Development Committee of CITIC Bank. It established the Regional Coordinated Development Committee and the respective regional coordination leading groups for the Beijing-Tianjin-Hebei region, the Jiangsu-Zhejiang-Shanghai region and the Guangdong-Hong Kong-Macao Greater Bay Area. As such, the Bank continued to promote business synergy among branches in the same regions. During the reporting period, the Bank completed surveys of more than 200 mainstream enterprises already stationed in the Xiong'an New Area and became the first commercial bank to extend loans to Xiong'an Group. The Bank also actively responded to the national strategy on regional integration in the Yangtze River Delta, and increased its services to enterprises doing business for "agriculture, farmers and rural areas" as well as micro, small and medium-sized enterprise. In addition, leveraging on the advantages of internal and external business interactions and industrial resources of CITIC Group, the Bank constructed a collaborative platform in the Hong Kong and Macao region to comprehensively support the construction of the Guangdong-Hong Kong-Macao Greater Bay Area.

4.3.5 Financial Technology

The Bank regards financial technology as an important breakthrough for its innovation and development. It actively promoted the application of new technologies such as big data and artificial intelligence in customer management, product innovation and risk control, and accelerated the construction of an integrated channel system. These efforts comprehensively enhanced business service capabilities and customer experience.

The Bank adhered to the mobile finance strategy and used mobile banking as its main battle field of customer management. During the reporting period, the Bank released Mobile Banking 5.0, launched voice banking, QR code payment and the exclusive version of private banking, and upgraded the smart recommendation engine and customer labelling system. All these built its personalized recommendation service capability and enhanced customer experience. In addition, the Bank made further efforts to have its deposit, loan and forex products go online, basically achieving online full coverage of retail products. In terms of mobile banking security control, the Bluetooth Key was added as a money transfer support, and explorations were made to construct a trustable transaction environment, which further enhanced customer security experience.

The Bank established a comprehensive partnership with Iflytek to jointly explore and cultivate the application of artificial intelligence in the financial industry, build a smart technology service era of AI credit cards, and provide users with high-quality services such as AI credit cards, voice interaction and smart payment. The Bank launched the 5.0 version of its Mobile Card Space APP, further accelerated the application of artificial intelligence technology, and launched more than 10 smart services such as face recognition login and VR customer service online. With these initiatives, the Bank created exclusive user experience of "one-stop financial services" and promoted the building of a smart ecology. The number of active APP users reached 10 million per month. Through continuous expansion of the new media platform resources, the Bank formed a matrix layout comprising WeChat/Alipay service accounts, WeChat Mini Programs, short videos, Weibo and social media groups. The cumulative number of followers continued to grow substantially.



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During the reporting period, the Bank invested approximately RMB3.58 billion in various types of information technology. While continuing to consolidate its information technology infrastructure, the Bank kept increasing its investment in developing its information technology foundation and accelerated its deployment in artificial intelligence, blockchain, cloud computing and big data. These efforts achieved remarkable results. In the application of artificial intelligence, “CITIC Brain”, the first AI financial service platform among all joint-stock banks, began to provide customers with tailor-made precision marketing services. The AI outbound card marketing calls supported by “CITIC Brain” recorded a success rate 16 times higher than that of the traditional outbound calls. The compliance AI blacklist matching introduced by the Bank recorded a precision rate significantly higher than that achieved by foreign mainstream products. “CITIC Brain” has attained the preliminary capacity for smart application and service in multiple areas such as smart trading, smart marketing, smart risk control, smart service provision and smart operation. A promising prospect of application is expected of “CITIC Brain”. In the application of blockchain, the Bank has established, in cooperation with its peers, the largest inter-bank blockchain cooperation ecology in China. The cumulative transaction volume of the blockchain trade finance platform exceeded RMB10 billion. In the construction of cloud computing infrastructure, the Bank independently researched and developed a financial-grade distributed database, and jointly owned a number of national patents with its partners. The deployment of X86 servers increased by 30% year-on-year, and 53% of the applications were already migrated to the cloud platform, improving system deployment efficiency by more than 20%. In big data R&D and application, the Bank’s big data platform built 10 technical components and 23 types of business applications. Its distributed storage capacity increased by 60% year-on-year; its data capacity reached 3.6PB; and its processing capacity increased by 40%, reaching 400 million messages per day on average.

4.3.6 Information Technology

The Bank led the development of financial technology with the twin-wheel drivers of mechanism innovation and technology innovation, and empowered business development with digital and smart transformation. Through the introduction of a series of practices such as incentives to reward major innovations, rapid promotion for the technology sequences, and IT-integrated team assignment to improve quality, the Bank raised speed and stimulated endogenous motivation and internal vitality for innovation and development of financial technology. In addition, the Bank initiated the future-oriented implementation of the eight transformation projects, made smooth progress in constructing the project on migrating its core business system and credit card system to the “cloud architecture”, met expectations in the construction of infrastructure architecture transformation project groups including the enterprise-level development platform, data analysis cloud platform, hybrid IT infrastructure platform, and test service cloud platform, and had put some of their functionalities into practical use. In addition, the Bank enhanced the research and development of big data and artificial intelligence applications across the bank, integrated big data, AI algorithms, application model management, and launched “CITIC Brain”, a framework-driven enterprise-level artificial intelligence application platform.

During the reporting period, the Bank continued to consolidate the information technology risk control system and information security protection system, further constructed intensive, automated and smart platforms for operation and maintenance, improved the data center remote disaster recovery system, and comprehensively promoted the CITIC cloud platform. These efforts markedly enhanced its capacity for safeguarding operation and maintenance.

4.3.7 Distribution Channels

4.3.7.1 Physical outlets

As at the end of the reporting period, the Bank had 1,410 outlets in 146 large and medium-sized cities in mainland China, including 38 tier-one branches (directly managed by the Head Office), 117 tier-two branches, and 1,255 sub-branches (including 58 community/small and micro sub-branches), plus 2,054 self-service banks, 7,053 self-service terminals and 5,534 smart teller machines. As such, the Bank had developed a diversified outlet pattern that consisted of smart (flagship) outlets, comprehensive outlets, boutique outlets, community/small and micro outlets and off-bank self-service outlets.

With its outlets basically covering all large and medium-sized cities in China, the Bank shifted its focus of domestic outlet establishment to layout optimization and profit improvement. Allocation of resources for outlet construction favored developed cities and regions such as Beijing, Shanghai, Guangzhou, Shenzhen, Hangzhou and Nanjing. At the same time, as an active response to the national “13th Five-Year Plan”, the Bank supported the economic development of key areas such as the Free Trade Zones, Special Economic Zones and New Areas.

In terms of the layout of overseas outlets, CNCBI, an affiliate of the Bank, had 38 outlets in Hong Kong SAR, Macao SAR, New York, Los Angeles, Singapore and mainland China. CNCB (Hong Kong) Investment Co., Ltd. had 3 subsidiaries in Hong Kong and mainland China. JSC Altyin Bank had 6 outlets and 1 private banking center in Kazakhstan. In line with its 2017-2020 Plan for Overseas Development, the Bank made active efforts to promote the development of its internationalization. In particular, it constructed management frameworks for human resources, businesses, systems, authorization, and performance evaluation of overseas affiliates, and improved the efficiency of feedback on regulators' statistical needs. In addition, it pushed forward the preparations for establishment of its London, Sydney and Hong Kong branches in an orderly manner.

4.3.7.2 Online Channels

Focusing on mobile banking, the Bank accelerated the integration of its online channels, rapidly enhanced its online financial services capabilities, and sustained relatively fast growth in customer quantity and quality.

As at the end of the reporting period, the Bank recorded 36.6997 million accounts of mobile banking customers, an increase of 9.3734 million accounts or 34.30% over the end of the previous year; registered 6.8713 million monthly accounts of active mobile banking customers, up 51.78% from last year; and the volume and value of mobile banking transactions stood at 186 million and RMB6.29 trillion, up 45.85% and 48.61% over the previous year, respectively. There were 38.0489 million accounts of personal online banking customers, an increase of 10.5394 million accounts or 38.31% over the end of the previous year. The hotline of the Bank's Credit Card Customer Service Center received 124 million incoming calls, including 56.2999 million calls transferred to automated voice service and 67.9878 million calls transferred to manual service, achieving a 20-second manual response rate of 80.54%, a customer satisfaction rate of 98.36%, and a satisfaction rate of 96.95% regarding the handling of customer complaints, and generated total annual income of RMB9.234 billion. By actively making outgoing calls to customers, the Credit Card Customer Service Center proactively provided customer care, telephone notice and other services, communicating with customers by 505,700 person-times in total. The hotline of the Bank's Debit Card Customer Service Center received 69.674 million incoming calls, including 43.936 million calls transferred to the Credit Card Customer Service Center, 20.138 million calls transferred to debit-card automated voice service and 5.60 million calls transferred to manual service, achieving a 20-second manual response rate of 85.73%, a customer satisfaction rate of 99.07% and a satisfaction rate of 99.93% regarding the handling of customer complaints. By actively making outgoing calls to customers, the Debit Card Customer Service Center proactively provided customer care, telephone notice and other services, communicating with customers by 4.2712 million person-times in total.

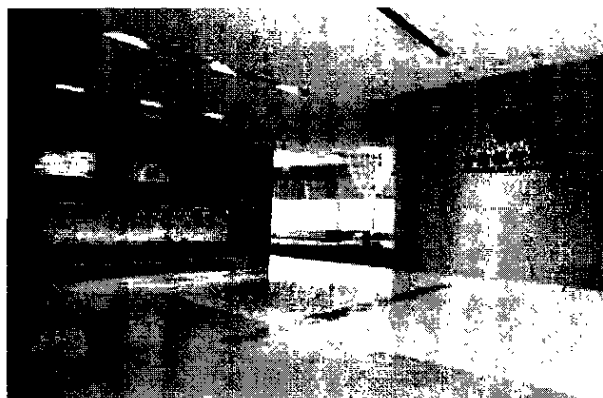
4.3.8 Subsidiaries and Joint Ventures

4.3.8.1 CIFI

CIFI was incorporated in Hong Kong in 1924. It was acquired by CITIC Group in June 1986 and restructured to become an investment holdings company after its acquisition of the then Hong Kong Chinese Bank Limited in 2002. It is now a wholly-owned subsidiary of the Bank, with an issued share capital of HKD7.503 billion. CIFI is the main platform for the Bank to conduct its overseas businesses. Its business scope includes commercial banking and non-banking financial services. CIFI conducts its commercial banking business mainly via its holding subsidiary CNCBI (in which CIFI holds a 75% equity interest), and conducts its non-banking financial business primarily via CIAM (in which CIFI holds a 46% equity interest).

As at the end of the reporting period, CIFI had total assets of HKD365.769 billion, an increase of 5.89% over the end of the previous year, and a total number of 2,146 employees. For the reporting period, CIFI realized net profit of HKD2.638 billion, down 4.54% year on year.

CNCBI: As at the end of the reporting period, CNCBI recorded total assets of HKD362.945 billion, a growth of 5.41% over the end of the previous year. For the reporting period, CNCBI realized operating income of HKD8.41 billion, an increase of 6.82% year on year, of which net interest income grew by 18.64% year on year; its net profit recorded HKD3.008 billion, a growth of 7.12% year on year.



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During the reporting period, CNCBI vigorously developed its cross-border business by riding on the opportunities arising from “the Belt and Road” Initiative and the Guangdong-Hong Kong-Macau Bay Area Development strategy, effectively leveraging its location advantage, and through increasingly close interaction and cooperation with the Bank and CITIC Group. It realized RMB149.4 billion cross-border Renminbi trade settlement in total. With the growing need of mainland Chinese enterprises for overseas financing and rapid growth in cross-border mergers & acquisitions made by such enterprises, CNCBI enjoyed a sound momentum of development in its debt capital market business, ranking the 5th among all Chinese institutions in Hong Kong in terms of the underwritten amount¹⁹. For the report period, CNCBI realized HKD234 million commission income from the debt capital market business and recorded a more than 50% year-on-year growth in cross-border business income relating to personal and commercial banking.

CIAM: CIAM continued to comprehensively promote its corporate reform and business transformation and strengthen its management foundation. Leveraging the comprehensive advantages of CITIC Group and the structural value of international assets, CIAM actively expanded the boutique private equity investment fund business and shareholder related business, and reinforced the management of existing investment portfolios. During the reporting period, CITIC CLSA Securities became a 15% equity holder of CIAM. As at the end of the reporting period, CIAM recorded HKD1.69 billion net assets and HKD1.89 billion total assets.

4.3.8.2 CNCB Investment

CNCB Investment is an overseas controlled subsidiary of the Bank established in Hong Kong in 1984 with a registered capital of HKD1.889 billion. The Bank holds 99.05% of the equity interest in CNCB Investment and CNCBI holds the rest 0.95%. The business scope of CNCB Investment covers lending (it holds a Hong Kong money lender license), investment (mainly including debt securities investment, fund investment, stock investment and long-term equity investment, etc.), and the conduct of overseas licensed investment banking business and domestic equity investment fund management business via its own subsidiaries.

CNCB Investment positions itself as the overseas investment banking platform of the Bank and aspires to develop itself into “the best overseas boutique investment bank”. It fully leverages its unique features and advantages that lie in the combination of debt financing and equity investment to engage in licensed investment banking businesses in Hong Kong, such as securities underwriting, securities consulting, corporate financing advisory services and asset management, and conduct private equity investment fund management business in mainland China. During the reporting period, CNCB Investment rapidly developed its licensed investment banking businesses and steadily pushed forward key cross-border investment and financing businesses. Meanwhile, the Bank made breakthroughs in its active asset management business, paced up the mobilization of existing assets, endeavored for stronger risk control and compliance, and optimized regulations and processes. All these contributed to higher business income and better internal management.

During the reporting period, due to the impact of the general situation of the capital market, CNCB Investment recorded net profit attributable to its equity holders equivalent to RMB530 million, a drop of 37.53% from last year; and its income from licensed investment banking businesses was equivalent to RMB126 million, a substantial growth of 361% over last year. As at the end of the reporting period, CNCB Investment had total assets equivalent to RMB21.911 billion, 8.42% more than the last year end, and AUM equivalent to RMB117.125 billion, a slight decline of 0.98% from the end of the previous year.

4.3.8.3 CITIC Financial Leasing

Wholly owned by the Bank, CITIC Financial Leasing was incorporated in April 2015 with a registered capital of RMB4 billion. As an important strategic layout for the Bank to serve the real economy, CITIC Financial Leasing pursues leasing business in the three major areas of “new energy, new materials and new environment” in accordance with the strategy of “professional, market-oriented and international” development.

¹⁹ According to the Bloomberg ranking of China offshore bond underwriting.

During the reporting period, CITIC Financial Leasing continued to engage deeply in the field of green leasing and kept exerting its strength in the field of photovoltaic power generation, establishing itself as the leasing company holding the largest number of photovoltaic power plants in the industry. It signed strategic cooperation agreements with numerous leading enterprises in different industries. With BYD, CITIC Financial Leasing completed its first order of lease business for new energy vehicle manufacturer, thus further expanding its business to the Chinese new energy vehicle sector. As of the end of the reporting period, CITIC Financial Leasing's asset balances in the five areas of clean energy, energy conservation and environmental protection, high-end equipment, people's livelihood and modern transportation accounted for 51.71%, 9.17%, 14.18%, 19.98%, and 4.96%, respectively, indicating CITIC Financial Leasing's continuous optimization of business structure and growing influence in green leasing. The balances of green lease assets in these five areas accounted for a combined 67.21% of the total, an increase of 5.44% from the end of the previous year.

As at the end of the reporting period, CITIC Financial Leasing recorded total assets of RMB50.217 billion. For the reporting period, CITIC Financial Leasing realized cumulative lease grant of RMB13.827 billion, operating income of RMB1.206 billion and net profit of RMB518 million, an increase of 24.65% over the previous year.

4.3.8.4 CITIC aiBank

CITIC aiBank officially opened for business on 18 November 2017 with a registered capital of RMB2 billion. It is a new type of Internet bank jointly established by the Bank and Baidu, with the Bank and Baidu holding 70% and 30% of its equity interest, respectively. During the reporting period, the Bank and Baidu subscribed for the new shares issued by CITIC aiBank with their original shareholding ratios remaining unchanged. After the capital increase, the registered capital of CITIC aiBank reached RMB4 billion.



2018 is the first complete business year for CITIC aiBank. During the reporting period, CITIC aiBank achieved high-speed and high-quality development, recording an asset scale of RMB35.9 billion, more than 12 million users, and nearly RMB80 billion inclusive finance loans disbursed to over 4 million individual users and 580,000 small and micro business owners online. The indicators such as the capital adequacy ratio, the ratio of allowance for impairment of loans to total loans and the allowance coverage ratio were all in compliance with regulatory standards.

During the reporting period, CITIC aiBank comprehensively strengthened its foundational capabilities in technology, data, product, channel and liquidity, and enhanced the three core competencies of smart risk control, smart accounts and smart services. At the same time, the bank paced up its strategic process on all fronts and started to arrange for platform-based development. Meanwhile, CITIC aiBank upgraded its development from focusing on "financial services" to development with the dual engines of "financial services + financial technology", and its strategy and organization from version 1.0 to version 2.0 toward platform-based development and ecological evolution. In addition, CITIC aiBank adopted the "KPI + OKR + values" evaluation system, harvesting early fruits in market-oriented operations. Among others, it had the ability for platform-based development, achieved rapid turnover of credit assets, and sped up the strategic process on all fronts. In addition, the aiBank culture featuring "integrity and compliance, simplicity and efficiency, innovation and entrepreneurship, and market leadership" took shape, with great vitality in its market orientation. The "O+O" and "B+B" (online + offline, business + banking) open-ended banking model of CITIC aiBank withstood market test and won recognition from users. On 22 November 2018, under the guidance of the CBIRC, CITIC aiBank officially released the "aiBank Model", arousing extensive market attention and significantly enhancing its brand influence.

4.3.8.5 Lin'an CITIC Rural Bank

Lin'an CITIC Rural Bank, located in Lin'an District, Hangzhou City, Zhejiang Province, officially started operation on 9 January 2012. It has a registered capital of RMB200 million, with the Bank holding 51% of its equity interest and another 13 enterprises holding the rest 49%. Lin'an CITIC Rural Bank is mainly engaged in general commercial banking business.

During the reporting period, Lin'an CITIC Rural Bank supported the real economy with enthusiasm, and fulfilled its obligations and responsibilities in connection with inclusive finance and the rural revitalization strategy. In particular, it continued to optimize the credit structure, prioritizing support to rural households and individual industrial and commercial households in its loan disbursement. For personal microfinance customers, the bank carried out micro-finance customer marketing and loan disbursement, focusing on the distinctive farming industries such as alpine breeding, fruit planting, nut business via e-commerce, rural tourism as well as small and medium-sized enterprises and individual industrial and commercial households in the Lin'an area. With the adoption of multiple measures such as differentiated preferential interest rates and credit extension for whole villages, the bank did a good job in supporting agriculture, the rural area and small farmers.

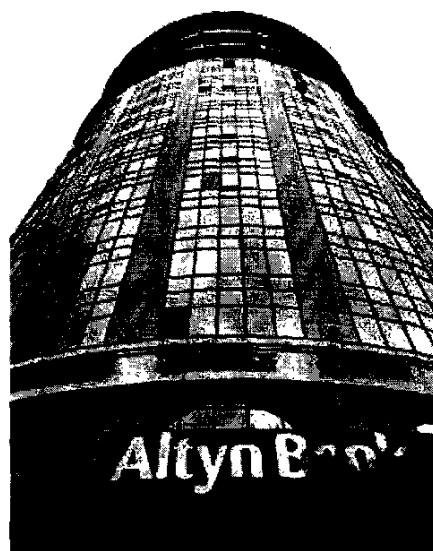
As at the end of the reporting period, Lin'an CITIC Rural Bank recorded RMB1.651 billion total assets, up 23.90% over the end of the previous year; RMB1.241 billion balance of customer deposits, a growth of 31.21% over the last year end; and RMB1.121 billion combined balance of various loans, a growth of RMB0.226 billion or 25.23% over the end of the previous year; and a daily average loan balance of RMB1.027 billion, an increase of RMB162 million or 18.82% compared with the end of last year. Lin'an CITIC Rural Bank realized a net profit of RMB34 million for the reporting period, a growth of 33.77% over last year. Its capital adequacy ratio stood at 26.55%; allowance coverage ratio was 497.92%; and the ratio of allowance for impairment of loans to total loans recorded 4.95%.

4.3.8.6 JSC Altyn Bank

JSC Altyn Bank was formerly an affiliate of HSBC established in Kazakhstan in 1998. In November 2014, it was wholly acquired by the JSC Halyk Bank of Kazakhstan, the largest commercial bank in the country. On 24 April 2018, the Bank completed the acquisition of a majority stake in JSC Altyn Bank and became the first Chinese bank to acquire bank equity in the countries along the "Belt and Road". After the completion of the transaction, the Bank held 50.1% of the equity in JSC Altyn Bank, while China Shuangwei Investment Co., Ltd. and JSC Halyk Bank held the rest 9.9% and 40% equity, respectively. JSC Altyn Bank's Fitch rating was BBB-, the highest rating among all commercial banks in Kazakhstan.

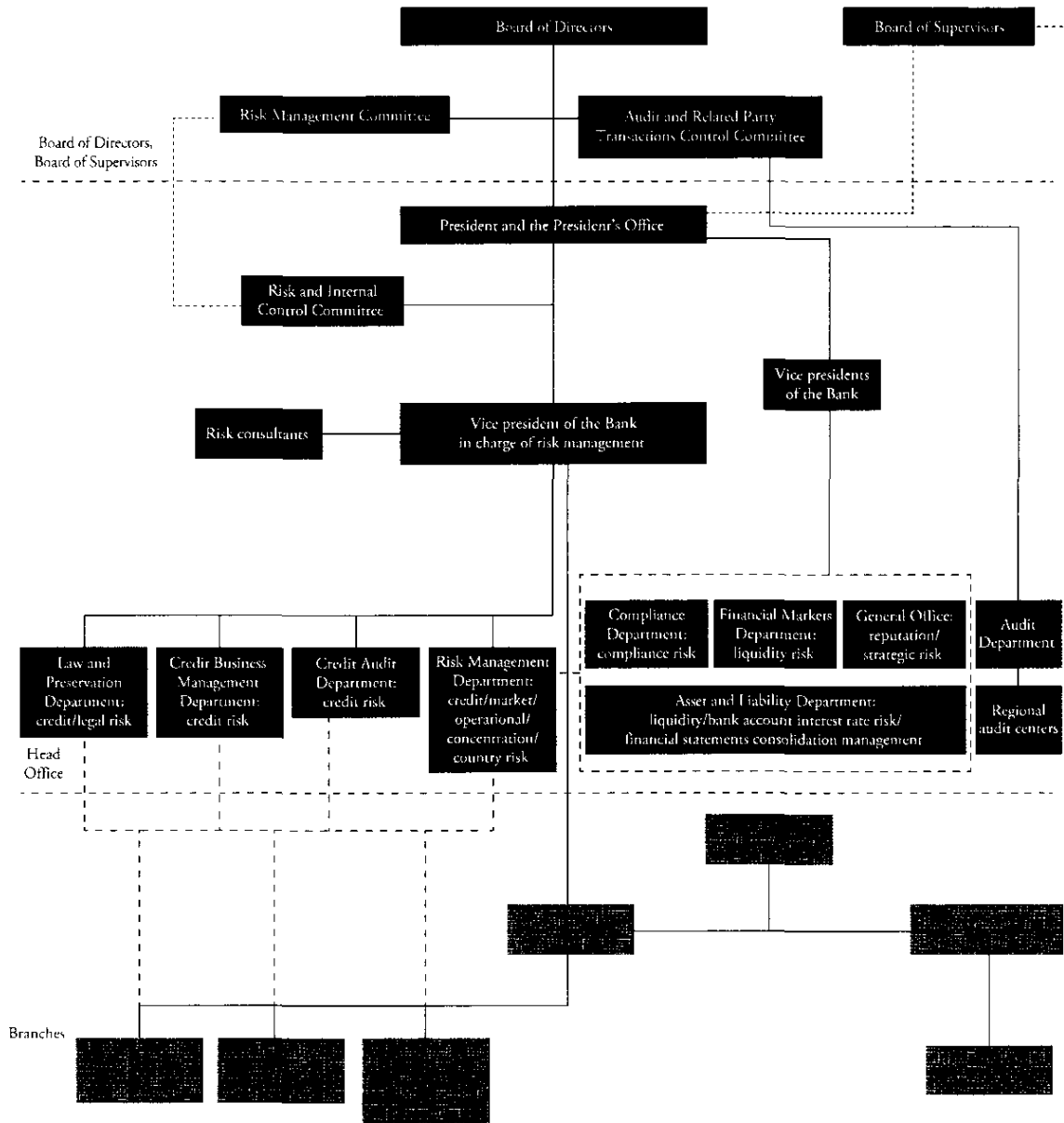
Based in Kazakhstan, JSC Altyn Bank focuses on expanding into the Central Asia region and strives to develop itself into the enterprise offering the best comprehensive financial services in the geographical areas covered by the "Belt and Road" Initiative. It will make full use of the advantages of its shareholders to create distinctive businesses, improve its business levels in areas such as corporate and retail banking, trade finance, financial markets and Renminbi clearance and settlement. While continuing to deep plow the local market, JSC Altyn Bank will provide a full range of quality services to Chinese enterprises. At the same time, JSC Altyn Bank will use more mature payment tools, mobile banking, big data and other technologies to accelerate business expansion and platform construction, and strive to capture early-bird market opportunities.

As of the end of the reporting period, JSC Altyn Bank recorded total assets of 443.036 billion tenge (equivalent to RMB7.928 billion), net operating income of 18.787 billion tenge (equivalent to RMB349 million), net profit of 10.46 billion tenge (roughly equivalent to RMB195 million) and its ROA and ROE stood at 2.63% and 26.17%, respectively.



4.4 Risk Management

4.4.1 Risk Management Structure



4.4.2 Risk Management System and Techniques

The reporting period witnessed complex and changeable economic and financial situations at home and abroad. In response, the Bank took the initiative to strengthen the pre-judgment of the economic and financial situations and formulated action plans to fight the tough battle of preventing and resolving financial risks and actively guard against various risks. The Bank vigorously promoted the construction of a risk and compliance culture, and kept improving the total risk management system. In addition, the Bank improved various risk management policies and regulations, worked hard to build optimal processes for its corporate loan business and carried out uniform risk management and control thereof. In addition, the Bank improved the credit review and approval system, tightened risk early warning management, and made continuous efforts to improve its risk management comprehensive assessment system. At the same time, the Bank reinforced the management of cross financial risks and responded to market volatility in appropriate ways. In addition, the bank increased support for the real economy, built a new risk control system for inclusive finance, supported the steady development of inclusive financial services, and promoted the return of its banking business to the basics of financial services.

During the reporting period, the Bank controlled the limit indicators of large-amount risk exposures within the scopes permitted by the regulators. In addition, the Bank strictly implemented various regulatory requirements, continuously strengthened the management of large-amount risk exposures, and carried out a series of work in terms of regulation development, system optimization, statistical monitoring and periodic reporting, effectively building up its ability to control large-amount risks.

The Bank continued to enhance its capacity for research and development of risk management technology and deepened the application of risk quantification results. During the reporting period, self-discretionary optimization and independent verification of the rating models for corporate and retail banking businesses were continuously conducted to effectively control model risks; the credit risk rating model was effectively embedded in the entire process of credit business to enhance the quality of risk decision making; efforts were made to steadily promote the construction of the bond rating system and the inclusive finance online approval model. The Bank also successfully implemented numerous R&D results such as automatic public opinion early warning, and anti-fraud in personal lending. In addition, the Bank officially adopted the expected loss approach under the new accounting standards to calculate the impairment of financial assets, analyze the trend of impairment movements on a monthly basis, and strengthened emergency monitoring. During the reporting period, the internal rating approach was used for both the corporate and the retail credit asset businesses (excluding credit cards) for economic capital evaluation, effectively improving its capital management and risk management levels.

4.4.3 Credit Risk Management

Credit risk refers to the risk of a bank incurring losses in its business due to the failure of its borrowers or transaction counter-parties to fulfill the obligations specified in relevant agreements or contracts.

4.4.3.1 Credit Risk Management in Corporate Business

In accordance with the principle of “optimizing structure, facilitating turnover, improving profitability and controlling risk”, the Bank allocated assets for its corporate business from the dimensions of industry, region, customer and product, and continuously optimized the credit structure of its corporate business.

In terms of the industry dimension, the Bank captured the opportunities available from the structural reform of the supply side and the upgrading of the industrial structure, and treated the traditional industries in different ways (“protect” or “reduce”), and fully expanded the businesses relating to the “three big, three high, three new”²⁰. At the same time, the Bank insisted on stratified management of various industries and set rigid exit requirements for the industries in the “reduce” category.

²⁰ The “three big, three high, three new” refers to “big culture, big health and big environmental protection”, “high tech, high-end manufacturing, high quality service and consumption industries”, and “new materials, new energy and new business models”.

In terms of the customer dimension, the Bank continued to strengthen the “Three Large and One High”²¹ customer positioning, focusing on promoting credit cooperation with strategic customers, and effectively consolidating and expanding the customer base. At the same time, the Bank continuously optimized the structure of its credit customers, highlighting the cultivation of leading enterprises in concerned industries, and tapping the growth potential of listed companies. At the same time, the Bank rode on the opportunities arising from the regulation over local government debts, actively carried out business cooperation with incremental government financing, and rendered enthusiastic support to PPP projects that were compliant with the national policy orientation and government procurement service projects that involved tasks uniformly arranged by the government such as shantytown renovation and ex-situ poverty alleviation and relocation work. In addition, the Bank reinforced exit from low-quality and low-efficiency customers and defined and detailed exit targets and progress requirements via management by name list.

In terms of the product dimension, the Bank strongly supported the extension of fixed-asset loans to national key infrastructure projects; steadily expanded the market space of supply chain finance products such as auto finance; actively participated in processes such as the ownership reform of state-owned enterprises and the “going global” of enterprises, providing customers with innovative products and services in investment banking and asset management. These efforts improved the Bank’s capacity for providing comprehensive financing services and generating income therefrom, and gave rise to a reasonable financing structure.

In terms of the regional dimension, the Bank continued to optimize the regional layout of its credit business, fully mobilized resources, and leaned further towards key areas designated by the national strategies such as the Beijing-Tianjin-Hebei region, the Xiong’an New Area, the “Belt and Road” Initiative, the Yangtze River Economic Belt, the Guangdong-Hong Kong-Macao Greater Bay Area and the Free Trade Zones as well as those branches with stronger risk management capabilities.

4.4.3.2 Credit Risk Management of Personal Loans

The Bank strictly implemented the government policy on macro regulation and control to ensure compliant operation and risk controllability of its personal loan business. It used scorecards and other retail credit risk measurement models in combination with logicalized business rules to effectively identify and manage credit risk. In addition, the Bank introduced third-party external data, reinforced in-depth tapping of personal credit data, improved personal credit portraits, explored the construction of anti-fraud models, and further enhanced its ability for credit risk control of personal loan business. By optimizing post-lending inspection and the risk early warning system, the Bank was able to carry out online post-lending inspections and achieve early warning management of credit risk. In addition, it realized system monitoring of credit risk via information sharing and rigid control on key process nodes such as pre-lending application, review and approval in the lending process, loan disbursement and post-lending inspection with the use of risk early warning signals.

During the reporting period, the Bank implemented the requirements of total risk management by moving risk management of personal loan business to earlier stages, e.g., embedding risk prevention and control elements into the course of product creation and process design of personal loan products. By establishing a standardized personal loan product system, the Bank provided its business units with standard uniform products to realize systematic control of credit risk. As at the end of the reporting period, the Bank’s non-performing balance of personal loans (excluding credit card loans) recorded RMB6.674 billion, corresponding to an NPL ratio of 0.66%, a drop of RMB583 million or 0.17 percentage point from the end of the previous year.

4.4.3.3 Risk Management of Credit Card Business

In recent years, personal consumer finance business exhibited a momentum of high-speed development. With personal loan business gradually expanding from commercial banks to various consumer finance companies and Internet platforms, there is a growing phenomenon of individual consumers simultaneously borrowing from multiple financial or quasi-financial institutions (abbreviated as “multiple borrowing”). During the reporting period, the regulatory authorities further reinforced regulatory supervision over the relevant industries including Internet consumer finance, P2P and small-amount lending, and successively introduced a series of policies to rectify Internet finance and eliminate industry chaos, which played an important role in eliminating industry chaos, safeguarding fair competition in the market and healthy development of the market, and effectively avoided the occurrence of systemic risks. Due to the impacts of the macroeconomic and regulatory environments, the asset quality of the multiple-borrowing customer group deteriorated and affected the credit card industry to some extent. As at the end of the reporting period, the Bank recorded RMB8.195 billion balance of non-performing credit card loans, corresponding to an NPL ratio of 1.85%, up 0.61 percentage point from the end of the previous year; and RMB15.85 billion overdue credit card loans, corresponding to an overdue rate of 3.59%, up 0.84 percentage point from the end of the previous year.

21 Refers to large industries, large customers, large projects and high-end customers.

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In response to the impact of multiple borrowing on the quality of credit card loans, the Bank pertinently strengthened the risk management of credit card business and continuously upgraded its risk prevention and control strategies. In terms of pre-lending access, the Bank strictly examined customer credibility, prudently selected customers in conjunction with credit reporting and other relevant information, added rules on rejecting customers suspected of multiple borrowing, and put into full play the role of risk rating prediction modeling tools in customer access. In terms of risk management and control in the lending process, the Bank formulated the rules on management and control of customers suspected of multiple borrowing to expand the scope of early warning against high-risk customers. In addition, the Bank further improved its credit extension rules, implemented differentiated credit extension, and dynamically adjusted loan extension based on the customer's card use and debt repayment situations. When making dynamic adjustments to the credit lines of the existing customers, the Bank adopted proactive control measures against high-risk customers suspected of multiple borrowing, such as reducing credit lines, ahead-of-schedule collection and withdrawal. In respect of the post-lending collection of non-performing assets, the Bank implemented a series of collection policies for high-risk customers such as those suspected of multiple borrowing, and continuously explored business cooperation with external institutions such as the public security, the procuratorate and the judiciary, credit reporting agencies and big data companies, and applied technology innovations such as big data to continuously improve the efficiency and effectiveness of loan collection management, and upgrade the capability for collection from high-risk customers. At the same time, the Bank implemented long-term special monitoring and crackdown against high-risk customers suspected of multiple borrowing and non-compliant card-use behaviors such as credit card cashing out.

In response to the emergence of problems such as Internet-based financial crimes turning into an industry and massive occurrence of financial fraud, the Bank actively applied new technologies to strengthen its screening, monitoring and interception capabilities, so that it could stringently prevent financial fraud risks. In combination with advanced technologies and functionalities such as ID card recognition devices, face recognition, image recognition, real name verification of operators, and UnionPay authentication to enhance the identification and verification of customer identity authenticity in the access phase, thus effectively preventing and intercepting the risk of customer identity faking, and improving the integrity, accuracy and authenticity of customer information. At the same time, the Bank independently researched and developed big data models such as fraud scoring application, decision trees and complex relationship networks to identify fraud risks such as bad intermediary packaging and multiple borrowing. These models, capable of effectively identifying high-risk customers such as customers with fake identity and short-term high-frequency borrowers, played a robust role in preventing and controlling credit risk and fraud risk.

4.4.3.4 Risk Management in Asset Management Business

During the reporting period, the Bank continued to optimize the credit risk review methodology and enhance professional management and review capability. Among other things, the Bank kept optimizing its credit qualification rating scorecard, researched and developed quantitative analysis models, reinforced field survey and set asset-category-specific and industry-specific review standards. In key risk areas, the Bank prepared the business access name list, established the limit management mechanism and enhanced the execution of credit policies, in a bid to improve the efficiency of asset allocation management. In addition, the Bank intensified post-investment risk management. Specifically, the Bank established the daily risk monitoring mechanisms, organized and promoted risk screening of existing assets, and improved risk pre-judgment and resolution capabilities. In addition, the Bank enhanced the development of the risk management system, pushed for the fulfillment of "Defense Line 1" risk management responsibilities, clarified the main actors and their duties in post-lending management, and formulated risk early warning and disposal processes and mechanisms.

During the reporting period, the Bank maintained stable risk management in its asset management business in the overall sense, with no default or inadequate repayment of any matured wealth management product.

4.4.3.5 Credit Risk Management in Financial Markets Business

During the reporting period, in the face of frequent default incidents at the domestic bond market, the Bank took various measures in response. It comprehensively sorted out the stock of bonds it was holding, conducted in-depth screening of credit risk, strengthened monitoring of price fluctuations and negative news of key bonds, actively developed emergency response plans for medium and high-risk bond assets and continued to improve the dynamic management of credit risk in the bond business.

During the reporting period, the Bank's self-operated bond assets enjoyed excellent credit qualifications. The issuers that issued the unsecured bonds held by the Bank were mainly large enterprises and institutions with high credit ratings and sound operating results.

4.4.3.6 Loan Monitoring and Post-Lending Management

Against the backdrop of macroeconomic slowdown, tighter regulation and prevention of systemic financial risks, the Bank endeavored to adapt to the market and policy changes. It focused on fulfillment of credit asset quality indicators to ensure stability of asset quality bank-wide on the one hand, and emphasized the “development of systems, platforms and frameworks” to promote the implementation of its three-year development plan on the other. During the reporting period, the Bank prioritized its efforts to enhance the following aspects:

The Bank continued to improve the construction of its post-lending management system and improved effective implementation of rules and regulations. First, the Bank strengthened and improved the implementation of rules and regulations. Among other things, the Bank improved the rules and processes of the Three Defense Lines in post-lending management, and organized the implementation of a series of regulations on training, inspection and case analysis to ensure their effective execution. Second, the Bank managed customers by category. It classified existing customers into the four categories of “support, maintain, reduce and exit” and managed them as such, which promoted adjustment of asset structure across the bank. Third, the Bank carried out risk warning or risk screening for businesses such as stock pledge and comprehensive financing credit extension; conducted “online check” with the support of the new generation credit business system; and organized KPMG and PwC auditors to conduct third-party post-lending inspections.

The Bank strengthened its risk early warning and resolution mechanisms. The monitoring indicators on abnormal capital flows were embedded into the total risk management system; the big-data-based credit analysis model was developed; the big data risk screening and early warning mechanisms were established; and the large customer risk monitoring and reporting mechanism set up to carry out off-site monitoring of the top 30 large corporate loan customers of the branches. In addition, the Bank developed monitoring indicators on operational risk and a dynamic monitoring mechanism, including the six major operational risk KRI indicators, i.e., early warning, collateral, credit reporting, category-specific provisioning, loan use and disbursement and file management. The Bank strengthened the development of the collateral management system. Among other things, it implemented regulatory policies and internalized external regulations on collateral management to ensure compliant business operation, reviewed and finalized the access of collateral valuation firms in a centralized manner and carried out centralized verification of collateral revaluation.

The Bank made constant improvements to the new-generation credit business system. Among other things, the Bank completed online launch of the functionalities optimized under Phase I of the project, with supporting regulations formulated and existing regulations revised at the same time. All on- and off-balance-sheet and comprehensive financing businesses achieved full-process online operation in a stably running system. In addition, the Bank initiated Phase II of the new-generation credit business system project to further optimize the functionalities of the credit management APP and continuously promote the construction of digital archives for credit business.

For relevant information about the Bank’s credit risk profile as at the end of the reporting period, please refer to Note 61(a) to the financial statements contained in this report.

Special Topic: Disposal of Non-Performing Assets

During the reporting period, the generation of non-performing assets in the banking industry remained at a high speed. The Bank adopted various measures to actively promote the management of non-performing assets and disposed RMB73.309 billion principal of non-performing assets in total. Of this figure, cash collection recorded RMB24.331 billion, regular write-offs and assignment and write-off in batches totaled RMB44.732 billion and disposal by other ways totaled RMB4.246 billion.

In terms of cash collection, during the reporting period, the Bank completed RMB28.723 billion cash collection (including principal and interest recovery of non-performing loans, cash collection of assets written off and liquidation of repossessed assets), hitting a historical new high. This amount included RMB2.441 billion cash collection of written-off assets, up 67.00% year on year and RMB1.314 billion recovery of interest on non-performing loans, a year-on-year increase of 20.99%.

In terms of outbound transfer, the non-performing loan transfer market obviously favored the buyers during the reporting period, with acute contradiction between supply and demand, plus volatility and downward trend of the transfer prices of non-performing assets. In this regard, the Bank planned in advance, captured the opportunity, and made effective use of the high transfer price window periods in the second and third quarters to increase the disposal of non-performing assets. Cumulatively, the Bank transferred RMB34.853 billion non-performing assets in batches, achieving a transfer recovery rate that was significantly higher than the market average.

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In terms of debt-to-equity swaps, the Bank actively responded to the relevant government policies on pushing the banks to carry out debt-to-equity swaps. With full use of debt-to-equity swaps, the Bank further improved its asset quality and revitalized existing assets. Under the principle of adhering to market orientation, the Bank actively and steadily promoted relevant work of debt-to-equity swaps. During the reporting period, the Bank completed three transactions of market-oriented debt-to-equity swap business, involving approximately RMB2.6 billion conversion of debt into equity.

4.4.4 Market Risk Management

Market risk refers to the risk of on-and off-balance sheet businesses of a bank incurring losses due to unfavorable changes in market prices (including interest rate, exchange rate, stock price and commodity price). The main market risk confronting the Bank includes interest rate risk and exchange rate risk. The Bank has established a market risk management system covering risk identification, measurement, monitoring and control. It manages market risk through product access approval and risk limit management, and thus controls market risk within the acceptable and reasonable range and maximizes risk-adjusted returns.

During the reporting period, the risks and volatilities of the stock market, bond market and foreign exchange market intensified, and the cross-contagion between various types of risks became increasingly obvious. The Bank actively researched and responded to market volatility, made its market analysis more forward-looking, dynamically adjusted market risk limits, continued to do risk monitoring and reminding, continuously improved refined management of market risk, and strongly supported the development of relevant financial markets businesses based on risk control.

4.4.4.1 Interest Rate Risk Management

Interest rate risk refers to the risk of bank accounts incurring losses in overall earnings and economic value due to unfavorable changes in factors such as interest rate and maturity structure. It includes re-pricing risk, yield curve risk, benchmark risk and option risk. The Bank manages its interest rate risk for the overall objective of observing its prudent risk preference principle and ensuring that adverse impacts of interest rate movements on the Bank's profit and value are controllable.

During the reporting period, global economic development was very uneven, while domestic and foreign market interest rates changed constantly. As an active response to domestic and overseas market and situational changes, the Bank continued to improve the risk management framework and optimized the risk monitoring indicators. It also completed the upgrade and trial operation of the relevant risk management systems, elevating dynamic simulation and automated data collection of the system. On this basis, the Bank analyzed item by item the gaps between the latest regulatory requirements of the Guidelines for Managing Interest Rate Risk of Bank Books of Commercial Banks (as amended) and its actual situation of managing interest rate risk of bank books. The first round of data governance work pursuant to the latest regulatory stipulations was completed in the first half of 2018. In the second half of 2018, the Bank initiated and completed the bidding invitation for the "Consulting Project for Compliance with the New Regulatory Requirements on Management of Interest Rate Risk of Bank Books".

As at the end of the reporting period, the Bank had basically complied with relevant regulatory requirements in terms of system function, measurement framework and institutional architecture. Follow-up measures will ride on the opportunities available from the implementation of the consulting project to focus on upgrading the overall management of interest rate risk of bank books from the two perspectives of model improvement and management enhancement. At the same time, the Bank continued to make comprehensive use of multiple methods including interest rate sensitivity gap analysis, net interest income sensitivity analysis and stress test to measure various types of risks as well as analyze risks and estimate net interest income on a regular basis. In addition, the Bank actively applied management means such as price control and regulation to conduct structural analysis and produce special reminders and guidance on the sources of interest rate risk for existing key products and new products, and tried precise management of interest rate risk of bank books to build the capacity for market-oriented, self-discretionary and differentiated pricing and reasonably set up portfolios and maturity structures for asset and liability products. Thanks to all these efforts, the Bank was able to control the interest rate risk of bank books within the tolerable range.

For relevant information about the Bank's interest rate gaps as at the end of the reporting period, please refer to Note 61(b) to the financial statements contained in this report.

4.4.4.2 Exchange Rate Risk Management

Exchange rate risk refers to the risk of on- and off-balance sheet businesses of a bank incurring losses due to unfavorable changes in exchange rates. The Bank mainly measures the magnitude of exchange rate risk through foreign exchange exposure analysis. Its foreign exchange exposure mainly comes from the foreign exchange position formed through foreign exchange transactions and from foreign currency capital and foreign currency profits. The Bank manages exchange rate risk by reasonably matching Renminbi and foreign currency denominated assets with liabilities denominated in the same currencies and by making appropriate use of derivative financial instruments. For businesses with potential exchange rate risk such as forex purchase and sale and forex trading, the Bank sets corresponding foreign exchange exposure limits to control its exchange rate risk at an acceptable level.

The exchange rate risk of the Bank was mainly subject to impacts of the Renminbi exchange rate against the US dollar. In 2018, the exchange rate of the RMB against the US dollar jumped up first and went down later, with growing two-way fluctuations. The central parity exchange rate of the Renminbi fell by a cumulative 4.8% for the year. Thanks to its proactive responses to forex market fluctuations, continuous improvement of the measurement and management of the forex exposures of the whole bank, strict control of the forex risk exposures of relevant businesses and more intensive routine risk monitoring, early warning and reporting, the Bank was able to control its exchange rate risk within the acceptable range.

For relevant information about the Bank's foreign exchange exposures as at the end of the reporting period, please refer to Note 61(b) to the financial statements contained in this report.

4.4.5 Liquidity Risk Management

Liquidity risk refers to the risk that a bank is unable to obtain adequate capital in a timely manner and at reasonable cost to repay matured debts, perform other payment obligations or meet other capital needs for the conduct of normal business. The Bank has set up a robust governance structure for liquidity risk management, which clearly lays out the division of duties among the Board of Directors, the Board of Supervisors and the senior management and their subordinate specialized committees and the relevant departments of the Bank in the management of liquidity risk, and explicitly defines the strategies, policies and procedures on liquidity risk management. The Bank maintains a prudent liquidity risk level, and effectively identifies, measures, monitors and controls liquidity risk by implementing a prudent coordinated liquidity risk management strategy. The Group has put in place a uniform liquidity risk management framework. The Head Office is responsible for formulating liquidity risk management policies and strategies of the Group and its legal-person institutions, and for managing liquidity risk at the legal-person institution level in a centralized manner. All domestic and overseas affiliates of the Group are responsible for developing and implementing their own strategies and procedures for liquidity risk management pursuant to the requirements of competent regulators and within the Group's master policy framework on liquidity risk management.

During the reporting period, domestic commercial banks found the policy and market environments for liquidity management improving in the overall sense. The central bank continued its prudent and neutral monetary policy, providing medium- to long-term liquidity through 4 targeted reserve requirement ratio (RRR) cuts and the use of medium-term lending facility (MLF). These efforts helped maintain generally moderate market liquidity. During the reporting period, the short-term money market terminal interest rate declined somewhat amid general stability, while the medium and long-term money market terminal interest rates went down in the overall sense. Therefore, the Bank continued to reinforce liquidity risk management, enhanced liquidity risk measurement and monitoring, kept practicing liquidity risk limit management, conducted stress test on a regular basis, and organized emergency drills. It also coordinated management of assets and liabilities to ensure a basic match between funding sources and fund uses. Moreover, the Bank reinforced management of active liabilities to ensure smooth financing channels, including borrowings from the central bank, money market, interbank certificates of deposit and interbank deposits, and diversified the sources of active liabilities. The Bank also improved routine liquidity management, reinforced market analysis and pre-judgment and thereby managed liquidity in a more forward-looking and proactive manner.

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The Group's liquidity coverage ratio as at the end of the reporting period is set out below.

	31 December 2018	31 December 2017	Increase/ Decrease	Unit: RMB million 31 December 2016
Liquidity coverage ratio	114.33%	97.98%	UP 16.35 percentage points	91.12%
Qualified premium liquid assets	553,870	507,004	9.24%	398,555
Net cash outflow in the coming 30 days	484,454	517,472	-6.38%	437,403

Note: The Group disclosed relevant information on its liquidity coverage ratio in accordance with the Rules on Disclosure of Liquidity Coverage Ratio of Commercial Banks (CBRC Decree [2015] No.52).

For relevant information about the Group's liquidity gaps as at the end of the reporting period, please refer to Note 61(c) to the financial statements contained in this report.

4.4.6 Operational Risk Management

Operational risk refers to the risk of losses resulting from imperfect or deficient internal procedures, employees and information technology systems and external incidents. It includes legal risk but excludes strategic risk and reputation risk. During the reporting period, the Bank continued to strengthen its operational risk control and intensified the daily management of operational risk. It organized a re-examination of the key operational risk indicator system, established a stratified hierarchical indicator monitoring system, and improved the capability for in-process monitoring of operational risk. At the same time, the Bank reinforced the mechanism for grading and reporting risk incidents and priority screened some of the businesses highly prone to operational risk such as pledge of receivables. Moreover, the Bank made further efforts to establish a robust risk management system for its outsourcing business. In particular, the Bank strengthened routine review, management and comprehensive assessment of outsourcing risk, continued to optimize the outsourcing management information system, and effectively standardize outsourcing behavior and prevent outsourcing risk. In addition, the Bank built up capacity for emergency response, improved the business continuity management system, and had its units at all levels organize emergency drills in various forms. It also further strengthened the prevention and control of information technology risks and conducted comprehensive assessment and continuous monitoring of such risks. During the reporting period, the operational risk management system of the Bank enjoyed stable operation, placing operational risk under control in the overall sense.

4.4.7 Anti-Money Laundering

During the reporting period, the Bank reinforced its risk management and internal control against money laundering and further improved its money laundering risk management system pursuant to the regulatory requirements on anti-money laundering such as the Law of the People's Republic of China on Anti-Money Laundering and the Guidelines for Risk Management regarding Money Laundering and Terrorist Financing in Corporate Financial Institutions (Trial). In particular, the Bank defined the anti-money laundering management responsibilities of the Board of Directors, the Board of Supervisors, and the senior management, incorporated money laundering risk management into its authorization system, established the goal of constructing an anti-money laundering risk management culture, and strove to build an "all-employee, all-aspect and full-process" money laundering risk management culture.

In terms of organizational structure, the Board of Directors authorized its Risk Management Committee to perform part of its responsibility for money laundering risk management and the president of the Bank to lead money laundering risk management. In addition, the Bank strengthened the decision-making role of the Anti-money Laundering Leading Group at the Head Office and incorporated all departments of the Head Office as members into the group, an effective guarantee that the duties for money laundering risk management were effectively performed. In terms of anti-money laundering regulations, the Bank revised its top-level regulations and special rules, such as the basic requirements on anti-money laundering, policies on money laundering risk management, reporting of large-amount and suspicious transactions, assessment and classification of customer money laundering risks and customer identification; introduced special measures and internal controls on money laundering risk assessment of products/business, transaction monitoring, business management in sanctioned countries, management of overseas affiliates and performance evaluation. These efforts provided the institutional basis for anti-money laundering management. In terms of job and personnel management, the Bank established the anti-money laundering job qualification certification system, achieved hierarchical job management, strengthened the development of professional talents, and built an “echelon” professional anti-money laundering team to comprehensively enhance the professional competence of anti-money laundering personnel. In terms of risk management measures and methods, the Bank carried out trial assessment of money laundering risks of products/businesses, evaluation of transaction monitoring standards and analysis of money laundering types, and put in place risk-oriented targeted control measures. In addition, the Bank organized customer money laundering risk assessment with the use of the “weighted approach”, implemented and dynamically adjusted control measures, continued self-assessment of money laundering risks, actively implemented the requirements on identification of beneficiary owner identity, and conscientiously implemented relevant regulatory stipulations. In terms of system construction, the Bank continued to optimize the anti-money laundering information system, completed Phase III of the anti-money laundering risk management system, optimized the models for customer money laundering risk assessment and suspicious transaction monitoring, established a typical case database and a manual screening guide library, and established and improved the customer money laundering risk information sharing mechanism. All these boosted the ability of system tools to support risk management in a continuous manner. In terms of supervision over key projects, the Bank, as a representative of the joint-stock commercial banks in Beijing, organized, participated in and successfully completed the response to the assessment of the Financial Action Task Force on Money Laundering (FATF), demonstrating excellent professional quality and the good image of listed companies fulfilling their international obligations.

4.5 Capital Management

During the reporting period, in line with changes in both the internal and external situations, the Group continued to uphold the “capital light, asset light and cost light” development strategy. It drove forward light-style asset business in accordance with the asset-liability strategy of “accelerating turnover and adjusting structure” to save capital occupation. The Bank practiced total capital management, including capital adequacy ratio management, capital planning, capital allocation and capital evaluation management. The goal of the Group’s capital management was to continuously comply with capital regulatory regulations and policy requirements, maintain a reasonable level of capital adequacy ratio, optimize the business structure and increase the efficiency and return of capital use. The Group calculated, managed and disclosed its own and the Bank’s capital adequacy ratios according to the Provisional Measures for Capital Management of Commercial Banks promulgated by the former CBRC in June 2012.

The Group continued to strengthen its capability for internal capital accumulation and at the same time took the initiative to optimize its business structure and control capital consumption, with its capital adequacy ratios at all levels rising amid stability. As at the reporting period, the Group recorded the following capital adequacy profile: a capital adequacy ratio of 12.47%, an increase of 0.82 percentage point from the end of the previous year; a 9.43% tier-one capital adequacy ratio, 0.09 percentage point higher than the end of the previous year; and a 8.62% core tier-one capital adequacy ratio, up by 0.13 percentage point from the end of the previous year, meeting all regulatory requirements.

During the reporting period, the Group continued to reinforce its capital constraint and allocation mechanisms for continuous implementation of the capital-light development strategy. In its efforts to further enhance the capital allocation and evaluation system with “economic profit” and “return on capital” at the core, the Group steadily promoted the application of the internal rating approach in capital evaluation. In addition, it adopted the dual-line management model, i.e., “limit management of regulatory capital” and “benchmarking evaluation of economic capital”, to coordinate the balance of regulatory capital and economic capital, and guided the business units to rationalize their asset structures under the capital constraints. At the same time, the Group continued to push forward asset turnover and mobilize existing assets to provide space for capital saving and enhance its ability to serve the real economy.

Capital adequacy ratios

Unit: RMB million

Item	31 December 2018	31 December 2017	Increase (%)/ Decrease	31 December 2016
Net core tier-one capital	403,354	366,567	10.04	342,563
Net tier-one capital	441,122	403,378	9.36	382,670
Net capital	583,392	502,821	16.02	475,008
Risk-weighted assets	4,677,713	4,317,502	8.34	3,964,448
Core tier-one capital adequacy ratio	8.62%	8.49%	Up 0.13 percentage point	8.64%
Tier-one capital adequacy ratio	9.43%	9.34%	Up 0.09 percentage point	9.65%
Capital adequacy ratio	12.47%	11.65%	Up 0.82 percentage point	11.98%

Leverage ratio

Unit: RMB million

	31 December 2018	31 December 2017	Increase (%)/ Decrease	31 December 2016
Leverage ratio	6.37%	6.18%	Up 0.19 percentage point	5.47%
Net tier-one capital	441,122	403,378	9.36	382,670
Adjusted balance of on-and off-balance sheet assets	6,928,004	6,527,276	6.14	6,994,025

Note: The Group calculated its leverage ratio in accordance with the provisions of the Rules on Leverage Ratio of Commercial Banks (Revised) (CBRC Decree [2015] No.1). For detailed information about leverage ratios, please refer to the column on investor relations at the Bank's website <http://www.citicbank.com/about/investor/financialaffairs/ggizb/>.

4.6 Material Investments, Material Acquisitions and Disposal and Restructuring of Assets

The meeting of the Board of Directors of the Bank convened on 7 June 2017 deliberated and approved the Proposal on the Matters relating to the Acquisition of Equity in JSC Altyn Bank, giving consent that the Bank and its partner China Shuangwei Investment Co., Ltd. jointly acquire the 60% stake in JSC Altyn Bank previously owned by JSC Halyk Bank of Kazakhstan. The Bank acquired 50.1% equity in JSC Altyn Bank. Both parties signed an equity transaction agreement with the JSC Halyk Bank of Kazakhstan on the same day. The acquisition target JSC Altyn Bank is a commercial bank established in Kazakhstan mainly engaging in corporate and personal deposit and loan businesses. The acquisition was approved by the relevant regulators in both China and Kazakhstan and the transaction was delivered on 24 April 2018 (Beijing time). After the acquisition, the Bank holds a 50.1% stake in JSC Altyn Bank.

The meeting of the Board of Directors of the Bank convened on 26 March 2018 deliberated and approved the Proposal on Increasing the Share Capital of CITIC aiBank Corporation Limited, giving consent that the Bank and Baidu respectively subscribe for 1.4 billion and 600 million shares of CITIC aiBank's additional new shares issued in cash at a par value of RMB1 per share while maintaining their original shareholding percentages. Accordingly, the Bank and Baidu increased the share capital of aiBank by RMB1.4 billion and RMB600 million, respectively. After the capital increase, CITIC aiBank's registered capital went up from RMB2 billion to RMB4 billion, and its total number of shares grew from 2 to 4 billion, all of which were registered ordinary shares with a par value of RMB1 per share. The Bank and Baidu now hold 2.8 billion and 1.2 billion shares of CITIC aiBank, with their shareholding percentages remaining at 70% and 30%, respectively. The shareholder rights and obligations of the Bank and Baidu, their number of seats on the Board of Directors and their voting rights as agreed in CITIC aiBank's articles of association remain unchanged.

Except for those already disclosed and the day-to-day businesses such as transfer of credit assets that were involved in its business operation, the Bank was not aware of any other material acquisitions or disposals of assets or equity or mergers of enterprises that took place in the reporting period.

Please refer to the relevant announcements that the Bank disclosed on the official websites of SSE (www.sse.com.cn), HKEXnews (www.hkexnews.hk) and the Bank (www.citicbank.com) for relevant information.

4.7 Information about Structured Vehicles Controlled by the Bank

For relevant information about structured vehicles beyond the scope of the Bank's consolidation of financial statements, please refer to Note 65 to the financial statements contained in this report.

4.8 Outlook

4.8.1 Development Trends, Risks and Challenges of the Banking Sector

The world in general is confronted by major changes unprecedented in the past 100 years. The Chinese economy faces downward pressure in the short term but remains in a period of important strategic opportunities in the long run.

On the one hand, the development of the banking industry faces challenges. With rising uncertainties in the global economy, unclear prospects of the China-US economic and trade relations, acute structural contradictions of the Chinese economy, considerable downward pressure on economic growth and ongoing exposure of financial risks, prevention and resolution of financial risks is an arduous task for commercial banks. The further and quicker opening up of the financial market, while boosting maturity of the domestic market, will also significantly intensify market competition. The Chinese regulators will maintain the pattern of "stringent regulation and severe penalty", continue to resolve the risks of shadow banking and Internet finance, promote the transformation of wealth management business, ensure the flow of capital into the real economy, and take a tougher and harsher stance in the governance of violations and irregularities. Accordingly, financial institutions will return to the basics of financial services in their operation, intensify risk management and internal control, and pursue high-quality sustainable development.

On the other hand, commercial banks face new opportunities for development. China will strengthen the countercyclical adjustment of macroeconomic policies, continue to implement an aggressive fiscal policy and a prudent monetary policy, increase support to private companies and small and micro enterprises, pace up infrastructure construction, promote the formation of a strong domestic market. All these offer opportunities for commercial banks to make asset investment and carry out deposit marketing. China will accelerate high-quality development, focusing on the main line of supply-side reform. In particular, the Chinese government will continue the disposal of "zombie enterprises" and make precise efforts in areas such as manufacturing upgrade and SME innovation, and promote key regions such as the Beijing-Tianjin-Hebei region, the Guangdong-Hong Kong-Macao Greater Bay Area and the Yangtze River Delta to become the power sources and champions of high-quality development. This provides a broad space for structural adjustment, transformation and development of commercial banks. In addition, China will further deepen its reform and opening up, promote the shed construction of the "Belt and Road" Initiative, increase the proportion of direct financing, set up the Science and Technology Innovation Board (STIB) and pilot the registration-based initial public offerings (IPO) system. These will bring opportunities for commercial banks to engage in businesses such as mergers and acquisitions, equity finance and cross-border operations.

The Bank will ride on the trend of China's economic development, grasp the opportunities available from economic growth and transformation, continuously improve its risk management system, strengthen the guiding role of its credit policy, optimize its asset allocation, improve risk prevention and control in key areas, reinforce accountability for non-performing loans, and constantly improve the quality and efficiency of its service to the real economy.

4.8.2 Implementation Review of the 2018-2020 Development Strategy

In 2018, based on the successful completion of the goals and tasks of the 2015-2017 Strategic Plan of CITIC Bank, the Bank published and implemented the 2018-2020 Development Plan of CITIC Bank (abbreviated as the “new three-year development plan”). According to the requirements of the new three-year development plan, the Bank will keep its mission in mind, return to the basics of financial services, deepen reforms, develop with sure steps and aspire to become “the enterprise offering the best comprehensive financial services”. The Bank established the leading group and task forces for implementation of the plan, formulated the task table and roadmap for the “8100 Project”²² under the plan and 16 supporting programs for plan implementation, and promoted fulfillment of the tasks of the new three-year development plan in an orderly manner. During the reporting period, the plan was effectively implemented in the overall sense, with all the 100 key tasks achieved scheduled progress.

First, the Bank served the real economy with enthusiastic effective actions. Among others, the Bank established the *Regional Coordinated Development Committee and the Leading Group for Coordinated Development of Key Regions*. In addition to hosting the “Xiong’an CITIC Financial Summit”, the Bank became the first commercial bank to issue loans to Xiong’an Group. In inclusive finance, the Bank completed the CBIRC’s “two increase and two control” assessment for the whole year in advance, and met the conditions for the highest-grade RRR cut assessment criteria of the PBOC. In addition, the Bank convened a symposium with private entrepreneurs, issued the “fourteen” support measures, and created the first medium- and long-term risk mitigation tool for private enterprises in the country. Because of its greater efforts to support the green economy, the Bank won the “Best Green Finance Award” from the China Banking Association.

Second, business transformation went further. The transformation of corporate banking business was fully rolled out, resulting in continuous enhancement of the awareness to develop corporate customer groups, the awareness to provide integrated services and the awareness to carry out active risk management. As at the end of the reporting period, the Bank’s corporate banking business registered progress amid stability and continuous optimization of asset structure, with loans to industries in the “support” and “optimize and adjust” categories increasing by RMB56.631 billion and loans to industries in the “control”, “reduce and exit” categories decreasing by RMB50.178 billion. The transformation of retail banking business continued to achieve better efficiency and effectiveness. Personal deposits increased by RMB179.071 billion or 33.57% annually, both hitting a historical high. The Bank’s retail AUM recorded nearly RMB1.8 trillion; balance of personal loans exceeded RMB1 trillion; credit card transaction volume exceeded RMB2 trillion; the proportions of retail operating income and fee-based income stood at 33.65% and 63.53%, respectively. The transformation of financial markets business continued to move forward. Among others, the market-based incentives for core traders were put in place. The net operating income from this segment increased by 71.93%, with the “Interbank +” transaction volume reaching RMB1.43 trillion.

Third, regional differentiated development was effectively underway. In line with the national and regional development strategies, the Bank put forward its “differentiated and echelon-based” regional positioning and development strategy, and divided the tier-one branches into three categories, i.e., “strategic pivotal branches, key regional branches and regional branches with good potential”. Priority is placed on developing the strategic pivotal branches, favoring them with resources in terms of credit allocation, product pricing, review and approval, technology, and manpower. As at the end of the reporting period, the proportion of the balance of general corporate loans of the strategic pivotal branches went up to 43.3%, a growth of 2.8 percentage points; the annual time spent on credit approval for these branches was 5.6 working days fewer than the average; and 75% of the annual incremental employment quota was allocated to these branches.

Fourth, comprehensive internationalization took a new step forward. The Bank initiated the application for establishment of a wealth management subsidiary and a financial asset investment company and completed the equity acquisition of JSC Altyn Bank. At the same time, the Bank continued to drive forward the preparation for establishment of its London Branch, Hong Kong Branch and Sydney Branch. CIFH, CNCB Investment, CITIC Financial Leasing and Lin’an CITIC Rural Bank all achieved steady growth. In its first year of business operation, CITIC aiBank achieved sound results, recording over RMB35.9 billion total assets, RMB13 billion general deposits, more than 12 million users, nearly RMB80 billion online disbursement of inclusive finance loans and an allowance coverage ratio of more than 300%.

²² The “8100 Project” refers to the detailed breakdown arrangements that the Bank used to promote the implementation of the new three-year plan. “8” refers to the “eight major projects”, namely, the eight major measures of the new three-year plan, including the regional differentiated development project, the “One Body Two Wings” transformation project, the integrated internationalized operation project, the financial technology innovation project, the “Safe CITIC” project, the refined management project, the human resources reform project, and the Party building and corporate culture construction project. “100” refers to the “100 key tasks”, i.e., the 100 major breakdown tasks to promote the implementation of the “eight major projects”.

Fifth, innovation vitality enjoyed continuous release. The Bank formulated a medium- to long-term innovation plan, established special incentives to reward major innovations, online launched 18 Class I innovation projects, promoted breakthroughs in 7 major projects of 4 major categories, and landed a batch of unique “chain finance” models such as “Cloud Chain”. In particular, the Bank created a number of first-of-its-kind projects such as “National Social Impact Debt” and formed 21 collaborative models as represented by the “Lanzhou Synergistic Matching Model”. In addition, the Bank embedded IT into “tribe-style management”, pushed forward 12 financial technology innovations and completed 19 key tasks of technology empowerment.

Sixth, risk prevention and control improved continuously. The Bank established a unified credit extension system for legal-person customers and introduced the mechanisms of managing access of incremental loan customers by “name list” and classifying existing customers into “four categories” for management purpose. Specifically, the Bank sorted out the existing loan customers into the categories of “support, maintain, reduce and exit”, based on which it adopted corresponding strategies of “enter, transfer, reduce and exit”. In addition, the Bank further strengthened unified risk management that covered full processes, all criteria, all channels and the entire bank. At the same time, the Bank initiated the “413 Compliance Action”, effectively raising compliance awareness of all employees.

Seventh, basic support assumed greater vigor. To accelerate external capital replenishment, the Bank successfully issued RMB50 billion tier-two capital bonds and RMB40 billion A share convertible bonds. Rental expenses were reduced by RMB370 million cumulatively across the bank. The “Double Hundred Double Thousand” talent project was rolled out on all fronts; and the training system for certification of employee qualifications took a full shape, making the Bank the first joint-stock bank to establish a full-sequence and full-line basic training program.

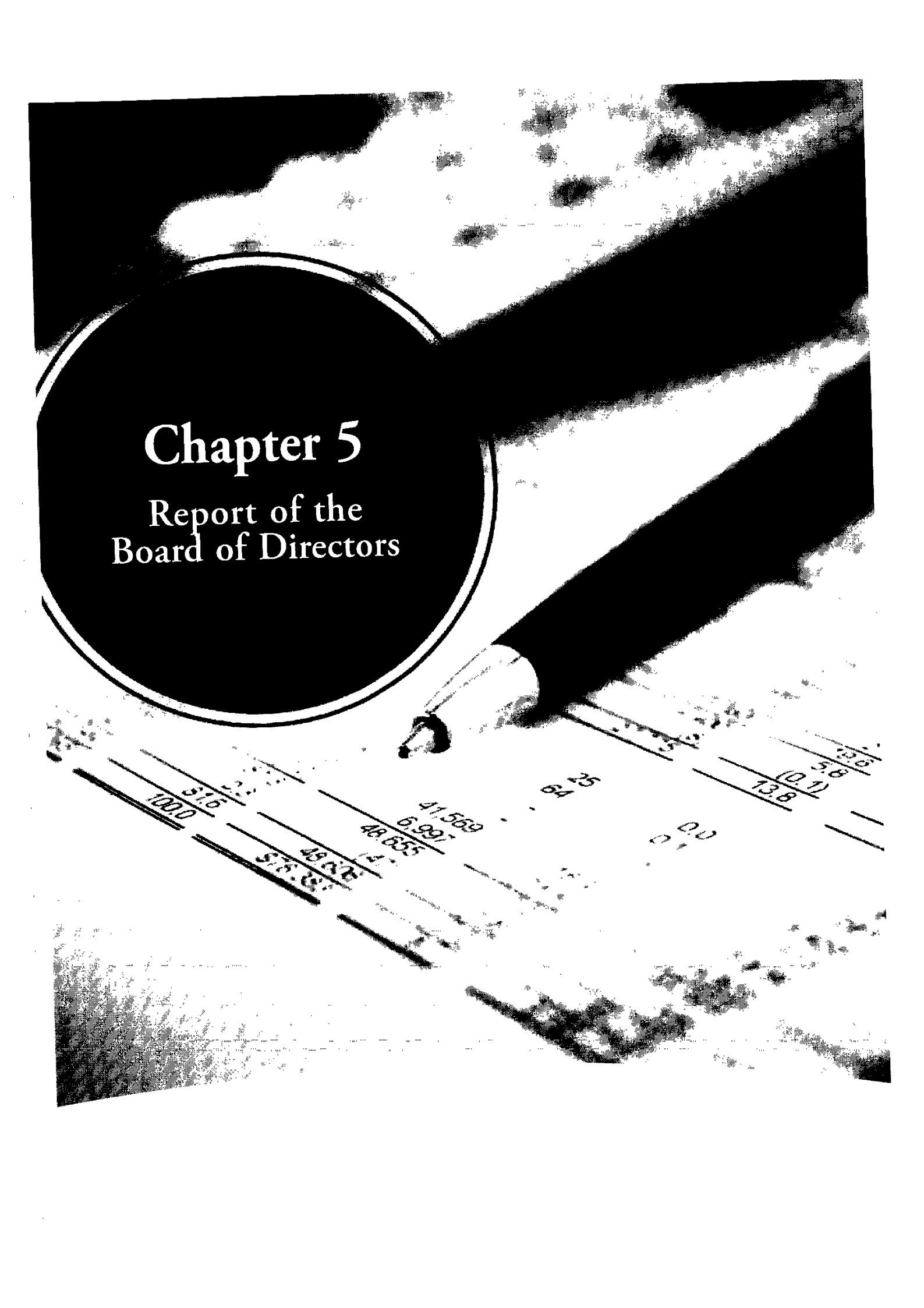
4.8.3 Business Plan

In 2019, the Bank will uphold the goal of stable healthy development, earnestly implement the three-year development plan, return to the basics of customer management, and fully promote the transformation to high-quality development. It will strive to achieve a growth rate between 8% to 10% in its customer deposits and loans to customers. The Bank will also continue to adjust and optimize its business structure, endeavor to achieve steady growth of net operating income, improve input-output efficiency, continuously enhance profitability and attain healthy sustainable development.

The future plans, development strategies and other forward-looking descriptions involved in the above prediction do not constitute substantive commitments of the Bank to its investors. Investors and relevant persons are kindly reminded to maintain adequate risk awareness of such predictions and understand the differences between plans, forecasts and commitments.

4.9 Management of Corporate Social Responsibility

For details of social responsibility and public benefit activities of the Bank in the reporting period, please refer to the 2018 Sustainable Development Report the Bank published on the official websites of the SSE (www.sse.com.cn), HKEXnews (www.hkexnews.hk) and the Bank (www.citicbank.com) on the disclosure date of this report.

A high-contrast, black and white photograph. A dark, thick pen lies diagonally across the frame from the upper right towards the lower left. The pen's tip is positioned over a document that features several lines of text and numbers, some of which are underlined. A large, dark circular overlay is positioned on the left side of the image, partially obscuring the pen and the document. Inside this circle, the text 'Chapter 5' is written in a large, bold, serif font, and below it, 'Report of the Board of Directors' is written in a smaller, regular serif font. The background is a grainy, textured surface, possibly a desk or a piece of paper.

Chapter 5

Report of the Board of Directors

100.0

51.6

51.6

48.855

6.997

41.569

64

25

0.0

0

13.8

(0.1)

5.8

13.6

Chapter 5 Report of the Board of Directors

5.1 Principal Business

The Bank is engaged in commercial banking and related financial services.

5.2 Major Customers

For the reporting period, the top five corporate customers of the Bank contributed RMB2.137 billion or 1.3% to the Bank's operating income. None of these top five customers was a related party of the Bank.

5.3 Profit and Dividend Distribution of Ordinary Shares

To give investors reasonable return on investment and help investors develop stable expectation of investment returns, relevant provisions of the Articles of Association of the Bank lay down explicit requirements on dividend policies of ordinary shares such as the basis, principles, intervals, methods and conditions profit distribution, highlight the cash distribution as the major distribution method, provide for the minimum cash distribution proportion of no less than 10% of the net profit attributable to equity holders of the Bank under general circumstances and that the dividend distribution changes shall be valid after being brought in writing, deliberated and passed in the Board of Directors meeting and approved by special resolution of the general meeting. And these provisions also offer shareholders an online voting platform for participation in voting for the proposals on distribution plans. As such, the Bank fully protects legitimate rights and interests of its minority investors with its profit and dividend distribution policies.

The Bank has not distributed profit through transfer of capital reserve to share capital since its IPOs. Cash dividend distribution of ordinary shares of the Bank in the past three years is set out in the table below.

Unit: RMB million

Year for which dividends were distributed	Cash dividends every ten shares (RMB yuan) (pre-tax)	Total amount of cash dividends (pre-tax)	Net profit attributable to ordinary shareholders of the Bank as indicated in consolidated statements	Distribution ratio (%) ^(Note)
2015	2,120	10,374	41,158	25.21%
2016	2,150	10,521	41,629	25.27%
2017	2,610	12,772	41,236	30.97%

Note: Distribution ratio is the ratio of the total amount of cash dividends for the current period to the net profit attributable to the ordinary shareholders of the Bank on the consolidated financial statements.

After-tax profit as shown on the Bank's audited 2018 onshore and offshore financial statements respectively prepared in accordance with the PRC Accounting Standards and IFRS were both RMB42.057 billion.

The Bank transferred 10% of its after-tax profit as shown on the financial statements prepared in accordance with the PRC Accounting Standards to the statutory surplus reserve, with the accrual thereof recording RMB4.206 billion as at the end of the current period.

Chapter 5 Report of the Board of Directors

In comprehensive consideration of multiple factors including but not limited to the overall interests of all shareholders, the Bank's business development plan, equity investment matters, the need to safeguard the Bank's sustainable development and the regulatory requirements on capital adequacy ratios, and in reference to the dividend payments made by peer banks, the Bank plans to pay total dividends of RMB11.255 billion for its ordinary shares for the year 2018, accounting for 26.06% of the consolidated net profit attributable to ordinary shareholders of the Bank. And these dividends shall be denominated and declared in Renminbi and paid to A shareholders in Renminbi and to H shareholders in Hong Kong dollar. *Based on the total share capital of A shares and H shares, the cash dividends will be RMB2.30 (pre-tax) for every 10 shares.* The dividends to be paid in Hong Kong dollar shall have their amounts calculated in accordance with the average benchmark exchange rate of Renminbi to Hong Kong dollar as released by the PBOC one week preceding the convening of the general meeting (inclusive of the date of the general meeting). No scheme for transfer of capital reserve to share capital will be applied for the current year. Retained undistributed profit after dividend payment shall be carried forward to the next financial year and continue to be used to replenish the Bank's capital, support implementation of the Bank's development strategy, improve the Bank's risk resilience, and meet regulatory requirements on capital adequacy ratios. The Bank recorded a 11.39% return on weighted average equity attributable to its ordinary shareholders in 2018 and is expected to maintain a certain level of return and contribution in 2019.

This ordinary share profit distribution plan ("the Plan") complies with relevant provisions of the Articles of Association of the Bank and follows clear criteria and proportions of dividend payment. *After sufficient discussion and consideration at the Strategic Development Committee of the Board of Directors of the Bank, the Plan was submitted for deliberation at the meetings of the Board of Directors and the Board of Supervisors convened on 26 March 2019 and adopted afterward.* It shall be submitted to the 2018 Annual General Meeting to be convened on 24 May 2019 for deliberation. It is expected that the Bank will pay the 2018 annual dividend to its ordinary shareholders within two months as of the adoption of the Plan by the general meeting. The Bank has proposed to pay the 2018 annual dividend to H shareholders on 22 July 2019, and, should there be any change thereof, would publish a separate announcement to disclose the same. The record date and specific method of dividend payment to its A shareholders shall be announced separately by the Bank.

The Bank's independent non-executive directors have performed their due responsibilities in the decision-making process of the Plan and collectively expressed their independent opinion on the Plan as follows: The 2018 ordinary share profit and dividend distribution plan of the Bank is consistent with the reality of the Bank and has taken the overall interests of both the Bank and its shareholders into consideration. We hereby endorse the Plan and agree to have the Plan submitted to the 2018 Annual General Meeting for deliberation.

When the Plan is submitted to the 2018 Annual General Meeting for deliberation, the Bank will, as required by relevant regulatory requirements, offer investors online voting facilities and disclose voting results in accordance with the shareholding percentages of the voting A shareholders. The shareholding percentages are placed in the three ranges of below 1%, 1-5%, and above 5%. *The shareholders with less than 1% shareholding will be further classified into the two categories of above and below RMB500,000 market value of shareholdings and their voting results shall be further disclosed accordingly.* The preparation and implementation of this Plan fully protects the legitimate rights and interests of minority investors.

5.4 Material Litigations and Arbitrations

The Group was involved in several litigation and arbitration cases in its ordinary and usual course of business. Most of these litigations and arbitrations were initiated by the Group for loan recovery, and there were also litigations and arbitrations resulting from disputes with customers. As at the end of the reporting period, there were 88 outstanding litigation and arbitration cases (regardless of the disputed amounts) involved in the Group's ordinary and usual course of business where the Group acted as defendant/respondent with an aggregate disputed amount of RMB271 million.

The Bank is of the view that the above-mentioned litigations or arbitrations will not have significant adverse impacts on either its financial position or its operating results.

5.5 Appropriation of Funds by the Controlling Shareholder and Other Related Parties

There was no appropriation of the Bank's funds by either the controlling shareholder or other related parties. PricewaterhouseCoopers has issued the Special Report on Fund Appropriation by the Controlling Shareholder of China CITIC Bank Corporation Limited and Other Related Parties with regard to appropriation of the Bank's funds by the controlling shareholder and other related parties in 2018. Please refer to the relevant announcements the Bank disclosed on the official websites of SSE (www.sse.com.cn), HKEXnews (www.hkexnews.hk) and the Bank (www.citicbank.com) for relevant information.

5.6 Material Related Party Transactions

When engaging in related party transactions with related parties during its ordinary and usual course of business, the Bank followed general commercial principles and executed the transactions with terms available to related parties being no more favorable than those available to non-related parties for similar transactions. For statistical details of the related party transactions, please refer to Note 64 "Related Parties" to the financial statement contained in this report, of which the transactions constituting connected party transactions as per the Hong Kong Listing Rules Note 14A all complied with the requirements of these listing rules.

5.6.1 Related Party Transactions Involving Disposal and Acquisition of Assets

During the reporting period, the Bank was not engaged in any significant related party transactions involving the disposal and acquisition of assets under the Shanghai Stock Exchange Listing Rules.

5.6.2 Credit Extension Continuing Related Party Transactions

With approval from the 2nd Extraordinary General Meeting of 2017 convened on 30 November 2017, and in line with the need for business development, the Bank applied to the SSE for the respective annual caps on credit extension for related party transactions with CITIC Group and its related parties, with Xinhua Zhongbao and its related parties, and with China Tobacco and its related parties from 2018 to 2020. With review and approval from the 7th meeting of the 5th Session of the Board of Directors convened on 25 October 2018, and in line with the need for business development, the Bank applied to the SSE for the annual caps on credit extension for related party transactions with Poly Group and its related parties from 2018 to 2020. Subject to the regulatory requirements applicable to the Bank, the 2018 annual caps on credit extension for related party transactions with the afore-mentioned four parties under the SSE regulatory criteria came to the amounts of RMB150 billion, RMB20 billion, RMB20 billion and RMB18 billion, respectively. In addition, the balances of the Bank's credit extension to these four parties may not exceed 15% of the Bank's net capital of the preceding quarter as per relevant CBIRC requirements. All credit extension transactions between the Bank and the above-mentioned related parties followed general commercial principles and were executed with terms no more favorable than those available to independent third parties for similar transactions.

The Bank attached great importance to the day-to-day monitoring and management of credit extension related party transactions and ensured lawfulness and compliance of such transactions by enhancing relevant measures such as more intensive process-based management, strict risk review and better post-lending management of related credit extension. As at the end of the reporting period, the balance of credit that the Bank and its subsidiaries extended to all related parties under the SSE regulatory criteria amounted to RMB37.970 billion, including RMB31.096 billion to CITIC Group and its related parties, RMB6.4 billion to Xinhua Zhongbao and its related parties, zero to China Tobacco and its related parties, RMB0.164 billion to Poly Group and its related parties, and RMB0.310 billion to related parties where the Bank's related natural persons invested in or worked for. Under the CBIRC regulatory criteria, the balance of credit that the Bank and its subsidiaries extended to all related parties amounted to RMB57.468 billion, including RMB21.602 billion to CITIC Group and its related parties, RMB18.352 billion to Xinhua Zhongbao and its related parties, RMB0.115 billion to China Tobacco and its related parties, RMB16.605 billion to Poly Group and its related parties, and RMB0.794 billion to related parties where the Bank's related natural persons invested in or worked for. Such credit extensions to related companies were of good quality in general, with one transaction being a special mention loan (RMB63 million) and all others being performing loans. As such, these credit extension transactions will not exert material impacts on the normal operation of the Bank in terms of transaction volume, structure and quality.

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The Bank stringently followed the SSE and CBIRC requirements on review and disclosure of credit extension to related parties. As at the end of the reporting period, there was no fund exchange or appropriation in violation of the provisions of the Notice on Several Issues Concerning the Standardization of Fund Exchanges between Listed Companies and Their Related Parties and External Guarantees Provided by Listed Companies (as amended in 2017) (CSRC Announcement [2017] No.16) and the Notice on Standardization of External Guarantees Provided by Listed Companies (CSRC Release [2005] No.120). The related loans that the Bank extended to CITIC Group and its related parties, Xinhua Zhongbao and its related parties, China Tobacco and its related parties, Poly Group and its related parties, and the related parties where the Bank's related natural persons invested in or worked for had no adverse impact on the operating results or financial position of the Bank.

5.6.3 Non-Credit Extension Continuing Related Party Transactions

With approval from the 25th meeting of the 4th Session of the Board of Directors convened on 24 August 2017 and the 2nd Extraordinary General Meeting of 2017 convened on 30 November 2017, and in line with the need for business development, the Bank applied to the SSE and the SEHK for the annual caps on the seven main categories of non-credit extension continuing related party transactions with CITIC Group and its related parties for 2018-2020, and has entered into relevant continuing related party transactions agreements on the board meeting day. With review and approval from the 7th meeting of the 5th Session of the Board of Directors convened on 25 October 2018, and in line with the need for business development, the Bank applied to the SSE for the respective annual caps on non-credit extension continuing related party transactions with Xinhua Zhongbao and its related parties, with China Tobacco and its related parties, and with Poly Group and its related parties from 2018 to 2020. The non-credit extension transactions between the Bank and the above-mentioned related parties followed general commercial principles and were executed with terms no more favorable than those available to independent third parties for similar transactions.

The Bank carried out non-credit extension continuing related party transactions with CITIC Group and its related parties, with Xinhua Zhongbao and its related parties, with China Tobacco and its related parties, and with Poly Group and its related parties according to the applicable provisions of Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Chapter 10 of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange. Particulars thereof are described as follows:

5.6.3.1 Third-Party Escrow Services

Third-party escrow services between the Bank and its major shareholders and their related parties shall be delivered on terms no more favorable than those available to independent third parties.

The principal terms of the Third-Party Escrow Service Framework Agreement are set out as follows:

- To provide third-party escrow services in connection with the transaction settlement funds of the customers of different securities companies.
- The services to be provided under the agreement include but not limited to funds transfer, payment of interest and other settlement-related matters.
- The service recipient shall, and shall procure its related parties to, pay service fees to the service provider (if applicable).
- The services to be provided under the agreement shall be made on terms no less favorable to the Bank than those available to/from independent third parties.

The service fees payable to the Bank by its major shareholders and their related parties shall be determined on the basis of relevant market rates and subject to periodic reviews. In 2018, the annual caps for the third-party escrow services between the Bank and CITIC Group and its related parties, between the Bank and Xinhua Zhongbao and its related parties, between the Bank and China Tobacco and its related parties, and between the Bank and Poly Group and its related parties were RMB80 million, RMB50 million, RMB50 million, and RMB50 million, respectively. As at the end of the reporting period, the actual transaction amount between the Bank and CITIC Group and its related parties was RMB12 million; the Bank did not incur any such transaction with any of the other afore-mentioned major shareholders and their related parties. None of transactions on third-party escrow services between the Bank and its major shareholders and their related parties exceeded the corresponding approved annual cap.

5.6.3.2 Asset Custody Services

Asset custody services, account management services and third-party regulatory services provided between the Bank and its major shareholders and their related parties shall be delivered on terms no more favorable than those available to independent third parties.

The principal terms of the Asset Custody Service Framework Agreement are set out as follows:

- To provide asset custody services and account management services to CITIC Group and its associate(s) in connection with financial assets or funds, including but not limited to, assets under management by fund companies (including securities investment funds), assets under management by securities companies, assets under management by trust companies, wealth management products of commercial banks, assets under management by insurance dealers, equity investment funds, enterprise annuities, QDII, QFII, social insurance funds, welfare plans, funds of third-party transactions and account management.
- To conduct third-party supervising services. The service recipient shall pay the service fees.
- The service recipient shall, and shall procure its related parties to, pay service fees to the service provider with respect to the asset custody services.
- The services to be provided under the agreement shall be made on terms no less favorable to the Bank than those available to/from independent third parties.

The service fees payable to each other shall be determined on the basis of relevant market rates and the categories of assets or funds under custody, subject to periodic review. In 2018, the annual caps for the asset custody services between the Bank and CITIC Group and its related parties, between the Bank and Xinhua Zhongbao and its related parties, between the Bank and China Tobacco and its related parties, and between the Bank and Poly Group and its related parties were RMB1.4 billion, RMB0.2 billion, RMB0.2 billion, and RMB0.2 billion, respectively. As at the end of the reporting period, there was no such transaction incurred between the Bank and Xinhua Zhongbao and its related parties, while the actual amounts of such transactions between the Bank and CITIC Group and its related parties, between the Bank and China Tobacco and its related parties, and between the Bank and Poly Group and its related parties were RMB583 million, RMB0.8774 million, RMB0.33 million, respectively, none of which exceeded the corresponding approved annual cap of the Bank.

5.6.3.3 Financial Consulting and Asset Management Services

The financial consulting and asset management services provided between the Bank and its major shareholders and their related parties shall have no fixed prices or rates. The price and rate applicable to a particular service may be calculated on the basis of the scale, rate and duration of the service, and shall be determined through fair and reciprocal negotiations between the parties and on terms no more favorable than those available to independent third parties.

The principal terms of the Financial Consulting Service and Asset Management Service Framework Agreement are set out as follows:

- The following services including, but not limited to, (1) bond underwriting; (2) financing and financial consulting services; (3) financial products agency sales services; (4) asset securitization underwriting; (5) entrusted loans services; (6) underwriting of investment and financing projects; (7) consulting services; and (8) management of factoring receivables, collection of receivables and guarantee for bad debts, etc.
- The service recipient shall, and shall procure its related parties to, pay service fees to the service provider with respect to the services (if applicable).
- The services to be provided under the agreement shall be made on terms no less favorable to the Bank than those available to/from independent third parties.

In 2018, the annual caps for the financial consulting and asset management services between the Bank and CITIC Group and its related parties, between the Bank and Xinhua Zhongbao and its related parties, between the Bank and China Tobacco and its related parties, and between the Bank and Poly Group and its related parties were RMB4.5 billion, RMB0.5 billion, RMB0.5 billion, and RMB0.5 billion, respectively. As at the end of the reporting period, the actual amounts of such transactions between the Bank and the afore-mentioned major shareholders and their related parties were RMB357 million, RMB40 million, RMB0.10 million and RMB3 million, respectively, none of which exceeded the corresponding approved annual cap of the Bank.

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5.6.3.4 Capital Transactions

The Bank and its major shareholders and their related parties shall conduct capital transactions in their ordinary and usual course of business according to applicable general market practices and on normal commercial terms.

The principal terms of the Capital Transactions Framework Agreement are set out as follows:

- Transactions covered under the Capital Transactions Framework Agreement include, but not limited to, foreign currency and precious metals transactions, precious metals leasing, currency market transactions, bond transactions and agency bond settlement and financial derivatives transactions.

The prices and rates applicable to such transactions between the two parties shall be the prevailing market prices or the rates generally applicable to independent third parties for similar transactions. Specifically, for foreign exchange and precious metal transactions, precious metal leasing, currency market transactions, and bond transactions and other business, the two parties shall price their transactions according to publicly available market prices; for agency settlement of bonds, the two parties shall decide on the rates thereof according to prevailing industrial regulations; and for financial derivatives, transaction prices shall be fixed in accordance with factors such as the level of market activity of the underlying products, openly available market quotes and the Bank's requirements relating to the management of various risks. In 2018, the annual caps for the Bank's capital transactions with CITIC Group and its related parties were: RMB1.5 billion for gains and losses of transactions, RMB2.5 billion for fair value of derivative financial instruments recorded as assets, and RMB4.5 billion for fair value of derivative financial instruments recorded as liabilities; the annual caps for the Bank's capital transactions with Xinhua Zhongbao and its related parties were: RMB0.1 billion for gains and losses of transactions, RMB1.0 billion for fair value of derivative financial instruments recorded as assets, and RMB1.0 billion for fair value of derivative financial instruments recorded as liabilities; the annual caps for the Bank's capital transactions with China Tobacco and its related parties were: RMB0.1 billion for gains and losses of transactions, RMB1.0 billion for fair value of derivative financial instruments recorded as assets, and RMB1.0 billion for fair value of derivative financial instruments recorded as liabilities; the annual caps for the Bank's capital transactions with Poly Group and its related parties were: RMB0.1 billion for gains and losses of transactions, RMB2.0 billion for fair value of derivative financial instruments recorded as assets, and RMB2.0 billion for fair value of derivative financial instruments recorded as liabilities. As at the end of the reporting period, the actual transaction amounts incurred between the Bank and CITIC Group and its related parties were: RMB109 million for gains and losses, RMB75 million for fair value recorded as assets and RMB38 million for fair value recorded as liabilities; the actual transaction amounts incurred between the Bank and Xinhua Zhongbao and its related parties were: RMB88 million for gains and losses, and zero for fair value of derivative financial instruments recorded both as assets and as liabilities; no such transaction took place between the Bank and China Tobacco and its related parties or between the Bank and Poly Group and its related parties. None of the capital transactions between the Bank and the afore-mentioned major shareholders and their related parties exceeded the corresponding approved annual caps of the Bank.

5.6.3.5 Comprehensive Services

Comprehensive services provided between the Bank and its major shareholders and their related parties include but are not limited to medical insurance and enterprise annuity, procurement of goods and services, outsourcing services, value-added services, advertising services, technological services and property lease.

The principal terms of the Comprehensive Service Framework Agreement are set out as follows:

- Services conducted include, but not limited to, medical insurance and enterprise annuity; merchandise service procurement (including conference hosting services); outsourcing services; value-added services (including credit exchange services for clients of bank cards and electronic online banking services); advertising services; technology services and property leasing.
- Both parties of the agreement shall provide the services prescribed in the agreement.
- The service recipient shall pay the service fees to the service provider with respect to the services they provide.

The Bank and its major shareholders and their related parties shall apply prevailing market prices or applicable rates of independent third-party transactions to the provision of comprehensive services between them and shall determine the price and rate of a particular service through fair and reciprocal negotiations and according to applicable market price and rate. In 2018, the annual caps for the provision of comprehensive services between the Bank and CITIC Group and its related parties, between the Bank and Xinhua Zhongbao and its related parties, between the Bank and China Tobacco and its related parties, and between the Bank and Poly Group and its related parties were RMB3.5 billion, RMB0.1 billion, RMB0.1 billion, and RMB0.3 billion, respectively. As at the end of the reporting period, there was no such transaction incurred between the Bank and Xinhua Zhongbao and its related parties; and the actual amounts of such transactions between the Bank and CITIC Group and its related parties, between the Bank and China Tobacco and its related parties, and between the Bank and Poly Group and its related parties were RMB2.047 billion, RMB5 million and RMB18,200, respectively, none of which exceeded the corresponding approved annual cap.

5.6.3.6 Asset Transfer

Asset transfer transactions between the Bank and its major shareholders and their related parties shall be made on terms no more favorable than those available to independent third parties.

The principal terms of the Asset Transfer Framework Agreement are set out as follows:

- To buy from or sell the interests in loans and other related assets (including, but not limited to, directly or through asset management plan, asset securitization, factoring or other forms to sell corporate and retail loan assets, and inter-bank loan receivables).
- The course of business under the agreement shall be made on terms no less favorable to the Bank than terms available to or from independent third parties.
- The agreement shall specify the management rights of the loans and other related assets.
- Undertake confidentiality in respect of asset transfer transactions.

The transfer prices payable by the transferee shall be determined according to the following principles: (1) for transfer of general assets, as per regulatory requirements, credit assets shall be transferred on the principle of entirety. When transferring a credit asset, the transferor shall use the loan principal as the transaction price, make a parity transfer without discount or premium, and prioritize the consideration of post-transfer obligations to be performed by the transferor and the transferee in addition to the consideration of market supply and demand; (2) for transfer of assets in asset securitization, the Bank shall use the loan principal as the transaction price when transferring a credit asset to a related party. Except for securitization of non-performing assets, the Bank shall make parity transfers in general. In terms of the issuance rate of the asset-backed securities, the prioritized asset-backed securities (with exclusion of the sections held by the originating institutions) are determined by the approach of single spread (Netherlands Style) bidding or book building through the bidding system of China Central Depository & Clearing Co., Ltd., and the secondary asset-backed securities (with exclusion of the sections held by the originating institutions) are determined by the number of tenders or by the book building approach; and (3) where there is no statutory government-prescribed transfer price available at present for a particular asset transfer, once such statutory prices are available in the future, the concerned asset transfers shall be priced with reference to the government-prescribed prices. In 2018, the annual caps for the asset transfer transactions between the Bank and CITIC Group and its related parties, between the Bank and Xinhua Zhongbao and its related parties, between the Bank and China Tobacco and its related parties, and between the Bank and Poly Group and its related parties were RMB210 billion, RMB5 billion, RMB5 billion, and RMB5 billion, respectively. As at the end of the reporting period, the Bank recorded RMB21.03 billion actual transaction with CITIC Group and its related parties and did not incur such transactions with any of the afore-mentioned major shareholders and their related parties. None of the asset transfer transactions between the Bank and the afore-mentioned major shareholders and their related parties exceeded the corresponding approved annual cap.

5.6.3.7 Wealth Management and Investment Services

The Bank and its major shareholders and their related parties shall apply general market practices and normal commercial terms in their ordinary and usual course of business. The Bank provides its major shareholders and their related parties with wealth management and investment services including non-principal-protected wealth management and agency services, principal-protected wealth management, and proprietary fund investment, while its major shareholders and their related parties provide the Bank with intermediary services of wealth management, such as trust services and management services.

The principal terms of the Wealth Management and Investment Service Framework Agreement are set out as follows:

- To provide wealth management and investment services, including non-principal-guaranteed wealth management services and agency services, principal-guaranteed wealth management, and investment with the Bank's own funds; and the related party will provide the Bank with wealth management intermediary services, including trust services and management services.
- The related party, pay service fees to the Bank with respect to the wealth management and investment services provided by the Bank. The Bank shall also pay service fees to the related party with respect to the wealth management intermediary services provided.
- The services to be provided under the agreement shall be made on terms no less favorable to the Bank than those available to or from independent third parties.

The transactions between the two parties shall be made through fair negotiations, determined by normal commercial terms and conducted on terms no more favorable than those available to independent third parties, in line with the categories and scopes of wealth management services, and with real-time adjustments made according to changes in market prices. In 2018, the annual caps for the Bank's transactions on wealth management and investment services with CITIC Group and its related parties were: RMB2 billion for fees relating to non-principal-protected wealth management and agency services, RMB10 billion for period-end balance of principal in principal-protected wealth management services for customers, RMB0.4 billion for yields on wealth management for customers, RMB85 billion for period-end balance of investment funds, and RMB5.5 billion for the sum of the Bank's return on investment and payment of service fees to intermediaries; the annual caps for the Bank's transactions on wealth management and investment services with Xinhua Zhongbao and its related parties were: RMB0.5 billion for fees relating to non-principal-protected wealth management and agency services, RMB10 billion for period-end balance of principal in principal-protected wealth management services for customers, RMB1.0 billion for yields on wealth management for customers, RMB5 billion for period-end balance of investment funds, and RMB0.4 billion for the sum of the Bank's return on investment and payment of service fees to intermediaries; the annual caps for the Bank's transactions on wealth management and investment services with China Tobacco and its related parties were: RMB0.1 billion for fees relating to non-principal-protected wealth management and agency services, RMB1.0 billion for period-end balance of principal in principal-protected wealth management services for customers, RMB0.1 billion for yields on wealth management for customers, RMB1.0 billion for period-end balance of investment funds, and RMB0.1 billion for the sum of the Bank's return on investment and payment of service fees to intermediaries; the annual caps for the Bank's transactions on wealth management and investment services with Poly Group and its related parties were: RMB0.3 billion for fees relating to non-principal-protected wealth management and agency services, RMB3.0 billion for period-end balance of principal in principal-protected wealth management services for customers, RMB0.3 billion for yields on wealth management for customers, RMB5.0 billion for period-end balance of investment funds, and RMB0.4 billion for the sum of the Bank's return on investment and payment of service fees to intermediaries. As at the end of the reporting period, the actual amounts incurred between the Bank and CITIC Group and its related parties were the following: RMB850 million for fees relating to non-principal-protected wealth management and agency services, RMB528 million for period-end balance of principal in principal-protected wealth management services for customers, RMB13 million for yields on wealth management for customers, RMB29.215 billion for period-end balance of investment funds, and RMB821 million for the sum of the Bank's return on investment and payment of service fees to intermediaries; the actual amounts incurred between the Bank and Xinhua Zhongbao and its related parties were the following: zero for period-end balance of principal in principal-protected wealth management services for customers, zero for period-end balance of investment funds, zero for the sum of the Bank's return on investment and payment of service fees to intermediaries, and RMB22 million for fees relating to non-principal-protected wealth management and agency services, RMB7 million for yield on wealth management in principal-protected wealth management services for customers; the actual amounts incurred between the Bank and Poly Group and its related parties were the following: zero for period-end balance of principal in principal-protected wealth management services for customers, zero for period-end balance of investment funds, zero for the sum of the Bank's return on investment and payment of service fees to intermediaries, RMB2,500 for fees relating to non-principal-protected wealth management and agency services, and RMB0.3329 million for yields on principal-protected wealth management for customers; and no such transactions took place between the Bank and China Tobacco and its related parties. None of the transactions on wealth management and investment services between the Bank and the aforementioned major shareholders and their related parties exceeded the corresponding approved annual cap.

The reasons and benefits to conduct continuing connected transactions with CITIC Group

CITIC Group is an state-owned international conglomerate enterprise group with comprehensive business. It has different financial subsidiaries engaged in banking, securities, trust, insurance, fund, asset management and futures. The types of financial departments in CITIC Group are comprehensive, and the integrated advantage is manifest. CITIC Group and its related parties have built a comprehensive risk management and internal control procedure, thereby its financial product has high level of security and has a higher competitiveness among the industry. The demand by CITIC Group and its related parties for financial services, including investment with their own funds, wealth management services and asset transfer is increasing. By cooperating with CITIC Group and its related parties, the Bank is able to effectively raise the integrated return of the Bank and reduce the Bank's operating risk to a certain extent, to fully utilize the cooperative effect of the integrated financial platform of CITIC Group and generate higher returns for all the Shareholders. The Bank believes that the cooperation with CITIC Group and its related parties in respect of asset transfer, wealth management and investments, and other financial services will contribute to the adjustment of asset liquidity, the optimization of asset structure and the increase of profit channels, so as to further create greater value for the Shareholders as a whole.

5.6.4 One-off Connected Transactions

During the reporting period, the Bank has conducted the following one-off connected transactions under Hong Kong Listing Rules.

5.6.4.1 Purchase of Part of the Properties of CITIC Plaza

In order to meet the business development requirement, Guangzhou Branch intends to purchase part of the properties of CITIC Plaza as business premises with a total gross floor area of 23,003.93 square meters and the total consideration of RMB910,902,000.

Date

28 March 2018

Parties

- (1) The purchaser: Guangzhou Branch
- (2) The transferors: Century Square Corporation Limited ("Century Square"), Vecom Property Ltd ("Vecom Property")

Consideration

- (1) The price of the buildings transferred by Century Square was RMB313,035,900, and the price of the buildings transferred by Vecom Property was RMB597,866,100;
- (2) The deed tax and stamp duty borne by the Bank is expected to be RMB27,782,566 and subject to the amount specified in the tax certificate issued by the tax authority;
- (3) The transaction fees borne by the Bank was RMB85,000; and
- (4) The registration fees of title transfer borne by the Bank is expected to be RMB52,057.86 and subject to the amount specified in the payment certificate issued by the real estate registration center.

Reasons for And Benefits of the Transaction

Since its establishment, Guangzhou Branch has been developing rapidly in various businesses. In the meantime, due to the lack of self-owned property, the problems of lack of office space, decentralization of office floors and high rental cost have become the bottleneck of its business development. For years, Guangzhou Branch has been renting part of the properties of CITIC Plaza as business premises, and CITIC Plaza is fully aware of the business and operating requirements of Guangzhou Branch. After the purchase of part of the properties of CITIC Plaza, it is conducive to the long-term and steady development of Guangzhou Branch, maintaining the excellent external image of CITIC Bank, and fully implementing the "best comprehensive financial service enterprise" strategy of the headquarter.

Chapter 5 Report of the Board of Directors

Hong Kong Listing Rules Implications

Century Square and Vecom Property are wholly-owned subsidiaries of CITIC Corporation Limited, which holds 65.37% of the shares of the Bank. As such, Century Square and Vecom Property are connected persons of the Bank and the Transaction constitutes a connected transaction for the Bank under Chapter 14A of the Hong Kong Listing Rules. Since the highest applicable percentage ratio in respect of the connected transaction exceeds 0.1% but less than 5%, the Transaction is subject to the reporting and announcement requirements under Chapter 14A of the Hong Kong Listing Rules but exempt from the independent shareholders' approval requirement.

For details of this Transaction, please refer to the announcement of the Bank dated 28 March 2018.

5.6.4.2 Property Decoration Services

Reference shall be made to the disclosable and connected transaction announcement dated 27 March 2014 and the poll results announcement of the 2013 Annual General Meeting dated 21 May 2014 of the Bank. The content was about that the Bank entered into a purchase intention agreement with CITIC Heye, pursuant to which the Bank will purchase certain property under the Beijing CBD core area Z15 land lot project at East Third Ring Road, Chaoyang District, Beijing, which is owned by the CITIC Group and placed under the name of CITIC Heye. On 28 April 2018, the Bank further entered into a supplementary agreement with CITIC Heye regarding Property Decoration Services are settled with a consideration of RMB420 million. Details are set out below:

Date

28 April 2018

Parties

The Bank, as purchaser

CITIC Heye Investment Co., Ltd. ("CITIC Heye"), as seller.

Consideration

The consideration of the Transaction is RMB420 million. Both parties agree that the unforeseeable rate of the costs of the Transaction is 7.5%, i.e., the updated design and optimization suggestions proposed by the seller for the project will come into effect upon agreement of the purchaser, expenses increased for which shall not exceed 7.5% of the consideration of the Transaction. However, changes in construction quality standards and functional form and replacement of materials and equipment proposed by the purchaser are excluded from the above-mentioned limitations and will be settled by the parties through negotiation separately.

Reasons for And Benefits of the Transaction

The Subject Property is located in the Beijing CBD core area at East Third Ring Road, Chaoyang District, Beijing, which is crowded with headquarter buildings of world top 500 companies and domestic and foreign financial institutions. It is also a top-ranking business area defined by the Beijing municipal government with distinctive location advantages. In addition, the property project is the No. 1 highest building in Beijing (about 528 meters) and a milestone landmark building of Beijing. Thus, the Bank is of the view that this property decoration services transaction will provide guarantee and support for fulfilling the office needs of the Bank and for the expansion of the Bank's businesses in Beijing, which will greatly benefit the Bank's self-image.

Hong Kong Listing Rules Implications

As CITIC Heye is a subsidiary of the Bank's controlling shareholder, CITIC Corporation Limited, CITIC Heye is a connected person to the Bank under the Hong Kong Listing Rules. Therefore, the Transaction constitutes a connected transaction of the Bank under Chapter 14A of the Hong Kong Listing Rules. As the highest applicable percentage ratio of this connected transaction is more than 0.1% but lower than 5%, the Transaction is subject to the reporting and announcement requirements but is exempted from the independent shareholders' approval requirement according to Chapter 14A of the Hong Kong Listing Rules.

For details of this Transaction, please refer to the announcement of the Bank dated 29 April 2018.

5.6.4.3 Disposal of Properties

According to the general arrangement for disposal of the Bank's stock assets, Hangzhou Branch put out its original office building for conditional public tender on China Beijing Equity Exchange with the valuation of RMB661,500,000 as the base price. On 13 December 2018, Hangzhou Branch and Hangzhou CITIC Elderly Services signed the Contract and sold the Target Property. The gross floor area of the Target Property is about 22,700 square meters, and the total transaction consideration is RMB661,500,000.

Date

13 December 2018

Parties

- (1) Hangzhou Branch, as seller
- (2) Hangzhou CITIC Elderly Services Co., Ltd. ("Hangzhou CITIC Elderly Services"), as purchaser

Consideration and Payment

- (1) The consideration of the Transaction is RMB661,500,000, including pledge deposit of RMB198,450,000.
- (2) All taxes from the transaction and title transfer of the Target Property shall be imposed pursuant to property transaction regulations of which the Target Property is located in. Transaction taxes specifically stipulated by the state rules to be borne by each of both parties shall be borne by both parties accordingly. Transaction taxes and fees not specifically stipulated by the state rules, and commission fees for title transfer of property registration certificate shall be borne by the purchaser;
- (3) Relevant expenses incurred by the Target Property, such as property fees, water, electricity, heating and relevant expenses incurred before the delivery date of the property (the date of signing the letter of confirmation on the delivery of the Target Property by the purchaser) shall be borne by the seller and such expenses incurred after the delivery date of the property shall be borne by the purchaser.

Reasons for And Benefits of the Transaction

The sale of the Target Property is in line with the Bank's strategic development requirement of "asset-light, capital-light". The Transaction is expected to increase approximately RMB244,246,769 of the non-operating income of the Bank, release approximately RMB241,430,000 of the locked-up risk assets and save nearly RMB20,000,000 of the annual cost of holding the building (depreciation and property fee, etc.). Meanwhile, the sale of the Target Property can effectively reduce the laid-up assets of the Bank, improve internal management and operational efficiency.

Hong Kong Listing Rules Implications

Hangzhou CITIC Elderly Services is a wholly-owned subsidiary of CITIC Group, which is the de facto controller of the Bank. As such, Hangzhou CITIC Elderly Services is a connected person to the Bank under the Hong Kong Listing Rules. Therefore, the Transaction constitutes a connected transaction of the Bank under Chapter 14A of the Hong Kong Listing Rules. Since the highest applicable percentage ratio in respect of the Transaction exceeds 0.1% but is less than 5%, the Transaction is subject to the reporting and announcement requirements under Chapter 14A of the Hong Kong Listing Rules but is exempted from the independent shareholders' approval requirement.

For details of this Transaction, please refer to the announcement of the Bank dated 13 December 2018.

Chapter 5 Report of the Board of Directors

5.6.4.4 Subscription for A Share Convertible Bonds of Connected Person

The Bank and CITIC Corporation Limited entered into the Agreement on Subscription of the Publicly Issued A Share Convertible Corporate Bonds on 28 February 2019, pursuant to which, CITIC Corporation Limited subscribes for A Share Convertible Bonds issued by the Bank at the consideration of no more than RMB26,388 million in cash.

Date

28 February 2019

Parties

- (1) Party A (Issuer): The Bank
- (2) Party B (Subscriber): CITIC Corporation Limited

The Issuance

The total amount of the Convertible Bonds issued by Party A will be no more than RMB40 billion. The actual size shall be determined by the Board authorized by the general meeting of the Issuer after receiving the CSRC's approval on the public issuance of the A Share Convertible Bonds within the above scope.

Subscription

Party B plans to subscribe for 263,880,000 Convertible Bonds from Party A. The final subscription number shall be subject to the number of Convertible Bonds placed in the preferential placement determined in accordance with the market conditions before the Issuance by the Board of Party A, and the balance of online subscription Party B obtained after participating in the preferential placement (if any).

Price

The Convertible Bonds of Party A will be issued at par with a nominal value of RMB100 each.

Reasons for And Benefits of the Transaction

To improve the Bank's capital adequacy ratio and strengthen the Bank's comprehensive competitiveness and sustainable development, the bank has previously approved the Issuance of A Shares Convertible Bonds. As a financing instrument with the characteristics of both stocks and bonds, convertible bonds have long term, which makes them well recognized by the investors and meet the needs of the market. Therefore, corporate bonds are a realistic choice for the Bank to supplement its core tier one capital. To protect the interests of the existing shareholders and reduce the dilution effect on the existing shareholders caused by the Issuance, the Issuance provides the existing A Share shareholders with preferential right, which entitles them to preferentially subscribe for the A Share Convertible Bonds in accordance with the proportion of the A Shares possessed by each of them of the Bank.

Hong Kong Listing Rules Implications

As CITIC Corporation Limited holds 65.37% of the shares of the Bank, and CITIC Limited and its subsidiaries (including CITIC Corporation Limited) holds 65.97% of the shares of the Bank, CITIC Corporation Limited is a connected person to the Bank. The Transaction constitutes a non-exempt connected transaction of the Bank under the Hong Kong Listing Rules. This Transaction is subject to the reporting, announcement, and the independent shareholders' approval requirements according to Chapter 14A of the Hong Kong Listing Rules.

For details of this Transaction, please refer to the announcement of the Bank dated 28 February 2019.

5.6.5 Related Party Transactions in Joint External Investment

During the reporting period, the Bank did not have any related party transaction arising from joint external investment with its related parties.

5.6.6 Related Party Debt Transactions and Guarantees

For details of related party debt transactions and guarantees between the Bank and its related parties, please refer to Note 64 to the financial statements contained in this report.

5.6.7 Transaction Balances and Risk Exposures of Related Natural Persons

For details of the transaction balances and risk exposures relating to the transactions between the Bank and its related natural persons, please refer to Note 64 to the financial statements contained in this report.

5.6.8 Confirmation by Independent Non-Executive Directors and the Auditor

Upon review of the various continuing related party transactions under the Hong Kong Listing Rules made in the reporting period, the independent non-executive directors of the Bank confirmed that these transactions

- (1) were entered into during the Bank's ordinary and usual course of business;
- (2) followed general commercial terms; and
- (3) abided by the terms and conditions of the concerned transaction contracts that were fair, reasonable and consistent with the overall interests of the Bank's shareholders.

The auditor obtained the list of continuing connected transactions from the Bank's management. After completing relevant work in accordance with Hong Kong Standard on Assurance Engagements (HKSAE) 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and Hong Kong Institute of Certified Public Accountants (HICPA) Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules", the auditor did not find any of the following issues regarding the disclosed continuing connected party transactions of the Bank:

- (1) continuing connected party transactions not approved by the Board of Directors of the Bank;
- (2) pricing of connected party transactions involving the provision of goods and services not compliant with the Group's pricing policy in all material aspects;
- (3) execution of connected party transactions not compliant with the terms and conditions of the concerned connected transaction contracts in all material aspects; and
- (4) aggregate value of various continuing connected party transactions exceeding their respective annual caps disclosed in the announcements dated 24 August 2017 and 30 November 2017.

The Board has confirmed the receipt of confirmation from the auditor on matters required by Rule 14A.56 under the Listing Rules.

5.7 Material Contracts and Their Performance

5.7.1 Custody, Contracting or Lease of Material Assets

During the reporting period, the Bank did not have any material custody, contracting or leasing of any assets of other companies that took place during the reporting period or that took place in previous periods but went on to the reporting period; neither did other companies hold custody of, contract or lease any material assets of the Bank.

5.7.2 Material Guarantees

The guarantee business is one of the Bank's regular off-balance sheet items. During the reporting period, the Bank did not have any other material guarantee that needs to be disclosed except for the financial guarantee business that is within its approved business scope.

Special Explanations and Independent Opinions of Independent Non-Executive Directors Concerning the Guarantees Provided by the Bank to External Parties

We, as independent non-executive directors of China CITIC Bank, have reviewed the guarantees provided by China CITIC Bank to external parties in an impartial, fair and objective manner, and hereby express the following special explanations and opinions:

We have verified that the guarantees hitherto provided by the Group to external parties were mainly letters of guarantee (LG), which is one of the regular banking businesses within the approved business scope of the Group. As at the end of the reporting period, the value balance of the letters of guarantee issued by the Group was equivalent to RMB158.813 billion.

The Group always attaches great importance to risk management of its L/G business. It has formulated creditability standards of the guaranteed obligor, as well as the operation procedures and the review and approval procedures for the guarantee business based on the risk profiles of the L/G business. During the reporting period, the L/G business of the Group went well, free of any illegal guarantee. We are of the view that the Group has effectively controlled the risks relating to its guarantee business.

Independent Non-Executive Directors of China CITIC Bank Corporation Limited
He Cao, Chen Lihua, Qian Jun, Yan Lap Kei Isaac

5.7.3 Entrusted Wealth Management

During the reporting period, the Bank did not have any entrusted wealth management transactions beyond its normal scope of business.

5.7.4 Other Material Contracts

During the reporting period, the Bank did not sign any other material contracts beyond its normal scope of business.

5.8 Undertakings by the Company and Its Relevant Stakeholders

On 16 April 2012, CITIC Corporation Limited undertook that, within five years as of the delivery of its acquisition of CITIC Bank equity, it will not transfer such acquired stake in the Bank (except for circumstances where CITIC Corporation Limited transfers its equity in the Bank to CITIC Limited's related parties in accordance with applicable laws and regulations, or as approved by the regulatory authorities, or where the shares are assigned as stated-owned assets for free pursuant to the state-owned assets supervision and administration procedures); if CITIC Corporation Limited transfers its shares in the Bank upon expiry of the lock-up period, it shall obtain prior consent from the regulatory authority in terms of the transfer and the qualification of the transferee as a shareholder of the Bank. On 25 February 2013, CITIC Corporation Limited's acquisition of the Bank's shares was delivered. The above-mentioned undertakings of CITIC Corporation Limited came into effect on 25 February 2013. On 16 March 2018, the Bank was notified by CITIC Limited that the lock-up period of the above-mentioned undertakings made by CITIC Corporation Limited had expired.

According to relevant CSRC regulations, the Bank has proposed remedial measures regarding the dilution of immediate returns that may arise from the non-public offering of preference shares and the public issuance of A-share convertible corporate bonds and their listings. These measures include: strengthen capital planning and management to ensure capital adequacy and stability; reinforce asset restructuring to improve capital allocation efficiency; enhance operational efficiency and reduce operating costs; improve the internal capital adequacy assessment process for better capital management; strengthen capital stress test and improve capital emergency response plans. At the same time, the directors and senior management members of the Bank also gave undertakings to effectively execute the remedial measures.

During the reporting period, the Bank was not aware of any violation of the above-mentioned undertakings. Save and except for these undertakings, the Bank was not aware of any other undertakings that were performed during the reporting period or not yet performed as at the end of the reporting period by its shareholders, de facto controllers and acquirers, the Bank itself and its directors, supervisors, senior management members or other parties that had given undertakings.

5.9 Appointment and Dismissal of Auditors

As per the resolution adopted by the 2017 Annual General Meeting, the Bank continued to engage PricewaterhouseCoopers Zhong Tian LLP as its domestic auditor and PricewaterhouseCoopers as its overseas auditor for the year 2018. The Bank has engaged these two accounting firms as its auditors since the 2015 annual audit. The two accounting firms have both provided audit services to the Bank for 4 consecutive years. Zhu Yu and Li Yan were the signing CPAs for the audit report regarding the Bank's 2018 financial statements prepared in accordance with the PRC Accounting Standards, respectively recording 2 and 1 consecutive years' audit service for the Bank. Chen Guangde was the signing CPA for the audit report regarding the Bank's 2018 financial statements prepared in accordance with the IFRS, recording 2 consecutive years' audit service for the Bank.

The Group paid about RMB20.29 million audit fees (including fees for auditing the financial reports of its subsidiaries) in total to PricewaterhouseCoopers Zhong Tian LLP who audited its 2018 financial report prepared in accordance with the PRC Accounting Standards and its internal control report as at 31 December 2018 and to PricewaterhouseCoopers who audited its 2018 financial report prepared in accordance with the IFRS. This amount included RMB1 million fee for auditing the internal control report. The statements of PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers regarding their responsibilities pertaining to the financial reports are set out in the audit reports contained in the A-share and H-share annual reports, respectively.

Except for the above-mentioned audit fees, the Group paid approximately RMB21.35 million to PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers for their non-audit services (including professional services rendered for asset securitization, tax consulting and IT services, etc.).

5.10 Amendment to the Articles of Association

In August 2017, in line with relevant laws and regulations, regulatory requirements and the general requirements on incorporating Party building work into the articles of association, the Bank added the provisions on Party building in state-owned enterprises to its Articles of Association in alignment with its actual situations, and at the same time amended the provisions on the balance of general reserve and the internal audit system. The relevant proposal regarding these amendments was reviewed and adopted at the 2nd Extraordinary General Meeting of 2017 held on 30 November 2017. The amended Articles of Association came into effect upon approval by the CBIRC on 4 April 2018.

In May 2018, in accordance with the CBIRC's Interim Measures for the Equity Management of Commercial Banks and in alignment with its actual situations, the Bank added to its Articles of Association relevant contents, including the definition of a substantial shareholder, the shareholder obligations, accumulative voting mechanism and the internal audit work mechanism, and amended existing provisions regarding the definition of related party transactions, the expression relating to the chairperson of the board of supervisors and the standard setting process for external supervisor allowances. The proposal concerning these amendments was reviewed and adopted at the 2nd Extraordinary General Meeting of 2018 convened on 8 August 2018. The amended Articles of Association will come into effect upon approval by the CBIRC.

In December 2018, the Bank planned to make the non-public offering of no more than 400 million preference shares in China, and after the completion of the issuance, amend the provisions of its Articles of Association relating to the issuance of the preference shares based on the results of this issuance, including the completion date of the issuance and the Bank's total number of preference shares. The proposal regarding these amendments to the Articles of Association was reviewed and adopted at the 1st Extraordinary General Meeting of 2019 convened on 30 January 2019. The amended Articles of Association will come into effect upon approval by the CBIRC.

Please refer to the relevant announcements published by the Bank on the websites of SSE (www.sse.com.cn), HKEXnews (www.hkexnews.hk) and the Bank (www.citicbank.com) on 13 April 2018, 9 August 2018 and 31 January 2019 respectively for relevant details about the amendments to the Articles of Association. Investors may check against the full text of the prevailing Articles of Association of the Bank on the above websites.

5.11 Equity Incentive Scheme

The Bank did not have any equity incentive scheme in effect as at the end of the reporting period.

5.12 Use of Funds Raised and Material Investments with Non-Raised Funds

All proceeds raised by the Bank were used in accordance with the purposes disclosed in relevant documents including the prospectuses for the IPOs and the rights issue, i.e., all the proceeds were used to replenish the capital of the Bank and improve the capital adequacy ratios and risk resilience of the Bank.

5.13 Penalties and Remedial Actions of the Company and Its Relevant Stakeholders

During the reporting period, neither the Bank nor any of its directors, supervisors, senior management members, controlling shareholder, de facto controller or acquirers had any record of being subject to investigation by competent authorities or coercive measures by judicial bodies or disciplinary bodies, transfer to judicial bodies or accountability of criminal liabilities, case investigation or administrative penalties by CSRC, ban of entry into securities markets, being identified as inappropriate candidates, material administrative punishments by environmental protection, work safety, taxation or other administrative authorities, or public censure by any stock exchange; nor was the Bank subject to regulatory and administrative measures or requirements for remedial actions within prescribed time limits by the CSRC or its dispatched agencies.

During the reporting period, the Bank conducted its business activities in accordance with laws and complied with the provisions of relevant laws, regulations and its Articles of Association in its decision-making procedures. Its directors, supervisors and senior management members all performed their due diligence. *The Bank was not aware of any conduct on the part of the directors, supervisors and senior management members in their normal course of duty performance that was in violation of relevant laws, regulations and its Articles of Association or detrimental to the interests of the Bank.*

5.14 Integrity of the Company and Its Relevant Stakeholders

During the reporting period, neither the Bank nor its controlling shareholder or its de facto controller was involved in failure to execute valid court verdicts or failure to repay matured debts of considerable amounts.

5.15 Reserves

For details on changes in the reserves of the Bank as at the end of the reporting period, please refer to Note 50-53 to the financial statements contained in the report.

5.16 Properties

For details of the changes in the Bank's properties as at the end of the reporting period, please refer to Note 33 to the financial statements contained in this report.

5.17 Post Balance Sheet Events

For details of the Bank post balance sheet events as at the end of the reporting period, please refer to Note 70 to the financial statements contained in this report.

5.18 Management Contracts

During the reporting period, the Bank did not enter into or maintain any contracts for the management and administration of its overall business or any of its important businesses.

5.19 Distributable Reserves

For details on distributable reserves of the Bank, please refer to “Financial Statements — Consolidated Statement on Changes in Shareholders’ Interests” of the report.

5.20 Donations

During the reporting period, the Group paid back to the society with enthusiasm in strict accordance with the PRC Charity Law and other applicable laws and regulations, tilting its donations to areas in the greatest need of help. As at the end of the reporting period, the Group had made donations in Renminbi and other currencies in total equivalent to RMB26.2674 million. These donations were mainly used for poverty alleviation, education assistance, disaster relief and financial aid to the vulnerable groups. As at the end of the reporting period, the Group recorded employee donation of RMB1.3607 million, total tax payment²³ of RMB27.301 billion, representing an increase of 12.67%; and a social contribution value per share of RMB4.68²⁴, a growth of 7.07%.

5.21 Fixed Assets

For details on changes in the Bank’s fixed assets as at the end of the reporting period, please refer to Note 33 to the financial statements contained in the report.

5.22 Retirement and Benefits

The Bank paid contributions to the basic old-age pension schemes for its employees pursuant to relevant national laws, regulations and policies. The amounts of basic pension contributions were determined by employee salaries and locally defined contribution rates. In addition, the Bank established enterprise annuity plans for its employees with contribution rate set at 5% of employee salary income. The enterprise annuity plans were uniformly managed by CITIC Group.

For details on retirement benefits that the Bank provided for its employees, please refer to Note 42 to the financial statements contained in the report.

5.23 Share Capital and Public Float

For details on changes in the Bank’s share capital during the reporting period, please refer to Note 48 to the financial statements contained in the report. Pursuant to publicly available information, the Board of Directors of the Bank was of the view that the Bank had sufficient public float as at the disclosure date of the report.

²³ The Bank pays taxes according to laws, and there is no taxation dispute or penalty occurred.

²⁴ Social contribution value per share = (annual taxes paid + wages paid to employees + loan interest paid to creditors + total external donations + other social costs arising from environmental pollution and other factors) / total share capital + basic earnings per share.

|| 5.24 Purchase, Sale or Redemption of Shares

During the reporting period, neither the Bank nor any of its subsidiaries purchased, sold or redeemed any shares of the Bank.

|| 5.25 Pre-emptive Rights

Neither the PRC laws, administrative regulations and departmental rules, nor the Articles of Association of the Bank contains any mandatory provisions on pre-emptive rights for purchase of shares of listed companies. According to its Articles of Association, the Bank may increase its registered capital by way of public offering or private offering of ordinary shares, right allocation to the existing ordinary shareholders, new shares issuance to the existing shareholders, transfer of capital reserve to share capital, conversion of preference shares to ordinary shares or other means permitted by laws and administrative regulations or as approved by relevant authorities.

|| 5.26 Issuance of Shares

For relevant information about the Bank's issuance of shares during the reporting period, please refer to Chapter 6 "Changes in Ordinary Shares and Information on Ordinary Shareholders" and Chapter 7 "Preference Shares" of the report.

|| 5.27 Issuance of Debentures

Please refer to Chapter 6 "Changes in Ordinary Shares and Information on Ordinary Shareholders" for information about the Bank's issuance of debentures.

|| 5.28 Equity Linked Agreements

Save for what is disclosed in Chapter 7 "Preference Shares" of the report, the Bank neither entered into nor continued any equity linked agreements during the reporting period.

|| 5.29 Right of Directors and Supervisors to Acquire Shares or Debentures

During the reporting period, none of the Directors and Supervisors or their respective associates were granted by the Bank or its subsidiaries the right to acquire shares or debentures of the Bank or any other corporate groups; neither did any of the Directors or Supervisors exercise any of such rights.

|| 5.30 Equity Interest of Substantial Shareholders

Please refer to Chapter 6 "Changes in Ordinary Shares and Information on Ordinary Shareholders — Interests and Short Positions Held by Substantial Ordinary Shareholders and Other Persons" of the report for detailed information.

5.31 Tax Matters

A Shareholders

For individual investor shareholders, the Notice on Issues Relating to the Implementation of the Differentiated Individual Income Tax Policy on Dividends Obtained from Listed Companies (Cai Shui [2012] No.85), and the Notice on Issues Relating to the Differentiated Individual Income Tax Policy on Dividends Obtained from Listed Companies (Cai Shui [2015] No.101), both issued jointly by the Ministry of Finance, the State Administration of Taxation and CSRC provide that, for shares of listed companies that an individual investor obtains from public offering and/or the transfer market, if the duration of shareholding is less than 1 month (inclusive), the full amount of his or her dividend income shall be calculated as taxable income; if the duration of shareholding is between 1 month and 1 year (inclusive), 50% of the dividend income shall be calculated as taxable income for the time being; and if the duration of shareholding lasts more than one year, the dividend income shall be exempted of individual income tax for the time being. All the above-mentioned dividend income shall be taxed at a uniformly applicable tax rate of 20%.

For securities investment funds that are shareholders of listed companies, the computation and payment of dividend income tax shall be made in accordance with the aforementioned Notice on Issues Relating to the Differentiated Individual Income Tax Policy on Dividends Obtained from Listed Companies (Cai Shui [2015] No.101) and Notice on Issues Relating to the Implementation of the Differentiated Individual Income Tax Policy on Dividends Obtained from Listed Companies (Cai Shui [2012] No.85).

Resident enterprise shareholders (including institutional investors) shall pay income tax on their cash dividends on their own accord pursuant to relevant taxation requirements of the government.

For Qualified Foreign Institutional Investors (QFII), listed companies are required to withhold and pay enterprise income tax at the rate of 10% pursuant to the requirements of the Notice of the State Administration of Taxation Concerning the Relevant Issues on the Withholding and Payment of Enterprise Income Tax Relating to the Payment of Dividends, Bonuses and Interests by PRC Resident Enterprises to QFIIs (Guo Shui Han [2009] No.47). Where the dividend paid to a QFII is entitled to relevant treatments under a tax agreement (arrangement), the QFII may apply to the competent tax authority for such treatment. The latter shall implement the treatment as stipulated in the tax agreement after verifying the validity of the application. Where a tax refund is involved, the QFII shall promptly submit a tax refund application to the competent tax authority on its own accord after receiving the dividend.

H Shareholders

For overseas residents that are individual shareholders of listed companies, the Notice of the State Administration of Taxation on Issues Concerning Individual Income Tax Collection and Management after the Repeal of Guo Shui Fa [1993] No.045 (Guo Shui Han [2011] No.348) provides that, dividends received by such overseas residents for their personal holding of shares issued by domestic non-foreign-invested enterprises in Hong Kong shall be subject to the payment of individual income tax under the "interest, dividend and bonus income" item, and that such individual income tax shall be withheld and paid by the withholding agents according to relevant laws at a tax rate of 10%. Where overseas residents that are individual holders of shares issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements signed between their countries of residence and China or the tax arrangements made between Mainland China and Hong Kong (Macau) SAR, the tax rate for dividends under the relevant tax agreements and tax arrangements is 10% in general. For the purpose of simplifying tax administration, domestic non-foreign-invested enterprises issuing shares in Hong Kong may, upon payment of dividends, generally withhold individual income tax at the rate of 10%, without the need to file an application. If the tax rate for dividends is not equal to 10%, the following provisions shall apply: (1) for residents of countries that have signed lower than 10% tax rate agreements, the withholding agents may file on their behalf applications for the relevant agreed preferential tax treatments, under which circumstances the over-withheld tax amounts will be refunded upon approval by the tax authorities; (2) for residents of countries that have signed higher than 10% but lower than 20% tax rate agreements, the withholding agents shall withhold individual income tax at the agreed tax rate effective at the time of dividend payment, without the need to file an application; and (3) for residents of countries without tax agreements or under other situations, the withholding agents shall withhold individual income tax at 20% upon payment of dividends.

For non-resident enterprises that are shareholders of listed companies, the Notice of the State Administration of Taxation on the Issues Concerning Withholding Enterprise Income Tax on Dividends Paid by Chinese Resident Enterprises to H Shareholders that Are Nonresident Overseas Enterprises (Guo Shui Han [2008] No.897) provides that, a PRC resident enterprise, when paying dividends for 2008 and subsequent years to H shareholders that are non-resident overseas enterprises, enterprise income tax at a uniform rate of 10% shall be withheld and paid.

Tax matters in relation to the Shanghai-Hong Kong Stock Connect shall be handled according to the provisions of the Notice of the Ministry of Finance, the State Administration of Taxation and the CSRC on Relevant Taxation Policies in Connection with the Pilot Shanghai-Hong Kong Stock Connect Mechanism (Cai Shui [2014] No. 81).

Preference shareholders

Individual income tax payment in relation to dividends obtained by individual preference shareholders shall be performed according to related national taxation regulations.

Resident enterprises (including institutional investors) shall perform their tax payment obligations on their own accord according to related national taxation regulations.

Shareholders of the Bank shall be taxed and/or access tax credits, reliefs and exemptions in accordance with the aforementioned regulations.

5.32 Environment-Related Performance and Policies

The Bank strictly abided by the requirements of applicable laws and regulations such as the Environmental Protection Law of the People's Republic of China and the Energy Conservation Law of the People's Republic of China. The 2018-2020 Development Plan of CITIC Bank makes it clear that during the plan period the Bank will boost support to the green economy and enhance total-process management of environmental and social risks.

During the reporting period, the Bank formulated the 2018 Credit Policy of CITIC Bank, defining green financing as its credit policy. In practice, the Bank adhered to the development concept of innovation, coordination, green, open and sharing. Among others, it strictly implemented relevant regulatory requirements, built a green financial management system, increased its support to the green economy, the low-carbon economy and the circular economy, prevented environmental and social risks, and improved its own environmental and social performance, so as to optimize its credit structure, elevate its service level and promote the transformation of its development pattern. The 2018 Credit Policy of CITIC Bank defined the priority support areas of green credit, set the development targets of green finance, and integrated green credit business into performance evaluation.

During the reporting period, the Bank stepped up its efforts to reduce loans to and exit from the "high energy consumption, heavy pollution and overcapacity" industries and classified the different enterprises in these industries for implementation of different policies. Continuing support was rendered to premium leading enterprises that were characterized by advanced technology, high efficiency, good potentials and ready market. With regard to other enterprises, the Bank gradually reduced its support or made an exit. For those enterprises where it was hard for the Bank to exit or reduce its support in a short period of time, the Bank maintained its credit grant but would reduce support and make an exit when appropriate, provided that its rights and interests were properly preserved.

During the reporting period, the Bank formulated the Administrative Measures of CITIC Bank for the Classification of Environmental and Social Risks. According to the levels of environmental and social risks, the Bank classified its corporate loan customers or projects into A, B and C categories. For Category A or B customers or projects, the Bank carried out dynamic assessment of the movement of environmental and social risks in process such as loan application, review and approval of loan applications and post-lending management. Such assessment covered the management of customer environmental and social risks, liquidity situations and external communication. The assessment results were used as an important basis for customer access, management and exit. In addition, the Bank integrated management of customer environmental and social risks into its business processes such as pre-lending investigation, review and approval of loan applications, contract management, review of loan use and post-lending management.

5.33 Events Relating to Bankruptcy and/or Re-engineering

During the reporting period, the Bank did not incur any event relating to bankruptcy and/or re-engineering.

5.34 Major Risks

For details on major risks of the Bank, please refer to Chapter 4 “Management Discussion and Analysis” of the report.

5.35 Changes to Accounting Policies and Accounting Estimates or Correction of Significant Accounting Errors

In 2017, the Ministry of Finance promulgated the revised Accounting Standard for Business Enterprises No.14 — Revenues. The Group applied this standard when preparing its 2018 annual financial statements, without exerting material impacts on its financial statements.

In March 2017, the Ministry of Finance revised the Accounting Standard for Business Enterprises No. 22 — Recognition and Measurement of Financial Instruments, No. 23 — Transfer of Financial Assets, No. 24 — Hedging, and No. 37 — Presentation of Financial Instruments (collectively referred to as the “new standards on financial instruments”). The first implementation date of the new standards on financial instruments was 1 January 2018. According to the transition requirements of these new standards, the information of the comparison period shall not be restated, and financial assets and financial liabilities shall be adjusted and included in current-period retained earnings and other comprehensive income at their book value on the first implementation date. Based on the above requirements, the Group only made relevant disclosure of current-period information. The notes about the comparison period remain consistent with the information disclosed in previous years.

In December 2018, the Ministry of Finance promulgated the Notice on Amending and Issuing the Formats of Financial Statements for Financial Enterprises (Cai Kuai [2018] No.36). The Group prepared its financial statements according to the new formats for financial enterprises starting from the financial year beginning on 1 January 2018, without reinstating the information of the comparison period. Interest on financial instruments accrued according to the effective interest rate method should be included in the book balance of the corresponding financial instrument, and reflected in relevant items. The “interest receivables” and “interest payables” items should only reflect the interest receivable or payable on matured financial instruments that remains outstanding at the balance sheet date, and are posted under “other assets” or “other liabilities”. Except for the above modifications, the adoption of the new format did not have significant impact on the Group’s financial statements.

5.36 Performance of Social Responsibility for Poverty Alleviation

5.36.1 Initiatives on Financial Services for Precision Poverty Alleviation

During the reporting period, the Bank implemented policy requirements such as the Guidance of the Central Committee of the Communist Party of China and the State Council on Winning the Three-Year Fight Against Poverty, and followed the work arrangements of the PBOC, the CBIRC and other regulators. It regarded financial services for precision poverty alleviation as an important political and social responsibility and a historic mission and made innovations to its products and service models. As such, the Bank continued to improve the accuracy and effectiveness of its across-the-board efforts relating to financial services for precision poverty alleviation, kept consolidating the foundation for such precision poverty alleviation, and gradually harvested the fruits of its poverty alleviation efforts.



The foundation of precision poverty alleviation with financial services enjoyed continuous consolidation. The Bank continued to improve the management framework of financial services for precision poverty alleviation. In particular, the Bank set up the financial services for poverty alleviation leading group headed by its top leadership, and a working group consisting of front-, middle- and back-office departments. The branches established the three-tier management structure on the basis of the Head Office management framework, featuring personal engagement by the management members, joint promotion by business, risk control, human resources, and accounting & finance departments, and priority implementation by business units. Under the guidance of the Work Plan of CITIC Bank for Poverty Alleviation with Financial Services during the 13th Five-Year Plan Period, the Bank put forward specific goals and initiatives for product innovation, credit resource allocation, credit approval support and financial knowledge dissemination in connection with financial services for poverty alleviation. Incentives and guidance were enhanced for poverty alleviation with financial services, and the effectiveness of poverty alleviation was included in performance evaluation at the branches. In addition, the Bank established a mechanism for reporting statistical data relating to financial services for precision poverty alleviation, which helped strengthen data quality management, improve the data collection process, and ensure accurate, timely and complete submission of poverty alleviation data.

As at the end of the reporting period, the Bank's balance of loans for precision poverty alleviation with financial services stood at RMB6.893 billion, an increase of RMB2.668 billion or 63% over the previous year. In terms of borrowers, personal loans for precision poverty alleviation recorded RMB3.039 billion, up 9% from the previous year; and institutional loans for precision poverty alleviation stood at RMB3.854 billion, up 167% from the previous year.

5.36.2 Other Precision Poverty Alleviation Initiatives

The Bank input RMB9.5 million to continue its fixed-point poverty alleviation work in the three villages in Xietongmen County of Tibet Autonomous Region and Zhangjiashan village in Dangchang County of Gansu Province. In addition, the Bank dispatched its managerial personnel to fixed-point poverty alleviation areas to help the local poverty population shake off poverty and add vitality to the local economy. As at the end of the reporting period, the Bank dispatched a total of 56 managerial personnel and staff members to the villages for poverty alleviation, including 21 serving as first secretaries of their villages and 3 working at above-the-county-head level. In 2018, the Bank donated RMB19.2906 million for poverty alleviation purpose, up 27.10% over last year, focusing on four major directions: agricultural development for poverty alleviation, infrastructure construction for poverty alleviation, education for poverty alleviation and pro bono efforts for poverty alleviation, benefiting more than 100,000 poor people.

During the reporting period, the Bank donated RMB2.5 million in its partnership with the Ai You Foundation in the "Ai You Young Heart Project", in order to jointly help save poor children with congenital heart diseases in poverty-stricken areas. Among them, children with simple congenital heart diseases, including ventricular septal defect, atrial septal defect, patent ductus arteriosus and pulmonary arterial stenosis, accounted for about 59% of the total, while children with compound and complex congenital heart diseases, including complex diseases with Tetralogy of Fallot and the compound severe pulmonary arterial hypertension, accounted for about 41%. As at the end of the reporting period, the project provided assistance to 212 such children (58% female and 42% male), most of whom were children of middle or small age.

5.36.3 Work Plan on Financial Services for Precision Poverty Alleviation

In 2019, the Bank will continue to actively implement the Central Government's essential concept and regulatory policy requirements on poverty alleviation with financial services, and carry out financial services for poverty alleviation under the guidance of relevant policies. In line with its business characteristics and risk preference, the Bank will research and develop poverty alleviation products and improve the accuracy and effectiveness of its efforts for poverty alleviation with financial services.

The Bank will render greater support to poverty alleviation. It will help develop infrastructures such as transportation, water conservancy, electricity, energy and ecological environment construction as well as basic public services including culture, medical care, health and ICT in poverty-stricken areas by precisely targeting the financing needs of key projects and key areas of poverty alleviation. The Bank will also support poor areas to relocate for poverty alleviation purpose in a standardized manner and carry out projects to improve people's livelihood, such as new urbanization, affordable housing and municipal projects. Based on the resource endowments and industrial characteristics of poverty-stricken areas, the Bank will support the development of unique local industries that are capable of employing members of registered impoverished households and increasing income of the poor population, by precisely targeting the financing needs of such local industries, and at the same time support production/business activities of the registered impoverished households at the upper and lower streams of the leading enterprises of such industries to upgrade the endogenous dynamics of such households for development. In addition, the Bank will provide registered impoverished households with lending support and payment services relating to their production, business start-up and education by precisely targeting the financial needs of such households in employment and education.

The Bank will enhance the building of a system for poverty alleviation with financial services. In particular, it will innovate poverty alleviation models, and, without prejudice to risk control, explore the "two-rights" mortgage loan business based on the rural contracted land management right and the rural housing property right. In addition, the Bank will strengthen the banking-securities and banking-insurance partnerships to improve the risk compensation and sharing mechanisms for poverty alleviation with financial services. Further, the Bank will strengthen credit support and prioritize the approval of poverty alleviation loans or projects when other conditions are equal. Meanwhile, the Bank will improve its performance evaluation system. Branches will be assessed for their institutional construction, organizational promotion, business development and risk control relating to financial services for precision poverty alleviation, with points appropriately added or subtracted in comprehensive performance evaluation. Furthermore, the Bank will improve its data statistics and submission, strengthen data quality management, improve the data collection process and ensure accurate, timely and complete submission of poverty alleviation data.

The Bank will organize financial education and publicity activities. Ongoing publicity campaigns on financial consumer rights protection will be launched both at physical outlets and via electronic channels. Employees from branches and sub-branches will be actively organized to access communities, businesses and shopping districts for dissemination of financial knowledge. Representative case studies will be publicized more extensively. All these will help people in poverty-stricken areas improve their financial knowledge and develop their awareness of financial risk prevention. The Bank will also continue to follow up on the latest developments in financial services for precision poverty alleviation and fully mobilize its branches to tap into the grassroots level for representative case studies, advanced models and outstanding deeds in precision poverty alleviation with financial services and promote them via both internal and external publicity channels.

5.37 Business Reexamination

For details of the Group's business profile, major risks and uncertainties in 2018 and outlook for 2019, please refer to Chapter 4 "Management Discussion and Analysis" of this report. In addition, for the Group's environment-related performance and policies, compliance with relevant laws and regulations that had significant impact on the Group, and the Group's relations with its employees, suppliers and customers in 2018, please refer to Chapter 4 "Management Discussion and Analysis", Chapter 5 "Report of the Board of Directors", and Chapter 8 "Directors, Supervisors, Senior Management Members, Staff and Affiliates" of this report.

5.38 The Review Committee

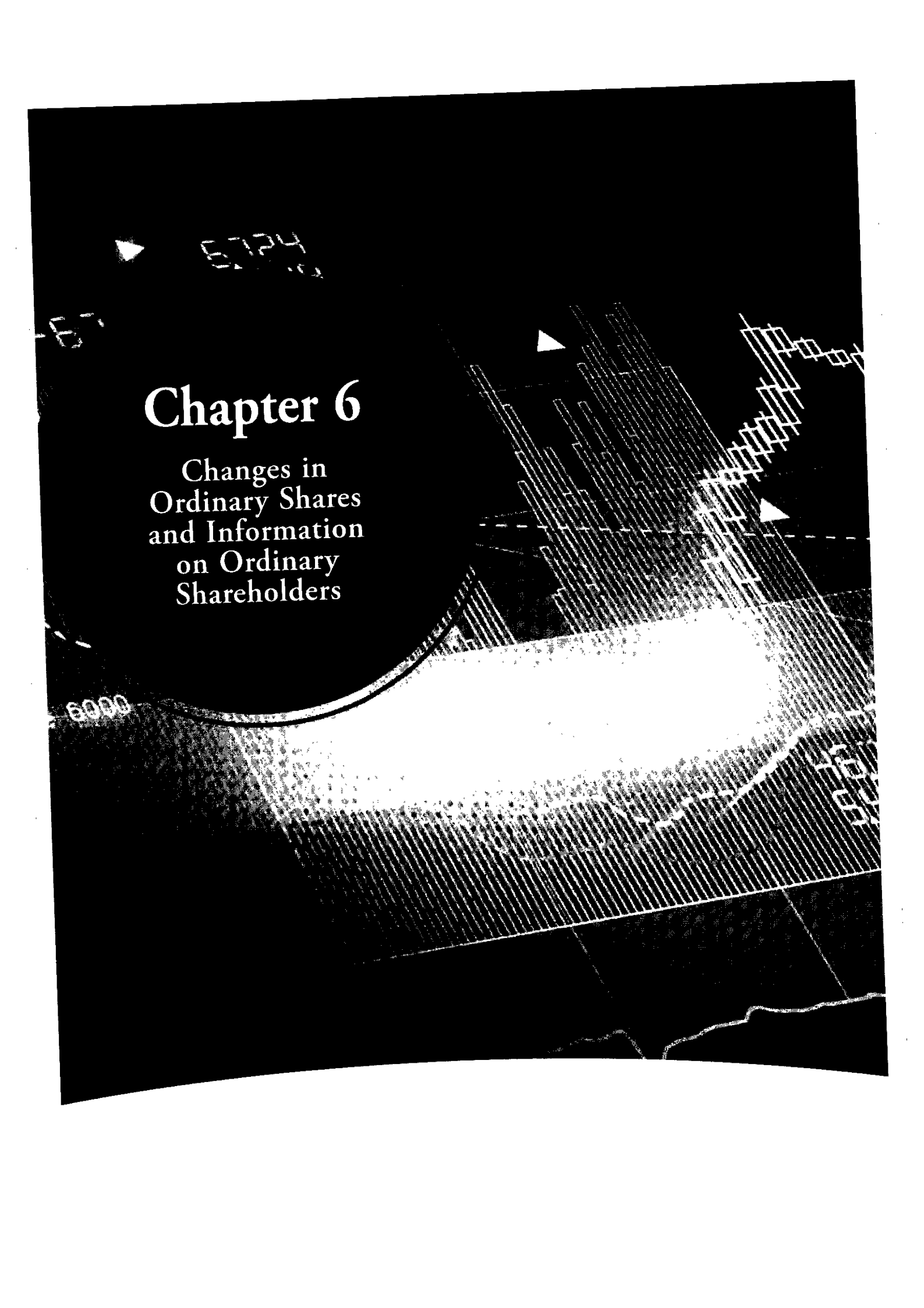
The Audit and Related Party Transactions Control Committee under the Board of Directors of the Bank has reviewed the 2018 annual results of the Bank and the Group and their audited 2018 annual financial statements prepared in accordance with the International Financial Reporting Standards.

5.39 Relations with Employees, Suppliers and Customers

Due to business nature, the Bank does not have any major supplier. During reporting period, the Bank had no material and significant dispute with employees and customers.

5.40 Other Significant Events

The Bank disclosed all significant events occurred during the reporting period that shall be disclosed as per Article 67 of the PRC Securities Law and Article 30 of the Administrative Measures for Information Disclosure of Listed Companies in the form of interim announcements on the websites of SSE (www.sse.com.cn), HKEXnews (www.hkexnews.hk) and the Bank (www.citicbank.com). Please refer to “Information Disclosure Index” below for specific disclosure dates.

The background of the page is a dark, abstract composition. It features a grid of thin, light-colored lines that create a sense of depth and perspective. A bright, circular light source, possibly a sun or moon, is positioned in the lower right quadrant, casting a strong glow across the grid. The overall effect is one of a futuristic or technological landscape.

Chapter 6

Changes in
Ordinary Shares
and Information
on Ordinary
Shareholders

Chapter 6 Changes in Ordinary Shares and Information on Ordinary Shareholders

6.1 Changes in Ordinary Shares

6.1.1 Table on Changes in Shareholdings

	31 December 2017		New issue	Changes (+, -)		Others	Subtotal	Unit: share 31 December 2018	
	Number of shares held	Percentage (%)		Bonus issue	Capital reserve converted to shares			Number of shares held	Percentage (%)
Shares subject to restrictions on sale:	2,147,469,539	4.39						2,147,469,539	4.39
1. Shares held by the state									
2. Shares held by state-owned legal persons	2,147,469,539	4.39						2,147,469,539	4.39
3. Shares held by other domestic investors									
Including: Shares held by domestic non-state-owned legal persons									
Shares held by domestic natural persons									
4. Foreign-held shares									
Including: Shares held by overseas legal persons									
Shares held by overseas natural persons									
Shares not subject to restrictions on sale:	46,787,327,034	95.61						46,787,327,034	95.61
1. Renminbi denominated ordinary shares	31,905,164,057	65.20						31,905,164,057	65.20
2. Domestically-listed foreign shares									
3. Overseas-listed foreign shares	14,882,162,977	30.41						14,882,162,977	30.41
4. Others									
Total shares	48,934,796,573	100.00						48,934,796,573	100.00

6.1.2 Shares Subject to Restrictions on Sale

Publicly tradeable time of shares subject to restrictions on sale

Time	Unit: share	
	Incremental publicly tradeable shares upon expiry of lock-up period	Number of shares subject to restrictions on sale
20 January 2021	2,147,469,539	2,147,469,539

Shareholdings of the top 10 shareholders- subject to restrictions on sale and the conditions of restrictions on sale

Name of shareholder subject to restrictions on sale	Unit: share		Incremental publicly tradeable shares	Conditions of restrictions on sale
	Number of shares subject to restrictions on sale held	Publicly tradeable time		
China Tobacco	2,147,469,539	20 January 2021	—	On 20 January 2016, the Bank completed the registration and custody formalities relating to its private offering of 2,147,469,539 A shares to China Tobacco. China Tobacco undertook to the former CBRC that it would not transfer its subscribed equity in CITIC Bank within 5 years as of the date of completion of the delivery (Refer to the Report of China CITIC Bank Corporation Limited on Its Private Offering of A Shares published on the official websites of SSE (www.sse.com.cn) and the HKEXnews (www.hkexnews.hk) for details thereof.)

6.2 Issuance and Listing of Securities

6.2.1 Equity Financing

During the reporting period, the Bank did not issue any new shares.

6.2.2 Issuance of Bonds

With the approval of the CBIRC and the PBOC, the Bank successfully completed the issuance of RMB30 billion and RMB20 billion tier-two capital bonds at the national interbank bond market on 13 September and 22 October 2018, respectively. Both were 10-year fixed-rate bonds with conditional issuer redemption rights being exercisable at the end of the 5th year and respective annual coupon rates set at 4.96% and 4.80%. Total proceeds from the issues were fully transferred to the Bank's account to replenish its tier-two capital.

Please refer to the relevant announcements published on the official websites of SSE (www.sse.com.cn), HKEXnews (www.hkexnews.hk) and the Bank (www.citicbank.com) for details thereof.

6.2.3 Issuance of Convertible Bonds

The plan on the public issuance of convertible bonds and its associated proposals were adopted via voting by poll at the Bank's 1st Extraordinary General Meeting of 2017, 1st A Shareholders Class Meeting of 2017, and 1st H Shareholders Class Meeting of 2017 convened on 7 February 2017. The Bank proposed to make a public issuance of up to RMB40 billion A-share convertible corporate bonds.

The former CBRC issued the Reply of the China Banking Regulatory Commission on Approving the Relevant Matters relating to CITIC Bank's Public Issuance of A-Share Convertible Corporate Bonds (CBRC Reply [2017] No.193) in July 2017, giving the Bank the consent to issue up to RMB40 billion A-share convertible corporate bonds. In December 2018, the Public Offering Review Committee of the CSRC reviewed and approved the Bank's application on issuance of up to RMB40 billion A-share convertible corporate bonds. In December 2018, the CSRC produced the Reply of the CSRC on Approving CITIC Bank's Public Issuance of Convertible Corporate Bonds (CSRC Permit [2018] No. 2168), permitting the public issuance of convertible corporate bonds up to RMB40 billion. On 4 March 2019, the Bank completed the issuance of 40 million board lots of A-share convertible bonds, with each issued at the face value of RMB100 at par, raising total proceeds of RMB40 billion, which came to net proceeds of RMB39.9156402 billion after deduction of the issuance costs. These A-share convertible bonds, referred to as "CITIC Convertible Bonds" with the stock code of 113021, were listed on the Shanghai Stock Exchange for trading on 19 March 2019.

Please refer to the relevant announcements published on the official websites of SSE (www.sse.com.cn), HKEXnews (www.hkexnews.hk) and the Bank (www.citicbank.com) for details thereof.

6.2.4 Internal Employee Shares

There were no internal employee shares issued by the Bank.

6.3 Information on Ordinary Shareholders

6.3.1 Total Number of Shareholders

As at the end of the reporting period, the Bank had 178,541 accounts of ordinary shareholders in total, including 148,559 accounts of A shareholders and 29,982 accounts of registered H shareholders, and no preference shareholders with restored voting right.

As at the close of the month preceding the disclosure date of this report (i.e., 28 February 2019), the Bank recorded 175,208 accounts of ordinary shareholders in total, including 145,106 accounts of A shareholders and 30,102 accounts of registered H shareholders, and no preference shareholders with restored voting right.

6.3.2 Information on the Top 10 Shareholders (as at the end of the reporting period)

Unit: Share

No.	Name of shareholder	Nature of shareholder	Class of shares	Total number of shares held	Shareholding percentage (%)	Number of shares subject to restrictions on sale	Increase or decrease in shareholding during the reporting period	Shares pledged or frozen
1	CITIC Corporation Limited	State-owned legal person	A share, H share	31,988,728,773	65.37	0	0	0
2	Hong Kong Securities Clearing Company Nominees Limited	Overseas legal person	H share	12,136,027,439	24.78	0	6,673,277	Unknown
3	China Tobacco Corporation	State-owned legal person	A share	2,147,469,539	4.39	2,147,469,539	0	0
4	China Securities Finance Corporation Limited	State-owned legal person	A share	1,114,065,677	2.28	0	81,395,860	0
5	Central Huijin Asset Management Limited	State-owned legal person	A share	272,838,300	0.56	0	0	0
6	China Construction Bank Corporation	State-owned legal person	H share	168,599,268	0.34	0	0	Unknown
7	Hong Kong Securities Clearing Company Limited	Overseas legal person	A share	104,914,711	0.21	0	58,204,451	0
8	National Social Security Fund 412 Portfolio	Government	A share	35,769,900	0.07	0	35,769,900	0
9	Mao Tian Capital Limited	State-owned legal person	A share	31,034,400	0.06	0	0	0
10	China Poly Group Corporation Limited	State-owned legal person	A share	27,216,400	0.06	0	0	0

- Note: (1) Except for CITIC Corporation Limited, the shareholdings of A-share holders and H-share holders in the table above were calculated based on the Bank's share registers respectively maintained with China Securities Depository and Clearing Corporation Limited Shanghai Branch and Computershare Hong Kong Investor Services Limited.
- (2) Hong Kong Securities Clearing Company Nominees Limited is a wholly-owned subsidiary of Hong Kong Securities Clearing Company Limited. The total number of shares held by Hong Kong Securities Clearing Company Nominees Limited is the aggregate number of H shares it held in its capacity as nominee on behalf of all institutional and individual investors registered with the company as at the end of the reporting period. Hong Kong Securities Clearing Company Limited is an institution that is designated by others to hold shares, including the Shanghai Stock Connect shares held by Hong Kong and overseas investors, on behalf of others in its capacity as nominee shareholder.
- (3) CITIC Corporation Limited is a wholly-owned subsidiary of CITIC Limited. CITIC Corporation Limited confirmed that as at the end of the reporting period, CITIC Limited and its subsidiaries (including CITIC Corporation Limited) together owned 32,284,227,773 shares of the Bank, accounting for 65.97% of the Bank's total shares, including 28,938,928,294 A shares and 3,345,299,479 H shares. CITIC Corporation Limited directly owned 31,988,728,773 shares of the Bank, accounting for 65.37% of the Bank's total shares, including 28,938,928,294 A shares and 3,049,800,479 H shares.
- (4) Summit Idea Limited confirmed that, as at the end of the reporting period, it held via Hong Kong Securities Clearing Company Nominees Limited 2,292,579,000 H shares of the Bank, accounting for 4.685% of the Bank's total shares. Summit Idea Limited is a wholly-owned affiliate of Xinhua Zhongbao. In addition to the afore-mentioned stake, Xinhua Zhongbao also directly owned 153,686,000 H shares of the Bank via Hong Kong Xinhua Investment Co., Ltd., a wholly-owned subsidiary of Xinhua Zhongbao, taking up 0.314% of the Bank's total shares.
- (5) Note on connected relations or concerted actions of the above ordinary shareholders: Hong Kong Securities Clearing Company Nominees Limited is a wholly-owned subsidiary of Hong Kong Securities Clearing Company Limited. According to the Report for the Third Quarter of 2018 of China Construction Bank Corporation, as at 30 September 2018, Central Huijin Investment Limited and its wholly-owned subsidiary Central Huijin Asset Management Limited together owned 57.31% equity of China Construction Bank Corporation. Except for these, the Bank was not aware of any connected relation or concerted action between the above-mentioned shareholders.

6.3.3 Information on the Top 10 Shareholders Not Subject to Restrictions on Sale (as at the end of the reporting period)

Unit: Share

No.	Name of shareholder	Number of shares not subject to restrictions on sale held	Class and number of shares held	
			Class	Number
1	CITIC Corporation Limited	31,988,728,773	A Share	28,938,928,294
			H Share	3,049,800,479
2	Hong Kong Securities Clearing Company Nominees Limited	12,126,027,439	H Share	12,126,027,439
3	China Securities Finance Corporation Limited	1,114,065,677	A Share	1,114,065,677
4	Central Huijin Asset Management Limited	272,838,300	A Share	272,838,300
5	China Construction Bank Corporation	168,599,268	H Share	168,599,268
6	Hong Kong Securities Clearing Company Limited	104,414,711	A Share	104,414,711
7	National Social Security Fund 412 Portfolio	35,769,900	A Share	35,769,900
8	Mao Tian Capital Limited	31,034,400	A Share	31,034,400
9	China Poly Group Corporation Limited	27,216,400	A Share	27,216,400
10	National Social Security Fund 602 Portfolio	23,953,200	A Share	23,953,200

6.4 Interests and Short Positions Held by Substantial Ordinary Shareholders and Other Persons

The table below sets out the interests and short positions in the ordinary shares and underlying shares of the Bank held by substantial shareholders and other persons as recorded in the register that the Bank maintained pursuant to Section 336 of the Securities and Futures Ordinance as at the end of the reporting period.

Name	Number of shares held	Shareholding percentage of the issued share capital of the same class (%)	Class of shares
BBVA	24,329,608,919 ^(L)	71.45 ^(L)	A share
CITIC Group Corporation Limited	3,276,373,479 ^(L)	22.02 ^(L)	H share
	28,938,928,294 ^(L)	84.98 ^(L)	A share
CITIC Corporation Limited	7,018,100,475 ^(L)	47.16 ^(L)	H share
	710 ^(S)	0.00 ^(S)	H share
	28,938,928,294 ^(L)	84.98 ^(L)	A share
CITIC Limited	3,276,373,479 ^(L)	22.02 ^(L)	H share
	28,938,928,294 ^(L)	84.98 ^(L)	A share
CITIC Shengxing Co., Ltd.	7,018,099,055 ^(L)	47.16 ^(L)	H share
	28,938,928,294 ^(L)	84.98 ^(L)	A share
Summit Idea Limited	2,292,579,000 ^(L)	15.40 ^(L)	H share
Total Partner Global Limited	2,292,579,000 ^(L)	15.40 ^(L)	H share
	2,292,579,000 ^(S)	15.40 ^(S)	H share
Li Ping	2,398,165,000 ^(L)	16.11 ^(L)	H share
Hong Kong Xinhui Investment Co., Ltd.	2,398,165,000 ^(L)	16.11 ^(L)	H share
Zhejiang Heng Xing Li Holdings Group Limited	2,398,165,000 ^(L)	16.11 ^(L)	H share
Zhejiang Xinhui Group Corporation Limited	2,398,165,000 ^(L)	16.11 ^(L)	H share
UBS SDIC Fund Management Co., Ltd.	2,292,579,000 ^(L)	15.40 ^(L)	H share
Huang Wei	2,398,165,000 ^(L)	16.11 ^(L)	H share
Xinhui Zhongbao Co., Ltd.	2,398,165,000 ^(L)	16.11 ^(L)	H share
Ningbo Jiayuan Industrial Development Limited	2,398,165,000 ^(L)	16.11 ^(L)	H share
Black Rock, Inc.	781,392,162 ^(L)	5.25 ^(L)	H share
	303,000 ^(S)	0.00 ^(S)	H share

Note: (L) — long position, (S) — short position

Except for the information disclosed above, as at the end of the reporting period, there were no other interests or short positions of any other person or company in the shares or underlying shares of the Bank recorded in the register that the Bank maintained pursuant to Section 336 of the Securities and Futures Ordinance requiring disclosure in accordance with Sections II and III of Part XV of the Securities and Futures Ordinance.

6.5 Controlling Shareholder and De Facto Controller of the Bank

As at the end of the reporting period, CITIC Corporation Limited was the controlling shareholder of the Bank; CITIC Limited was the single direct controlling shareholder of CITIC Corporation Limited; CITIC Group was the controlling shareholder of CITIC Limited, and the de facto controller of the Bank.

CITIC Group was founded in 1979 by Mr. Rong Yiren with the support of Mr. Deng Xiaoping. Since its inception, CITIC Group has been a pilot unit for national economic reform and an important window for China's opening to the outside world. With fruitful explorations and innovation in many areas, CITIC Group has built itself a robust image and reputation both domestic and abroad. At present, CITIC Group has developed into a large state-owned multinational conglomerate with both financial and non-financial businesses. Its financial business covers a full range of services including banking, securities, trust, insurance, fund and asset management; and its non-financial business includes real estate, engineering contracting, energy and resources, infrastructure construction, machinery manufacturing and information technology, with clear overall strength and great momentum of growth.

In December 2011, with approval from the State Council, and in alignment with its wholly-owned subsidiary Beijing CITIC Enterprise Management Co., Ltd., CITIC Group contributed the majority of its existing net operating assets to establish CITIC Corporation Limited (named "CITIC Limited" when first established). In particular, CITIC Group held 99.9% equity interest in CITIC Limited, and Beijing CITIC Enterprise Management Co., Ltd. held 0.1%. CITIC Group as a whole was restructured into a wholly state-owned company. To complete the afore-mentioned capital contribution, CITIC Group transferred its entire equity in the Bank to CITIC Corporation Limited as capital contribution. As a result, CITIC Corporation Limited held 28,938,929,004 shares in the Bank both directly and indirectly, accounting for 61.85% of the Bank's total share capital. The above-mentioned share transfer was approved by the State Council, the MOF, the CBRC (now CBRIC), the CSRC and the Hong Kong Monetary Authority. In February 2013, the relevant formalities for the share transfer were officially completed with approvals from the SSE and China Securities Depository and Clearing Corporation Limited Shanghai Branch. On 20 December 2018, the Ministry of Finance (MOF) and the Ministry of Human Resources and Social Security (MOHRSS) issued a notice to implement the relevant arrangements of the Notice of the State Council on Printing and Distributing the Implementation Plan on the Transfer of Some State-owned Capital to Replenish the Social Security Fund, transferring MOF's 10% equity in CITIC Group to the National Council for Social Security Fund in a lump sum.

In October 2013, BBVA transferred to CITIC Limited 2,386,153,679 H shares it held in the Bank, accounting for approximately 5.10% of the total share capital of the Bank, after which CITIC Limited increased its shareholding in the Bank to 66.95%.

In August 2014, CITIC Group injected its main business assets entirely into its Hong Kong listed subsidiary CITIC Pacific and renamed it CITIC Limited. The former CITIC Limited was renamed CITIC Corporation Limited. CITIC Limited held 100% equity interest in CITIC Corporation Limited.

In September 2014, CITIC Corporation Limited purchased an additional 81,910,800 H shares of the Bank via agreement transfer, after which, CITIC Corporation Limited held a total of 31,406,992,773 A shares and H shares of the Bank, accounting for approximately 67.13% of the Bank's total share capital.

In January 2016, the Bank completed its private offering of 2,147,469,539 A shares to China Tobacco, upon which time the Bank's total share capital increased to 48,934,796,573 shares and the proportion of shares owned by CITIC Corporation Limited went down to 64.18%.

Chapter 6 Changes in Ordinary Shares and Information on Ordinary Shareholders

In January 2016, CITIC Limited notified the Bank that it planned to increase its shareholding in the Bank by 21 January 2017 when appropriate, provided that the accumulative percentage of such incremental equity holding did not exceed 5% of the Bank's total issued share capital. As at 21 January 2017, the implementation of the additional shareholding plan was completed. CITIC Limited and its subsidiaries (including CITIC Corporation Limited) hold 32,284,227,773 shares of the Bank in aggregate, of which it holds 28,938,928,294 A shares and 3,345,299,479 H shares, representing 65.97% of the total issued shares of the Bank.

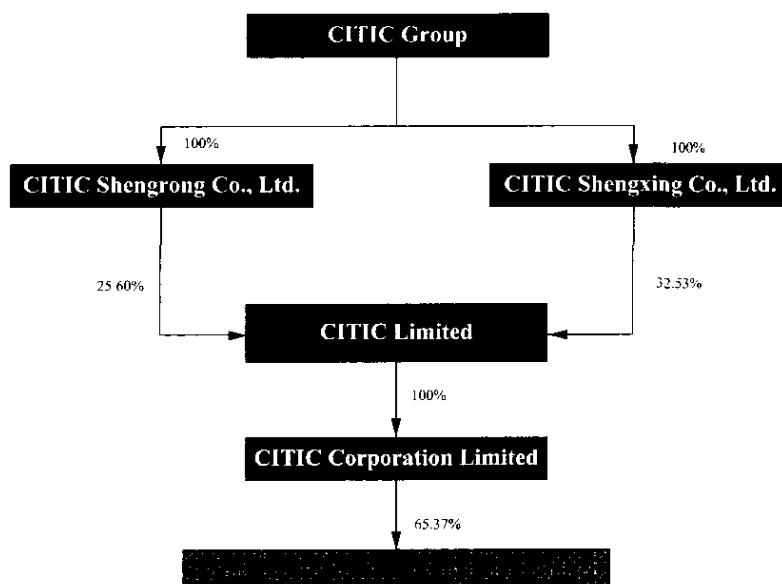
As at the end of the reporting period, CITIC Group's legal representative was Mr. Chang Zhenming. Its business scope covered: *information services under value-added telecommunication services of Category II (only restricted to internet information services)* which exclude press, publication, education, medical and health care, pharmaceuticals, and medical devices but include electronic advertising services, and will expire on 9 January 2019; external allocation of required workers to overseas projects compatible with its strength, scale and business performance; investment in and management of domestic and overseas financial enterprises and related industries including banking, securities, insurance, trust, asset management, futures, leases, funds and credit cards; investment businesses in energy, transportation infrastructure, mining, forestry resources development and raw materials industry, machinery manufacturing, real estate development, information infrastructure, basic telecommunications and value-added telecom services, environmental protection, pharmaceuticals, biological engineering and new materials, aviation, transportation, warehousing, hotels, tourism, domestic and international trade, commerce, education, publication, media, culture and sports, *domestic and overseas project design, construction, contracting and sub-contracting, and industrial investment; project tendering, exploration, design, construction, supervision, contracting and sub-contracting and consulting services; asset management; capital operation; and import and export.* (The entity shall discretionally choose its business projects and conduct its business activities according to the law; conduct its business activities as per approval of competent authorities regarding business items that may only be conducted with such approval according to the law; and may not engage in business activities of the projects that are prohibited or restricted by the municipal industrial policy).

As at the end of the reporting period, CITIC Corporation Limited had a registered capital of RMB139 billion; and Mr. Chang Zhenming was its legal representative. Its business scope covered: 1. Investment in and management of the financial sector, *including investment in and management of domestic and overseas financial enterprises and related industries* such as banking, securities, insurance, trust, asset management, futures, leases, funds and credit cards; 2. Investment in and management of the non-financial sector, including (1) energy, transportation and other infrastructure; (2) mining, forestry and other resource development and the raw materials industry; (3) machine manufacturing; (4) real estate development; (5) the information industry: information infrastructure, basic telecommunications and value-added telecom services; (6) commercial and trade services and other industries; environment protection; pharmaceuticals, biological engineering and new materials; aviation, transportation, warehousing, hotels and tourism; domestic and international trade, import and export, commerce; education, publication, media, culture and sports; consulting services; 3. Grant of shareholder loans to its domestic and overseas subsidiaries; capital operation; asset management; *domestic and overseas project design, construction, contracting and sub-contracting, and labor export; and other business items approved by competent authorities.* (The entity changed from a domestic enterprise into a foreign-invested enterprise on 22 July 2014, and therefore needs to conduct its business activities as per approval of competent authorities regarding business items that may only be conducted with such approval according to the law.)

As at the end of the reporting period, CITIC Limited and its subsidiaries (including CITIC Corporation Limited) held 32,284,227,773 shares of the Bank in aggregate, representing 65.97% of the total issued shares of the Bank, including 28,938,928,294 A shares and 3,345,299,479 H shares. CITIC Corporation Limited directly owned 31,988,728,773 shares in the Bank, accounting for 65.37% of the total share capital of the Bank, including 28,938,928,294 A shares and 3,049,800,479 H shares.

Chapter 6 Changes in Ordinary Shares and Information on Ordinary Shareholders

As at the end of the reporting period, the ownership structure between the Bank, its controlling shareholder and its de facto controller was as follows²⁵:



²⁵ CITIC Shengrong Co., Ltd. and CITIC Shengxing Co., Ltd. are both wholly-owned affiliates of CITIC Group. CITIC Corporation Limited directly owned 65.37% of the total share capital of the Bank, in addition to which, CITIC Limited also held part of the Bank's equity via its subsidiaries and CITIC Corporation Limited's subsidiaries.

Chapter 6 Changes in Ordinary Shares and Information on Ordinary Shareholders

Equity interests in other major domestic and overseas listed companies held or controlled by CITIC Limited and CITIC Corporation Limited (as at the end of the reporting period)

Name of shareholder	Name of listed company	Place of listing	Stock code	Shareholding percentage (%)
CITIC Corporation Limited 16.59%	CITIC Securities Co., Ltd.	Shanghai Hong Kong	600030.SH 6030.HK	16.59%
CITIC Corporation Limited 60.49%	CITIC Heavy Industries Co., Ltd.	Shanghai	601688.SH	67.27%
CITIC Investment Holdings Limited 4.32%				
CITIC Automobile Limited 2.26%				
CITIC Offshore Helicopter Limited 38.63%	CITIC Offshore Helicopter Corporation Limited	Shenzhen	000099.SZ	38.63%
CITIC Corporation Limited 83.60%	Citic Press Corporation	National Equities Exchange and Quotations	834101.OC	88.00%
CITIC Investment Holdings Limited 4.40%				
Keenrich Group Ltd 49.57%				
CITIC Australia 9.55%	CITIC Resources Holdings Limited	Hong Kong	1205.HK	59.50%
Extra Yield International Ltd. 0.38%				
Bowenvale Ltd 74.43%	Asia Satellite Telecommunications Holdings Limited	Hong Kong	1135.HK	74.43%
Highkeen Resources Limited 34.39%	CITIC Daewoo Mining Industries Ltd	Hong Kong	1091.HK	43.46%
Apexhill Investments Limited 9.07%				
Rackone Enterprises Inc. 3.76%				
Ease Action Investments Corp. 34.61%				
Silver Log Holdings Ltd 17.04%	CITIC Telecom International	Hong Kong	1883.HK	59.36%
Quixin Holdings Corporation Limited 3.95%				
Numerous subsidiaries of CITIC Pacific jointly 56.35%	Dah Chong Hong Holdings Limited	Hong Kong	1828.HK	56.35%
CITIC Pacific (China) Investment Limited 28.18%				
Hubei Xinye Steel Co., Ltd. 29.95%	Dan'e Special Steel Co., Ltd.	Shenzhen	000708.SZ	58.13%
CKM (Cayman) Company Limited 53.85%	CITIC Envisiontech Ltd	Singapore	CEE.SG	53.85%
CITIC Industrial Investment Group Co., Ltd. 9.13%				
CITIC Construction Limited 6.41%				
CITIC Agriculture Limited 1.82%	Longping High-tech Co., Ltd.	Shenzhen	000998.SZ	20.56%
Shenzhen Xin Nong Investment Center (Limited Partnership) 3.20%				
Miao Gui Investment Co., Ltd. 10%	China Overseas Land & Investment Limited	Hong Kong	688.HK	10.00%
Easy Flow Investments Limited 25.91%	Frontier Services Group Limited	Hong Kong	500.HK	25.91%

Note: The shareholding percentages listed in the table were those of the direct shareholders.

Equity interests in other major domestic and overseas listed companies held or controlled by CITIC Group (as at the end of the reporting period)

Name of shareholder	Name of listed company	Place of listing	Stock code	Shareholding percentage (%)
CITIC Shengxing Co., Ltd. 32.53%				
CITIC Shengrong Co., Ltd. 25.60%	CITIC Limited	Hong Kong	267.HK	58.13%

Note: The shareholding percentages listed in the table were those of the direct shareholders.

6.6 Information on Other Substantial Shareholders

As per the relevant provisions of the Provisional Measures for the Management of Equity in Commercial Banks promulgated by CBRC (now CBIRC), in addition to CITIC Corporation Limited, the major shareholders of the Bank also include Summit Idea Limited, China Tobacco and Poly Group.

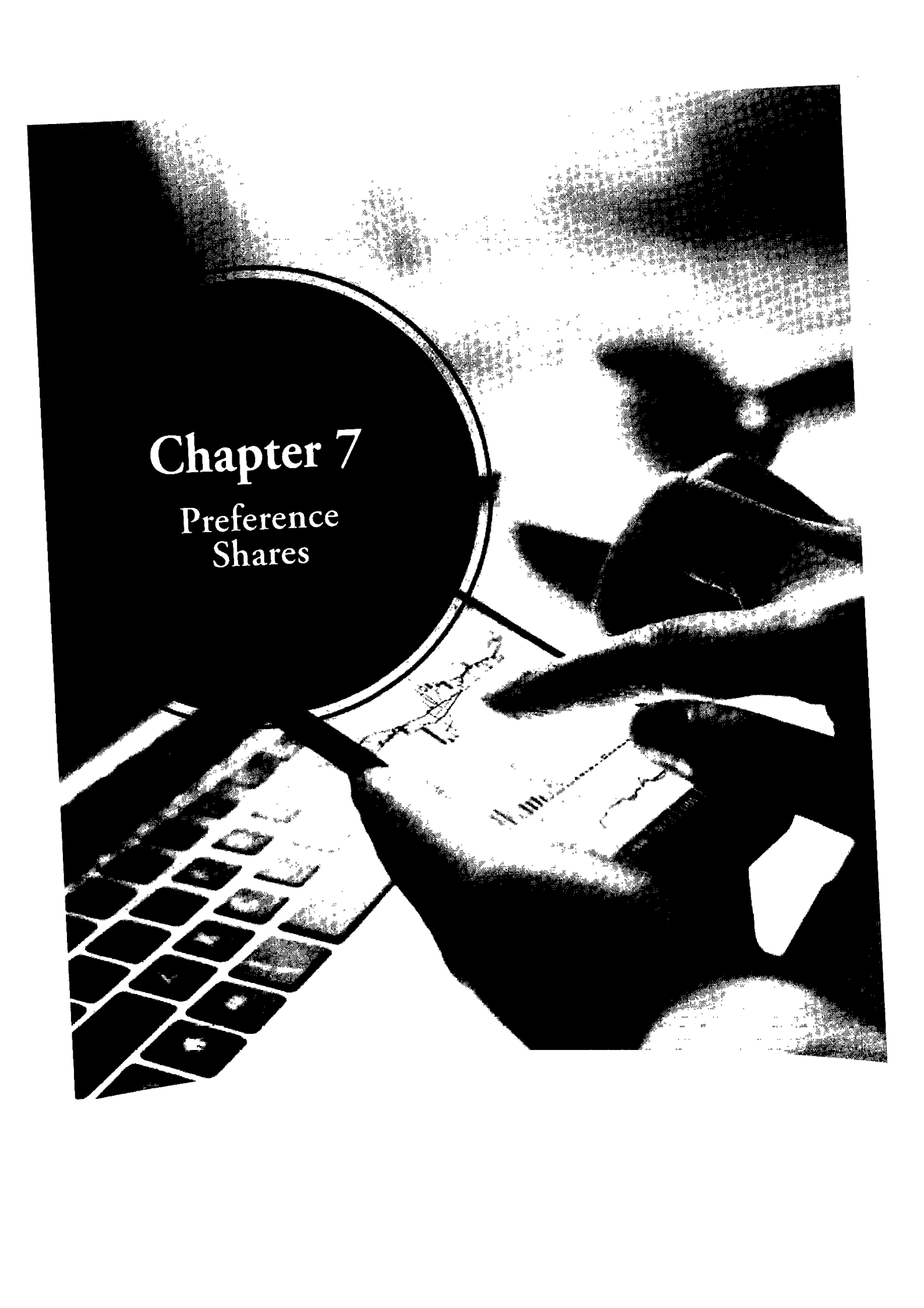
Summit Idea Limited is a company incorporated in Hong Kong. As at the end of the reporting period, it held via Hong Kong Securities Clearing Company Nominee Limited 2,292,579,000 H shares of the Bank, accounting for 4.685% of the Bank's total shares, with 1,123,363,710 H shares of the Bank pledged as collateral as at the end of the reporting period. Summit Idea Limited is a wholly-owned affiliate of Xinhua Zhongbao. In addition to the afore-mentioned stake, Xinhua Zhongbao also directly owned 153,686,000 H shares of the Bank via its wholly-owned subsidiary Hong Kong Xinhua Investment Co., Ltd, taking up 0.314% of the Bank's total shares. Xinhua Zhongbao (SH.600208) was listed on the Shanghai Stock Exchange in 1999. Its principal business is real estate and finance. As at the end of September 2018, the company recorded registered capital of RMB8.599 billion, total assets of RMB137.751 billion and net assets of RMB32.972 billion. The company is an industry leader in terms of the size, strength and quality of its real estate business. At the time of the report, Xinhua Zhongbao has developed more than 50 real estate projects in over 30 cities across the country with aggregate development area reaching over 30 million square meters. In terms of financial business, Xinhua Zhongbao has formed a financial investment pattern that covers securities, banking, insurance and futures, etc. At the same time, out of its commitment to build an integrated financial service ecosphere, it has made forward-looking investment and deployment in internet-based finance companies with leading market shares such as u51.com and Wind.

China Tobacco is a mega state-owned enterprise established with approval from the State Council. As at the end of the reporting period, China Tobacco held 2,147,469,539 A shares of the Bank, accounting for 4.39% of the Bank's total shares, with no pledge of the Bank's equity as collateral. China Tobacco is an enterprise owned by the whole people with registered capital of RMB57 billion. Its legal representative is Zhang Jianmin. The main business scope of China Tobacco includes the production, operation and import and export of tobacco monopoly products, as well as management and operation of state-owned assets.

Poly Group is a large-scale central state-owned enterprise administered by the State-owned Assets Supervision and Administration Commission of the State Council. As at the end of the reporting period, Poly Group held 27,216,400 A shares of the Bank, accounting for 0.056% of the Bank's total shares, with no pledge of the Bank's equity as collateral. Poly Group was incorporated in 1992 with approval of the State Council and the Central Military Commission. Its registered place is 28th Floor, No. 1 Chaoyangmen Beidajie, Dongcheng District, Beijing and its legal representative is Zhang Zhengao. With registered capital of RMB2 billion, Poly Group is mainly engaged in the following core businesses: trade in military and civilian goods trade, real estate development, light industry research and development and related engineering services, arts and crafts business and services (both raw materials and products), culture and arts business, and production and sale of explosives for civilian uses and related services. Poly Group has established a development pattern focusing on international trade, real estate development, culture and arts business, production and sale of explosives for civilian uses, development and application of light industry materials and products, and development and utilization of raw materials for arts and crafts. Its business spreads over 100 countries around the world and more than 100 cities in China.

6.7 Other Legal-Person Shareholders Holding 10% or More of the Bank's Shares

As at the end of the reporting period, there were no other legal-person shareholders that held 10% or more of the Bank's shares except CITIC Corporation Limited.



Chapter 7

Preference Shares

Chapter 7 Preference Shares

7.1 Issuance and Listing of Preference Shares in the Recent Three Years

After obtaining the Reply of China Banking Regulatory Commission on Approving China CITIC Bank's Private Offering of Preference Shares and Amendment to the Articles of Association (CBRC Reply [2015] No.540) on 1 September 2015 and the Reply of China Securities Regulatory Commission on Approving China CITIC Bank's Private Offering of Preference Shares (CSRC License [2016] No.1971) on 14 October 2016, the Bank made the private offering of 350 million onshore preference shares at RMB100.00 par value per share on 21 October 2016. The shares were issued at par at 3.80% initial coupon rate and with no maturity period. These 350 million preference shares, referred to as "CITIC Excellent 1" with the stock code of 360025, were listed on Shanghai Stock Exchange's Comprehensive Business Platform on 21 November 2016.

The above issue of preference shares raised total proceeds of RMB35,000,000,000, which came to net proceeds of RMB34,954,688,113 after deduction of the issuance costs, taxes and other expenses, and were fully used to replenish other tier-one capital of the Bank. There was no unused balance of the proceeds.

On 13 December 2018, the 8th meeting of the 5th Session of the Board of Directors of the Bank deliberated and adopted the Proposal on Non-Public Offering of Preference Shares and other relevant proposals, endorsing the Bank's additional offering of up to 400 million preference shares (inclusive) at RMB100.00 par value per share. The Proposal on Non-Public Offering of Preference Shares was considered and adopted by the 1st Extraordinary General Meeting of 2019, the 1st A Shareholders Class Meeting of 2019 and the 1st H Shareholders Class Meeting of 2019 convened on 30 January 2019. The Bank plans to make a non-public offering of no more than RMB40 billion (inclusive) preference shares in China.

Please refer to the relevant announcements published on the websites of SSE (www.sse.com.cn), HKEXnews (www.hkexnews.hk) and the Bank (www.citicbank.com) for detailed information thereof.

7.2 Number of Preference Shareholders and Their Shareholdings

As at the end of the reporting period and the close of the month preceding the disclosure date of this report (i.e., 28 February 2019), the Bank recorded 31 accounts of preference shareholders. Information on the top 10 preference shareholders is set out in the table below.

Unit: shares

No.	Name of shareholder (full name)	Nature of shareholder	Changes in shareholding in the reporting period (+, -)	Number of shares held at the end of the period	Shareholding percentage (%)	Class of shares held	Number of shares subject to restrictions on sale	Shares pledged or frozen	Status	Quantity
1	China Mobile Communications Group Corporation Limited	State-owned legal person	—	43,860,000	12.53	Onshore preference shares	—	—	—	—
2	China Life Insurance Company Limited — Dividend — Individual Dividend — 005L — FH002 Shanghai	Other	—	38,430,000	10.98	Onshore preference shares	—	—	—	—
3	China Life Insurance Company Limited — Traditional — Ordinary Insurance Products — 005L — CT001 Shanghai	Other	—	38,400,000	10.97	Onshore preference shares	—	—	—	—
4	China Ping An Life Insurance Co., Ltd. — Universal — Individual Universal Insurance	Other	—	30,700,000	8.77	Onshore preference shares	—	—	—	—
5	China Ping An Life Insurance Company Limited — Dividend — Dividends for Individual Insurance	Other	—	30,700,000	8.77	Onshore preference shares	—	—	—	—
6	BOCOM International Trust Co., Ltd. — Jin Sheng Tian Li No. 1 Single Fund Trust	Other	—	30,700,000	8.77	Onshore preference shares	—	—	—	—

Chapter 7 Preference Shares

No.	Name of shareholder (full name)	Nature of shareholder	Changes in shareholding in the reporting period (+, -)	Number of shares held at the end of the period	Shareholding percentage (%)	Class of shares held	Number of shares subject to restrictions on sale	Shares pledged or frozen
7	Puyin Ansheng Fund Company — SPD8 — Shanghai Pudong Development Bank Shanghai Branch	Other	—	21,930,000	6.27	Onshore preference shares	—	—
8	Xing Quan Rui Zhong Total Assets — Ping An Bank — Ping An Bank Co., Ltd.	Other	—	15,350,000	4.39	Onshore preference shares	—	—
9	Chuang Jin He Xin Fund — China Merchants Bank — China Merchants Bank Co., Ltd.	Other	—	10,960,000	3.13	Onshore preference shares	—	—
10	Bank of Communications Schroder Fund — Minsheng Bank — China Minsheng Bank Co., Ltd.	Other	—	8,770,000	2.51	Onshore preference shares	—	—
	China Resources Shenzhen Investment Trust Co., Ltd. — No. 1 Single Investment Trust Fund	Other	—	8,770,000	2.51	Onshore preference shares	—	—

- Note: (1) The shareholdings of the preference shareholders were calculated based on the information contained in the preference-share register of the Bank.
- (2) Note on related relations or concerted actions of the above preference shareholders: Based on publicly available information, the Bank came to the preliminary conclusion that there was related relation between China Life Insurance Company Limited – Dividend – Individual Dividend – 005L – FH002 Shanghai and China Life Insurance Company Limited – Traditional – Ordinary Insurance Products – 005L – CT001 Shanghai and between China Ping An Life Insurance Co., Ltd. – Universal – Individual Universal Insurance and China Ping An Life Insurance Company Limited – Dividend – Dividends for Individual Insurance. Except for these, the Bank was not aware of any related relation or related action between the above-mentioned preference shareholders or between the above-mentioned preference shareholders and the top 10 ordinary shareholders.
- (3) “Shareholding percentage” means the share of preference shares held by preference shareholders accounting for in the total of preference shares.

7.3 Dividend Distribution for Preference Shares

7.3.1 Policy on profit distribution of preference shares

The Bank's preference shares shall apply a nominal dividend yield subject to phase-specific adjustment, i.e., every five years as of the payment date of the subscribed shares constitutes an interest-bearing period and each period applies the same nominal dividend yield. The nominal dividend yield for the first interest-bearing period was set at 3.80% by way of book finding.

Cash dividends shall be paid for the above-mentioned preference shares on an annual basis, with the interest-bearing principal calculated as the total par value of the issued ongoing preference shares and the interest start date being the payment date of the subscribed shares (i.e., 26 October 2016). Dividends on the above preference shares shall not be cumulative, i.e., the shortage from a full-amount dividend payout in the current year will not be accumulated to the next interest-bearing year. Except for access to the dividends agreed upon in accordance with the issuance plan, the above-mentioned preference shareholders shall not participate in the distribution of surplus profits together with the ordinary shareholders.

7.3.2 Payment of dividends on preference shares during the reporting period

The Bank adopted the 2018 Plan on Payment of Dividends on Preference Shares at the Board meeting convened on 27 August 2018, approving that the preference share dividends accrued between 26 October 2017 and 25 October 2018 would be paid on 26 October 2018. On 26 October 2018 the Bank paid dividends on the preference shares to all the shareholders of “CITIC Excellent 1” (preference share code: 360025) registered with China Securities Depository and Clearing Corporation Limited Shanghai Branch at the close of trading on the SSE on 25 October 2018. The Bank paid out a preference dividend of RMB3.80 per share (tax inclusive), which was calculated at a nominal dividend rate of 3.80%, with total dividend payment for the 350 million preference shares amounting to RMB1.330 billion (tax inclusive).

7.3.3 Amounts and ratios of dividend distribution for preference shares in the recent three years

Unit: RMB million

Item	2018	2017	2016
Distribution amount	1,330	1,330	—
Distribution ratio	100%	100%	—

Note: (1) Distribution ratio is the ratio of the total amount of dividends paid out to the dividends payable for the current year.
 (2) The interest start date shall be the payment date of the subscribed shares, i.e., 26 October 2016.

7.4 Redemption or Conversion of Preference Shares

No preference share of the Bank was redeemed or converted during the reporting period.

7.5 Restoration of Voting Right of Preference Shares

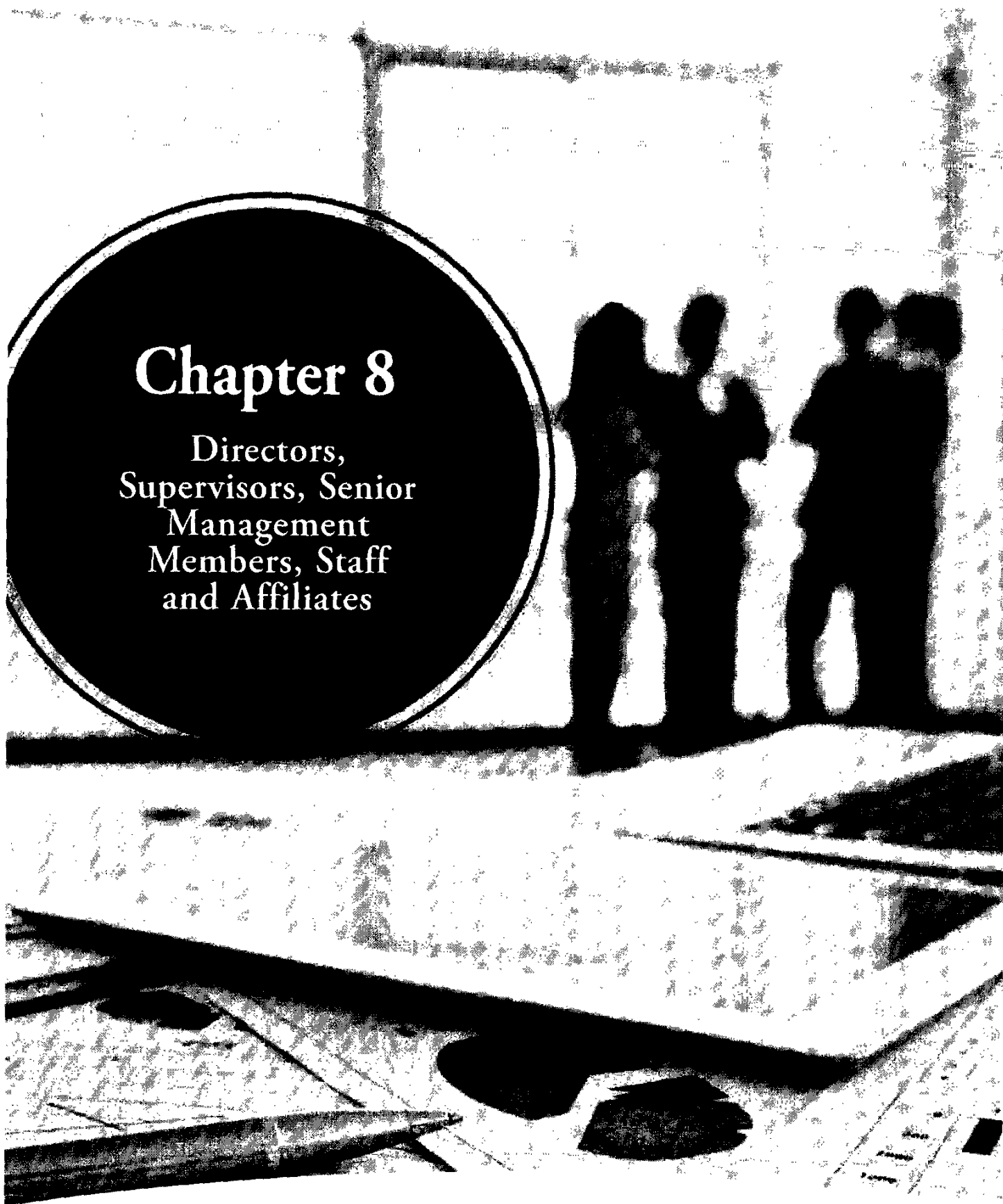
During the reporting period, the Bank did not have matters that restored the voting right of preference shares.

7.6 Accounting Policies for Preference Shares and the Underlying Reasons

According to the relevant accounting standards promulgated by the Ministry of Finance (MOF), namely, Accounting Standards for Enterprises No. 22 — Recognition and Measurement of Financial Instruments, Accounting Standards for Enterprises No. 37 — Presentation of Financial Instruments, and Distinguishing between Financial Liabilities and Equity Instruments and the Relevant Accounting Treatments, and pursuant to the principal terms of the preference share issuance, the above-mentioned preference shares are eligible to be classified as equity instrument. Hence, the Bank accounted for the preference shares as an equity instrument.

Chapter 8

Directors,
Supervisors, Senior
Management
Members, Staff
and Affiliates



Chapter 8 Directors, Supervisors, Senior Management Members, Staff and Affiliates

8.1 Basic Information on Directors, Supervisors and Senior Management Members of the Bank

8.1.1 Board of Directors

Name	Position	Gender	Date of birth	Term of office	Year-beginning shareholding	Year-end shareholding	Pre-tax payable remuneration earned from the Bank during the reporting period (RMB10 thousand)	Whether receiving remuneration from the Bank's related party (parties)
Li Qingping	Chairperson, Executive Director	Female	Oct. 1962	Mar. 2014 — May 2021	0	0	—	Yes
Cao Guoqiang	Non-executive Director	Male	Dec. 1964	Sep. 2015 — May 2021	0	0	—	Yes
Fang Heying	Executive Director, Vice President & Chief Financial Officer	Male	Jun. 1966	Sep. 2018 — May 2021	0	0	156.79	No
Huang Fang	Non-executive Director	Female	May 1973	Nov. 2016 — May 2021	0	0	—	Yes
Wan Liming	Non-executive Director	Male	May 1966	Jun. 2016 — May 2021	0	0	—	Yes
He Cao	Independent Non-Executive Director	Male	Sep. 1955	Jun. 2016 — May 2021	0	0	30.00	No
Chen Lihua	Independent Non-Executive Director	Female	Sep. 1962	Jun. 2016 — May 2021	0	0	30.00	No
Qian Jun	Independent Non-Executive Director	Male	Jul. 1970	Dec. 2016 — May 2021	0	0	30.00	No
Yar, Lap Kei Isaac	Independent Non-Executive Director	Male	Oct. 1960	Sep. 2018 — May 2021	0	0	8.21	No

Notes: (1) The starting time of the terms of office of the re-elected/re-engaged directors, supervisors and senior management members is the time of their respective initial appointment/engagement. The same applies below.
(2) The final remunerations for the year 2018 for those executive directors who received remunerations from the Bank are still undergoing confirmation, of which the remaining amounts shall be disclosed upon completion of the confirmation process.
(3) A Non-executive Director (not including Independent Non-executive Director) receives no allowance from the Bank.
(4) The Board of Directors meeting on 26 February 2019 reviewed and adopted related proposals on engaging Mr. Fang Heying to be President of the Bank, giving the consent that Mr. Fang Heying would serve as President of the Bank as of the date when CBIRC approves his qualification for office, prior to which Mr. Fang Heying would perform the duties of the President of the Bank.

8.1.2 Board of Supervisors

Name	Title	Gender	Date of birth	Term of office	Year-beginning shareholding	Year-end shareholding	Pre-tax payable remuneration earned from the Bank during the reporting period (RMB10 thousand)	Whether receiving remuneration from the Bank's related party (parties)
Liu Cheng	Chairman of the Board of Supervisors, Employee Representative Supervisor	Male	Dec. 1967	Apr. 2018 — May 2021	0	0	106.40	No
Deng Changqing	Shareholder Representative Supervisor	Male	Apr. 1973	May 2018 — May 2021	0	0	—	Yes
Wang Xuhong	External Supervisor	Female	Oct. 1946	Jan. 2014 — Jan. 2020	0	0	30.00	No
Jia Xiangsen	External Supervisor	Male	Apr. 1955	Mar. 2015 — May 2021	0	0	30.00	No
Zheng Wei	External Supervisor	Male	Mar. 1974	Mar. 2015 — May 2021	0	0	30.00	No
Cheng Pusheng	Employee Representative Supervisor	Male	Feb. 1968	May 2015 — May 2021	0	0	307.51	No
Chen Panwu	Employee Representative Supervisor	Male	Jan. 1964	Sep. 2017 — May 2021	0	0	312.99	No
Zeng Yufang	Employee Representative Supervisor	Female	Dec. 1970	Sep. 2017 — May 2021	0	0	323.33	No

Note: A supervisor who is also an employee of the Bank receives no allowance as supervisor but receives remuneration according to his or her position as an employee. The performance bonuses for the medium-rank and senior management members of the Bank are subject to deferred payment. Such deferred payment for the year 2018 involving the employee representative supervisors was in the total amount of RMB2.4336 million and remained pending at the time of the report.

8.1.3 Senior Management Members

Name	Title	Gender	Date of birth	Term of office	Year-beginning shareholding	Year-end shareholding	Pre-tax payable remuneration earned from the Bank during the reporting period (RMB10 thousand)	Whether receiving remuneration from the Bank's related party (parties)
Fang Heying	Executive Director, Vice President & Chief Financial Officer	Male	Jun. 1966	Since Nov. 2014	0	0	136.73	No
Guo Danguhai	Vice President	Male	May 1964	Since Nov. 2014	0	0	136.51	No
Yang Yu	Vice President	Male	Dec. 1962	Since Dec. 2015	0	0	151.49	No
Mo Yue	Secretary of the Committee for Disciplinary Inspection	Male	Oct. 1959	Since May 2017	0	0	145.32	No
Hu Gang	Vice President	Male	Mar. 1967	Since May 2017	0	0	159.03	No
Xie Zhibin	Party committee member	Male	May 1969	Since Feb. 2019	0	0	—	No
Yao Ming	Chief Risk Officer	Male	Sep. 1960	Since May 2017	0	0	360.68	No
Lu Wei	Secretary to the Board of Directors, Party Secretary of Shenzhen Branch	Male	Oct. 1971	Since Jan. 2017	0	0	345.84	No
Lu Jingen	Business Director, President of Nanjing Branch	Male	Jun. 1969	Since Aug. 2018	0	0	386.58	No
Lu Tianguai	Business Director, Party Secretary of Credit Card Center, General Manager of the Retail Banking Department	Male	Oct. 1972	Since Aug. 2018	0	0	389.92	No

Notes: (1) In February 2019, Mr. Xie Zhibin joined the Bank as Party committee member and didn't receive remuneration from the Bank for the reporting period. The Board of Directors meeting on 26 March 2019 reviewed and adopted related proposals on engaging Mr. Xie Zhibin to be Vice President of the Bank as of the date when CBIRC approves his qualification for office.

(2) The final remunerations for the year 2018 for the senior management members (except the Chief Risk Officer, Business Directors and the Secretary to the Board of Directors) who received remunerations from the Bank are still undergoing confirmation, of which the remaining amounts shall be disclosed upon completion of the confirmation process.

(3) The performance bonuses for the medium-rank and senior management members of the Bank are subject to deferred payment. Such deferred payment for the Chief Risk Officer, Business Directors and the Secretary to the Board of Directors for the year 2018 was in the total amount of RMB4.038 million and remained pending at the time of the report.

8.1.4 Non-incumbent Directors, Supervisors and Senior Management Members

Name	Position prior to departure from office	Gender	Date of birth	Departure time	Year-beginning shareholding	Year-end shareholding	Pre-tax payable remuneration earned from the Bank during the reporting period (RMB10 thousand)	Whether receiving remuneration from the Bank's related party (parties) during the term of office with the Bank
Chang Zhenming	Non-executive Director	Male	Oct. 1956	Jan. 2018	0	0	—	Yes
Zhang Qiang	Vice President	Male	Apr. 1963	Jan. 2018	0	0	14.31	No
Shu Yang	Shareholder Representative Supervisor	Male	May 1964	Feb. 2018	0	0	—	Yes
Cao Guoxiang	Chairman of the Board of Supervisors	Male	Dec. 1964	Mar. 2018	0	0	63.00	No
Wu Xiaoping	Independent Non-Executive Director	Female	Oct. 1953	Sep. 2018	0	0	22.50	No
Wong Luen Cheung Andrew	Independent Non-Executive Director	Male	Aug. 1957	Sep. 2018	0	0	22.50	No
Zhu Gaoming	Non-executive Director	Male	Jan. 1965	Sep. 2018	0	0	—	Yes
Sun Daxun	Executive Director, President	Male	Nov. 1958	Feb. 2019	0	0	245.63	No

Note: The final remunerations for 2018 for the non-incumbent chairman of the Board of Supervisors, the non-incumbent president and the non-incumbent vice president of the Bank listed in the table are still undergoing confirmation, of which the remaining amounts shall be disclosed upon completion of the confirmation process.

None of the directors, supervisors and senior management members, whether incumbent or non-incumbent during the reporting period, was subject to penalties imposed by the securities regulatory authorities in the past three years.

8.2 Resumes of Directors, Supervisors and Senior Management Members

8.2.1 Directors



Ms. Li Qingping
Chinese Nationality

Chairperson and executive director of the Bank. Ms. Li is concurrently executive director/deputy general manager of CITIC Group, executive director/deputy general manager/executive committee member of CITIC Limited, executive director/deputy general manager of CITIC Corporation Limited, chairperson of CIFH, vice chairperson of CITIC Prudential Life Insurance Co., Ltd. (formerly Pa Hsin-cheng Life Insurance Co., Ltd.), and chairperson of CITIC aiBank Corporation Limited. Ms. Li has been chairperson and executive director of the Bank since 20 July 2016. Prior to that, Ms. Li was executive director and president of the Bank from July 2014 to July 2016; Party secretary of the Bank since May 2014; non-executive director of the Bank between March and May 2014; Party committee member of CITIC Group and concurrently deputy general manager of CITIC Corporation Limited since September 2013; and deputy general manager and executive committee member of CITIC Limited since September 2014. She has been an executive director of CITIC Group, CITIC Corporation Limited and CITIC Limited since December 2015; deputy general manager of CITIC Group since December 2017; chairperson of CIFH since September 2015; vice chairperson of Pa Hsin-cheng Life Insurance Co., Ltd. (now CITIC Prudential Life Insurance Co., Ltd.) since March 2014; and chairperson of CITIC aiBank Corporation Limited since August 2017. Earlier, she was head of retail banking and concurrently general manager of personal finance department of Agricultural Bank of China (ABC) from May 2009 to September 2013; head of retail banking and concurrently general manager of personal banking and personal credit departments of ABC from January 2009 to May 2009; and Party secretary and president of ABC Guangxi Branch from January 2007 to December 2008. Prior to these, she was a cadre, deputy division chief, division chief, deputy general manager and general manager of the International Business Department at the ABC Head Office from August 1984 to January 2007. Ms. Li is a senior economist with over 30 years' professional experience in the Chinese banking industry. She graduated from Nankai University majoring in international finance with a master's degree in economics.



Mr. Cao Guoqiang
Chinese Nationality

Non-executive director of the Bank. Mr. Cao joined the Board of Directors of the Bank in September 2018. He serves as chief financial officer of CITIC Limited since April 2018, and general manager of the Finance Department of CITIC Group since March 2018. Mr. Cao was chairman of the Board of Supervisors of the Bank between December 2015 and March 2018, and held a temporary position at CITIC Group as the general manager of the Finance Department between April 2015 and March 2018. In addition, Mr. Cao has been a director of CITIC Metal Co., Ltd. since April 2018, a director of CITIC Modern Agriculture Investment Co., Ltd. since December 2017, a director of CITIC Myanmar (Hong Kong) Holdings Limited since October 2016, and a director of CITIC Heye Investment Co., Ltd. since December 2013. Mr. Cao was a director of CITIC Holdings Limited between December 2015 and April 2018, a director of CIFH and CNCBI between October 2009 and March 2016, and a director of China Investment and Finance Limited (now renamed "CNCBI Investment") between December 2005 and January 2014. He was vice president of the Bank from April 2010 to October 2015, assistant president of the Bank from April 2006 to April 2010, and general manager of the Budget and Finance Department of the Bank from April 2005 to April 2006. Earlier, between December 1992 and April 2005, Mr. Cao served as assistant general manager of the planning and treasury department at the Head Office of China Merchants Bank (CMB), a director of Shenzhen Speed International Investment Co., Ltd., a director and deputy general manager (presiding) of CMB Pawn Co., Ltd., general manager of the planning and treasury unit at CMB's Shenzhen administrative department, and deputy general manager and general manager of the planning and treasury department at the Head Office of CMB. From July 1988 to June 1992, Mr. Cao worked in the planning and treasury division of the PBOC Shaanxi branch as a senior staff member and deputy section chief. Mr. Cao is a senior economist with 30 years' experience in the Chinese banking industry. He graduated from Hunan College of Finance and Economics with a bachelor's degree in monetary banking and obtained his master's degree in monetary banking from Shaanxi College of Finance and Economics.



Mr. Fang Heying
Chinese Nationality

Executive director, Vice President and Chief Financial Officer of the Bank. Mr. Fang joined the Board of Directors of the Bank in September 2018. He has been Party committee member of the Bank since August 2014, vice president of the Bank since November 2014, concurrently chief financial officer of the Bank since January 2017, deputy secretary of the Party committee of the Bank since February 2019. At the moment, Mr. Fang is also concurrently a director of CNCB Investment, CNCBI and CIFH. Prior to that, Mr. Fang headed the Bank's financial markets business from May 2013 to January 2015. He was concurrently Party secretary and president of the Bank's Hangzhou Branch between May and September 2014 and served as Party secretary and president of the Bank's Suzhou Branch from March 2007 to May 2013. From September 2003 to March 2007, he successively held various positions at the Bank's Hangzhou Branch, including assistant president, Party committee member, and vice president. From December 1996 to September 2003, he worked at the Bank's Hangzhou Branch, successively holding the positions of section chief and deputy general manager of the credit department, general manager and Party secretary of Fuyang sub-branch, deputy general manager of the international settlement department, deputy general manager of the retail business department, and general manager of the business department. From July to December 1996, he was deputy director of Hangzhou Chengdong Office of Shanghai Pudong Development Bank. From December 1992 to July 1996, he worked at the credit department of the experimental urban credit cooperative of Zhejiang Banking School, successively holding the positions of credit clerk, manager, and assistant general manager. From July 1991 to December 1992, he was a teacher at Zhejiang Banking School. Mr. Fang is a senior economist and a graduate of Peking University with a master's degree in business administration. He has over 20 years of experience in the Chinese banking industry.



Ms. Huang Fang
Chinese Nationality

Non-executive director of the Bank. Ms. Huang joined the Board of Directors of the Bank in November 2016. She is a director of Xinhua Zhongbao Co., Ltd. since November 2015, a director of Zhejiang Xinhua Group Co., Ltd. since August 2013, and vice president and chief financial officer of Zhejiang Xinhua Group Co., Ltd. since July 2011. Previously, Ms. Huang was vice president and chief financial officer of Xinhua Holdings Limited from October 2010 to July 2011. From August 1992 to September 2010, she worked for Agricultural Bank of China (ABC) Zhenjiang Provincial Branch, holding various positions, including deputy general manager of the international business department of the branch, deputy general manager (presiding) of Hangzhou Baojiao sub-branch, as well as deputy general manager of the corporate banking unit as well as deputy general manager (presiding) and general manager of the personal finance unit at the business department of the branch. Ms. Huang graduated from Zhejiang University with a bachelor of law degree. She holds an intermediate economist title, and has a wealth of practical financial experience, outstanding leadership and organizational/coordinative capability.



Mr. Wan Liming
Chinese Nationality

Non-executive director of the Bank. Mr. Wan joined the Board of Directors of the Bank in June 2016. He serves as a deputy general manager of China Shuangwei Investment Co., Ltd. since December 2018. Earlier, he was director general of the Financial Management and Supervision Division (Audit Division) of the State Tobacco Monopoly Administration between November 2011 and November 2018. He was a deputy director general of the Financial Management and Supervision Division (Audit Division) of the State Tobacco Monopoly Administration between December 2009 and November 2011, and chief accountant of Yunnan Tobacco Monopoly Bureau (company) from February 2007 to December 2009. Between August 1996 and February 2007, he served multiple positions at Yunnan Tobacco Monopoly Administration (Company), including deputy chief and chief of the finance division, chief of the financial management and audit division, deputy chief accountant and chief of the financial management division. From May 1996 to August 1996, he was a cadre at Yunnan Tobacco Travel Company. From July 1988 to May 1996, he worked as a lecturer and deputy teaching & research director at Yunnan Finance and Trade College. Mr. Wan has worked in economic areas for more than 30 years, with a wealth of financial management experience. He graduated from the Department of Industrial Economics at Renmin University of China with a bachelor's degree in economic management of capital construction.



Mr. He Cao
Chinese Nationality

Independent non-executive director of the Bank. Mr. He joined the Board of Directors of the Bank in June 2016. Previously, he was chairman of China Jinmao Group (formerly Franshion Properties (China) Co., Ltd.), and chairman of Jinmao Investment and Jinmao (China) Investment Holding Co., Ltd. Mr. He joined Sinochem Corporation in 1979 and held various senior positions in financial management, business management and investment enterprises within the group. In 2002, he was appointed assistant to the president of Sinochem Corporation and regarded as a vice president of Sinochem from 2013 onward. Mr. He was president, vice chairman and chairman of China Jinmao (Group) Co., Ltd. since 2002, during which time he successfully ran the Shanghai Jinmao Tower, and presided over the investment, acquisition and construction of multiple luxury five-star hotels and properties in tier-one cities and high-end tourist resorts, developing Jinmao Group into China's well-known high-end commercial real estate developer and operator. Mr. He became chairman, executive director and CEO of Franshion Properties (China) Co., Ltd. in January 2009. Under his chairmanship and promotion, Franshion Properties (China) Co., Ltd. and Jinmao Group completed a strategic reorganization between 2009 and 2010, and the spin-off of Jinmao Tower Property and Franshion Properties' eight high-end hotels in 2014, which was successfully listed on the Hong Kong Stock Exchange as a trust structure of Jinmao Investment and Jinmao Holding. Mr. He once served as co-chair of the "China Hotel Owner Alliance" under the China Hotel Industry Association, and vice president of the All-China Real Estate Chamber of Commerce. In addition, Mr. He was engaged as the executive director of Shanghai Federation of Enterprises in Shanghai, vice chairman of Housing Policy and Market Regulation Research Committee of China Urban Science Research Council, and member of the Professional Committee on Green Building and Energy Conservation under the China Urban Science Research Society. He was a delegate to the 12th and 13th session of the Shanghai Municipal People's Congress and was named Shanghai's model worker in 2007 and one of the economic figures in Shanghai Pudong's 20-year development and opening up in 2012. Mr. He graduated from Jilin College for Finance and Economics with a junior diploma in 1979, from Renmin University of China with a degree in economics in 1986, and from the Graduate School of Political Economics in Jilin University in 1987. Mr. He obtained his MBA from the China Europe International Business School in 2004. He has a senior economist title.

Chapter 8 Directors, Supervisors, Senior Management Members, Staff and Affiliates



Ms. Chen Lihua
Chinese Nationality

Independent non-executive director of the Bank. Ms. Chen joined the Board of Directors of the Bank in June 2016. She is a professor, Ph.D. tutor and dean of the Management Science and Information System Department of Guanghua School of Management at Peking University. At the same time, Ms. Chen is director of the Center for Research of Circulation Economy and Management, director of Lianhai Supply Chain Research and Development Institute for Research of the China National Tourism Administration, deputy dean of the China National Tourism Administration, deputy director of the 21st Century Venture Capital Research Center at Peking University. In addition, she is vice president of the Professional Committee of the China Society of Information Economics, member of the Experts Committee of China National Tourism Administration, and an expert on national high-tech zones engaged by the Ministry of Science and Technology. From 1999 to 2001, Ms. Chen was general manager of Beijing Jun Shi Century Information Technology Co., Ltd., a company mainly engaged in the development, production and sales of banking devices. Ms. Chen served as an independent director of Tiger, a Singaporean listed company in 2005 and a Master of Science degree from Jilin University of Technology in 1983 and 1988 respectively. She got her doctoral degree in management science from the City University of Hong Kong in 1998 and did her post-doctoral studies at the Institute of Mathematics and Systems Science of the Chinese Academy of Sciences between 1999 and 2000. Ms. Chen mainly researches and teaches the following areas: management science, supply chain finance, logistics finance, supply chain, supply chain management, logistics park management, and logistics management, service operation, circulation economy and management, venture management, hi-tech park and industrial management, technological innovation and management, capital investment and management. Ms. Chen has carried out her fields of research, Ms. Chen has carried out extensive cooperation and exchanges with relevant international organizations, including Stanford University, George Mason University, Roma University and universities in Hong Kong. In her capacity as leader or research backbone, Ms. Chen has participated in numerous international cooperation projects and key research and development projects sponsored by the National Natural Science Foundation, ministries and provincial governments in China. She also sits on the review and assessment panels of multiple domestic and foreign academic journals. She has published numerous papers such as "Supply chain coordination under capital constraint" in the European Journal of Operational Research, "Proceeding of Workshop on Internet and Network Economics" Ms. Chen took the lead to complete many major research reports including Research of the Supply Chain Financial Model for the Traditional Chinese Medicine Industry and the Research of the Supply Chain Financial Model for Agricultural Industry, etc.

Mr. Qian Jun
Chinese Nationality

Independent non-executive director of the Bank. Mr. Qian joined the Board of Directors of the Bank in December 2016. Mr. Qian has been professor of finance and executive dean of Fudan International School of Finance at Fudan University since July 2017. He was deputy director of the China Academy of Financial Research and co-director of the EMBA/DBA/EE programs at Shanghai Jiao Tong University of Finance (SAIF) of Shanghai Jiao Tong University between July 2014 and June 2017. He was an associate editor of the Review of Finance from December 2013 to December 2016. He was professor of finance and a Ph.D. tutor at Shanghai Advanced Institute of Finance (SAIF) and co-director of the EMBA program of Shanghai Jiao Tong University from July 2013 to June 2017. Mr. Qian served as a special-term professor of finance at Shanghai Jiaotong University from May 2009 to June 2013. Prior to joining SAIF, he taught finance at the Carroll School of Management of Boston College between July 2000 and June 2013, being an assistant professor from July 2000 to February 2006 and an associate professor of finance with tenure between March 2006 and June 2013. He worked as a Haub family researcher from September 2011 to June 2013. Since April 2011, Mr. Qian is an associate editor of the Frontiers of Economics in China. He was a special-term professor of Tsinghua University between July 2007 and June 2009, a visiting associate professor at MIT's Sloan School of Management between July 2007 and June 2008, and a research fellow at the Wharton School of the University of Pennsylvania since September 2002. Mr. Qian did his undergraduate program at the Department of International Economics of Fudan University between 1988 and 1991 and obtained his B.S. degree in May 1993. Mr. Qian's research interests span many topics of theoretical and empirical corporate finance and financial institutions, including commercial and investment banking, mutual and hedge funds, credit rating agencies, mergers and acquisitions, legal systems related to finance, development of financial systems emerging markets, comparison of financial systems during China's economic transformation, and financial risk prevention and control. His research papers have been published on top academic journals including the American Economic Review, Journal of Financial Economics, Journal of International Money and Finance, Journal of Quantitative Analysis and Journal of International Economics. He also contributed chapters of several books on financial system development, including China's Great Economic Transformation, Emerging Markets: China and India in the World Economy, and China's Emerging Financial Markets: Challenges and Opportunities, and Global Perspectives of Rule of Law.

Yan Lap Kei Isaac
Chinese (Hong Kong) Nationality

Independent non-executive director of the Bank. Mr. Yan joined the Board of Directors of the Bank in September 2018. Earlier, he joined Arthur Young & Co. (UK) in 1984, joined KPMG Certified Public Accountants (UK) in 1987, and served as assistant manager at KPMG Certified Public Accountants (Hong Kong) since 1988, as manager since 1989, as senior manager since 1993 and was promoted partner in 1998. He served as a partner at KPMG Huazhen Certified Public Accountants in Beijing (special general partnership) between 2000 and 2017, and established the quality control and risk management department of KPMG (China). Mr. Yan graduated from Liverpool University with an (accounting) Bachelor of Arts degree, and has the chartered accountancy qualification in England and Wales as well as the Hong Kong Institute of Certified Public Accountants fellowship. Mr. Yan has abundant experience in aspects such as accounting, audit and risk management, and used to participate many times in the public listing and annual audit of state-owned large and medium-sized enterprises in industries including finance, telecommunications, electricity and manufacturing. He enjoys a wealth of practical experience in merger, acquisition, reconstruction and public listing projects in mainland China and Hong Kong capital markets. Mr. Yan used to serve as a consulting expert of China Banking Regulatory Commission, an accounting standards consulting expert of the PRC Ministry of Finance, a consultant to the Accounting Department of China Securities Regulatory Commission (full-time for a year), a member of the Delisting Committee of the Shenzhen Stock Exchange, a member of the China Technical Professionals Group, Professional Standards Supervisory Committee and Risk Management Committee of the Hong Kong Institute of Certified Public Accountants. He also participated in the review of the first draft of the audit and accounting standards issued by the PRC Ministry of Finance and the English translation work of the audit standards. He was a visiting professor at Beijing National Accounting Institute and Shanghai National Accounting Institute. 2018 Annual Report

8.2.2 Supervisors



Mr. Liu Cheng

Chinese Nationality

Chairman of the Board of Supervisors of the Bank. Mr. Liu serves as chairman of the Board of Supervisors, Employee Representative Supervisor and Party committee member of the Bank since April 2018. Mr. Liu worked at the General Office of the State Council from April 2008 to April 2018, successively serving as a secretary at the division chief level, a secretary at the deputy director general level and a secretary at the director general level. He was an official at the division chief level, a first Secretary, a researcher and deputy division chief of Division One of the Second Secretary Bureau at the General Office of the State Council from December 2004 to April 2008; assistant researcher and researcher of the Finance Division under the Finance Department of the National Development and Reform Commission from July 2003 to December 2004; and principal staff member at the Finance Department, and principal staff member and assistant researcher at the Economic Policy Coordination Department of the State Planning Commission (now National Development and Reform Commission) from March 1995 to July 2003. Mr. Liu graduated from the Finance Department of the Central College of Finance and Economics (now Central University of Finance and Economics) in July 1989 with a bachelor's degree in economics. He stayed on to teach at the college until March 1995, during which period he obtained a master's degree in economics. Mr. Liu obtained his doctor of economics degree in currency and banking from the School of Finance at Renmin University of China in July 2001.



Mr. Deng Changqing

Chinese Nationality

Shareholder representative supervisor and member of the Nomination Committee of the Board of Supervisors of the Bank. He serves as deputy chief accountant of China Poly Group Corporation Limited since January 2019. Mr. Deng was chief accountant of Poly Technologies Inc. between November 2014 and January 2019; concurrently chief accountant of Poly International Holdings Co., Ltd. from August 2016 to January 2019; deputy director and director of the finance department of China Poly Group Corporation (currently China Poly Group Corporation Limited) between February 2009 and November 2014; deputy general manager of the budget and finance department of Poly Technologies Inc. between March 2007 and February 2009; a manager of the finance department, a secretary at the General Office and a senior manager of the finance department of China Poly Group Corporation between May 2000 and March 2007. He graduated from the Beijing Graduate School of China University of Mining and Technology, majoring in economics & management.



Ms. Wang Xiuhong

Chinese Nationality

External supervisor and chairperson of the Nomination Committee of the Board of Supervisors of the Bank. She is honorary president of China Women Judges Society. She was president of China Women Judges Society and vice president of China Judges Society from December 2003 to January 2015. Ms. Wang served as a member (vice minister level) of the judicial committee of the Supreme People's Court of PRC from October 2004 to December 2010; head of the administrative tribunal and a member of the judicial committee of the Supreme People's Court of PRC from May 2003 to September 2004; a deputy director of the Political Department of the Supreme People's Court of PRC from February 1997 to April 2003; executive vice president and deputy Party secretary of the High People's court of Jilin Province and vice president of China Women Judges Association from February 1994 to January 1997. Prior to that, Ms. Wang successively served at Siping District Timber Company in Jilin, Intermediate People's court of Siping District, Liaoyuan Intermediate People's Court and Jilin Intermediate People's Court. With her long-term services in the judicial system, Ms. Wang is very experienced in legal matters. Ms. Wang graduated from Beijing Political Science and Law College (now China University of Political Science and Law).



Mr. Jia Xiangsen

Chinese Nationality

External supervisor and chairperson of the Supervision Committee of the Board of Supervisors of the Bank. He has been an independent director of China Life Insurance Company Limited since March 2016. He was concurrently chief audit executive and director general of the audit bureau at the Head Office of Agricultural Bank of China ("ABC") between March 2010 and March 2014 and headed the ABC Head Office audit bureau between April 2008 and March 2010. From December 1983 to April 2008, Mr. Jia was deputy general manager of the Fengtai District sub-branch of PBOC Beijing Branch, and held various positions at ABC Beijing Branch, including, among others, deputy head of Fengtai District sub-branch, deputy division chief (presiding) at the branch, head of Dongcheng District sub-branch, and eventually vice president and deputy Party secretary of the branch. He was also general manager of the corporate banking department of ABC Head Office and president of ABC Guangdong Provincial Branch. Prior to that, he worked at Chaoyang and Fengtai District offices of PBOC Beijing Branch. Mr. Jia graduated from the graduate school of the Chinese Academy of Social Sciences majoring in monetary banking.



Mr. Zheng Wei

Chinese Nationality

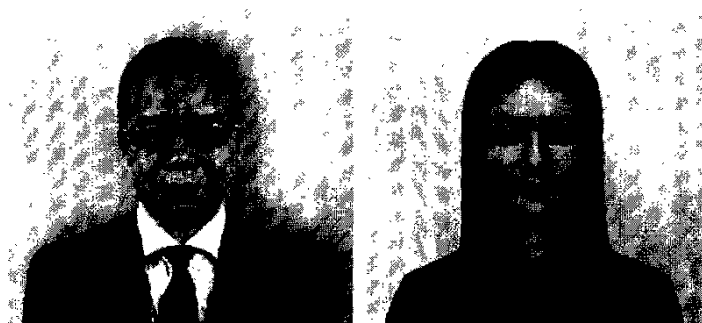
External supervisor and member of the Supervision Committee of the Board of Supervisors of the Bank. He is a professor and dean of risk management and insurance science at the School of Economics of Peking University. Mr. Zheng has been working at the School of Economics of Peking University since July 1988, holding various positions including assistant lecturer, lecturer, associate professor, professor and Ph.D. tutor, and has been assistant dean, deputy dean and dean of risk management and insurance science since March 1999. He is an independent director of Xinhua Life Insurance Co., Ltd. since March 2016 and an independent director of Donghai Shipping Insurance Co., Ltd. since June 2016. He has been an independent director of PICC Reinsurance Co., Ltd. since May 2017, and an independent director of Shanghai Nanyan Information Technology Co., Ltd. since November 2018. Between August 1999 and January 2000, Mr. Zheng was a visiting scholar to the Business School of the University of Wisconsin—Madison. Mr. Zheng graduated from the School of Economics of Peking University with a doctoral degree in finance.



Mr. Cheng Pusheng

Chinese Nationality

Employee representative supervisor and member of the Supervision Committee of the Board of Supervisors of the Bank. Mr. Cheng has been president of the Bank's Taiyuan Branch since January 2019 and Party secretary of the branch since September 2018. He was general manager of the Audit Department of the Bank from May 2015 to September 2018; general manager of the Bank's Centralized Procurement Center between October 2013 and January 2015; deputy general manager of the Bank's Budget and Finance Department and concurrently head of the financial management division within the department between March 2011 and October 2013; assistant general manager and concurrently head of the financial management division within the department from August 2008 to March 2011; head of the financial management division within the Budget and Finance Department between June 2005 and August 2008; deputy head of the budget management division within the Budget and Finance Department between March 2004 and June 2005; and before that a staff member, deputy section chief, section chief and deputy general manager at the Bank's Budget and Finance Department between July 1995 and March 2004. He is a senior economist. Mr. Cheng did his master's program at the Graduate School of Shaanxi College of Finance and Economics (now School of Economics and Finance of Xi'an Jiaotong University) between August 1992 and July 1995 and worked as an employee at Wanrong sub-branch of PBOC Shanxi Provincial Branch from July 1991 to August 1992.



Mr. Chen Panwu

Chinese Nationality

Employee representative supervisor and member of the Nomination Committee of the Board of Supervisors of the Bank. He serves as general manager of the Bank's the Culture, Labor Union Office & Security Department (Safety and Security Department) since September 2018, and executive vice chairman of the trade union of the Bank since December 2014. Prior to that, he was general manager of the Culture, Labor Union Office & Security Department of the Bank between April 2015 and September 2018; deputy general manager and general manager of the Human Resources Department of the Bank from June 2005 to November 2014, during which period he concurrently served as head of the organization department of the Party Committee of the Bank from October 2012 to November 2014. From May 1994 to June 2005, he worked at the Bank's Hangzhou Branch, successively serving as deputy head of the planning and credit unit, head of Fengqi office, general manager of the personnel department, and assistant to the general manager & general manager of the human resources unit. Mr. Chan graduated from Suzhou University with a doctoral degree in finance.

Ms. Zeng Yufang

Chinese Nationality

Employee representative supervisor and member of the Supervision Committee of the Board of Supervisors of the Bank. She has been vice president of the Bank's Shenzhen Branch since May 2011. Earlier, she was assistant president of the Bank's Shenzhen Branch from July 2008 to May 2011; and deputy general manager and general manager of the accounting department of the branch from December 2003 to July 2008. Between August 2001 and November 2003, she was deputy general manager of Shenzhen Gaofei Industrial Co., Ltd. (now renamed "Shenzhen Honemark Information Technology Co., Ltd."). From December 1998 to July 2001, she was assistant chief of the finance and accounting division of State Development Bank Shenzhen Branch. From March 1996 to November 1998, she worked at Shenzhen Branch of China Investment Bank, successively serving as deputy chief of the accounting section and assistant general manager of the accounting unit of Futian sub-branch. Ms. Zeng graduated from East-West University of the USA with a master's degree in business administration.

8.2.3 Senior Management



Mr. Fang Heying

Chinese Nationality

Executive director, Vice President and Chief Financial Officer of the Bank. Please refer to “Directors” in this chapter for Mr. Fang’s resume.



Mr. Guo Danghuai

Chinese Nationality

Vice President of the Bank. Mr. Guo serves as Party committee member of the Bank since August 2014 and vice president of the Bank since November 2014. Prior to that, he was chief auditor of the Bank from May 2013 to August 2014; Party secretary and general manager of the Business Department at the Bank’s Head Office from March 2010 to May 2013; Party secretary and president of the Bank’s Tianjin Branch from July 2006 to March 2010; general manager of the International Business Department of the Bank from January 2005 to July 2006; and assistant president of the Bank between August 2001 and January 2005. From November 2000 to August 2001, he was designated by CITIC Group to be chairman of CITIC Guo’an Group and lead the project on acquisition of Shantou Commercial Bank. He served as Party secretary and president of the Bank’s Shenyang Branch from September 1999 to November 2000. Before that, between August 1986 and September 1999, he worked for the Bank, successively holding the positions of staff, deputy section chief and section chief, and also served as section chief, deputy general manager and general manager of the Bank’s business department at Capital Mansion, assistant president and vice president of the Bank’s Beijing Branch, and deputy general manager of the Business Department at the Bank’s Head Office. Mr. Guo is a senior economist and a graduate of Peking University with a master’s degree in business administration. He has over 30 years of experience in the Chinese banking industry.



Mr. Yang Yu

Chinese Nationality

Vice President of the Bank. Mr. Yang has been Party committee member of the Bank since July 2015 and vice president of the Bank since December 2015. At the moment, Mr. Yang is concurrently chairman of CITIC Financial Leasing Co. Ltd. Prior to that, he was Party secretary and president of China Construction Bank Limited (CCB) Jiangsu Branch between March 2011 and June 2015; and Party secretary and president of CCB Hebei Branch between July 2006 and February 2011. Between August 1982 and June 2006, Mr. Yang worked at CCB Henan Branch, holding various positions, including deputy head of the branch’s budget and finance division, head of the budget and finance division as well as vice president and Party committee member of Xinyang Branch, Party secretary and general manager of Zhengzhou municipal railway branch, Party secretary and president of Zhengzhou Branch, and deputy Party secretary and vice president (presiding) of Henan Provincial Branch. Mr. Yang is a senior economist with a master’s diploma and a doctorate degree in management. He has over 30 years of experience in the Chinese banking industry.



Mr. Mo Yue
Chinese Nationality

Secretary of the Committee for Disciplinary Inspection. Mr. Mo has been Secretary of the Committee for Disciplinary Inspection and member of the Party committee of the Bank since May 2017. Prior to that, Mr. Mo was deputy director of the Supervision Department of CITIC Group from October 2015 to May 2017. Earlier, Mr. Mo served as special inspector (deputy departmental head level) and deputy director of the office of the leading group for touring inspection under the Party committee of CITIC Group from June 2010 to October 2015. From July 2007 to June 2010, he worked at CITIC Bohai Aluminum Industries Holding Company Limited, serving successively as member of the Party committee, chief accountant and deputy general manager. He was deputy director and director of the Audit Department of CITIC Corporation between November 2000 and July 2007, and chief auditor of the Audit Department of CITIC Corporation from May 1997 to November 2000. From August 1984 to May 1997, Mr. Mo worked at Tongxian County Audit Office in Beijing. Mr. Mo is a senior economist and a graduate from Beijing College of Economics with a bachelor's degree in economics.



Mr. Hu Gang
Chinese Nationality

Vice President of the Bank. Mr. Hu has been vice president of the Bank since May 2017 and Party committee member of the Bank since November 2017. Mr. Hu was Party secretary of the Bank's Shanghai Branch between December 2014 and July 2018, and concurrently president of Shanghai Branch between May 2015 and July 2018. Prior to that, he was head of the wholesale business of the Bank from May 2014 to May 2017; Chief Risk Officer of the Bank from May 2013 to May 2014; Party committee member, vice president, Party secretary, vice president (presiding) and president of the Bank's Chongqing Branch from May 2005 to May 2013. He served successively as deputy head of the preparatory team for establishment of the Bank's Changsha Branch, Party committee member and vice president of Changsha Branch from June 2000 to May 2005; and chairman of Changsha Xiangcai Urban Credit Cooperative in Hunan Province from October 1997 to June 2000. From August 1993 to October 1997, he worked for Hunan Zhongli Industrial Group Co., Ltd. and served successively as assistant general manager and general manager of Beihaixiang Properties Development Company and vice president of the company's affiliated Hongdu Enterprise Company. From March to August 1993, Mr. Hu was deputy section chief at the personnel department of Hunan Provincial Party Committee Office; and from June 1989 to March 1993, he worked for the Political Department of Hunan Provincial Procuratorate. Mr. Hu is a senior economist and a graduate of Hunan University with a doctoral degree in economics. He has over 10 years of experience in the Chinese banking industry.



Mr. Xie Zhibin
Chinese Nationality

Party committee member of the Bank. Mr. Xie serves as a member of the Party committee of the Bank since February 2019. Previously, Mr. Xie was Secretary of the Committee for Disciplinary Inspection and member of the Party Committee of China Everbright Group Co., Ltd. from July 2015 to January 2019. Between March 2012 to July 2015, he served as Assistant General Manager of China Export Credit Insurance Corporation, during which time, from January 2014 to July 2015, he temporarily worked as a standing member of the Party committee and Deputy Mayor of Hohhot City in Inner Mongolia Autonomous Region. Earlier, from March 2011 to March 2012, he was Party Committee member and assistant general manager of China Export Credit Insurance Corporation. Between October 2001 and March 2011, he was staff member, assistant general manager, deputy general manager and general manager of the human resources department (assistant director, deputy director and director of the organization department under the Party committee) of China Export Credit Insurance Corporation, Party secretary of the company's Shenzhen branch, and person in charge, party secretary, and general manager of the company's Hebei provincial branch. Before that, from July 1991 to October 2001, he was a staff member, chief staff member and deputy director of the People's Insurance Company of China. Mr. Xie is an economist and graduated from Renmin University of China with a doctorate degree in economics.



Mr. Yao Ming
Chinese Nationality

Chief Risk Officer of the Bank. Mr. Yao has been Chief Risk Officer of the Bank since May 2017. Before that, he was general manager of the Credit Approval Department of the Bank between October 2014 and August 2018; general manager of the Risk Management Department of the Bank from July to October 2014; Party secretary and president of the Bank's Wenzhou Branch from March 2013 to June 2014; assistant president, chief risk officer, Party committee member and vice president of the Bank's Nanjing Branch from April 2004 to March 2013; associate, deputy general manager and general manager of the credit review department of Nanjing Branch from April 1999 to April 2004; staff member, deputy section chief and section chief of the credit business department of Nanjing Branch from October 1996 to April 1999. Earlier, he was deputy head of the domestic cooperation department of Nanjing Bole Group Corporation between February 1995 and September 1996; deputy chief of the finance division at the state-owned No. 924 Factory from March 1993 to February 1995; manager of the financial department of Shenzhen Hualianfa Company from April 1991 to March 1993; and accountant at the state-owned No. 924 Factory from August 1984 to April 1991. Mr. Yao is a senior economist and a graduate from Hangzhou Institute of Electronic Industry with a bachelor's degree. He has over 20 years of professional experience in the Chinese banking industry.



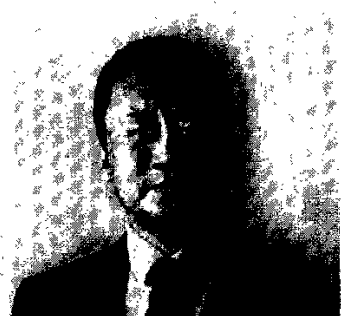
Mr. Lu Wei
Chinese Nationality

Secretary to the Board of Directors and Company Secretary of the Bank. Mr. Lu has been Board Secretary, Company Secretary and authorized representative of the Bank since January 2017; Party secretary of the Bank's Shenzhen Branch since January 2019; a board director of JSC Allyn Bank since June 2018; a board director of CITIC aiBank since August 2017; and deputy head of the preparatory team for the establishment of the Bank's Hong Kong Branch since September 2016. Previously, Mr. Lu was general manager of the Asset and Liability Department of the Bank between October 2016 and January 2019; general manager of the Budget and Finance Department (now Finance and Accounting Department) of the Bank from September 2013 to October 2016; and deputy general manager (presiding) of the Budget and Finance Department from March to September 2013. Between January 1997 and March 2013, he worked at the Business Department at the Head Office of the Bank, holding various positions including deputy section chief and deputy division chief at the Corporate Banking Department (during which period, from March 2001 to January 2002, he was seconded by the Bank to HSBC Jersey Branch), management member, deputy general manager (presiding) and general manager of the Bank's Xidan sub-branch, general manager of the Bank's Capital Mansion sub-branch, general manager of the Bank's Interbank Business Department, and Party committee member, assistant general manager and deputy general manager of the Business Department at the Bank's Head Office. Between July 1994 and January 1997, Mr. Lu worked for Beijing Youth Industrial Group Corporation. Mr. Lu is a certified public accountant of PRC, Hong Kong SAR and Australia, with over 20 years' experience in the Chinese banking industry. He graduated from Deakin University in Australia with a master's degree in accounting.



Mr. Lu Jingen
Chinese Nationality

Business Director of the Bank. Mr. Lu Jingen has been Business Director of the Bank since 20 August 2018; and Party secretary and president of Nanjing Branch of the Bank since September 2016. Prior to that, Mr. Lu served as Party secretary and president of the Bank's Changsha Branch from November 2012 to September 2016; Party secretary, vice president (presiding) and president of the Bank's Kunming Branch from March 2007 to November 2012; and assistant general manager (presiding) of the corporate banking department of the Bank from May 2006 to March 2007. He worked at the Business Department of the Bank's Head Office from January 1999 to May 2006, successively serving as deputy head of the corporate loan division, head of the asset preservation division, general manager of the Asian Games Village sub-branch, general manager of the Olympic Village sub-branch, general manager of the CITIC International Building sub-branch, and assistant general manager and Party secretary of the Business Department at the Head Office. Earlier, he worked at the Credit Department of the Bank from August 1994 to January 1999. Mr. Lu is a senior economist with over 20 years' practicing experience in the Chinese banking industry. He graduated from Harbin Engineering University with a bachelor's degree in mechatronics, received his master's degree in economics from Renmin University of China and obtained his EMBA degree from Peking University.



Mr. Lü Tiangui

Chinese Nationality

Business Director of the Bank. Mr. Lü has been Business Director of the Bank since 20 August 2018; Party secretary of the Bank's Credit Card Center since May 2014; and concurrently general manager of the Bank's Retail Banking Department and Private Banking Department since September 2017. Previously, Mr. Lü served as president of the Bank's Credit Card Center from May 2014 to January 2019. Between January 2003 and May 2014, he was deputy general manager of the finance and law department, general manager of the operation department and general manager of the customer service department of the Credit Card Center of the Bank, as well as assistant president, Party committee member and vice president of the Credit Card Center. Earlier, from August 1993 to January 2003, he was deputy chief of the risk management division at Jilin Branch of Bank of China Corporation Limited. Mr. Lü has 25 years' practicing experience in the Chinese banking industry. He holds qualifications such as senior accountant, Certificated Internal Auditor (CIA) and PRC certified public accountant (CPA). Mr. Lü graduated from Sichuan University with a master's degree in business administration.

8.3 Appointment and Dismissal of Directors, Supervisors and Senior Management Members

8.3.1 Directors

In January 2018, Mr. Chang Zhenming resigned his non-executive directorship at the Bank and membership of the Strategic Development Committee of the Board of Directors of the Bank due to work rearrangements, with effect from 5 January 2018.

On 25 May 2018, the term of the 4th Session of the Board of Directors of the Bank expired. At the 2017 Annual General Meeting, the Bank elected the 5th Session of the Board of Directors. As of 25 May 2018, the Bank has Ms. Li Qingping serve as executive director and chairperson of the 5th Session of the Board of Directors; Mr. Sun Deshun as executive director of the 5th Session of the Board of Directors and President of the Bank; Mr. Zhu Gaoming, Mr. Cao Guoqiang, Ms. Huang Fang and Mr. Wan Liming as non-executive directors of the 5th Session of the Board of Directors; and Mr. He Cao, Ms. Chen Lihua, Mr. Qian Jun and Mr. Yan Lap Kei Isaac as independent non-executive directors of the 5th Session of the Board of Directors. Among them, Ms. Li Qingping, Mr. Zhu Gaoming, Mr. Cao Guoqiang, Ms. Huang Fang and Mr. Wan Liming were nominated by the 4th Session of the Board of Directors with recommendations from relevant shareholders of the Bank. Mr. Cao Guoqiang and Mr. Yan Lap Kei Isaac would assume their directorship upon approval from regulatory authorities of their qualifications for office. The remaining directors were re-elected and took office on 25 May 2018. Before Mr. Yan Lap Kei Isaac officially took office, Ms. Wu Xiaoqing and Mr. Wong Luen Cheung Andrew, independent non-executive directors of the 4th Session of the Board of Directors serving the Bank for nearly six years, continued to perform their duties.

Upon approval by the CBIRC, as of 18 September 2018, Mr. Yan Lap Kei Isaac serves as independent non-executive director of the Board of Directors of the Bank. As per relevant regulatory requirements and the resolution of the Board of Directors of the Bank, as of 18 September 2018, Ms. Wu Xiaoqing and Mr. Wong Luen Cheung Andrew, officially become non-incumbent from their independent non-executive directorship of the Bank.

On 8 August 2018, the 2nd Extraordinary General Meeting of the Bank adopted the resolution on electing Mr. Fang Heying executive director of the 5th Session of the Board of Directors of the Bank. Upon approval by the CBIRC, as of 18 September 2018, Mr. Fang Heying officially serves as executive director of the Bank.

Upon approval by the CBIRC, as of 25 September 2018, Mr. Cao Guoqiang officially serves as non-executive director of the Bank.

In September 2018, due to change of position, Mr. Zhu Gaoming resigned his non-executive directorship at the Bank, with effect from 28 September 2018.

In February 2019, due to age reason, Mr. Sun Deshun no longer held his positions at the Bank, including executive director and president of the Bank, chairman and member of the Risk Management Committee of the Board of Directors and member of the Strategic Development Committee of the Board of Directors, with effect from 26 February 2019.

8.3.2 Supervisors

In February 2018, Mr. Shu Yang resigned his positions as supervisor, chairman of the Supervision Committee and member of the Nomination Committee of the Board of Supervisors of the Bank due to work rearrangements, with effect from 27 February 2018.

In March 2018, Mr. Cao Guoqiang resigned his positions as chairman and member of the Board of Supervisors of the Bank due to work rearrangements, with effect from 23 March 2018.

On 20 April 2018, the Employee Representative Assembly of the Bank elected Mr. Liu Cheng employee representative supervisor of the 4th Session of the Board of Supervisors of the Bank. On 23 April 2018, the 27th meeting of the 4th Session of the Board of Supervisors of the Bank elected Mr. Liu Cheng chairman of the 4th Session of the Board of Supervisors. Mr. Liu Cheng officially assumed his chairmanship on 23 April 2018.

On 25 May 2018, the term of the 4th Session of the Board of Supervisors of the Bank expired. After election at the Employee Representative Assembly on 24 May 2018 and deliberation at the 2017 Annual General Meeting on 25 May 2018, the Bank elected the 5th Session of the Board of Supervisors. As of 25 May 2018, the Bank has Mr. Liu Cheng serve as chairman of the 5th Session of the Board of Supervisors; Mr. Deng Changqing as shareholder representative supervisor of the 5th Session of the Board of Supervisors; Ms. Wang Xiuhong, Mr. Jia Xiangsen and Mr. Zheng Wei as external supervisors of the 5th Session of the Board of Supervisors; and Mr. Cheng Pusheng, Mr. Chen Panwu and Ms. Zeng Yufang as employee representative supervisors of the 5th Session of the Board of Supervisors of the Bank. Among them, Mr. Deng Changqing is a new supervisor and the remaining supervisors were re-elected, all of whom took office on 25 May 2018.

8.3.3 Senior Management Members

In January 2018, Mr. Zhang Qiang resigned his vice presidency of the Bank, with effect from 19 January 2018.

In February 2018, the meeting of the Board of Directors of the Bank adopted the proposal on engaging Mr. Lu Jingen to be Business Director of the Bank. Upon CBIRC approval, from 20 August 2018, Mr. Lu Jingen officially serves as Business Director of the Bank.

In March 2018, the meeting of the Board of Directors of the Bank adopted the proposal on engaging Mr. Lü Tianguì to be Business Director of the Bank. Upon CBIRC approval, from 20 August 2018, Mr. Lü Tianguì officially serves as Business Director of the Bank.

In February 2019, due to age reason, Mr. Sun Deshun no longer held his positions at the Bank, including executive director and president of the Bank, chairman and member of the Risk Management Committee of the Board of Directors and member of the Strategic Development Committee of the Board of Directors, with effect from 26 February 2019.

On 26 February 2019, the Board of Director meeting reviewed and adopted related proposals giving the consent that Mr. Fang Heying would serve as President of the Bank as of the date when the CBIRC approved his qualification for office, prior to which Mr. Fang Heying would perform the duties of the President of the Bank.

In February 2019, Mr. Xie Zhibin joined the Bank as Party committee member. The Board of Directors meeting on 26 March 2019 reviewed and adopted related proposals on engaging Mr. Xie Zhibin to be Vice President of the Bank as of the date when CBIRC approves his qualification for office.

8.4 Remunerations of Directors, Supervisors and Senior Management Members

The scheme of remunerations for the Bank's directors and senior management members shall be drafted by the Nomination and Remuneration Committee under the Board of Directors and reviewed and approved by the Board of Directors. Thereafter the scheme of remunerations for the Bank's directors shall be submitted to the general meeting for approval. The scheme of remunerations for the Bank's supervisors shall be drafted by the Nomination Committee under the Board of Supervisors, and after its approval by the Board of Supervisors shall be submitted to the general meeting for approval. The Bank offers remunerations to directors, supervisors and senior management members who are at the same time employees of the Bank. Such remunerations shall correspond to the positions held by the payees and include salary, bonus, allowance, subsidy, employee welfare and insurance contributions, housing provident fund and annuity. An allowance system is implemented for independent non-executive directors and external supervisors. The Bank does not pay any salary or allowance to any other directors or supervisors. Pursuant to relevant PRC laws and regulations, the Bank has joined various mandatory contributory retirement schemes set out in PRC laws and regulations for all employees (including the executive directors, supervisors, and senior management members that are also employees of the Bank). Actual pre-tax remunerations paid to the directors, supervisors and senior management members (both incumbent and non-incumbent) who received remunerations from the Bank was in the amount of RMB38,5854 million for the reporting period. As at the end of the reporting period, the Bank had not provided any share incentives to directors, supervisors or senior management members.

8.5 Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Bank Held by Its Directors, Supervisors and Senior Management Members

As at the end of the reporting period, none of the Bank's directors, supervisors or senior management members, whether incumbent or non-incumbent during the reporting period, held any shares, share options or restrictive shares of the Bank.

8.6 Interests of Directors and Supervisors in Material Contracts

During the reporting period, neither the Bank or its holding companies, nor any of its subsidiaries or fellow subsidiaries entered into any material contract in relation to the business of the Bank in which any director or supervisor had material interests, whether directly or indirectly.

8.7 Service Contracts of Directors and Supervisors

None of the directors or supervisors of the Bank concluded with the Bank or any of the Bank's subsidiaries any service contract that may not be terminated within one year as of the entry into effect of the contract or that may only be terminated with the payment of other compensations in addition to the mandatory compensations.

8.8 Relationships among Directors, Supervisors and Senior Management Members

There was no material financial, business, family or other relationship among directors, supervisors or senior management members of the Bank.

8.9 Interests of Directors in Businesses Competing with the Bank

None of the directors of the Bank had any interest in businesses that directly or indirectly competed or may compete with the Bank.

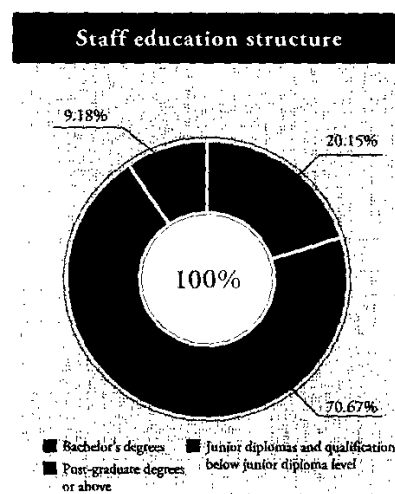
8.10 Liability Insurance for Directors, Supervisors and Senior Management Members

In 2018, the Bank bought liability insurance for all of its directors, supervisors and senior management members. In 2018, the Bank did not benefit any of its directors with any permitted indemnity provisions that had been or were in force.

8.11 Information on Staff and Affiliates

8.11.1 Number and Mix of Employees, Number of Retirees and Affiliates

As at the end of the reporting period, the Bank (including its consolidated subsidiaries) had 56,415 employees, including 52,976 under labor contracts with the Bank and 3,439 dispatched to the Bank or hired with letters of engagement by the Bank. Of all the employees, 11,127 served as managerial function, 41,359 as professional function and 3,929 as supporting function. 11,365 employees, 20.15% of the total, held post-graduate degrees or above; 39,868 employees, 70.67% of the total, held bachelor's degrees; and 5,182 employees, 9.18% of the total, held junior diplomas and qualifications below junior diploma level. In addition, the Bank had 1,418 retirees.



Chapter 8 Directors, Supervisors, Senior Management Members, Staff and Affiliates

Region	Name of Affiliate	Address/Postal Code	Telephone/Fax	Number of outlets	Number of staffers	Total Assets (RMB million)
Head Office	Headquarters	Address: No. 9 Chaoyangmen Beidajie, Dongcheng District, Beijing Postal Code: 100016	010-85230010	1	1,697	820,764
	Credit Card Center	Address: CITIC Bank Building, 121 Fubua 1st Road, Futian Street, Futian District, Shenzhen, Guangdong Province Postal Code: 518048	0755-88200000	1	6,503	436,486
Bohai Rim	Business Department of the Head Office	Address: Tower A, Investment Plaza, No. 27, Financial Street, Xicheng District, Beijing Postal Code: 100033	010-66293503 010-66211812	80	2,967	810,775
	Tianjin Branch	Address: 3-8/F Tianjin Global Financial Center, No. 2, North Dagou Road, Heping District, Tianjin Postal Code: 300020	022-23028888 022-23028800	34	986	85,965
	Shijiazhuang Branch	Address: CITIC Tower, No. 10, Ziqiang Road, Shijiazhuang, Hebei Province Postal Code: 050000	0311-87884438 0311-87884436	62	1,771	73,748
	Jinan Branch	Address: CITIC Plaza, No. 150, Leyuan Street, Jinan, Shandong Province Postal Code: 250011	0531-85180916 0531-86916444	46	1,529	90,777
	Qingdao Branch	Address: No. 22, Mid Hong Kong Road, Qingdao, Shandong Province Postal Code: 266071	0532-85022889 0532-85022888	53	1,677	99,300
	Dalian Branch	Address: No. 29, Renmin Road, Zhongshan District, Dalian City, Liaoning Province Postal Code: 116001	0411-82821868 0411-82815834	24	866	52,447
	CITIC Financial Leasing Co., Ltd.	Address: 2-310 Kuangshi Guoj Building, CBD, Binhai New Area, Tianjin Postal Code: 300450	010-53939600 010-53778081	1	91	50,217
	CITIC aBank Corporation Limited (not a consolidated subsidiary)	Address: 8/F, Building 3, No. 3, Anding Road, Chaoyang District, Beijing	010-86496888 010-86496555	1	501	35,924
	Shanghai Branch	Address: CITIC Bank Building, 138 Expo Road, Pudong New Area, Shanghai Postal Code: 200126	021-20268888 021-20268564	51	1,623	304,512
	Nanjing Branch	Address: No. 348, Zhongshan Road, Nanjing, Jiangsu Province Postal Code: 210008	025-83799181 025-83799000	82	3,124	300,487
Yangtze River Delta	Suzhou Branch	Address: West Building, Business Center, Financial Harbor, No. 266 East Suzhou Avenue, Suzhou Industrial Park, Suzhou City, Jiangsu Province Postal Code: 215028	0512-65190307 0512-65198570	29	1,048	119,865
	Hangzhou Branch	Address: No. 9 East Jiefang Road, Sijiqing Neighborhood, Jianggan District, Hangzhou, Zhejiang Province Postal Code: 310002	0571-87032888 0571-87089180	89	3,328	381,950
	Ningbo Branch	Address: CITIC Tower, No. 36, Zhenming Road, Haishu District, Ningbo, Zhejiang Province Postal Code: 315010	0574-87733226 0574-87733060	27	833	78,990
	Lin'an CITIC Rural Bank	Address: No. 777, Shijing Street, Jincheng Neighborhood, Lin'an District, Hangzhou City, Zhejiang Province Postal Code: 311300	0571-61109006 0571-61106889	3	55	1,451

Chapter 8 Directors, Supervisors, Senior Management Members, Staff and Affiliates

Region	Name of Affiliate	Address/Postal Code	Telephone/Fax	Number of outlets	Number of staffs	Total Assets (RMB million)
Pearl River Delta and West Strait	Fuzhou Branch	Address: Hengji Financial Center, No. 6, Guandengting Street, Gulou District, Fuzhou, Fujian Province Postal Code: 350001	0591-87613100 0591-87537066	56	1,510	60,760
	Xiamen Branch	Address: CITIC Bank Building (Hajiang City), No. 81, West Hubin Road, Xiamen, Fujian Province Postal Code: 361001	0592-2385088 0592-2389000	17	494	23,524
	Guangzhou Branch	Address: CITIC Plaza, No. 233, North Tianhe Road, Guangzhou, Guangdong Province Postal Code: 510613	020-87521188 020-87510668	70	2,541	308,551
	Shenzhen Branch	Address: 11F (15A, 15-19, 34-36, 41-43) and 5-10F, Phase II Time Square, No. 8 Third Central Road, Futian District, Shenzhen, Guangdong Province Postal Code: 518048	0755-25941266 0755-25942028	46	1,505	361,441
	Dongguan Branch	Address: Nanfeng Center, No. 106, Honggu Road, Nancheng District, Dongguan, Guangdong Province Postal Code: 523070	0769-22667888 0769-22667999	32	870	47,266
	Haikou Branch	Address: 1-3F, Banshan Hua Yuan, No.1 Middle Jinmao Road, Longhua District, Haikou, Hainan Province Postal Code: 570125	0898-68578310 0898-68578360	12	336	13,927
Central Region	Hefei Branch	Address: No. 396, Huaihe Avenue, Baohe District, Hefei, Anhui Province Postal Code: 230001	0551-62898001 0551-62898002	40	1,095	93,692
	Zhengzhou Branch	Address: CITIC Mansion, No.1 Business Inner Ring Road, Zhengdong New District, Zhengzhou, Henan Province Postal Code: 450018	0371-55588888 0371-55588555	83	2,294	186,496
	Wuhan Branch	Address: No. 747 Jiaozhe Avenue, Jianghan District, Wuhan City, Hubei Province Postal Code: 430015	027-85353111 027-85353222	46	1,406	146,365
	Changsha Branch	Address: Beichen Times Square, No.1500 North Xiangjiang Road, Kaifu District, Changsha, Hunan Province Postal Code: 410000	0731-84581008 0731-84582008	40	1,494	67,620
	Nanchang Branch	Address: Tower A, No. 16, Hengmao Guoji Huacheng, No. 333, South Square Road, Nanchang, Jiangxi Province Postal Code: 330003	0791-6660107 0791-6660107	20	656	58,406
	Taiwan Branch	Address: Wang Fu Commercial Building, No. 9 Fuxi Street, Taipei City, Shanxi Province Postal Code: 030002	0351-7737055 0351-7737000	30	904	45,440

Chapter 8 Directors, Supervisors, Senior Management Members, Staff and Affiliates

Region	Name of Affiliate	Address/Postal Code	Telephone/Fax	Number of outlets	Number of staffers	Total Assets (RMB million)
Western Region	Chongqing Branch	Address: No. 5 Jiangbei Chengxi Avenue, Jiangbei District, Chongqing Postal Code: 400020	023-63107573 023-63107257	39	1,030	100.106
	Nanning Branch	Address: No. 36-1, Shuangyong Road, Nanning, Guangxi Zhuang Autonomous Region Postal Code: 530021	0771-6115804 0771-5369889	18	539	36.555
	Guiyang Branch	Address: CITIC Building, Changling North Road, Guizhantou District, Guiyang City, Guizhou Province Postal Code: 550081	0851-82599865	14	414	29.358
	Hohhot Branch	Address: CITIC Building, Jintai Center, Ruyihe Avenue, Ruyi Development Area, Hohhot, Inner Mongolia Autonomous Region Postal Code: 010020	0471-6664933 0471-6664933	34	926	64.527
	Yinchuan Branch	Address: 4-5/F Max Office Building, No.160 Middle Beijing Road, Jinfeng District, Yinchuan City, Ningxia Hui Autonomous Region Postal Code: 750002	0951-7868556 0951-7653000	8	255	12.019
	Xining Branch	Address: No.1 Jiaotong Lane, Shengli Road, Chengxi District, Xining City, Qinghai Province Postal Code: 810008	0971-8812658 0971-8812616	10	219	9.779
	Xi'an Branch	Address: No. 1, Middle Zhucuo Road, Xi'an City, Shaanxi Province Postal Code: 710061	029-89320022 029-89320029	37	1,063	66.936
	Chengdu Branch	Address: No.1480 Tianfu Avenue, High-Tech Area, Chengdu, Sichuan Province Postal Code: 610041	028-65338800 028-85258898	45	1,209	136.596
	Urumqi Branch	Address: CITIC Bank Tower, No.165, North Xinchua Road, Urumqi Postal Code: 830002	0991-2365936 0991-2365888	10	344	26.244
	Kunming Branch	Address: Fulin Square, No. 81, Baoshan Street, Kunming, Yunnan Province Postal Code: 650021	0871-63648407 0871-63648667	33	814	40.058
	Lanzhou Branch	Address: No. 638 West Donggang Road, Chengguan District, Lanzhou, Gansu Province Postal Code: 730000	0931-8890699 0931-8890699	14	332	12.174
	Lhasa Branch	Address: No. 22 Jiangsu Road, Chengguan District, Lhasa City, Tibet Autonomous Region Postal Code: 850000	0891-6599108 0891-6599126	2	119	7.663
Northeastern region	Harbin Branch	Address: No. 236, Hongqi Avenue, Nangang District, Harbin, Heilongjiang Province Postal Code: 150090	0451-55558247 0451-53995558	18	525	24.347
	Changchun Branch	Address: No. 1177, Changchun Avenue, Changchun, Jilin Province Postal Code: 130041	0431-81910011 0431-81910133	19	474	31.554
	Shenyang Branch	Address: No. 336, Daxi Road, Shenhe District, Shenyang, Liaoning Province Postal Code: 110014	024-31510456 024-31510234	50	1,439	43.284
Overseas	CIFH	Room 1801-4, Harcourt House, 39 Gloucester Road, Wan Chai, Hong Kong	+852-36073000 +852-25253303	2	2,145	321.310
	CNCB Investment	Room 2106, 21/F & Room 2801, 28/F, Tower 2, Lipso Centre, No. 89, Queensway, Hong Kong	+852-25212353 +852-28017399	4	1,024	21.911
	London Representative Office	5th Floor, 99 Gresham Street, London, EC2V 7NG	+44 2077109100	1	21	—
	Sydney Representative Office	127, GATEWAY, 1 Macquarie Place, Sydney, NSW 2000, Australia	+61 2 79668888	1	6	—
	JSC Alryn Bank (not a consolidated subsidiary)	109B Abay ave., Almaty, 050119, Kazakhstan	+77272596900	7	493	7.928

Note: (1) In addition to the data listed in the above table, the Bank's staff also included employees at direct affiliates, 628 employees at Data Center and Software Development Center; the number of staffers of London Representative Office includes staffers hired locally.

(2) Total assets of the Head Office and the branches in the above table are all unaudited internal data without offsetting internal capital transactions; the assets of the Bank's London Representative Office and the Sydney Representative Office were consolidated into the assets of the Head Office.

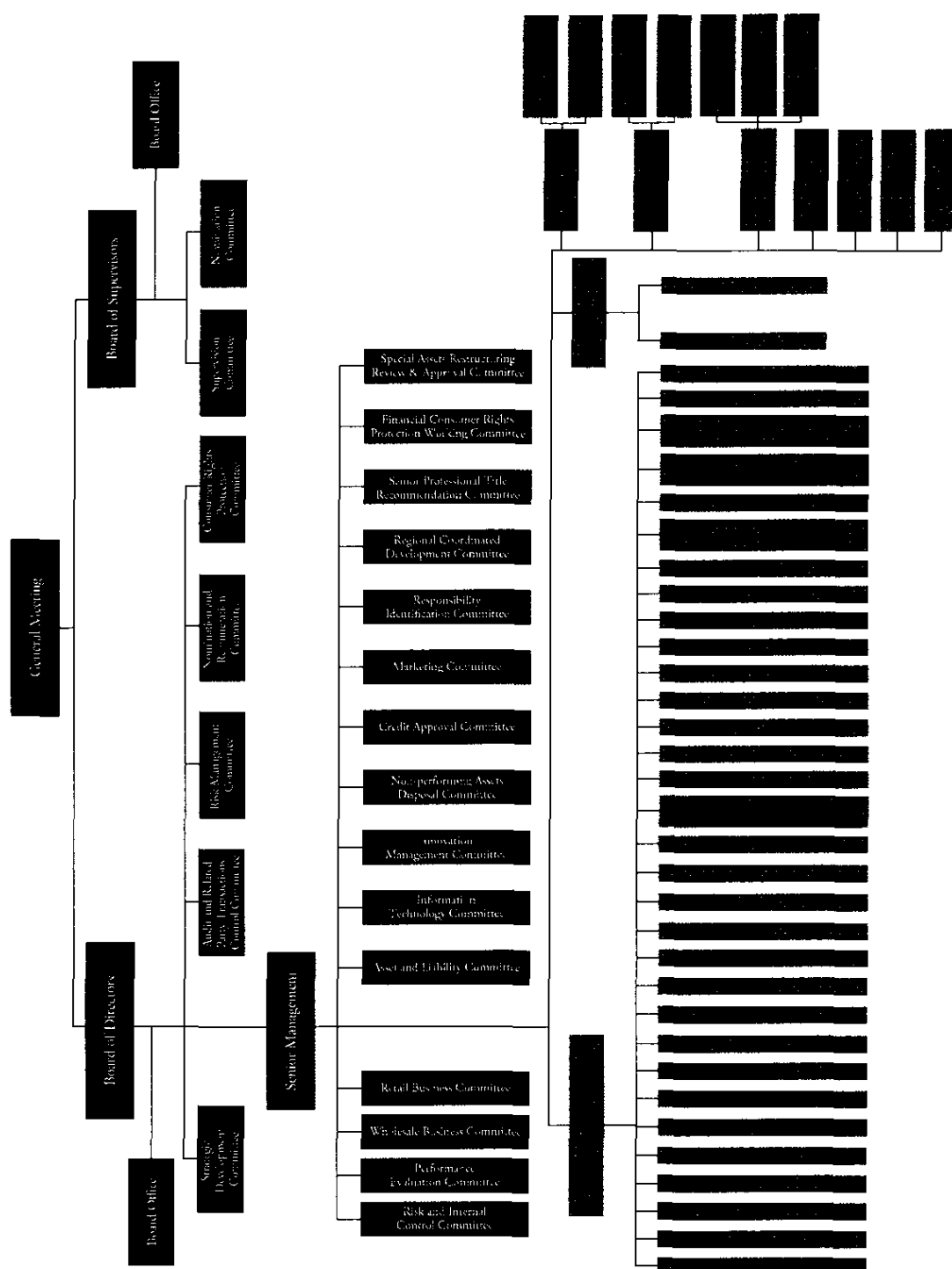
8.11.2 Human Resources Management

During the reporting period, the Bank, under the guidance of its strategy, persistently promoted the transformation of its human resources management, highlighting the construction of institutional framework, relevant mechanisms and talent teams. In close alignment with its differentiated regional development strategies, business transformation and regulatory requirements, the Bank improved the organizational structures of its Head Office and branches, optimized the allocation of human resources, boosted the development of its internal talent market, and increased the inward introduction of financial technology talents. With a focus on strategic execution, the Bank used the “balanced scorecard” model to optimize its departmental performance evaluation systems, smoothed its promotion channels, and increased its competitiveness in terms of remunerations for professionals such as IT and core trading talents. In addition, the Bank made greater efforts to develop its managerial teams. Among others, the Bank made optimal selection of management candidates to build up its leadership teams pursuant to its operation and management needs and regulatory requirements, promoted cultivation of managers through exchange programs, and strengthened the day-to-day supervision of its managerial personnel. Based on its talent echelon planning, the Bank standardized the management of the selection, training, incentivization, use, and exit of “four teams”, and steadily implemented the “Double Hundred and Double Thousand” project. With its adherence to the concept of caring for employees, the Bank promoted a series of new initiatives for human resources services, which effectively put in place its employee-oriented corporate culture. At the same time, the Bank reinforced the awareness of compliance and internal control, sorted out the human resources management system, re-examined the human resources work process, and established a long-term management and control mechanism that directly reached the grassroots level and carried out governance from the root causes.

8.11.3 Human Resources Training and Development

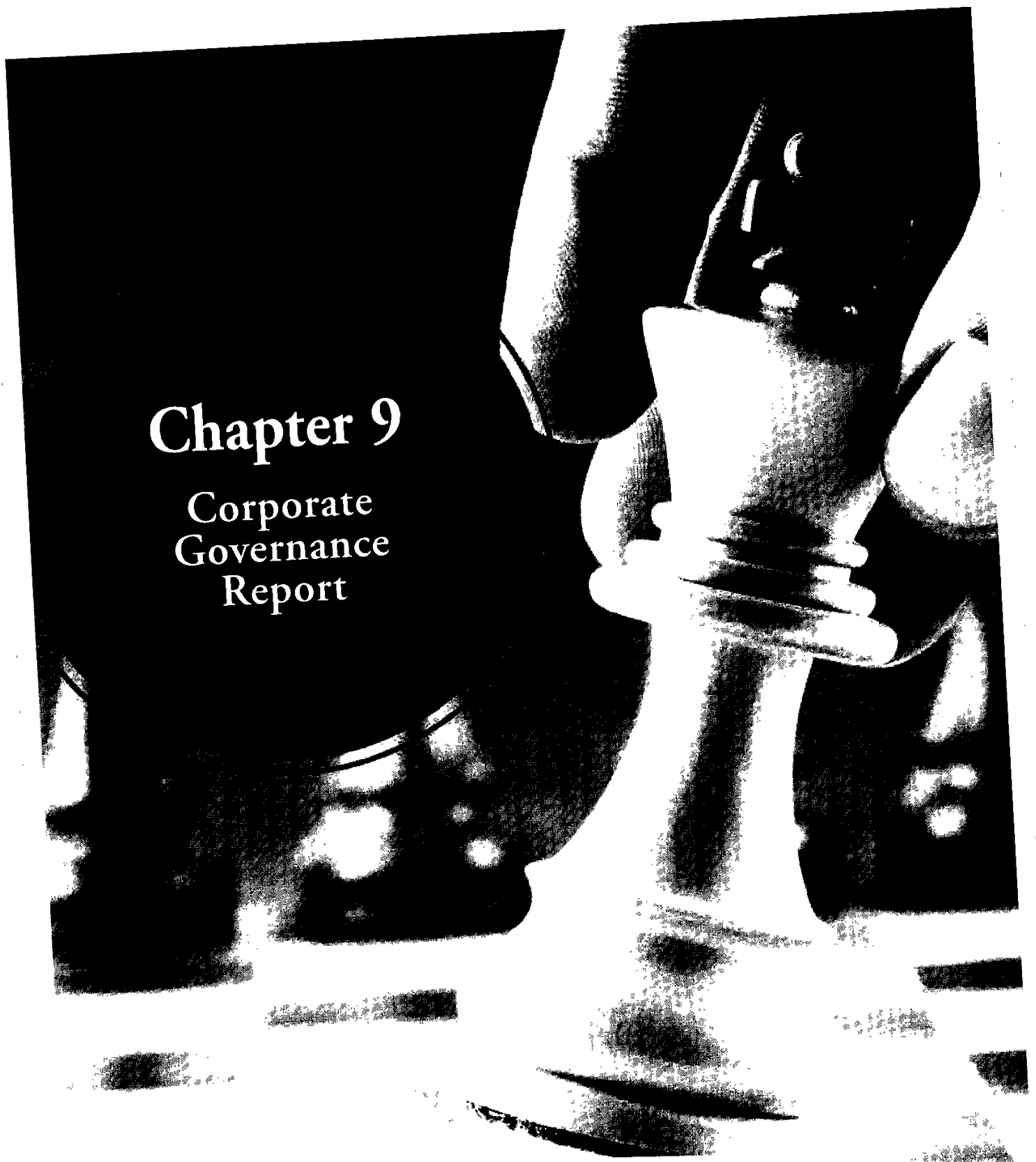
During the reporting period, the Bank held 5,309 sessions of face-to-face training in various types, recording 603,000 person-times participation. Through the “Double Hundred Double Thousand” project, in particular, the Bank carried out the cultivation of four teams, i.e., operational and managerial talents, internationalized talents, professional talents and youth backbones, in an orderly manner. At the same time, priority training programs such as training of executives in the integrity of Party members, training of internal trainers and training in anti-money laundering compliance were completed. The Bank established a full-sequence, full-line training system for certification of employee qualifications, which, divided into 10 sections and a total of 55 certification categories, steadily upgraded the job competency and professional quality of all employees. Relying on the three digital training platform systems, these training events achieved full coverage of the entire bank staff.

8.11.4 Organizational Chart



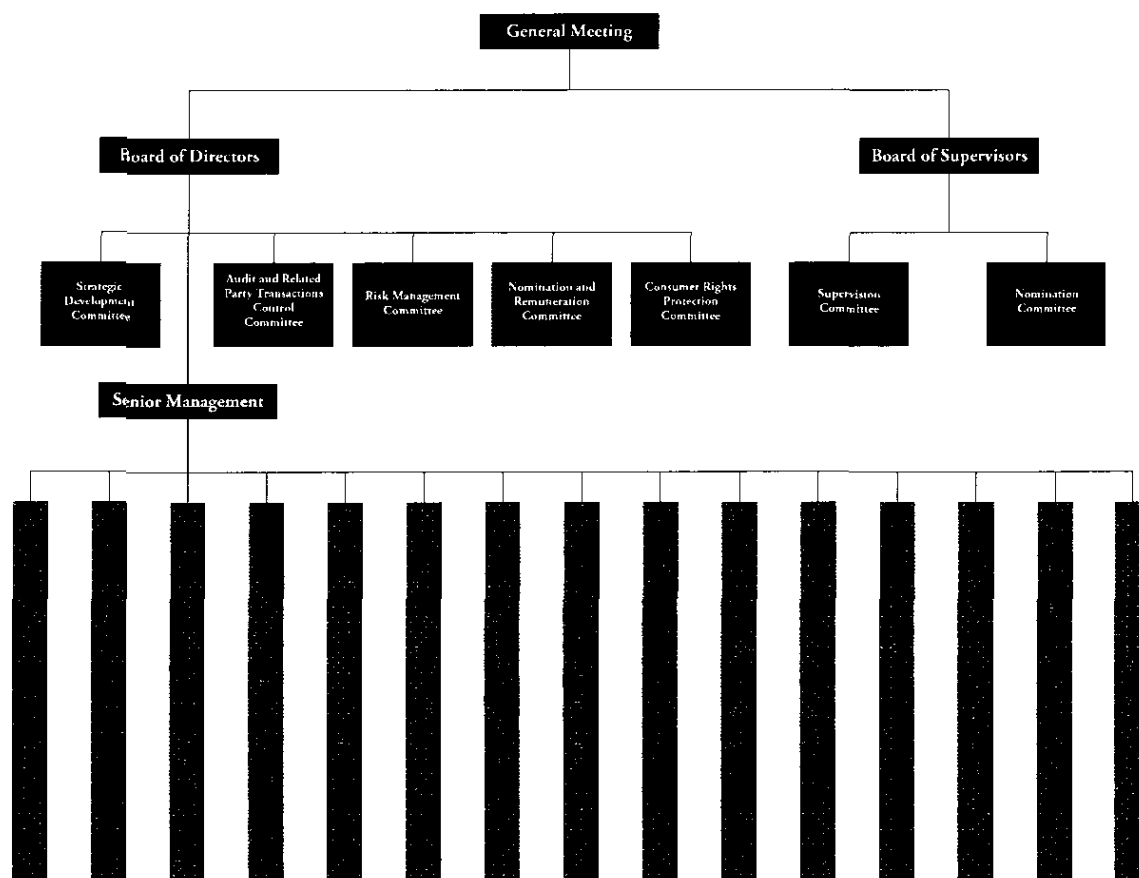
Chapter 9

Corporate Governance Report



Chapter 9 Corporate Governance Report

9.1 Corporate Governance Structure



9.2 Overall Profile of Corporate Governance

During the reporting period, the Bank continued to improve its corporate governance mechanisms and kept improving the effectiveness of corporate governance based on its profound understanding of the objective requirements of a more stringent regulatory environment and its inherent needs for pursuing high-quality development. In particular, it effectively incorporated leadership of the Party into corporate governance, completed the election of the Board of Directors and the Board of Supervisors upon the expiry of their terms of office, coordinated the operation of the main corporate governance actors, and continuously boosted support for performance of duties. The Board of Directors, the Board of Supervisors and their specialized committees effectively performed their functions and standardized their operation. The channels for the directors and supervisors to perform their duties were further broadened and their capability of performing their duties further enhanced.

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The Board of Directors played a more effective role of strategic guidance. In particular, it scientifically compiled the its 2018-2020 development plan, optimized strategic management, strengthened evaluation and supervision, and ensured a good beginning in the implementation of the plan. In addition, the board promoted the deepening of business transformation, enhanced the value of light-style development, and increased the capital strength of the Bank, which resulted in more marked achievements of the “Troika” transformation and development. At the same time, the board firmly implemented the national strategies, supported the development of the real economy, promoted financial cooperation under the “Belt and Road Initiative”, developed inclusive finance with high quality, accelerated the arrangement in financial technology, and performed social responsibility with enthusiasm. In addition, the board earnestly implemented the government policy on prevention and dissolution of financial risks, vigorously promoted the construction of “Safe CITIC Bank”, reinforced the concept of prudent business operation, deepened the reform of the total risk management system, and comprehensively strengthened the long-term mechanism for internal control and compliance at home and abroad. On top of all these, the board also continued self-construction, improved the collective learning mechanism, and self-consciously accepted supervision by the Board of Supervisors and other stakeholders.

The Board of Supervisors earnestly performed its supervisory duties based on its statutory status, statutory duties, and statutory obligations in alignment with the central work of the Bank. It played an active role in pushing for better corporate governance, promoting sound corporate operation, preventing and dissolving financial risks, and safeguarding the rights and interests of shareholders. Focusing on the two pivots of meetings and surveys, the Board of Supervisors further expanded its supervision scope, promoted the utilization of supervision results, and effectively performed its supervisory function. In particular, the Board of Supervisors carried out in-depth supervision over key areas such as strategy implementation, financial activities, internal control development, risk management, and performance of due diligence, continuously improving supervisory effectiveness in these key areas. At the same time, the Board of Supervisors strengthened self-construction, enhanced comprehensive design in line with the new situations, innovated and optimized its work system, further upgraded the pertinence, initiative, comprehensiveness and effectiveness of its work, and made its operation more professional and standardized in a continuous manner.

During the reporting period, the Bank organized the directors, supervisors and the board secretary to participate in trainings by external organizations such as the SSE, CSRC Beijing Bureau and PWC, recording 14 person-times participation, and carried out surveys of 63 person-times its affiliates and subsidiaries, further improving its survey quality.

There was no significant difference between the set-up and operation of the Bank’s corporate governance bodies and the relevant requirements of the PRC Company Law, the CSRC and the SEHK; neither were there major corporate governance issues that the regulatory authorities required to resolve but remained outstanding.

9.3 Information on the General Meeting, Board of Directors and Board of Supervisors

During the reporting period, the Bank held 1 annual general meeting, 2 extraordinary general meetings, 1 A shareholders class meeting, 1 H shareholders class meeting, 12 meetings of the Board of Directors (including 10 on-site meetings and 2 meetings for voting by correspondence), 11 meetings of the Board of Supervisors (including 10 on-site meetings and 1 meeting for voting by correspondence) and 42 meetings of the specialized committees under the Board of Directors and Board of Supervisors (including 36 meetings of the specialized committees under the Board of Directors and 6 meetings of the specialized committees under the Board of Supervisors). These meetings were all convened in compliance with the procedures specified in the Articles of Association of the Bank.

9.4 The General Meeting

9.4.1 The General Meeting and Shareholders' Rights

Responsibilities of the general meeting

The general meeting is the Bank's organ of power. It is responsible for making decisions on the Bank's business guiding principles and investment plans; deliberating and approving the Bank's annual financial budget plans, final accounts plans, profit distribution plans and loss remedy plans; deliberating and approving the use of financing proceeds for other than set purposes; electing and replacing directors as well as shareholder representative supervisors and external supervisors, and deciding on the remunerations of directors and supervisors; deliberating and approving work reports of the Board of Directors and Board of Supervisors; producing resolutions on the Bank's plan for increase or decrease of registered capital; producing resolutions on the Bank's plans for merger, division, dissolution, liquidation or change in the corporate form of the Bank, issue of debt securities or other valuable papers for the purpose of capital replenishment of the Bank as well as the listing thereof, and repurchase of the Bank's ordinary shares; amending the Bank's Articles of Association; engaging and dismissing accounting firms and deciding on their remunerations or the ways to determine their remunerations; deliberating proposals put forward by shareholders who individually or collectively hold 3% or more of the voting shares of the Bank; deliberating matters involving major investments and purchase and disposal of major assets within one calendar year that exceed 10% of the audited net asset value of the Bank for the latest reporting period; deliberating share incentive plans, if any; and deciding on or authorizing the Board of Directors to decide on matters relating to the issued preference shares of the Bank, including but not limited to determining whether to repurchase or convert preference shares or pay dividends; deliberating related party transactions that shall be reviewed and approved by the general meeting pursuant to relevant laws, administrative regulations, rules and the securities regulatory rules of the places where the Bank's shares are listed; and deliberating other matters that shall be decided by the general meeting in accordance with relevant laws, administrative regulations, departmental rules, requirements of the securities regulators at the places where the Bank's shares are listed and relevant provisions of the Articles of Association of the Bank.

Annual general meeting

The annual general meeting of the Bank provides an effective communication platform between the shareholders and the Board of Directors. For the convening of a general meeting, the Bank shall issue a written notice 45 days prior to the date of the meeting, informing all shareholders on record and entitled to attend the meeting of the matters to be deliberated as well as the date and venue of the meeting. Shareholders who intend to attend the meeting shall send their written reply slip to the Bank 20 days before the date of the meeting. Directors, supervisors and senior management members of the Bank shall attend the general meeting and answer shareholders' questions at the meeting. Domestic and overseas auditors engaged by the Bank shall also attend the general meeting and answer questions in relation to external audit, audit reports and their contents, accounting policies and independence of auditors.

Unless otherwise provided for or arranged, shareholders of the Bank may vote by poll at the general meeting according to domestic and overseas securities regulatory rules. Details of the voting procedure shall be explained to the shareholders at the beginning of the meeting to ensure shareholders' familiarity with such procedures.

Extraordinary general meeting

In accordance with the Articles of Association of the Bank, extraordinary general meetings may be convened upon written request of at least 50% of the independent directors or external supervisors, the Board of Directors, the Board of Supervisors, or shareholders that individually or collectively hold 10% or more of the Bank's voting shares (actual numbers of shares shall be calculated as per the shareholdings of the requesting shareholders on the date when such a written request is made). The Board of Directors, the Board of Supervisors and ordinary shareholders (including preference shareholders with restored voting rights) that individually or collectively hold 3% or more of the Bank's shares are entitled to present to the Bank their proposals for the general meeting.

Submitting proposals to the general meeting

Ordinary shareholders (including preference shareholders with restored voting rights) that individually or collectively hold 3% or more of the Bank's shares may produce their ad hoc proposals and submit them in writing to the convener of the general meeting 10 days prior to the date of the meeting. Within two days after the receipt of such proposals, the convener shall issue supplementary notices for the general meeting to announce the contents of the ad hoc proposals and submit such proposals to the general meeting for deliberation.

Convening of extraordinary meetings of the Board of Directors

Extraordinary meetings of the Board of Directors may be convened when proposed by shareholders that represent 10% or more of the voting rights. The chairperson of the Board of Directors shall convene and preside over an extraordinary board meeting within 10 days as of the receipt of the proposal made by the shareholders that represent 10% or more of the voting rights.

Making inquiries to the Board of Directors

To make inquiries to the Board of Directors, shareholders may raise their concerns to the Board of Directors or the Bank via email to ir@citicbank.com or via other contacts as provided on the Bank's website. The Bank has published all of its announcements, press releases and useful company information on its website to improve its information transparency.

9.4.2 Convening of General Meetings during the Reporting Period

During the reporting period, the Bank convened 1 annual general meeting, 2 extraordinary general meetings, 1 A shareholders class meeting and 1 H shareholders class meeting, where 23 proposals were adopted after deliberation. The Bank disclosed the resolutions of the general meetings on the websites designated by the stock exchanges where it is listed as well as its own website.

On 6 February 2018, the Bank convened its 1st Extraordinary General Meeting of 2018, the 1st A Shareholders Class Meeting of 2018 and the 1st H Shareholders Class Meeting of 2018. The Bank's then independent non-executive director Ms. Wu Xiaoping presided over the meetings, and its then independent non-executive director Mr. Wong Luen Cheung Andrew attended the meetings.

On 25 May 2018, the Bank held its 2017 Annual General Meeting. The Bank's chairperson and executive director Ms. Li Qingping presided over the meeting. The Bank's then executive director and President Mr. Sun Deshun, non-executive directors Ms. Huang Fang and Mr. Wan Liming, then independent non-executive directors Ms. Wu Xiaoping and Mr. Wong Luen Cheung Andrew, and independent non-executive directors Mr. He Cao and Mr. Qian Jun attended the meeting.

On 8 August 2018, the Bank convened its 2nd Extraordinary General Meeting of 2018. The Bank's then independent non-executive director Ms. Wu Xiaoping presided over the meeting, and its then independent non-executive director Mr. Wong Luen Cheung Andrew attended the meeting.

9.5 Board of Directors

9.5.1 Composition and Responsibilities of the Board of Directors

The Board of Directors is the decision-making body of the Bank. As at the disclosure date of the report, the 5th Session of the Board of Directors comprised 9 members, with Ms. Li Qingping as chairperson. Board members included 2 executive directors, namely, Ms. Li Qingping and Mr. Fang Heying; 3 non-executive directors, namely, Mr. Cao Guoqiang, Ms. Huang Fang and Mr. Wan Liming; and 4 independent non-executive directors, namely, Mr. He Cao, Ms. Chen Lihua, Mr. Qian Jun and Mr. Yan Lap Kei Isaac.

As per the Articles of Association of the Bank, the principal responsibilities of the Board of Directors include the following: to convene the general meeting and report its work to the meeting; to implement resolutions of the general meeting; to determine development strategies, business plans and investment plans of the Bank; to prepare the annual financial budget plan and final accounts plan of the Bank; to prepare profit distribution plans and loss remedy plans for the Bank; in accordance with the Articles of Association or within the scope of mandate authorized by the general meeting, to determine proposals on major investment, major asset acquisition and disposal and other major matters of the Bank; to prepare proposals on the amendment of the Bank's Articles of Association; to appoint or dismiss senior management members of the Bank; to review and finalize the Bank's basic management rules and internal management framework, etc. The Board of Directors should listen to the opinions of the Bank's Party Committee prior to making decisions on major issues of the Bank.

The Board of Directors of the Bank has completed self-assessment of the effectiveness of the design and operation of its internal control. Please refer to "Internal Control Assessment" in this chapter for details.

9.5.2 Meetings of the Board of Directors

During the reporting period, the Board of Directors convened 12 meetings (including 10 on-site meetings and 2 meetings for voting by correspondence). At the meetings the Board of Directors deliberated and adopted 93 proposals, including those respectively regarding the Bank's 2017 Annual Report, 2018-2020 Development Plan, 2018 Annual Audit Plan, 2017 Report on Environment, Society and Governance, 2018-2020 Medium-Term Capital Management Plan, Proposal on Participation in Funding the National Financing Guarantee Fund, the Proposal on the Candidates for the 5th Session of the Board of Directors, 2019 Institutional Development Plan, the Proposal on Sponsoring the Establishment of a Subsidiary for Wealth Management Business, the Proposal on the Non-public Offering of Preference Shares, and the Proposal on Revising the Total Risk Management Policy of CITIC Bank. In addition, the Board of Directors listened to 39 presentations respectively regarding the Bank's assessment of the implementation of its 2015-2017 strategy, internal control and compliance work in 2017, bank-wide anti-money laundering work in 2018, incident prevention and behavior management work report in 2018, interpretation of important regulatory policies, and cooperation with the top ten group loan customers for the full year of 2017 and in the first half of 2018. Significant events were all submitted to the on-site board meetings for deliberation to assure compliance. Matters requiring voting by correspondence and eligible for the same as per the Corporate Governance Code were deliberated at the meetings for voting by correspondence. The attendance records of the directors at the board meetings in the reporting period are set out in the table below.

	In-person attendance/number of meetings	Attendance by proxy/number of meetings
Incumbent Directors		
Li Qingping	10/12	2/12
Cao Guoqiang	3/3	0/3
Fang Heying	3/3	0/3
Huang Fang	12/12	0/12
Wan Liming	8/12	4/12
He Cao	12/12	0/12
Chen Lihua	11/12	1/12
Qian Jun	12/12	0/12
Yan Lap Kei Isaac	3/3	0/3
Non-incumbent Directors		
Zhu Gaoming	8/9	1/9
Wu Xiaoqing	9/9	0/9
Wong Luen Cheung Andrew	9/9	0/9
Sun Deshun	10/12	2/12

9.5.3 Responsibility Statement of the Directors on the Financial Report

The following statement, which sets out the responsibility of the directors to the financial report, should be read in conjunction with, but distinguished in understanding from, the review opinions as set out in the audit report contained in this annual report.

The directors acknowledge that they are responsible for preparing the financial report of the Bank that gives a true view of the operating results of the Bank for each financial year. The directors are not aware of any events or conditions that could have material adverse impact on the Bank's operation as a going concern.

9.5.4 Independence of Independent Non-Executive Directors and Their Performance of Duties

The independent non-executive directors of the Bank had no business or financial interests in the Bank or its subsidiaries, nor did they assume any managerial positions in the Bank. Therefore, their independence was well guaranteed. The Bank has received an annual confirmation letter from each independent non-executive director confirming his/her independence and recognized his/her independence as such.

The independent non-executive directors of the Bank effectively performed their duties by attending the general meetings as well as meetings of the Board of Directors and its specialized committees and actively expressing their opinions. They also enhanced their understanding of the business development of the Bank's affiliates by multiple means including field surveys and symposiums.

The independent non-executive directors of the Bank focused on continuously enhancing their own capacity for performance of duties. Among others, they communicated with the management for better understanding of relevant presentations and proposals prior to each board meeting. They also participated in various trainings organized by the regulators to understand regulatory trends and requirements, deepen their learning and understanding of regulatory policies, and improve their capacity for performance of duties.

The Audit and Related Party Transactions Control Committee and the Nomination and Remuneration Committee under the Board of Directors were both chaired by independent non-executive directors. The Audit and Related Party Transactions Control Committee comprised entirely of independent non-executive directors, while most of the members of the Nomination and Remuneration Committee and the Consumer Rights Protection Committee were independent non-executive directors. According to the Regulations of China CITIC Bank Corporation Limited on the Work of the Independent Directors in relation to the Annual Report, the independent non-executive directors of the Bank communicated with the auditors and fully performed their role of independent supervision. During the reporting period, the independent non-executive directors did not raise any objections to the proposals of either the Board of Directors or its specialized committees.

The independent non-executive directors of the Bank put forward relevant comments and suggestions regarding the Bank's operation and management, business development, strategic planning, profit distribution, remunerations of senior management members, risk management and related party transactions. The Bank attached great importance to such inputs and implemented them in accordance with its actual situations. For information regarding the attendance of the independent non-executive directors at the general meetings and Board of Directors meetings during the reporting period, please refer to "Convening of General Meetings during the Reporting Period" and "Meetings of the Board of Directors" in this chapter, respectively.

9.5.5 Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

The Bank has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules of SEHK (the "Model Code") and has complied with Rules 13.67 and 19A.07B of the Listing Rules to regulate the securities transactions of its directors and supervisors. All the directors and supervisors were consulted specifically for this matter and all of them confirmed that they had strictly complied with the relevant provisions of the Model Code throughout the reporting period.

9.5.6 The Board of Directors' Deliberation of the Sustainable Development Report

The Board of Directors deliberated the 2018 Sustainable Development Report of China CITIC Bank as a separate proposal and had no objections to the content of the report.

9.6 Specialized Committees under the Board of Directors

There were 5 specialized committees under the Board of Directors, namely, the Strategic Development Committee, the Audit and Related Party Transactions Control Committee, the Risk Management Committee, the Nomination and Remuneration Committee and the Consumer Rights Protection Committee.

9.6.1 Strategic Development Committee

As at the disclosure date of the report, the Strategic Development Committee of the 5th Session of the Board of Directors comprised 4 directors, with chairperson and executive director Ms. Li Qingping as committee chairperson, and Mr. Cao Guoqiang, Mr. Fang Heying and Mr. Qian Jun as committee members. Its principal responsibilities include: to study the Bank's operation and management targets, long-term development strategies, and special strategic development plans respectively regarding human resources, information technology development and other areas, and make recommendations thereon to the Board of Directors; to study programs on major cooperation, investment, financing, and merger and acquisition, and make recommendations thereon to the Board of Directors; and to supervise and examine the implementation of annual business plans and investment programs as authorized by the Board of Directors.

During the reporting period, the Strategic Development Committee convened 5 meetings in total where it deliberated and adopted 28 proposals, including those respectively regarding the Bank's 2018-2020 Development Plan, Amendments to the Articles of Association, and 2019 Institutional Development Plan, and listened to 2 presentations respectively regarding the Bank's implementation of its 2015-2017 Strategy and the recent "share repurchase" series policies. The attendance records of the Strategic Development Committee members at the committee meetings during the reporting period are set out in the table below.

	In-person attendance/number of meetings	Attendance by proxy/number of meetings
Incumbent members		
Li Qingping	4/5	1/5
Cao Guoqiang	0/0	0/0
Fang Heying	0/0	0/0
Qian Jun	5/5	0/5
Non-incumbent Directors		
Sun Deshun	4/5	1/5

Note: (1) Upon election by the Board of Directors, Mr. Cao Guoqiang started to serve as a member of the Strategic Development Committee under the 5th Session of the Board of Directors as of 13 December 2018; between the afore-mentioned date and the end of the reporting period, the Strategic Development Committee did not convene any meeting.

(2) On 26 March 2019, the meeting of Board of Directors reviewed and adopted related proposals, electing Mr. Fang Heying, the executive director, as member of the Strategic Development Committee.

9.6.2 Audit and Related Party Transactions Control Committee

As at the disclosure date of the report, the Audit and Related Party Transactions Control Committee of the 5th Session of the Board of Directors comprised 3 directors, with independent non-executive director Mr. Yan Lap Kei Isaac as chairperson, and Mr. He Cao and Mr. Qian Jun as members. The principal responsibilities of the Audit and Related Party Transactions Control Committee include the following: to inspect the risk profiles and compliance status, accounting policies and practices, financial reporting procedures and financial position of the Bank; to review the Bank's regulations on financial monitoring, internal control and risk management; and to study the regulations on related party transactions, make recommendations thereon to the Board of Directors, and supervise the implementation of such regulations.

During the reporting period, the Audit and Related Party Transactions Control Committee convened 15 meetings in total. At the meetings, the committee reviewed and adopted 25 proposals, including those respectively regarding the Bank's periodic reports, engagement of accounting firms for 2018 and their fees, amendments to the internal audit charter, and credit extension to related parties, and listened to 12 presentations respectively regarding the Bank's operating results for the full year of 2017 and for the 1st quarter, first half and 3rd quarter of 2018, and internal control and compliance work in 2017. The attendance records of the Audit and Related Party Transactions Control Committee members at the committee meetings during the reporting period are set out in the table below.

	In-person attendance/number of meetings	Attendance by proxy/number of meetings
Incumbent members		
Yan Lap Kei Isaac	3/3	0/3
He Cao	14/15	1/15
Qian Jun	14/15	1/15
Non-incumbent members		
Wu Xiaoqing	12/12	0/12
Wong Luen Cheung Andrew	7/7	0/7

During the preparation and audit of the Bank's 2018 Annual Report, the Audit and Related Party Transactions Control Committee reviewed the audit time frame and progress schedule of the external auditors and checked on and supervised external auditors' work by means of listening to presentations and arranging symposiums. The committee reviewed the Bank's financial statements twice, the first time before the certified public accountants (CPAs) responsible for the annual audit arrived at the premise, and the second time after the CPAs produced their preliminary audit opinion. In addition, the committee carried out multiple rounds of adequate communication with the CPAs responsible for the annual audit. The Audit and Related Party Transactions Control Committee convened a meeting on 21 March 2019, opining that the financial statements gave a true, accurate and complete view of the overall situation of the Bank. Based on its review of the external auditor's summary report on the annual audit plus its comprehensive objective assessment of the performance and professional quality of the annual audit assignment, the committee gave the consent that the Bank continue to engage PricewaterhouseCoopers Zhong Tian LLP as its domestic auditor and PricewaterhouseCoopers as its overseas auditor for 2019 and decided to submit these matters to the Board of Directors for deliberation.

9.6.3 Risk Management Committee

As at the disclosure date of the report, the Risk Management Committee of the 5th Session of the Board of Directors of the Bank comprised 3 directors, with executive director Mr. Fang Heying as chairman, and Mr. Qian Jun and Mr. Yan Lap Kei Isaac as members. The principal responsibilities of the committee include the following: to supervise the senior management's control of credit risk, liquidity risk, market risk, operational risk, compliance risk and reputation risk; to evaluate risk preference, credit policy, policies on management of liquidity risk, market risk, operation risk, compliance risk and reputation risk, lawfulness and compliance of business operation, risk management profile and risk tolerance of the Bank on a regular basis; to advise the Board of Directors on how to improve risk management and internal control of the Bank; to comprehensively manage the risk of money laundering across the bank, guide the whole bank on how to fulfill its anti-money laundering duties and obligations, review and identify the overall situation of money laundering risks, report the same to the Board of Directors and put forward opinions on how to handle major anti-money laundering matters.

During the reporting period, the Risk Management Committee convened 6 meetings where it deliberated and adopted 16 proposals, including those respectively regarding the Bank's 2017 Report on Management of Capital Adequacy Ratios, 2017 Report on Internal Assessment of Capital Adequacy and 2018 Risk Preference Statement, and the proposal on strengthening the construction of CITIC Bank's anti-money laundering risk management system; and the committee listened to 19 presentations including those respectively regarding the Bank's total risk management for the full year of 2017 and in the 1st quarter, first half and 3rd quarter of 2018, report on the Group's execution of financial statements consolidation management in 2017, credit policy re-examination in the first half of 2018 and credit extension guidance in the second half of 2018, and further enhancement of bank-wide data management. The attendance records of the Risk Management Committee members at the committee meetings during the reporting period are set out in the table below.

	In-person attendance/number of meetings	Attendance by proxy/number of meetings
Incumbent members		
Fang Heying	0/0	0/0
Qian Jun	6/6	0/6
Yan Lap Kei Isaac	2/2	0/2
Non-incumbent members		
Li Qingping	0/2	2/2
Wu Xiaoqing	4/4	0/4
Sun Deshun	5/6	1/6

Note: (1) Upon election by the Board of Directors, Mr. Fang Heying started to serve as a member of the Risk Management Committee under the 5th Session of the Board of Directors of the Bank since 13 December 2018; between the afore-mentioned date and the end of the reporting period, the Risk Management Committee did not convene any meeting.

(2) On 26 March 2019, the meeting of Board of Directors reviewed and adopted related proposals, electing Mr. Fang Heying, the executive director as member of the Risk Management Committee.

9.6.4 Nomination and Remuneration Committee

As at the disclosure date of the report, the Nomination and Remuneration Committee of the 5th Session of the Board of Directors of the Bank comprised 3 directors, with independent non-executive director Mr. Qian Jun as chairman, and Ms. Huang Fang and Mr. Yan Lap Kei Isaac as members. Principal responsibilities of the Nomination and Remuneration Committee are the following: to assist the Board of Directors in formulating the procedures and standards for selecting and appointing board directors and senior management members; to advise the Board of Directors on candidates for independent non-executive directors; to deliberate the remuneration management rules and policies of the Bank; to formulate the performance evaluation methods and remuneration schemes for directors and senior management members, and to make recommendations on the remuneration schemes to the Board of Directors and supervise the implementation of such schemes.

During the reporting period, the Nomination and Remuneration Committee convened 7 meetings where it deliberated and adopted 20 proposals, including those respectively regarding the report on assessment of the directors' performance of duties in 2017, the nomination of the candidates for the 5th Session of the Board of Directors, the policy on remunerations for directors of the 5th Session of the Board of Directors, the 2017 plan for the final accounts of employee remunerations and the 2017 plan for payment of remunerations to senior management members. The attendance records of the Nomination and Remuneration Committee members at the committee meetings during the reporting period are set out in the table below.

	In-person attendance/number of meetings	Attendance by proxy/number of meetings
Incumbent members		
Qian Jun	7/7	0/7
Huang Fang	4/4	0/4
Yan Lap Kei Isaac	2/2	0/2
Non-incumbent members		
Wong Luen Cheung Andrew	3/3	0/3
Wu Xiaoqing	3/3	0/3
Chen Lihua	3/3	0/3

During the reporting period, the Nomination and Remuneration Committee studied and reviewed the remuneration scheme for the Bank's senior management and supervised its implementation. The committee was of the view that the senior management of the Bank performed its fiduciary duties and due diligence in 2018 within its scope of mandate as specified in relevant laws and regulations and the Bank's Articles of Association, and as guided and authorized by the Board of Directors and supervised by the Board of Supervisors, which in turn further increased corporate value and shareholder value of the Bank. Upon review, the committee held that the remunerations for directors, supervisors and senior management members as disclosed by the Bank were consistent with relevant remuneration policies and schemes and in compliance with applicable information disclosure standards required for listed issuers by domestic and overseas regulators. The committee confirmed that the Bank did not have any share incentive scheme in effect as at the end of the reporting period.

During the reporting period, the Nomination and Remuneration Committee performed the nomination procedure for directors and senior management members in line with the its rules of procedures, including: reviewing the qualifications of the nominated candidates for directors, supervisors and senior management members in terms of their independence, expertise, experiences and capabilities; reviewing the structure, size and composition of the Board of Directors (including skills, knowledge and experience) at least on an annual basis; and making recommendations on any proposed changes regarding the Board of Directors to match the Bank's development strategy.

9.6.5 Consumer Rights Protection Committee

As at the disclosure date of the report, the Consumer Rights Protection Committee of the 5th Session of the Board of Directors of the Bank comprised 3 directors, with non-executive director Ms. Huang Fang as chairperson, and Mr. He Cao and Ms. Chen Lihua as members. Principal responsibilities of the Consumer Rights Protection Committee include the following: to formulate the Bank's strategies, policies and objectives on consumer rights protection; to urge the senior management to effectively implement relevant work of consumer rights protection; and to supervise and assess the Bank's consumer rights protection work regarding its comprehensiveness, timeliness and effectiveness, and the senior management's performance of duties.

During the reporting period, the Consumer Rights Protection Committee convened 3 meetings where it deliberated and adopted 2 proposals respectively regarding its 2018 annual work plan and the election of its chairperson, and the committee listened to 2 presentations respectively regarding the Bank's service quality and consumer rights protection for the full year of 2017 and the first half of 2018. The attendance records of the Consumer Rights Protection Committee members at the committee meetings during the reporting period are set out in the table below.

	In-person attendance/number of meetings	Attendance by proxy/number of meetings
Incumbent members		
Huang Fang	2/2	0/2
He Cao	2/3	1/3
Chen Lihua	2/3	1/3
Non-incumbent members		
Wu Xiaoqing	1/1	0/1

9.7 Board of Supervisors

The Board of Supervisors is the supervisory body of the Bank accountable to the general meeting. As at the disclosure date of the report, the Board of Supervisors of the Bank comprised 8 members, with employee representative supervisor Mr. Liu Cheng as chairman. Other members of the Board of Supervisors included shareholder representative supervisor Mr. Deng Changqing; external supervisors Ms. Wang Xiuhong, Mr. Jia Xiangsen and Mr. Zheng Wei; and employee representative supervisors Mr. Cheng Pusheng, Mr. Chen Panwu and Ms. Zeng Yufang.

During the reporting period, the Board of Supervisors convened 11 meetings (including 10 on-site meetings and 1 meeting for voting by correspondence) where it deliberated 30 proposals, including those respectively regarding the Bank's periodic reports, profit distribution plan, internal control assessment report, social responsibility report, annual assessment report on the performance of duties, and internal assessment of capital adequacy; and the committee listened to 22 presentations, including those respectively regarding the Bank's report on operating results, report on total risk management, report on internal control and compliance, rectification of regulatory issues notified by the CBIRC, data governance, management of financial statement consolidation, anti-money laundering work, incident prevention and employee behavior management. At the same time, members of the Board of Supervisors attended all on-site meetings of the Board of Directors and some of the meetings of the specialized committees of the Board of Directors as non-voting delegates and expressed their view points in a timely manner, to ensure adequate supervision over the Bank's significant events and decision-making process. In addition, the Board of Supervisors carried out supervisory inspections of the Bank's operation and management activities by attending senior management meetings as non-voting delegates and reviewing various documents and information.

During the reporting period, the Board of Supervisors continuously enriched its survey approaches and improved the quality and effectiveness of the surveys, focusing on identification of problems. To this end, it conducted special surveys on issues that were of holistic implications to the Bank such as strategy implementation and internal control and compliance, and visited peers for in-depth exchanges on the working mechanism, system and innovation of the Board of Supervisors. Throughout the year, the Board of Supervisors organized its supervisors for 4 collective surveys, covering 6 branches and 2 peer banks. For universal trendy issues and other major issues found in the surveys, the Board of Supervisors organized concentrated in-depth discussions to form opinions and suggestions, and effectively conveyed them to the Board of Directors and the senior management through survey reports and other methods to promote the transformation of survey results.

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The attendance records of the members of the Board of Supervisors at the board meetings during the reporting period are set out in the table below.

Incumbent Supervisors	In-person attendance/number of meetings	Attendance by proxy/number of meetings
Liu Cheng	8/8	0/8
Deng Changqing	6/6	0/6
Wang Xiuhong	8/11	3/11
Jia Xiangsen	11/11	0/11
Zheng Wei	10/11	1/11
Cheng Pusheng	8/11	3/11
Chen Panwu	9/11	2/11
Zeng Yufang	11/11	0/11
Non-incumbent Supervisors	In-person attendance/number of meetings	Attendance by proxy/number of meetings
Cao Guoqiang	2/2	0/2
Shu Yang	0/0	0/0

9.8 Specialized Committees under the Board of Supervisors

The Supervision Committee and the Nomination Committee are the specialized committees set up under the Board of Supervisors.

9.8.1 Supervision Committee

As at the disclosure date of the report, the Supervision Committee of the Bank's Board of Supervisors comprised 4 supervisors, with Mr. Jia Xiangsen as chairman, and Mr. Zheng Wei, Mr. Cheng Pusheng and Ms. Zeng Yufang as members. Primary responsibilities of the committee include the following: to supervise the Board of Directors in the establishment of prudent business concepts and value propositions and the formulation of development strategies consistent with the Bank's real situations, and to carry out supervisory inspections of the Bank's business decisions, financial activities, risk management and internal control.

During the reporting period, the Supervision Committee under the Board of Supervisors convened 4 meetings and adopted 10 proposals including those respectively regarding the Bank's periodic reports, profit distribution plan, internal control assessment report and social responsibility report, etc. The attendance records of the Supervision Committee members at the committee meetings during the reporting period are set out in the table below.

Incumbent members	In-person attendance/number of meetings	Attendance by proxy/number of meetings
Jia Xiangsen	4/4	0/4
Zheng Wei	4/4	0/4
Cheng Pusheng	0/2	2/2
Zeng Yufang	4/4	0/4
Non-incumbent members	In-person attendance/number of meetings	Attendance by proxy/number of meetings
Shu Yang	0/0	0/0

Note: Upon election by the 1st meeting of the 5th Session of the Board of Supervisors of the Bank convened on 25 May 2018, Supervisor Cheng Pusheng started to serve as a member of the Supervision Committee under the 5th Session of the Board of Supervisors and no longer sat on the Nomination Committee of the Board of Supervisors.

9.8.2 Nomination Committee

As at the disclosure date of the report, the Nomination Committee of the Bank's Board of Supervisors comprised 3 supervisors, with Ms. Wang Xiuhong as chairperson, and Mr. Deng Changqing and Mr. Chen Panwu as members. Principal responsibilities of the committee include the following: to draft procedures and standards on selecting and appointing candidate supervisors elected by the general meeting, and to carry out preliminary review of the qualifications for office of such candidate supervisors and put forward corresponding recommendations. The employee representative supervisors of the Bank are democratically elected or dismissed by employees of the Bank.

During the reporting period, the Nomination Committee of the Board of Supervisors convened 2 meetings which deliberated and adopted 9 proposals including the proposal regarding the assessment report regarding the performance of duties on the part of the Board of Directors, the Board of Supervisors and the senior management and their members. The attendance records of the Nomination Committee members at the committee meetings during the reporting period are set out in the table below.

Incumbent members	In-person attendance/number of meetings	Attendance by proxy/number of meetings
Wang Xiuhong	2/2	0/2
Deng Changqing	1/1	0/1
Chen Panwu	2/2	0/2
Non-incumbent members	In-person attendance/number of meetings	Attendance by proxy/number of meetings
Shu Yang	0/0	0/0
Cheng Pusheng	1/1	0/1

Note: Upon election by the General Meeting of the Bank convened on 25 May 2018, Supervisor Deng Changqing started to serve as a member of the Nomination Committee of the Board of Supervisors.

9.9 Independent Opinions of the Board of Supervisors on Relevant Matters

9.9.1 Compliance of Business Operation

The Bank conducted its business according to relevant laws, and its decision-making process complies with relevant requirements of laws, regulations and Article of Association; Neither breach of laws, regulations or Article of Association nor behavior that would impair the interests of the Bank were identified on part of the directors or senior management members in their duty performing.

9.9.2 Truthfulness of the Financial Report

The compilation and review process of the financial report is compliant with laws, administrative regulations and regulatory provisions and no misrepresentation, distortion or material defect was identified in the report.

9.9.3 Use of Proceeds

During the reporting period, the Bank's use of the proceeds was consistent with the purposes stated in its prospectuses.

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9.9.4 Acquisition and Disposal of Assets

During the reporting period, the Board of Supervisors was not aware of any acquisition, sale or disposal of assets by the Bank that might impair shareholder rights and interests or result in loss of the Bank's assets or constitute insider trading.

9.9.5 Related Party Transactions

During the reporting period, the Board of Supervisors was not aware of any related party transactions that might impair the interests of the Bank or its shareholders.

9.9.6 Implementation of Resolutions Adopted at the General Meetings

The Board of Supervisors had no objections to the reports and proposals that the Board of Directors submitted to the general meetings for deliberation during the reporting period. The Board of Supervisors supervised the implementation of the resolutions adopted at the general meetings and held that the Board of Directors diligently implemented the relevant resolutions of the general meetings.

9.9.7. Internal Control

The Board of Supervisors deliberated the 2018 Internal Control Assessment Report of China CITIC Bank and had no objections to the content of the report.

9.9.8 Sustainable Development Report

The Board of Supervisors deliberated the 2018 Sustainable Development Report of China CITIC Bank and had no objections to the content of the report.

9.9.9 Profit Distribution Plan

The Board of Supervisors deliberated the 2018 Profit Distribution Plan of China CITIC Bank and was of the view that the profit distribution plan complied with relevant laws, regulations and the Bank's Articles of Association, and was in the interests of all shareholders and conducive to promoting long-term development of the Bank.

9.9.10 Dividend Distribution Plan for Preference Shares

During the reporting period, the dividend distribution plan for preference shares of the Bank complied with applicable laws and regulations, the Bank's Articles of Association and the terms of issuance for the preference shares.

9.9.11 Implementation of the Regulations on Management of Information Disclosure

During the reporting period, the Bank performed its information disclosure obligations in strict accordance with relevant regulatory requirements, earnestly implemented various regulations on management of information disclosure matters, and disclosed information in a timely and fair manner. The information disclosed during the reporting period was truthful, accurate and complete.

Except for the above disclosed matters, the Board of Supervisors had no objections to other supervisory issues during the reporting period.

9.10 Senior Management

The senior management is the executive arm of the Bank accountable to the Board of Directors. There is strict division of duties and separation of power between the Bank's senior management and Board of Directors. As authorized by the Board of Directors, the senior management manages and makes decisions on business operation within its mandate. The Board of Directors evaluates the performance of the senior management members, the results of which shall be used as the basis for determining remunerations and other incentive arrangements for the senior management members. The senior management should truthfully report to the Board of Directors or the Board of Supervisors, on a regular basis or as required by the Board of Directors or the Board of Supervisors, information regarding the Bank's business performance, important contracts, financial positions, risk profiles, business outlooks and significant events.

The Bank's senior management comprised 10 members. For details thereof, please refer to Chapter 8 "Directors, Supervisors, Senior Management Members, Staff and Affiliates" of this report.

9.11 Establishment and Implementation of Performance Evaluation and Incentive Mechanisms for Senior Management Members

The Bank has set up its mechanism for annual performance evaluation of the senior management members, which assesses the latter's attainment of business targets and ability to perform duties. Results of the annual performance evaluation are used as an important basis for determining the executives' remunerations, appointment or removal, work rearrangement, exchange, and participation in trainings.

9.12 Chairperson and President

As at the disclosure date of the report, the Bank set separated positions of its Chairperson and President. Ms. Li Qingping was Chairperson and executive director of the Bank, responsible for presiding over the general meeting, convening and presiding over meetings of the Board of Directors and examining the implementation of board resolutions and other relevant matters. Mr. Fang Heying was Vice President and executive director of the Bank, performing the duties of the President of the Bank including implementing board resolutions and leading the Bank in its business operation and management and other relevant matters. The division of duties between the Chairperson and President of the Bank was clearly defined and in compliance with the Hong Kong Listing Rules.

9.13 Company Secretary as per the Hong Kong Listing Rules

As at the disclosure date of this report, the Bank engaged, externally, Ms. Kam Mei Ha Wendy (FCS, FCIS) as the joint company secretary of the Bank as per the Hong Kong Listing Rules; and the main contact person of Ms. Kam Mei Ha Wendy within the Bank was Mr. Lu Wei, the Board Secretary and company secretary of the Bank. The contact information of Mr. Lu Wei is Tel: +86-10-85230010, Fax: +86-10-85230079.

9.14 Explanations on Independence from the Controlling Shareholder

The Bank is fully independent from the controlling shareholder in terms of business, personnel, assets, institutional set-up and financials, maintains independent and complete business separate from that of the controlling shareholder and is capable of independent business operation.

In terms of business, the Bank has a complete business system and the capability to operate directly on the market in an independent manner and is engaged independently in business operation within its authorized business scope, without interference or control by its controlling shareholder or any other related parties, and free of any adverse impact on the independence and completeness of its operating autonomy as a result of its related relationship with its controlling shareholder and other related parties.

In terms of personnel, the Bank has its own independent labor, personnel and payroll management systems. None of the members of its senior management has taken any position in the controlling shareholder or any other entities controlled by the controlling shareholder; neither has any financial staffer of the Bank taken any position concurrently in the controlling shareholder or any other entities controlled by the controlling shareholder.

In terms of assets, the Bank has the ownership or use right of the land and buildings as well as intellectual property rights such as trademarks and domain names that are related to its business operation.

In terms of financials, the Bank has established its own independent accounting and finance department, independent accounting system and independent financial management framework for independent financial decision making. It has set up its own independent bank account according to law and shares no bank account with its controlling shareholder. The procedures and requirements in relation to the controlling shareholder's opening of accounts with the Bank are identical to those applicable to any other third party that has opened accounts with the Bank, and the accounts of the controlling shareholder are completely separated from the funds and accounts of the Bank.

In terms of institutional set-up, the Bank has established the general meeting, the Board of Directors and the Board of Supervisors, and set up business and management departments as required by its business operation and management. The Bank exercises its discretion on business operation and management independently and is free from any mix of institutional structure with its controlling shareholder.

9.15 Independent Non-Executive Directors' Statement on Undertakings Made by CITIC Group and CIFH under the Non-Competition Deed

CITIC Group transferred its 70.32% equity interest in CIFH to the Bank on 23 October 2009, thus releasing CIFH from all obligations under the Non-Competition Deed.

The independent non-executive directors of the Bank came to a conclusion on the non-competition undertakings of CITIC Group, holding that CITIC Group honored its non-competition undertakings during the reporting period. CITIC Group produced a statement on the performance of its non-competition undertakings under the Non-Competition Deed it entered into with the Bank on 13 March 2007.

9.16 Development and Review of Corporate Governance Policies and Practices

The Board of Directors of the Bank attached great importance to the establishment and improvement of internal rules and regulations on corporate governance. In the reporting period, the Bank amended the Articles of Association of China CITIC Bank Corporation Limited and formulated the Measures on Equity Management of China CITIC Bank Corporation Limited in light of its own real situations and relevant regulatory requirements. These efforts further improved the Bank's corporate governance regulations and provided an important support for the Bank to carry out scientific operation of corporate governance and more standard management of shareholder rights and obligations.

9.17 Review and Supervision of Training and Continuing Professional Development of Directors, Supervisors and Senior Management Members

The Board of Directors kept urging the directors and senior management members to participate in relevant trainings for better professional development in general and for the directors to enhance their comprehensive quality and competence for performance of duties in particular. During the reporting period, the Board of Directors and the Board of Supervisors organized the directors and the supervisors to participate in relevant trainings in accordance with the applicable requirements of the CSRC, Hong Kong Securities and Futures Commission, SEHK and CBIRC. These trainings achieved very good results.

The table below sets out the participation of the Bank's incumbent directors, supervisors, and board secretary in the trainings provided by relevant external institutions.

Name	Title	Trainer	Training Model	Training Duration (day)
Li Qingping	Chairperson, Executive director	CSRC Beijing Bureau	Concentrated lecturing	1
Cao Guoqiang	Non-executive director	CSRC Beijing Bureau	Concentrated lecturing	1
Fang Heying	Executive director, Vice President & Chief Financial Officer	CSRC Beijing Bureau	Concentrated lecturing	1
Huang Fang	Non-executive director	CSRC Beijing Bureau	Concentrated lecturing	1
Wan Liming	Non-executive director	CSRC Beijing Bureau	Concentrated lecturing	1
He Cao	Independent non-executive director	SSE	Concentrated lecturing	2.5
Chen Lihua	Independent non-executive director	SSE	Concentrated lecturing	2.5
Qian Jun	Independent non-executive director	SSE	Concentrated lecturing	2.5
Yan Lap Kei Isaac	Independent non-executive director	SSE	Concentrated lecturing	3
Liu Cheng	Chairperson of the Board of Supervisors	CSRC Beijing Bureau	Concentrated lecturing	1
Deng Changqing	Shareholder representative supervisor	CSRC Beijing Bureau	Concentrated lecturing	1
Cheng Pusheng	Employee representative supervisor	CSRC Beijing Bureau	Concentrated lecturing	1
Lu Wei	Secretary to the Board of Directors	SSE	Concentrated lecturing	3

Mr. Lu Wei, Board Secretary and Company Secretary of the Bank, participated in relevant professional trainings organized by the regulators and other relevant organizations, completing more than 15 hours training during the reporting period, compliant with relevant regulatory requirements of SEHK.

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As per relevant regulatory requirements, the Bank compiled the References for Directors and Supervisors on both regular and non-regular basis to help the directors and supervisors gain a comprehensive understanding of the business momentum, strategic implementation, risk control, internal control and compliance of the Bank. The directors of the Bank reviewed the reports and other written materials provided to them regarding the latest developments in the banking industry in general and the Bank's business in particular as well as relevant legal and regulatory requirements. Below is a summary of the incumbent directors' continuing professional development during the reporting period.

Name	Trainings on business, director duties and corporate governance	Monthly updates and other reading materials on latest developments in the Bank's business operation and the banking industry as well as relevant legal and regulatory requirements
Li Qingping (Chairperson, Executive director)	✓	✓
Cao Guoqiang (Non-executive director)	✓	✓
Fang Heying (Executive director, Vice President & Chief Financial Officer)	✓	✓
Huang Fang (Non-executive director)	✓	✓
Wan Liming (Non-executive director)	✓	✓
He Cao (Independent non-executive director)	✓	✓
Chen Lihua (Independent non-executive director)	✓	✓
Qian Jun (Independent non-executive director)	✓	✓
Yan Lap Kei Isaac (Independent non-executive director)	✓	✓

9.18 Review and Supervision of the Company's Policies and Practices for Compliance with Legal and Regulatory Requirements

Under the guidance of the Board of Directors, the Bank solidly implemented the special governance program of the CBIRC regarding rectification of chaos at the banking market to upgrade its internal control and management mechanisms. Among others, the Bank continued to improve its internal control oversight system, deepened the construction of the employee behavior management system in line with relevant regulatory requirements, reinforced authorization management and pushed for rectification from the root causes. In addition, the Bank implemented the new anti-money laundering regulations, improved the top designs of its internal rules on anti-money laundering, and reinforced compliance management at its overseas institutions to ensure regulatory compliance. The Board of Directors periodically reviewed internal control and compliance reports, guided the comprehensive promotion of a compliance and risk culture, and further elevated all-employee recognition of the value of compliance.

9.19 Compliance with the Corporate Governance Code under the Hong Kong Listing Rules

The Bank was in compliance with all code provisions as well as most of the recommended best practices of the Corporate Governance Code set out in Appendix 14 to the Listing Rules of SEHK throughout the year ended 31 December 2018, except for the following:

According to Code A.1.3 of the Corporate Governance Code, the meeting notice of the Board of Directors shall be given at least 14 days before each regular board meeting, while all directors and supervisors shall be notified in writing 10 days prior to a regular Board meeting according to Article 179 of the Bank's Articles of Association. The Bank adopted the above-mentioned latter notice practice for regular board meetings because a 10-day prior notice practice complies with applicable PRC laws and regulations, and reasonable time is deemed to have been given.

According to Code A.6.7 of the Corporate Governance Code, independent non-executive directors and other non-executive directors should attend the general meetings. Some directors were unable to attend the general meetings of the Bank in person due to conflict of timing or other arrangements.

According to Code A.5.6 of the Corporate Governance Code, the Nomination and Remuneration Committee (or the Board of Directors) should have a policy on membership diversity of the Board of Directors and should disclose the policy or a summary of the policy in the corporate governance report. The current session of the Board of Directors of the Bank comprises members of different genders, ages, cultures, education backgrounds and professional experiences. For relevant information about the directors, please refer to Chapter 8 of this report, "Directors, Supervisors, Senior Management Members, Staff and Affiliates". The Board of Directors has formulated the Policy on Diversification of Board Membership to comply with the requirement of Code A.5.6 of the Corporate Governance Code.

The Bank believes that diversity of board members is conducive to enhancing its operational quality and is a key factor in its efforts to attain strategic goals, maintain competitive advantages and achieve sustainable development. In setting the composition of the board membership, the Bank will consider the diversity of board members in a number of ways, including but not limited to talent, skill, knowledge, industry and expertise, cultural and educational backgrounds, gender, age and ethnicity. The appointment of all board members should be made after comprehensive consideration of the talents, skills, knowledge and experiences required for the overall operation of the board.

When reviewing candidates for board directorship and making recommendations to the board, the Nomination and Remuneration Committee under the Board of Directors will consider candidates based on their respective objective conditions, and consider the benefits of board member diversity in all aspects, taking into comprehensive account the talents, skills, knowledge, experiences and cultural and educational backgrounds of board members. At any given time, the Nomination and Remuneration Committee may recommend that the board seek improvement to its diversity in one or more aspects in order to maintain an appropriate and balanced composition of the Board in the light of the Bank's business development.

Given the changes in the external business environment and regulatory requirements in general and changes in the business scopes and scales of banks in particular, there is no end to the improvement of internal control of banks. Therefore, the Bank will follow the requirements of external regulators, the work requirements of listed companies and the criteria of leading banks in the world to continuously optimize its internal control management.

9.20 Management of Investor Relations

During the reporting period, the Bank communicated with participants of the capital market by more than 1,500 person-times cumulatively through various online and offline interaction channels and approaches such as hosting and visiting investors, setting up hotlines and emails and organizing large events, which effectively met the needs of domestic and overseas investors and analysts for communication with the Bank. At the same time, the Bank actively promoted its 2018-2020 Development Plan, publicized its business strategies on accelerating business transformation, strengthening risk prevention and control and consolidating its development foundation, so as to upgrade the level and quality of its communication with the capital market and increase investor recognition of the Bank's investment value. The Bank held annual results releases in Beijing and Hong Kong SAR in March 2018 and an interim results release in Beijing in August 2018, organized road shows in other countries and regions in April and May 2018, and hosted numerous events in April, June and November 2018 such as cooperation symposiums with fund companies, a special-theme credit card open day and a CITIC aiBank special-theme investor open day, communicating with major institutional investors from home and abroad by nearly 500 person-times, delivering to the capital market the positive energy of the Bank's business development, and gaining continuous attention from the market. The overall results were impressive. The Bank received the 2018 "Golden Lion Award for Listed Companies with Best Investor Relations Management" from Sina Finance, the only listed bank to receive this honor.

During the reporting period, the Bank dynamically monitored changes in shareholders' shareholdings, viewpoints of market research reports, its stock prices and market value, and capital market sentiment, continued to conduct in-depth research and survey of the capital market, and made timely accurate reports on relevant important information to the senior management and regulatory authorities. These efforts conveyed useful market opinions to the industry and effectively promoted virtuous interaction between business operation and the capital market. The Bank implemented the Provisional Measures for Equity Management of Commercial Banks and the supporting regulatory requirements thereof promulgated by the CBIRC, and coordinated with its major shareholders to improve equity management, revised and improved the relevant provisions of its Articles of Association on equity management, and formulated its own measures on equity management. In addition, the Bank developed measures for management of overseas roadshows to enhance the level of refined management of relevant work.

9.21 Information Disclosure and Management of Insider Information

The Bank attached great attention to information disclosure and management of insider information. It published periodic reports and interim announcements in strict compliance with the legal and regulatory provisions on information disclosure required by its listing venues. During the reporting period, the Bank published over 340 periodic reports, interim announcements and other documents at the SSE and the SEHK, totaling 2.85 million words. At the same time, the Bank worked harder to make its information disclosure more proactive and transparent, published timely preliminary annual results, rationally guided market expectations, and continuously increased disclosure of information on topical investor concerns in periodic reports. All these helped provide investors with timely, adequate and effective information.

During the reporting period, the Bank actively improved its information disclosure management mechanism, proactively boosted internal and external communication, prepared the tables for disclosure items relating to announcement, scientifically formulated disclosure plans, consolidated the foundation for announcement compliance, and ensured that all disclosure work was completed in an orderly manner. At the same time, the Bank managed insider information and insiders, standardized the information transmission process, intensified the management of insider information, and actively prevented the risks of insider information divulgence and insider trading in strict accordance with the regulatory requirements of the listing venues and its own regulations. During the reporting period, the Bank won recognition from the regulatory authorities for its standard operation in information disclosure. In its annual assessment of listed companies' information disclosure work, the SSE gave the Bank the highest rating — Class A.

9.22 Management of Related Party Transactions

During the reporting period, the Bank continued to attach great importance to the management of related party transactions pursuant to the regulatory requirements of the CBIRC, the CSRC, the SSE and the SEHK. In combination with the regulatory policy trends and the requirements of new regulations, further efforts were made to optimize its mechanism for such management in combination with the regulatory policy trends and the requirements of new regulations. As a result, the Bank was able to raise the awareness for compliance of related party transactions, upgrade the efficiency and degree of refinement in the management of related party transactions, promote the creation of synergistic value and shareholder value under the premise of compliance, and effectively protect the interests of shareholders and investors.

The Bank upheld its management system that featured decision making by the Board of Directors, supervision by the Board of Supervisors, execution by the senior management, and division of duties among business units. Management and business units of the Bank at all levels effectively performed their obligations of reviewing and disclosing related party transactions, reported material related party transactions to the Board of Directors for deliberation on a case-by-case basis, and disclosed such transactions and filed them with the CBIRC and the Board of Supervisors for record in a timely manner, in strict compliance with relevant requirements on the management of related party transactions. The Audit and Related Party Transactions Control Committee under the Board of Directors consisted fully of independent non-executive directors who carried out preliminary review of material related party transactions and expressed independent opinions thereabout on behalf of minority shareholders to ensure that such transactions were made in a fair manner on terms no more favorable than those available to independent third parties and in the overall interests of the Bank and all of its shareholders.

During the reporting period, the Bank strictly followed the regulatory requirements on related party transactions in alignment with the new policies and regulations. In particular, to implement the Provisional Measures for Equity Management of Commercial Banks and the supporting documents thereof promulgated by the CBIRC in 2018, the Bank took the initiative to strengthen communication and coordination with its major shareholders, consulted its external auditors and securities lawyers to jointly study and determine the scope of identification in relation to its major shareholders and their related parties, comprehensively collected relevant information thereof, and submitted such information to the regulatory authorities. At the same time, the Bank established a regular work mechanism with its major shareholders, dynamically updated the information about such major shareholders and their related parties and the list of the Bank's related parties, and effectively managed related party transactions. Moreover, the Bank actively boosted policy communication and achieved criteria adjustment and mechanism optimization for quota management of related credit extension. In particular, it further strengthened the routine management as well as statistics and monitoring of the annual caps on related party transactions between the Bank and its major shareholders and their related parties in the 2018-2020 period pursuant to the rules of the SSE and SEHK, thereby continuously improving refined management of related party transactions, raising the compliance awareness of related party transactions and carrying out management training and standard guidance, to ensure that its related party transactions were made in an orderly and compliant manner.

9.23 Internal Control Assessment

The purpose of the Bank's internal control is to reasonably ensure lawfulness and compliance of business and management, safety of assets, and truthfulness and completeness of financial reports and other relevant information, improve business efficiency and effectiveness, and promote implementation of the development strategy. The Board of Directors authorized the internal audit function to self-assess the effectiveness of the internal control design and operation of the Bank in accordance with relevant requirements such as the Basic Standards for Enterprise Internal Control, Guidelines for Assessment of Enterprise Internal Control and Guidelines for Internal Control of Commercial Banks, and in combination with the Bank's rules and assessment measures on internal control. The internal audit function produced the 2018 Internal Control Assessment Report of China CITIC Bank Corporation Limited ("the Internal Control Assessment Report"), holding that the Bank's internal control was valid as at 31 December 2018 (record date). In the course of the self-assessment exercise, the Bank was not aware of any material defects in its internal control. The Board of Supervisors of the Bank reviewed the Internal Control Assessment Report and had no objections to the content of the report.

Please refer to the relevant announcements published on the websites of SSE (www.sse.com.cn), HKEXnews (www.hkexnews.hk) and the Bank (www.citicbank.com) on the disclosure date of this report for the Internal Control Assessment Report (including the statements of the Board of Directors and the Board of Supervisors on their respective responsibilities in relation to internal control).

9.24 Development of Internal Control and Major Measures Adopted

The Bank made further efforts to implement its "413 Compliance Action" and carried out more vigorous comprehensive rectification to achieve compliant business operation across the Bank. Adhering to the principle of "addressing both the symptoms and the root causes but focusing on the root causes; placing punishment and prevention on an equal footing but highlighting prevention", the Bank made the arrangements to implement the "413 Compliance Action" which mainly included: rule implementation — escort action, behavior management — demining action, chaos rectification — sword action, and repeated investigations versus repeated violations — governance action. Policies were comprehensively executed from multiple dimensions including further development of rules and regulations, effective rectification of problems, greater accountability for violations and tougher supervision and inspection. In this process, the Bank focused on addressing problems and deficiencies in areas such as institutional construction/rule development, employee behavior management, deepening chaos rectification and addressing the problem of repeated investigations versus repeated violations. At the same time, more efforts were made to achieve compliant business operation and steady growth, explore relevant practices to construct a sound long-term internal control and compliance mechanism, comprehensively upgrade the level of internal control and compliance management throughout the Bank, and create a compliance culture where "one cannot afford, dare not and does not want to violate regulations". All these built a safe and stable business environment for the Bank to achieve healthy development.

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The Bank continued to boost the construction of its internal control mechanisms, and went all in to achieve the “Safe CITIC Bank” management goal. Among others, it formulated the Implementation Plan for Its Three-year Strategy (2018-2020) from the perspective of internal control and compliance, which served as an effective guide for the entire bank to curb major cases, prevent risks and losses, and reasonably control reputation risk. A series of internal control regulations were successively revised and issued, such as the Administrative Measures of CITIC Bank for Rectification Work, the Basic Requirements of CITIC Bank on Accountability Management and the Administrative Measures of CITIC Bank on Internal Control of Incompatible Jobs and Positions, so as to further improve the Bank’s internal control management. At the same time, the Bank organized its branches to sort out existing rules, internalize external regulations, implement dynamical management of rules and regulations, and ensure that the internal rules and measures closely follow the regulatory requirements and effectively match the actual operation and development situations of the Bank. For key businesses, the Bank practiced the standard management model of “compliance manuals, negative lists, and penalty criteria” and clarified the “compliance red lines, risk bottom lines, responsibility links and penalty criteria” for those business areas. In addition, the Bank continued to organize special-theme events such as “Top Leaders Talk About Cases” and WeChat learning for compliance department heads of the branches, so as to enhance the risk awareness of all employees. The Bank also comprehensively carried out self-examination for the purpose of chaos governance. Through “double-line self-examination” and “supervision by higher levels and examination at lower levels” at the two stages of assessment and self-examination, the Bank effectively met the requirements on rectification of banking industry chaos. By formulating and issuing the Administrative Measures of CITIC Bank for Compliance Officer Management of Overseas Branches, the Bank enhanced compliance management of its overseas branches, promoted the construction of compliance systems at the overseas branches in an orderly manner, implemented job responsibilities relating to compliance management.

The Bank reinforced the management of authorization and supervision over activities in excess of authorization to reinforce the awareness of a tier-one legal person in a continuous manner. Above all, the Bank reinforced the requirements on managing the entire bank as a tier-one legal person, and improved its matrix authorization system. By horizontally authorizing 8 members of the Bank’s top leadership in charge of different specific aspects and 32 departments and vertically authorizing 38 branches, the Bank, for the first time in its history, established a clear standardized credit approval authorization system with the combination of basic authorization and operational manuals, and printed/issued 78 letters of authorization, which improved the authority, timeliness and seriousness of authorization. At the same time, the Bank strengthened management of authorization at all levels and standardized branch sub-authorization, completing the review and filing of more than 130 branch and Head Office department sub-authorizations. In addition, the Bank standardized the authorization management at all levels, and made timely and dynamic adjustments to authorization to promote healthy business development, recording 47 dynamic adjustments for the whole year. Moreover, the Bank trained authorization managers on major changes and key requirements by 800 person-times.

The Bank enhanced employee behavior management/control and continued to improve the incident prevention/control system. In order to intensify the management of employee behavior, the Bank formulated and issued the Measures of CITIC Bank for Behavior Management of Its Practitioners and the Measures of CITIC Bank for Score-based Behavior Management of Its Practitioners. Among others, it established an employee behavior oversight mechanism, scored employees in the case of behavioral irregularities, and standardized the system for whole-process management of employee behavior that covers monitoring, identification, recording, processing, reporting and evaluation of employee behavior risks, which effectively prevented and controlled behavioral risks. At the same time, the Bank worked harder to construct its incident prevention mechanism, and further improve the framework of regulations on incident prevention. In particular, it formulated and issued the Interim Measures of CITIC Bank for Flying Inspection of Incident Prevention and Behavior Management and the Measures of CITIC Bank for Management of Part-time Internal Control and Compliance Managers (Trial). In addition, the Bank required the signing of the letters of responsibility for incident prevention and the employee commitments for incident prevention at all levels, having each level manage its next inferior level, and implementing incident prevention responsibilities at all levels. At the same time, the Bank continued to push for risk screenings of abnormal fund transactions in employee accounts, surprise flying inspections, visits to employee families and whistle blows of integrity issues. These efforts acted as a deterrent and boosted employee awareness of proactive compliance. In addition, the Bank arranged job rotation of staffers in important posts and key positions to achieve on-the-job check and balance and effectively prevent operational risk and moral hazard.

The Bank improved its management of compliance review and effectively prevented compliance risk in its business operation. Among others, the Bank systematically combed the new regulations, comprehensively analyzed various types of regulatory penalties, and strengthened compliance review of new products, new businesses and new rules in alignment with new products, new businesses, and key projects of the business departments. Compliance review for the whole year recorded over 4,200 pertinent review comments, which effectively prevented compliance risk in business operation from the sources. In addition, the Bank summarized its practical experiences of compliance review over the recent years, sorted out the representative and typical compliance review cases, established a “compliance review case library”, and published a total of 40 compliance review cases in 10 categories to guide compliance reviewers across the bank in their exchange and learning activities and upgrade the professional competency of the compliance reviewers in a continuous manner.

9.25 Internal Audit

In accordance with its audit objective and positioning of “risk whistle blowing, supervisory assessment and adding value to management”, pursuant to the work arrangements set out in the Bank’s 2018-2020 development plan and the implementation program of the “8100 Project”, and with the guidance of the Audit Department’s Implementation Program for the Bank’s New Three-year Plan (2018-2020), the Bank earnestly performed its duties of audit supervision, enhanced the rigor of audit supervision and expanded its audit coverage in both depth and width. The independence and effectiveness of audit work enjoyed further enhancement.

During the reporting period, the Bank amended its internal audit charter in accordance with the Regulations of the National Audit Office on Internal Audit Work (CNAO Order No. 11), clarifying that its internal audit function shall conduct its work under the direct leadership of the Party Committee of the Head Office and the Board of Directors. In particular, the internal audit function made further efforts to reinforce audit supervision over key units, key risk areas, key operational and managerial components and personnel at key posts, explicitly defined the comprehensive audit requirement that all tier-one branches should be audited “once every two years”, and incorporated special audit and economic responsibility audit into its comprehensive audit for combined implementation. In addition, special audits were completed for areas such as credit business, remunerations and performance, financial operation, information technology, anti-money laundering by overseas outlets, data governance, and outsourcing, which expanded the audit coverage from multiple dimensions. At the same time, such audit work fully revealed the deficiencies of internal control and strengthened the supervision and assessment of problem rectification at the Bank.

9.26 External Audit of Internal Control

For the reporting period, the Bank engaged PricewaterhouseCoopers Zhong Tian LLP to audit the effectiveness of its internal control over financial reporting as at 31 December 2018 in accordance with the relevant requirements of the Guidelines on Audit of Enterprise Internal Control and the practicing standards for PRC certified public accountants. Based on the audit findings, PricewaterhouseCoopers Zhong Tian LLP presented to the Bank its audit report on internal control. For details thereof, please refer to the announcement published by the Bank on the websites of SSE (<http://www.sse.com.cn>), HKEXnews (www.hkexnews.hk) and the Bank (www.citicbank.com).

In its audit opinion on internal control over financial reporting of the Bank, PricewaterhouseCoopers Zhong Tian LLP was of the view that the Bank maintained effective internal control over financial reporting in all material aspects in accordance with the Basic Standards for Enterprise Internal Control and relevant regulations as at 31 December 2018.

9.27 Auditors and Their Remunerations

With regard to the auditors engaged by the Bank for the reporting period and their remunerations, please refer to Chapter 5 “Report of the Board of Directors — Engagement of Auditors” for details thereof.

PricewaterhouseCoopers was the overseas auditor engaged by the Bank for the reporting period. Its statement of reporting obligation in respect of the consolidated financial statements is set out in Chapter 10 “Independent Auditor’s Report and Audited Financial Statements” of this report.

9.28 Responsibility Statement of the Board of Directors on Risk Management, Internal Control and Compliance Management

The Board of Directors bears the ultimate responsibility for the Bank’s risk management, internal control and compliance management and is responsible for reviewing the effectiveness of the regulations thereon. In consideration that the above-mentioned risk management and internal control systems are designed to manage rather than eliminate the risk of failing to achieve business objectives, the Board of Directors can only provide reasonable instead of absolute assurance that the above-mentioned systems and internal control can prevent any material misstatement or loss. For details on the Bank’s risk management, please refer to Chapter 4 “Management Discussion and Analysis — Risk Management” of this report.

Independent Auditor's Report and Financial Report

Independent Auditor's Report and Financial Report

Chapter 10 Independent Auditor's Report and Financial Report

To the Shareholders of China CITIC Bank Corporation Limited

(incorporated in the People's Republic of China with limited liability)

Opinion

What we have audited

The consolidated financial statements of China CITIC Bank Corporation Limited (the "Bank") and its subsidiaries (the "Group") set out on pages 181 to 320, which comprise:

- the consolidated statement of financial position as at 31 December 2018;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Measurement of expected credit losses for loans and advances to customers and financial investments
- Consolidation of structured entities – Non-principal guaranteed wealth management products
- De-recognition of financial assets

Chapter 10 Independent Auditor's Report and Financial Report (Continued)

Key Audit Matter

Measurement of expected credit losses for loans and advances to customers and financial investments

Refer to Note 4(c), Note 5(i), Note 25 and Note 26 to the consolidated financial statements.

As at 31 December 2018, the Group's gross loans and advances to customers amounted to RMB3,616.75 billion, and a loss allowance of RMB101.10 billion was recognized in the Group's consolidated statement of financial position; the Group's gross financial investments was RMB1,291.95 billion, and a loss allowance of RMB4.41 billion was recognized in the Group's consolidated statement of financial position.

The balances of loss allowances for the loans and advances to customers and financial investments represent the management's best estimates at the balance sheet date of expected credit losses ("ECL") under International Financial Reporting Standard 9: Financial Instruments expected credit losses models.

How our audit addressed the Key Audit Matter

We evaluated and tested the design and operational effectiveness of the internal controls relating to the measurement of ECL for loans and advances to customers, and financial investments, primarily including:

- (1) Governance over ECL models, including the selection, approval and application of modelling methodology; and the internal controls relating to the on-going monitoring and optimization of the models;
- (2) Internal controls relating to significant management judgments and assumptions, including the review and approval of model selections, parameters estimation, identification of significant increase in credit risk, defaults or credit-impaired loans, and forward-looking measurement;
- (3) Internal controls over the accuracy and completeness of key inputs used by the models;
- (4) Internal controls relating to estimated future cash flows and calculations of present values of such cash flows for corporate loans and advances and financial investments in stage 3;
- (5) Internal controls over the information systems for model-based measurement.

Chapter 10 Independent Auditor's Report and Financial Report (Continued)

Key Audit Matter

Measurement of expected credit losses for loans and advances to customers and financial investments (continued)

The management assesses whether the credit risk of loans and advances to customers and financial investments have increased significantly since their initial recognition, and apply a three-stage impairment model to calculate their ECL. For corporate loans and advances and financial investments classified into stages 1 and 2, and all personal loans, the management assesses loss allowance using the risk parameter modelling approach that incorporates key parameters, including probability of default, loss given default, exposure at default and discount rates. For corporate loans and advances and financial investments in stage 3, the management assesses loss allowance by estimating the cash flows from the loans.

The measurement models of ECL involves significant management judgments and assumptions, primarily including the following:

- (1) Criteria for determining whether or not there was a significant increase in credit risk, or a default or impairment loss was incurred;

How our audit addressed the Key Audit Matter

The substantive procedures we preformed primarily included:

We reviewed the modelling methodologies for ECL measurement, and assessed the reasonableness of the models selection, key parameters estimation, significant judgements and assumptions in relation to the models. We examined the coding for model measurement on a sample basis, to test whether or not the measurement models reflect the modelling methodologies documented by the management.

We selected samples, in consideration of the financial information and non-financial information of the borrowers, relevant external evidence and other factors, to assess the appropriateness of the management's identification of significant increase in credit risk, defaults and credit-impaired loans.

For forward-looking measurement, we reviewed the management's model analysis of their selection of economic indicators, economic scenarios and weightings employed, assessed the reasonableness of the prediction of economic indicators and performed sensitivity analysis of economic indicators, economic scenarios and weightings.

Chapter 10 Independent Auditor's Report and Financial Report (Continued)

Key Audit Matter

Measurement of expected credit losses for loans and advances to customers and financial investments (continued)

- (2) Economic indicators for forward-looking measurement, and the application of economic scenarios and weightings;
- (3) The estimated future cash flows for corporate loans and advances and financial investments in stage 3.

The Group established governance processes and controls for the measurement of ECL.

For measuring ECL, the management adopted complex models, employed numerous parameters and data inputs, and applied significant management judgments and assumptions. In addition, the exposures of the loans and advances to customers and financial investments, the loss allowance and provision accrued involve significant amounts. In view of these reasons, we identified this as a key audit matter.

How our audit addressed the Key Audit Matter

We examined major data inputs to the ECL models on selected samples, including historical data and data at the measurement date, to assess their accuracy and completeness. We also performed walk-through testing and reconciliation of the transmission of major data inputs between the models' measurement engines and the information systems, to verify their accuracy and completeness.

For corporate loans and advances and financial investments in stage 3, we examined, on a sample basis, forecasted future cash flows prepared by the Group based on financial information of borrowers and guarantors, latest collateral valuations and other available information together with discount rates in supporting the computation of loss allowance.

Based on our procedures performed, in the context of the inherent uncertainties associated with measurement of ECL for loans and advances to customers, and financial investments, the models, key parameters, significant judgements and assumptions adopted by management and the measurement results were considered acceptable.

Chapter 10 Independent Auditor's Report and Financial Report (Continued)

Key Audit Matter

Consolidation of Structured Entities – Non-principal Guaranteed Wealth Management Products

Refer to Note 4(a), Note 5(vii) and Note 65 to the consolidated financial statements.

As at 31 December 2018, unconsolidated structured entities included non-principal guaranteed wealth management products ("WMPs") issued and managed by the Group.

Management's decision on whether or not to consolidate structured entities was based on an assessment of the Group's power, its variable returns and the ability to exercise its power to influence the variable returns from these structured entities.

We focused on the consolidation assessment and judgment made by management involving the structured entities for non-principal guaranteed WMPs during our audit, as whether or not to consolidate these entities involved significant judgment.

How our audit addressed the Key Audit Matter

We evaluated and tested the design and operating effectiveness of management's relevant controls over the consolidation of structured entities for non-principal guaranteed WMPs. These controls primarily included the review and approval of the contractual terms, the results in variable return calculations, and the consolidation assessment conclusions for these structured entities.

We selected samples of structured entities for non-principal guaranteed WMPs and performed the following tests:

- assessed the Group's contractual rights and obligations in light of the transaction structures, and evaluated the Group's power over the structured entities;
- performed independent analysis and tests on the variable returns from the structured entities, including but not limited to commission income and asset management fees earned, retention of residual income, and, if any, liquidity and other support provided to the structured entities;
- assessed whether the Group acted as a principal or an agent through analysis of the scope of the Group's decision-making authority, its remuneration entitlement, other interests the Group held, and the rights held by other parties.

Based on the procedures performed above, we found management's judgment relating to the consolidation of structured entities for non-principal guaranteed WMPs acceptable.

Chapter 10 Independent Auditor's Report and Financial Report (Continued)

Key Audit Matter

De-recognition of Financial Assets

Refer to Note 4(c), Note 5(vi) and Note 66 to the consolidated financial statements.

During the year ended 31 December 2018, the Group entered into transactions which involved transfers of financial assets including those through securitisation and loan transfers.

Management analysed the Group's contractual rights and obligations in connection with such transfers, and assessed the extent to which the associated risks and rewards of ownership were transferred by using models to determine whether the de-recognition criteria were met. Where necessary, the Group assessed whether it had relinquished its control over the transferred financial assets to determine whether the de-recognition criteria were met.

The de-recognition assessment relating to the transfer of financial assets involved significant judgment from management, and as such, we focused our audit on the de-recognition of these financial assets.

How our audit addressed the Key Audit Matter

We evaluated and tested the design and operating effectiveness of the relevant controls over transfers of financial assets, including the review and approval of the structure designs and contractual terms of the transactions, the approval of models for testing the transfer of risks and rewards of ownership and the key parameters and assumptions used in the models, as well as the review and approval of management's assessment results.

We selected samples and read through transaction agreements to assess the contractual rights and obligations of the Group, and whether the Group transferred the rights to receive contractual cash flows from the financial assets or the transfer qualified for the "pass through" of those cash flows, to independent third parties.

We also assessed the appropriateness of the models, the parameters and assumptions, the discount rates, and the variability factors. We also tested the mathematical accuracy of the calculations.

For financial assets where the Group neither retained nor transferred substantially all of the risks and rewards associated with their ownership, we analysed whether the Group had relinquished its controls over these financial assets, and if the Group had a continuing involvement in these transferred financial assets.

Based on the procedures performed above, we found management's assessment over de-recognition of transferred financial assets acceptable.

Chapter 10 Independent Auditor's Report and Financial Report (Continued)

Other Information

The directors of the Bank are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The directors of the Bank are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Chapter 10 Independent Auditor's Report and Financial Report (Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Chan Kwong Tak.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 26 March 2019

Chapter 10 Consolidated Statement of Profit or Loss and Other Comprehensive Income

*For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)*

	Notes	Year ended 31 December	
		2018	2017
Interest income		233,793	220,762
Interest expense		(129,021)	(121,117)
Net interest income	6	104,772	99,645
Fee and commission income		50,739	51,687
Fee and commission expense		(5,591)	(4,829)
Net fee and commission income	7	45,148	46,858
Net trading gain	8	6,519	6,583
Net gain from investment securities	9	9,046	3,757
Net hedging (loss)/gain	10	(1)	1
Other operating income		282	387
Operating income		165,766	157,231
Operating expenses	11	(52,600)	(48,913)
Operating profit before impairment		113,166	108,318
Impairment losses on			
— Loans and advances to customers		—	(50,170)
— Others		—	(5,617)
Total impairment losses	12	—	(55,787)
Credit impairment losses	13	(57,886)	—
Impairment losses on other assets	14	(347)	—
Revaluation gain on investment properties		35	30
Share of loss of associates and joint ventures		(642)	(285)
Profit before tax		54,326	52,276
Income tax expense	15	(8,950)	(9,398)
Profit for the Year		45,376	42,878
Net profit attributable to:			
Equity holders of the Bank		44,513	42,566
Non-controlling interests		863	312
Profit for the year		45,376	42,878
Other comprehensive income, net of tax:	16		
Items that will not be reclassified to profit or loss (net of tax):			
— Net changes on the measurement of defined benefit plan		7	(8)
— Fair value changes on financial investments designated at fair value through other comprehensive income		11	—
— Fair value changes on transfers from owner-occupied property to investment property		65	—
Items that may be reclassified subsequently to profit or loss (net of tax):			
— Other comprehensive income transferable to profit or loss under equity method		(10)	(9)
— Fair value changes on available-for-sales financial assets		—	(8,042)
— Fair value changes on financial assets at fair value through other comprehensive income		10,040	—
— Impairment allowance on financial assets at fair value through other comprehensive income		140	—
— Exchange difference on translating foreign operations		2,209	(2,583)
Other comprehensive income, net of tax	16	12,462	(10,642)
Total comprehensive income for the year		57,838	32,236
Total comprehensive income attribute to:			
Equity holders of the Bank		57,022	31,924
Non-controlling interests		816	312
Earnings per share attributable to the ordinary shareholders of the Bank			
Basic and diluted earnings per share (RMB)	17	0.88	0.84

The accompanying notes form an integral part of these consolidated financial statements.

Chapter 10 Consolidated Statement of Financial Position

As at 31 December 2018

(Amounts in millions of Renminbi unless otherwise stated)

	Notes	31 December 2018	31 December 2017
Assets			
Cash and balances with central banks	18	538,708	568,300
Deposits with banks and non-bank financial institutions	19	99,153	124,350
Precious metals		4,988	3,348
Placements with and loans to banks and non-bank financial institutions	20	176,160	172,069
Financial assets at fair value through profit or loss	21	—	65,904
Derivative financial assets	22	31,991	65,451
Financial assets held under resale agreements	23	10,790	54,626
Interest receivables	24	—	32,643
Loans and advances to customers	25	3,515,650	3,105,984
Financial investments	26	1,600,163	—
— at fair value through profit or loss		308,872	—
— at amortised cost		778,238	—
— at fair value through other comprehensive income		510,346	—
— designated at fair value through other comprehensive income		2,707	—
Available-for-sale financial assets	27	—	631,690
Held-to-maturity investments	28	—	216,586
Investments classified as receivables	29	—	531,118
Investments in associates and joint ventures	30	3,881	2,341
Investment properties	32	443	295
Property, plant and equipment	33	21,385	21,330
Intangible assets		1,879	1,139
Goodwill	34	896	849
Deferred tax assets	35	23,174	21,825
Other assets	36	37,453	57,843
Total assets		6,066,714	5,677,691
Liabilities			
Borrowings from central banks		286,430	237,600
Deposits from banks and non-bank financial institutions	38	782,264	798,007
Placements from banks and non-bank financial institutions	39	115,358	77,595
Financial liabilities at fair value through profit or loss		962	—
Derivative financial liabilities	22	31,646	64,937
Financial assets sold under repurchase agreements	40	120,315	134,500
Deposits from customers	41	3,649,611	3,407,636
Accrued staff costs	42	10,549	8,838
Taxes payable	43	4,920	8,858
Interest payable	44	—	39,323
Provisions	45	5,013	796
Debt securities issued	46	552,483	441,244
Deferred tax liabilities	35	16	8
Other liabilities	47	54,061	45,916
Total liabilities		5,613,628	5,265,258

Chapter 10 Consolidated Statement of Financial Position (Continued)

As at 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)

	Notes	31 December 2018	31 December 2017
Equity			
Share capital	48	48,935	48,935
Preference shares	49	34,955	34,955
Capital reserve	50	58,977	58,977
Other comprehensive income	51	5,269	(11,784)
Surplus reserve	52	34,450	31,183
General reserve	53	74,255	74,251
Retained earnings	54	179,820	163,121
Total equity attributable to equity holders of the Bank		436,661	399,638
Non-controlling interests	55	16,425	12,795
Total equity		453,086	412,433
Total liabilities and equity		6,066,714	5,677,691

The accompanying notes form an integral part of these consolidated financial statements.

Approved and authorised for issue by the board of directors on 26 March 2019.

Li Qingping
Chairperson

Fang Heying
Executive Director, Vice President and
Chief Financial Officer

Li Peixia
General Manager of
Finance Department

Company stamp

Chapter 10 Consolidated Statement of Changes in Equity

For the year ended 31 December 2018

(Amounts in millions of Renminbi unless otherwise stated)

	Notes	Equity attributable to equity holders of the Bank							Non-controlling interests		Total equity
		Share capital	Preference shares	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Ordinary equity holders	Other equity instruments holders	
As at 31 December 2017		48,935	34,955	58,977	(11,784)	31,183	74,251	163,121	7,646	5,149	412,433
Change in accounting policy	3(c)	—	—	—	4,544	(939)	—	(9,502)	(235)	—	(6,132)
As at 1 January 2018		48,935	34,955	58,977	(7,240)	30,244	74,251	153,619	7,411	5,149	406,301
(i) Net profit		—	—	—	—	—	—	44,513	574	289	45,376
(ii) Other comprehensive income	16	—	—	—	12,509	—	—	—	(47)	—	12,462
Total comprehensive income		—	—	—	12,509	—	—	44,513	527	289	57,838
(iii) Contribution by non-controlling shareholders	55	—	—	—	—	—	—	—	—	3,343	3,343
(iv) Profit appropriations											
— Appropriations to surplus reserve	52	—	—	—	—	4,206	—	(4,206)	—	—	—
— Appropriations to general reserve	53	—	—	—	—	—	4	(4)	—	—	—
— Dividend distribution to ordinary shareholders of the Bank	54	—	—	—	—	—	—	(12,772)	—	—	(12,772)
— Dividend distribution to preference shareholders of the Bank		—	—	—	—	—	—	(1,330)	—	—	(1,330)
— Dividend distribution to non-controlling interests		—	—	—	—	—	—	—	(5)	—	(5)
— Dividend distribution to other equity instruments holders	55	—	—	—	—	—	—	—	—	(289)	(289)
As at 31 December 2018		48,935	34,955	58,977	5,269	34,450	74,255	179,820	7,933	8,492	453,086

	Notes	Equity attributable to equity holders of the Bank							Non-controlling interests		Total equity
		Share capital	Preference shares	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Ordinary equity holders	Other equity instruments holders	
As at 1 January 2017		48,935	34,955	58,636	(1,142)	27,263	73,911	136,666	123	5,149	384,496
(i) Net profit		—	—	—	—	—	—	42,566	22	290	42,878
(ii) Other comprehensive income	16	—	—	—	(10,642)	—	—	—	—	—	(10,642)
Total comprehensive income		—	—	—	(10,642)	—	—	42,566	22	290	32,236
(iii) Contribution by non-controlling shareholders	55	—	—	341	—	—	—	—	7,506	—	7,847
(iv) Profit appropriations											
— Appropriations to surplus reserve	52	—	—	—	—	3,920	—	(3,920)	—	—	—
— Appropriations to general reserve	53	—	—	—	—	—	340	(340)	—	—	—
— Dividend distribution to ordinary shareholders of the Bank	54	—	—	—	—	—	—	(10,521)	—	—	(10,521)
— Dividend distribution to preference shareholders of the Bank		—	—	—	—	—	—	(1,330)	—	—	(1,330)
— Dividend distribution to non-controlling interests		—	—	—	—	—	—	—	(5)	—	(5)
— Dividend distribution to other equity instruments holders	55	—	—	—	—	—	—	—	—	(290)	(290)
As at 31 December 2017		48,935	34,955	58,977	(11,784)	31,183	74,251	163,121	7,646	5,149	412,433

The accompanying notes form an integral part of these consolidated financial statements.

Chapter 10 Consolidated Statement of Cash Flows

For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)

	Year ended 31 December	
	2018	2017
Operating activities		
Profit before tax	54,326	52,276
Adjustments for:		
— revaluation gain/(loss) on investments, derivatives and investment properties	2,825	(1,434)
— investment gain	(7,897)	(1,006)
— net loss/(gain) on disposal of property, plant and equipment, intangible assets and other assets	(363)	9
— unrealised foreign exchange loss/(gain)	8	(415)
— credit impairment losses	57,886	55,515
— impairment losses on other assets	347	272
— depreciation and amortisation	2,942	2,811
— interest expense on debt securities issued	22,416	19,171
— dividend income from equity investment	(320)	(178)
— income tax paid	(15,875)	(14,521)
Subtotal	116,295	112,500
Changes in operating assets and liabilities:		
Decrease in balances with central banks	68,403	14,730
Decrease/(increase) in deposits with banks and non-bank financial institutions	3,159	(9,442)
Decrease in placements with and loans to banks and non-bank financial institutions	42,501	10,896
Decrease in financial assets at fair value through the profit or loss	—	14,712
Decrease in financial assets held under resale agreements	43,837	116,178
Increase in loans and advances to customers	(450,950)	(365,544)
Decrease in investments in financial assets held for trading purposes	17,850	—
Decrease in investments classified as receivables	—	503,423
Decrease in deposits from banks and non-bank financial institutions	(19,990)	(183,284)
Increase in borrowings from central banks	43,980	53,550
Increase/(decrease) in placements from banks and non-bank financial institutions	36,480	(4,921)
Increase in financial liabilities at fair value through profit or loss	958	—
Decrease/(increase) in financial assets sold under repurchase agreements	(14,229)	14,162
Increase/(decrease) in deposits from customers	196,044	(215,583)
Decrease in other operating assets	6,721	495
Increase/(decrease) in other operating liabilities	11,257	(7,798)
Subtotal	(13,979)	(58,426)
Net cash flows from operating activities	102,316	54,074

Chapter 10 Consolidated Statement of Cash Flows (Continued)

For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)

	Notes	Year ended 31 December	
		2018	2017
Investing activities			
Proceeds from disposal and redemption of investments		1,396,004	1,007,237
Proceeds from disposal of property, plant and equipment, land use rights, and other assets		1,154	52
Cash received from equity investment income		320	178
Payments on acquisition of investments		(1,535,459)	(1,131,592)
Payments on acquisition of equipment and other assets		(4,754)	(7,980)
Net cash paid for acquisition of associates and joint ventures	30	(1,838)	(1,590)
Net cash flows used in investing activities		(144,573)	(133,695)
Financing activities			
Cash received from share capital issued		—	7,847
Cash received from debt securities issued	46	922,161	862,890
Cash received from other equity instruments issued	55	3,343	—
Cash paid for redemption of debt securities issued		(815,230)	(801,447)
Interest paid on debt securities issued		(21,836)	(17,699)
Dividends paid		(14,396)	(12,146)
Net cash flows from financing activities		74,042	39,445
Net increase/(decrease) in cash and cash equivalents		31,785	(40,176)
Cash and cash equivalents as at 1 January		337,915	385,356
Effect of exchange rate changes on cash and cash equivalents		6,309	(7,265)
Cash and cash equivalents as at 31 December	56	376,009	337,915
Cash flows from operating activities include:			
Interest received		220,101	226,761
Interest paid		(113,272)	(101,237)

The accompanying notes form an integral part of these consolidated financial statements.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)

1 Corporate information

China CITIC Bank Corporation Limited (the "Bank" or "CNCB") is a joint stock company incorporated in the People's Republic of China (the "PRC" or "Mainland China") on 31 December 2006. Headquartered in Beijing, the Bank's registered office is located at No.9 Chaoyangmen Beidajie, Dongcheng District, Beijing, China. The Bank listed its A shares and H shares on Shanghai Stock Exchange and the Main Board of The Stock Exchange of Hong Kong Limited, respectively on 27 April 2007.

The Bank operates under financial services certificate No. B0006H111000001 issued by the China Banking Insurance Regulatory Commission (the "CBIRC", originally named China Banking Regulatory Commission), and unified social credit code No. 91110000101690725E issued by the State Administration of Industry and Commerce of the PRC.

The principal activities of the Bank and its subsidiaries (collectively the "Group") are the provision of corporate and personal banking services, conducting treasury business, the provision of asset management, finance leasing and other non-banking financial services.

As at 31 December 2018, the Group mainly operates in Mainland China with branches covering 31 provinces, autonomous regions and municipalities. In addition, the Bank's subsidiaries have operations in Mainland China, the Hong Kong Special Administrative Region of PRC ("Hong Kong") and other overseas countries and regions.

For the purpose of these consolidated financial statements, Mainland China refers to the PRC excluding Hong Kong, the Macau Special Administrative Region of the PRC ("Macau") and Taiwan. Overseas refers to countries and regions other than Mainland China.

The consolidated financial statements were approved by the Board of Directors of the Bank on 26 March 2019.

2 Basis of preparation

These consolidated financial statements have been prepared on a going concern basis.

The consolidated financial statements for the year ended 31 December 2018 comprise the Bank and its subsidiaries, associates and joint ventures.

(a) Accounting year

The accounting year of the Group is from 1 January to 31 December.

(b) Functional currency and presentation currency

The functional currency of the Bank is Renminbi ("RMB"). The functional currencies of overseas subsidiaries are determined in accordance with the primary economic environment in which they operate, and are translated into Renminbi for the preparation of the consolidated financial statements according to Note 4(b)(ii). The consolidated financial statements of the Group are presented in Renminbi and, unless otherwise stated, expressed in millions of Renminbi.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)

3 Statement of compliance

These consolidated financial statements have been prepared in accordance with all applicable International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements have been prepared under the historical cost convention, as modified by financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss and at fair value through other comprehensive income, and investment properties, which are carried at fair value.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(a) New and amended standards adopted by the Group in 2018

The Group has adopted the following new or amendments to the International Financial Reporting Standards ("IFRSs"), issued by the International Accounting Standards Board ("IASB"), that are mandatorily effective for the current year and relevant to the Group.

IFRS 9	Financial Instruments
IFRS 15	Revenue from Contracts with Customers
Amendments to IAS 28	IASB Annual Improvements 2014 – 2016 cycle
Amendments to IAS 40	Transfer of Investment Property
International Financial Reporting Interpretations Committee 22 ("IFRIC 22")	Foreign Currency Transactions and Advance Consideration

The new accounting policies of IFRS 9 – Financial Instruments and their impacts are disclosed in Note 3(c). Changes in accounting policies. The adoption of the other new standards and amendments do not have a significant impact on the operating results, comprehensive income, or financial position of the Group.

(b) Standards and amendments that are not yet effective and have not been adopted before their effective dates by the Group

The Group has not adopted the following new and amended standards and new interpretations that have been issued but are not yet effective.

		Effective for annual periods beginning on or after
IFRS 16	Leases	1 January 2019
IFRIC 23	Uncertainty over Income Tax Treatments	1 January 2019
Amendments to IFRS 9	Prepayment Features with Negative Compensation	1 January 2019
Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23	IASB Annual Improvements to IFRSs 2015 – 2017 Cycle	1 January 2019
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures	1 January 2019
Amendments to IAS 19	Employee Benefits' Regarding Plan Amendment, Curtailment or Settlement	1 January 2019

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)

3 Statement of compliance (Continued)

- (b) Standards and amendments that are not yet effective and have not been adopted before their effective dates by the Group (Continued)

IFRS 16: Leases

IFRS 16 addresses the definition of a lease, recognition and measurement of leases and establishes principles for reporting useful information to users of financial statements about the leasing activities of both lessees and lessors. The standard replaces IAS 17 'Leases', and related interpretations.

IFRS 16 now requires lessees to recognise a lease liability reflecting future lease payments and a right-of-use asset for virtually all lease contracts, unless the underlying asset is of low value or the lease is short-term, in the consolidated statement of financial position. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability in the consolidated statement of comprehensive income, and also classifies cash repayments of the lease liability into principal portion and an interest portion for presentation in the consolidated statement of cash flows.

The impact of IFRS 16 will mainly be the accounting treatment of the Group as a lessee. The right-of-use asset and the lease liability reflecting future lease payments will be recognised by the Group in the consolidated statement of financial position except for those the commitment is of low value or is short-term, or those commitment arrangement which is not qualified as lease under IFRS 16.

For the lessor, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The Group apply the standard from its mandatory adoption date of 1 January 2019. The Group apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. As a lessor or lessee, there will be no significant impact on the Group's consolidated financial statements.

IFRIC 23 – Uncertainty over Income Tax Treatments

In June 2017 the IASB issued IFRIC 23 – Uncertainty over income tax treatments to clarify how to apply the recognition and measurement requirements in IAS 12 when there is uncertainty over income tax treatments. The adoption of this interpretation does not have a significant impact on the Group's consolidated financial statements.

Amendments to IFRS 9 – Prepayment Features with Negative Compensation

In October 2017, the IASB amended IFRS 9 by issuing Prepayment Features with Negative Compensation. As a result of those amendments, particular financial assets with prepayment features that may result in reasonable negative compensation for the early termination of the contract are eligible to be measured at amortised cost or at fair value through other comprehensive income. The adoption of this amendment does not have a significant impact on the Group's consolidated financial statements.

Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23 – IASB Annual Improvements 2015 – 2017 Cycle

The IASB Annual Improvements 2015-2017 Cycle include a number of amendments to various IFRSs, including the amendments to IFRS 3 – Business Combinations, the amendments to IFRS 11 – Joint Arrangements, the amendments to IAS 12 – Income taxes and IAS 23 – Borrowing Costs. The adoption of the amendments does not have a significant impact on the Group's consolidated financial statements.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)

3 Statement of compliance (Continued)

- (b) Standards and amendments that are not yet effective and have not been adopted before their effective dates by the Group (Continued)

Amendments to IAS 28 – Long-term Interests in Associates and Joint Ventures

On 12 October 2017, the IASB issued amendments to IAS 28 – Investments in Associates and Joint Ventures to clarify that company's account for long-term interests in an associate or joint venture to which the equity method is not applied using IFRS 9. The adoption of the amendments does not have a significant impact on the Group's consolidated financial statements.

Amendments to IAS 19 – Employee benefits' regarding plan amendment, curtailment or settlement

On 8 February 2018, the IASB issued amendments to IAS 19 – Employee benefits' regarding plan amendment, curtailment or settlement to require an entity to determine the amount of any past service cost, or gain or loss on settlement by measuring the net defined benefit liability before and after the amendment, using current assumptions and the fair value of plan assets at the time of the amendment. The adoption of the amendments does not have a significant impact on the Group's consolidated financial statements.

- (c) Changes in accounting policies

The Group has adopted the revised IFRS 15 – Revenue issued by the IASB in May 2014 and the corresponding principles to prepare the consolidated financial statement for fiscal year 2018. The adoption of the above standards does not have a significant impact on the Group's consolidated financial statements.

The Group has adopted IFRS 9 – Financial Instruments issued by the IASB in July 2014 with a date of transition of 1 January 2018, which resulted in changes in accounting policies and adjustments to the amounts previously recognised in the consolidated financial statements. The Group did not early adopt any of IFRS 9 in previous periods.

As permitted by the transitional provisions of IFRS 9, the Group elected not to restate comparative figures. Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition were recognised in the opening retained earnings and other reserves of the current period.

Consequently, for notes disclosures, the consequential amendments to International Financial Reporting Standard 7 'Financial Instruments: Disclosures' (IFRS 7) have also only been applied to the current period. The comparative period notes disclosures repeat those disclosures made in the prior year.

The adoption of IFRS 9 has resulted in changes in the Group's accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7.

Further details of the specific IFRS 9 accounting policies applied in the current period are described in Note 4 (c).

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)

3 Statement of compliance (Continued)

(c) Changes in accounting policies (Continued)

(i) Classification and measurement of financial instruments

The measurement category and the carrying amount of financial assets in accordance with IAS 39 and IFRS 9 at 1 January 2018 are compared as follows:

IAS 39 Financial assets	IAS 39 Measurement category	IAS 39 Carrying amount	IFRS 9 Measurement category	IFRS 9 Financial assets	IFRS 9 Carrying amount
Cash and balances with central banks	Amortised cost	568,300	Amortised cost	Cash and balances with central banks	568,300
Deposits with banks and non-bank financial institutions	Amortised cost	124,350	Amortised cost	Deposits with banks and non-bank financial institutions	124,290
Placements with and loans to banks and non-bank financial institutions	Amortised cost	172,069	Amortised cost	Placements with and loans to banks and non-bank financial institutions	171,905
Financial assets at fair value through profit or loss	Financial assets at FVPL	60,129	Financial assets at FVPL	Financial investments	65,246
Derivative financial assets	Financial assets designated at FVPL	5,775	Financial assets designated at FVPL		658
Financial assets held under resale agreements	Financial assets at FVOCI	65,451	Financial assets at FVOCI	Derivative financial assets	65,451
Interest receivables	Amortised cost	54,626	Amortised cost	Financial assets held under resale agreements	54,589
Loans and advances to customers	Amortised cost	32,643	Amortised cost	Interest receivables	25,455
		3,105,984	Amortised cost	Loans and advances to customers	3,093,081
			Financial assets at FVOCI		5,903

IAS 39 Financial assets	IAS 39 Measurement category	IAS 39 Carrying amount	IFRS 9 Measurement category	IFRS 9 Financial assets	IFRS 9 Carrying amount
Available-for-sale financial assets	Financial assets at FVOCI	631,690	Financial assets at FVPL	Financial investments	131,547
			Amortised cost		105,573
			Financial assets at FVOCI		399,219
			Financial assets designated at FVOCI		605
Held-to-maturity investments	Amortised cost	216,586	Financial assets at FVPL	Financial investments	12,155
			Amortised cost		204,886
Investments classified as receivables	Amortised cost	331,118	Financial assets at FVPL	Financial investments	183,921
			Amortised cost		327,541
			Financial assets at FVOCI		24,679
Other financial assets	Amortised cost	263,133	Amortised cost	Other financial assets	25,813

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018

(Amounts in millions of Renminbi unless otherwise stated)

3 Statement of compliance (Continued)

(c) Changes in accounting policies (Continued)

(ii) Reconciliation of statement of financial position balances from IAS 39 to IFRS 9

The Group performed a detailed analysis of its business models for managing financial assets and analysis of their cash flow characteristics. The following table reconciles the carrying amounts of financial assets, from their previous measurement category in accordance with IAS 39 to their new measurement categories upon transition to IFRS 9 on 1 January 2018:

	IAS 39 Carrying amount 31 December 2017	Reclassification	Remeasurements	IFRS 9 Carrying amount 1 January 2018
Cash and balances with central banks				
Amortised cost	568,300	—	—	568,300
Deposits with banks and non-bank financial institutions				
Amortised cost	124,350	—	(60)	124,290
Placements with and loans to banks and non-bank financial institutions				
Amortised cost	172,069	—	(164)	171,905
Derivative financial assets				
At fair value through profit or loss	65,451	—	—	65,451
Financial assets held under resale agreements Amortised cost	54,626	—	(37)	54,589
Interest receivables				
Amortised cost	32,643	(6,164)	(1,024)	25,455
Loans and advances to customers				
Amortised cost	3,105,984	(5,908)	(6,995)	3,093,081
At fair value through other comprehensive income	—	5,908	(5)	5,903
Total	3,105,984	—	(7,000)	3,098,984

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)

3 Statement of compliance (Continued)

(c) Changes in accounting policies (Continued)

(ii) Reconciliation of statement of financial position balances from IAS 39 to IFRS 9 (Continued)

	IAS 39 Carrying amount 31 December 2017	Reclassification	Remeasurements	IFRS 9 Carrying amount 1 January 2018
Financial assets at fair value through profit or loss				
At fair value through profit or loss	60,129	(60,129)	—	—
Designated at fair value through profit or loss	5,775	(5,775)	—	—
Financial investments				
At fair value through profit or loss	—	65,246	—	65,246
Designated at fair value through profit or loss	—	658	—	658
Total	65,904	—	—	65,904
Available-for-sale financial assets				
At fair value through other comprehensive income	631,690	(631,690)	—	—
Financial investments				
At fair value through profit or loss	—	131,442	105	131,547
Amortised cost	—	100,451	5,122	105,573
At fair value through other comprehensive income	—	399,192	27	399,219
Designated at fair value through other comprehensive income	—	605	—	605
Total	631,690	—	5,254	636,944
Held-to-maturity investments				
Amortised cost	216,586	(216,586)	—	—
Financial investments				
At fair value through profit or loss	—	11,620	535	12,155
Amortised cost	—	204,966	(80)	204,886
Total	216,586	—	455	217,041
Investments classified as receivables				
Amortised cost	531,118	(531,118)	—	—
Financial investments				
At fair value through profit or loss	—	178,500	5,414	183,914
Amortised cost	—	327,517	24	327,541
At fair value through other comprehensive income	—	25,094	(415)	24,679
Total	531,118	—	5,023	536,141
Other financial assets				
Amortised cost	26,313	—	(500)	25,813

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)

3 Statement of compliance (Continued)

(c) Changes in accounting policies (Continued)

(iii) Reconciliation of impairment allowance balance from IAS 39 to IFRS 9

The following table reconciles the prior period's closing impairment allowance measured in accordance with the IAS 39 incurred loss model to the new impairment allowance measured in accordance with the IFRS 9 expected loss model at 1 January 2018:

	Allowance and provisions under IAS 39	Reclassification	Remeasurements	Allowance and provisions under IFRS 9
Deposits with banks and non-bank financial institutions	—	—	60	60
Placements with and loans to banks and non-bank financial institutions	1	—	164	165
Financial assets held under resale agreements	—	—	37	37
Interest receivables	3,946	—	1,024	4,970
Loans and advances to customers				
— Amortised cost	90,903	—	6,995	97,898
— At fair value through other comprehensive income	—	—	7	7
Available-for-sale financial assets	78	(78)	—	—
Investments classified as receivables	2,943	(2,943)	—	—
Financial investments				
— Amortised cost	—	2,684	360	3,044
— At fair value through other comprehensive income	—	337	613	950
Other financial assets	2,601	—	133	2,734
Subtotal	100,472	—	9,393	109,865
Off-balance sheet credit assets	402	—	4,155	4,557
Total	100,874	—	13,548	114,422

(iv) Financial assets that have been reclassified to the amortised cost category

For financial assets that have been reclassified to the amortised cost category, the following table shows their fair value as at 31 December 2018 and the fair value gain or loss that would have been recognised if these financial assets had not been reclassified as part of the transition to IFRS 9.

	31 December 2018
Reclassified into amortised cost	
From available-for-sale financial assets(IAS 39) reclassified to financial assets at amortised cost (IFRS 9)	
Fair values as at 31 December 2018	93,836
Fair value gain that would have been recognised during the year if the financial assets had not been reclassified	3,856

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)

4 Summary of significant accounting policies

(a) Consolidated financial statements

(i) Business combinations involving enterprises under common control

A business combination involving enterprises under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The assets and liabilities assumed are measured based on their carrying amounts in the financial statements of the acquiree at the combination date. The difference between the carrying amount of the net assets acquired and the consideration paid for the combination (or the total face value of shares issued) is adjusted against share premium in the capital reserve with any excess adjusted against retained earnings. The issuance costs of equity or debt securities as a part of the consideration for the acquisition are included in the carrying amounts of these equity or debt securities upon initial recognition. Other acquisition-related costs are expensed when incurred. The combination date is the date on which one combining enterprise obtains control of other combining enterprises.

(ii) Business combinations not involving entities under common control

A business combination involving entities not under common control is a business combination in which all of the combining entities are not ultimately controlled by the same party or parties before the business combination. Where (i) the aggregate of the acquisition date fair value of assets transferred (including the acquirer's previously held equity interest in the acquiree), liabilities incurred or assumed, and equity securities issued by the acquirer, in exchange for control of the acquiree, exceeds (ii) the acquirer's interest in the acquisition date fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill (Note 4(1)). If (i) is less than (ii), the difference is recognised in the consolidated statement of profit or loss for the current period. The issuance costs of equity or debt securities as a part of the consideration for the acquisition are included in the carrying amounts of these equity or debt securities upon initial recognition. Other acquisition-related costs are expensed as incurred. Any difference between the fair value and the carrying amount of the assets transferred as consideration is recognised in the consolidated statement of profit or loss. The acquiree's identifiable asset, liabilities and contingent liabilities, if the recognition criteria are met, are recognised by the Group at their acquisition date fair value. The acquisition date is the date on which the acquirer obtains control of the acquiree.

For a business combination not involving enterprises under common control and achieved in stages, the Group remeasures its previously-held equity interest in the acquiree to its fair value at the acquisition date. The difference between the fair value and the carrying amount is recognised as investment income for the current period; the amount recognised in other comprehensive income relating to the previously-held equity interest in the acquiree will be reclassified to profit or loss.

(iii) Consolidated financial statements

The scope of consolidated financial statements is based on control and the consolidated financial statements comprise the Bank and its subsidiaries, as well as structured entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Bank has power, only substantive rights (held by the Bank and other parties) are considered. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Non-controlling interest is presented separately in the consolidated statement of financial position within owners' equity. Profit or loss and total comprehensive income attributable to non-controlling equity holders are presented separately in the consolidated statement of profit or loss and other comprehensive income.

When the amount of loss for the current period attributable to the non-controlling interest of a subsidiary exceeds the non-controlling interest's portion of the opening balance of equity holders' equity of the subsidiary, the excess is allocated against the non-controlling interests.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018

(Amounts in millions of Renminbi unless otherwise stated)

4 Summary of significant accounting policies (Continued)

(a) Consolidated financial statements (Continued)

(iii) Consolidated financial statements (Continued)

When the accounting period or accounting policies of a subsidiary are different from those of the Bank, the Bank makes necessary adjustments to the financial statements of the subsidiary based on the Bank's own accounting period or accounting policies. Intra-group balances, transactions and cash flows, and any unrealised profits arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated only limited to the extent that this is no evidence of impairment.

Where a subsidiary was acquired during the reporting period, through a business combination involving enterprises under common control, the financial statements of the subsidiary are included in the consolidated financial statements as if the combination had occurred at the date the ultimate controlling party first obtained control. Therefore the opening balances and the comparative figures of the consolidated financial statements are restated.

Where a subsidiary was acquired during the reporting period, through a business combination not involving enterprises under common control, the identifiable assets and liabilities of the acquired subsidiaries are included in the scope of consolidation from the date that control commences, based on the fair value of those identifiable assets and liabilities at the acquisition date.

Where the Bank acquires a non-controlling interest from a subsidiary's non-controlling equity holders or disposes of a portion of an interest in a subsidiary without a change in control, the difference between the amount by which the non-controlling interests are adjusted and the amount of the consideration paid or received is adjusted to capital reserve (share premium) in the consolidated statement of financial position. If the credit balance of capital reserve (share premium) is insufficient, any excess is adjusted to retained earnings.

When the Group loses control of a subsidiary due to the disposal of a portion of an equity investment, the Group derecognises assets, liabilities, non-controlling interests and other related items in equity holders' equity in relation to that subsidiary. The remaining equity investment is remeasured at its fair value at the date when control is lost. Any gains or losses therefore incurred are recognised as investment income for the current period when the control is lost.

If there is a difference between the accounting entity of a Group and the accounting entity of the bank or a subsidiary on measuring the same transaction, the transaction will be adjusted from the perspective of the Group.

(b) Foreign currency translations

(i) Translation of foreign currency transactions

When the Group receives capital in foreign currencies from investors, the capital is translated to Renminbi at the spot exchange rate at the date of the receipt. Other foreign currency transactions are, on initial recognition, translated into Renminbi by applying the spot exchange rates at the dates of the transaction. Monetary items denominated in foreign currencies are translated to Renminbi at the spot exchange rate at the reporting date. The resulting exchange differences are recognised in the consolidated statement of profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated to Renminbi using the exchange rate at the transaction date. Non-monetary items that are measured at fair value in a foreign currency are translated using the foreign exchange rate at the date the fair value is determined. The differences arising from the translation of financial assets at fair value through other comprehensive income is recognised in other comprehensive income. Changes in the fair value of monetary assets denominated in foreign currency classified as financial assets at fair value through other comprehensive income are analysed between translation differences resulting from changes in the amortised cost of the monetary assets and other changes in the carrying amount. Translation differences related to changes in the amortised cost are recognised in the consolidated statement of profit or loss, and other changes in the carrying amount are recognised in other comprehensive income. The translation differences resulting from other monetary assets and liabilities are recognised in the consolidated statement of profit or loss.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)

4 Summary of significant accounting policies (Continued)

(b) Foreign currency translations (Continued)

(ii) Translation of financial statements denominated in foreign currency

Financial statements denominated in foreign currency are translated into Renminbi for the preparation of consolidated financial statements. The assets and liabilities in the financial statements denominated in foreign currency are translated into Renminbi at the spot exchange rates prevailing at the reporting date. The equity items, except for "retained earnings", are translated to Renminbi at the spot exchange rates at the dates on which such items arose. Income and expenses are translated at exchange rates at the date of the transactions, or a rate that approximates the exchange rates of the date of the transaction. The resulting exchange differences are recognised in other comprehensive income.

Upon disposal of a foreign operation, the cumulative amount of the translation differences recognised in equity holders' equity which relates to that foreign operation is transferred to profit or loss in the period in which the disposal occurs.

The effect of exchange rate changes on cash and cash equivalents held or due in a foreign currency are reported in the statement of cash flows.

(c) Financial instruments

IFRS 9 (applicable since 1 January 2018)

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell asset.

(i) Initial recognition and classification of financial instruments

Financial assets

Financial assets are classified on the basis of the Group's business model for managing the financial asset and the contractual cash flow characteristics of the financial assets:

- Fair value through profit or loss ("FVPL");
- Fair value through other comprehensive income ("FVOCI"); or
- Amortised cost

The business model adopted by the Group for managing its financial assets refers to how the Group manages its financial assets in order to generate cash flows. The business model determines whether the cash flows from the financial assets managed by the Group come from the collection of contractual cash flows, sale of financial assets or a combination of the two methods. In determining the business model for a group of financial assets, the Group considers various factors, including: past experience in collecting cash flows from this group of assets; how to assess the performance of this group of asset and report it to key management personnel; how to assess and manage risks are; and how to compensate people responsible for managing these assets, among others.

The contractual cash flow characteristics of financial assets refer to contractual terms as agreed in the financial instrument contracts that reflect the economic characteristics of the financial assets, i.e., the contractual cash flows arising at a specified date from the financial assets are solely payments of principal and interest on the principal amount outstanding. Of which, the principal is the fair value of the financial asset at initial recognition, and the amount of the principal may change over the life of the financial asset, if, e.g., there are repayments of principal; and the interest includes consideration for the time value of money, and credit risk, other basic lending risks and costs associated with holding the financial asset for a particular period of time.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The classification requirements for debt instruments and equity instruments are described below.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)

4 Summary of significant accounting policies (Continued)

(c) Financial instruments (Continued)

IFRS 9 (applicable since 1 January 2018) (Continued)

(i) Initial recognition and classification of financial instruments (Continued)

Financial assets (Continued)

Debt Instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective. Classification and subsequent measurement of debt instruments depend on: i) the Group's business model for managing the asset; and ii) the cash flow characteristics of asset.

Based on these factors, the Group classifies its debt instruments into one of the following three measurement categories:

- Amortised cost: Assets that are held for collection of contractual cashflows where those cash flows represent solely payments of principal and interest ("SPPI"), and that are not designated at FVPL, are measured at amortised cost.
- Fair value through other comprehensive income: Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at FVOCI.
- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL.

The Group may also irrevocably designate financial assets at fair value through profit or loss if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting the liabilities. A financial instrument is an equity instrument if, and only if, both conditions i) and ii) below are met:

- i) The financial instrument includes no contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Group; and
- ii) If the financial instrument will or may be settled in the Group's own equity instruments, it is a non-derivative instrument that includes no contractual obligations for the Group to deliver a variable number of its own equity instruments; or a derivative that will be settled only by the Group exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

Equity investments of the Group are measured at FVPL, except where the Group's management has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI. The Group's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. After designation, the fair value change is recognised in the other comprehensive income and it is not allowed to subsequently reclassify to profit or loss (including upon disposal). Impairment loss and reversal of impairment is not presented separately in the financial statement and is included in the fair value change. Dividend income as the return from investments is recognised by the Group when the right to receive is formed.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
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4 Summary of significant accounting policies (Continued)

(c) Financial instruments (Continued)

IFRS 9 (applicable since 1 January 2018) (Continued)

(i) Initial recognition and classification of financial instruments (Continued)

Financial liabilities

The Group's financial liabilities are classified into financial liabilities at FVPL and other financial liabilities carried at amortised cost on initial recognition. Financial liabilities at FVPL is applied to derivatives, financial liabilities held for trading and financial liabilities designated as such at initial recognition.

The Group may, at initial recognition, irrevocably designate a financial liability as measured at fair value through profit or loss when doing so results in more relevant information, because either:

- (i) it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- (ii) a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the Group is provided internally on that basis to the Group's key management personnel.

(ii) Measurement of financial assets

Initial measurement

Financial assets at FVPL are stated at fair value. Financial assets at fair value through profit or loss, transaction costs that are directly attributable to profit or loss. Financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets.

Subsequent measurement

Subsequent measurement of financial assets depends on the categories:

Financial assets measured at amortised cost

The amortised cost is the amount at which the financial asset is measured at initial recognition: i) minus the principal; ii) plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and maturity amount; iii) for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance). The calculation does not consider expected credit losses (ECL) and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate. For purchased or originated credit-impaired (POCI) financial assets – assets that are credit-impaired at initial recognition – the Group calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of ECL in estimated future cash flows.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018

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4 Summary of significant accounting policies (Continued)

(c) Financial instruments (Continued)

IFRS 9 (applicable since 1 January 2018) (Continued)

(ii) Measurement of financial assets (Continued)

Subsequent measurement (Continued)

Financial assets measured at amortised cost (Continued)

Interest income is calculated by applying the effective interest rate to the carrying amount of a financial asset, except for:

- i) a POCI financial asset, whose interest income is calculated, since initial recognition, by applying the credit-adjusted effective interest rate to its amortised cost; and
- ii) a financial assets that is not a POCI financial asset but has subsequently become credit-impaired, whose interest income is calculated by applying the effective interest rate to its amortised cost. If, in a subsequent period, the financial asset improves its quality so that it is no longer credit-impaired and the improvement in credit quality can be related objectively to a certain event occurring after the application of the above-mentioned rule, then the interest income can again be calculated by applying the effective interest rate to its gross carrying amount. Interest income from these financial assets is included in 'interest income' using the effective interest rate method.

For floating-rate financial assets and floating-rate financial liabilities, periodic re-estimation of cash flows to reflect the movements in the market rates of interest alters the effective interest rate. If a floating-rate financial asset or a floating rate financial liability is recognised initially at an amount equal to the principal receivable or payable on maturity, re-estimating the future interest payments normally has no significant effect on the carrying amount of the asset or the liability.

If the Group revises its estimates of payments or receipts, the difference between the gross carrying amount of the financial asset or amortised cost of a financial liability calculated from revised estimated contractual cash flows and the present value of the estimated future contractual cash flows that are discounted at the financial instrument's original effective interest rate should be recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Debt instruments

Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss.

When the financial assets is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in 'Net investment income'. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

Equity instruments

Where an investment in an equity investment not held for trading is designated as a financial asset measured at fair value through other comprehensive income, the fair value changes of the financial asset is recognised in the other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from other comprehensive income to retained earnings. The dividends on the investment are recognised in profit or loss only when the Group's right to receive payment of the dividends is established.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
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4 Summary of significant accounting policies (Continued)

(c) Financial instruments (Continued)

IFRS 9 (applicable since 1 January 2018) (Continued)

(ii) Measurement of financial assets (Continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are stated at fair value and a gain or loss on a financial assets that is measured at fair value should be recognised in profit or loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are measured at fair value with all gains or losses recognised in the profit or loss of the current period, except for financial liabilities designated as at fair value through profit or loss, where gains or losses on the financial liabilities are treated as follows:

- changes in fair value of such financial liabilities due to changes in the Group's own credit risk are recognised in other comprehensive income; and
- other changes in fair value of such financial liabilities are recognised in profit or loss of the current period.

(iii) Impairment of financial assets

The Group assesses on a forward-looking basis the ECL associated with its debt instrument assets carried at amortised cost and FVOCI and with exposure arising from loan commitments, financial guarantee contracts and lease receivables.

ECL is the weighted average of credit losses with the respective risks of a default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, i.e. all cash shortfalls, discounted at the original effective interest rate (or credit-adjusted effective interest rate for POCI financial assets).

The Group measures ECL of a financial instrument in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Detailed information about ECL in the above areas is set out in note 61(a).

The Group applies the impairment requirements for the recognition and measurement of a loss allowance for debt instruments that are measured at fair value through other comprehensive income. The loss allowance is recognised in other comprehensive income and the impairment loss is recognised in profit or loss, and it should not reduce the carrying amount of the financial asset in the consolidated statement of financial position.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the credit risk on the financial instruments has increased significantly since initial recognition, is no longer met, the Group measures the loss allowance at an amount equal to 12-months ECL at the current reporting date, and the amount of ECL reversal is recognised in profit or loss.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
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4 Summary of significant accounting policies (Continued)

(c) Financial instruments (Continued)

IFRS 9 (applicable since 1 January 2018) (Continued)

(iii) Impairment of financial assets (Continued)

At the reporting date, the Group only recognises the cumulative changes in lifetime ECL since initial recognition as a loss allowance for POCI financial assets. At each reporting date, the Group recognises in profit or loss the amount of the changes in lifetime ECL as an impairment gain or loss.

(iv) Modification of loans

The Group sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the Group assesses whether or not the new terms are substantially different to the original terms. The Group does this by considering, among others, the following factors:

- If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay.
- Whether any substantial new terms are introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan.
- Significant extension of the loan term when the borrower is not in financial difficulty.
- Significant change in the interest rate.
- Change in the currency the loan is denominated in.
- Insertion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan.

If the terms are substantially different, the Group derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Group also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on derecognition.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Group recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for POCI financial assets).

(v) Derivatives and hedges

Derivatives are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at fair value. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Certain derivatives are embedded in hybrid contracts, such as the conversion option in a convertible bond. If the hybrid contract contains a host that is a financial asset, then the Group assesses the entire contract as described in the financial assets section above for classification and measurement purposes. Otherwise, the embedded derivatives are treated as separate derivatives when:

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For the year ended 31 December 2018
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4 Summary of significant accounting policies (Continued)

(c) Financial instruments (Continued)

IFRS 9 (applicable since 1 January 2018) (Continued)

(v) Derivatives and hedges (Continued)

- Their economic characteristics and risks are not closely related to those of the host contract;
- A separate instrument with the same terms would meet the definition of a derivative; and
- The hybrid contract is not measured at fair value through profit or loss.

These embedded derivatives are separately accounted for at fair value, with changes in fair value recognised in the statement of profit or loss unless the Group chooses to designate the hybrid contracts at fair value through profit or loss.

The method of recognising the resulting fair value gain or loss depends on whether the derivative is designated and qualifies as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as hedges of the fair value of recognised assets or liabilities or firm commitments for fair value hedges.

The Group documents, at the inception of the hedge, the relationship between hedged items and hedging instruments, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit or loss, together with changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity and recorded as net interest income.

(vi) Derecognition of financial assets

Financial assets

The Group derecognises a financial asset only when (1) the contractual rights to the cash flows from the asset expire, or (2) when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity, or (3) when it transfers the financial asset and gives up the control of the transferred assets though the Group neither transfers nor retains substantially all the risks and rewards of ownership.

Where a transfer of a financial asset in its entirety meets the criteria for de-recognition, the difference between the two amounts below is recognised in the consolidated statement of profit and loss:

the carrying amount of the financial asset transferred;

the sum of the consideration received from the transfer and the cumulative gain or loss that has been recognised directly in equity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
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4 Summary of significant accounting policies (Continued)

(c) Financial instruments (Continued)

IFRS 9 (applicable since 1 January 2018) (Continued)

(vi) Derecognition of financial assets (Continued)

Financial liabilities

Financial liabilities are derecognised when the related obligation is discharged, is cancelled or expires. An agreement between the Group and an existing lender to exchange the original financial liability with a new financial liability with substantially different terms, or a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated statement of profit and loss.

(vii) Securitisation

As part of its operations, the Group securitises financial assets, generally through the sale of these assets to structured entities which issue securities to investors. When the securitisation of financial assets that qualify for de-recognition, the relevant financial assets are de-recognised in their entirety and a new financial asset or liabilities is recognised regarding the interest in the unconsolidated securitisation vehicles that the Group acquired. When the securitisation of financial assets that do not qualify for de-recognition, the relevant financial assets are not derecognised, and the consideration paid by third parties are recorded as a financial liability. When the securitisation of financial assets that partially qualify for de-recognition, where the Group has not retained control, it derecognises these financial assets and recognises separately as assets or liabilities any rights and obligations created or retained in the transfer. Otherwise the Group continues to recognise these financial assets to the extent of its continuing involvement in the financial asset.

(viii) Sales of assets on condition of repurchase

De-recognition of financial assets sold on condition of repurchase is determined by the economic substance of the transaction. If a financial asset is sold under an agreement to repurchase the same or substantially the same asset at a fixed price or at the sale price plus a reasonable return, the Group will not derecognise the asset. If a financial asset is sold together with an option to repurchase the financial asset at its fair value at the time of repurchase (in case of transferor sells such financial asset), the Group will derecognise the financial asset.

(ix) Presentation of financial assets and financial liabilities

Financial assets and financial liabilities are presented separately in the consolidated statement of financial position and are not offset. However, financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position only if the Group has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis, or by realising the asset and settling the liability simultaneously.

(x) Financial assets held under resale and financial assets sold under repurchase agreements

Financial assets held under resale agreements are transactions which the Group acquires financial assets which will be resold at a predetermined price in the future date under resale agreements. Financial assets sold under repurchase agreements are transactions which the Group sells financial assets which will be repurchased at a predetermined price in the future date under repurchase agreements.

Cash advanced or received is recognised as amounts held under resale and repurchase agreements on the consolidated statement of financial position. Assets held under resale agreements are recorded in memorandum accounts as off-balance sheet items. Assets sold under repurchase agreements continue to be recognised in the consolidated statement of financial position.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
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4 Summary of significant accounting policies (Continued)

(c) Financial instruments (Continued)

IFRS 9 (applicable since 1 January 2018) (Continued)

(x) Financial assets held under resale and financial assets sold under repurchase agreements (Continued)

The difference between the resale and repurchase consideration, and that between the purchase and sale consideration, should be expired over the period of the respective transaction using the effective interest method and are included in interest expense and interest income, respectively.

(xi) Equity instrument

The consideration received from the issuance of equity instruments net of transaction costs is recognised in equity. Consideration and transaction costs paid by the Bank for repurchasing self-issued equity instruments are deducted from equity holder's equity.

IAS 39 (applicable until 31 December 2017)

(i) Classification

The Group classifies financial instruments into different categories at inception, depending on the purpose for which the assets were acquired or the liabilities were incurred, and on the contractual terms of the financial instruments. The categories are: financial assets and financial liabilities at fair value through profit or loss, held-to-maturity investments, loans and receivables, available-for-sale financial assets and other financial liabilities.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include those classified as held for trading, and those designated by the Group upon recognition as at fair value through profit or loss.

A financial asset is classified as held for trading if it is: (i) acquired or incurred principally for the purpose of selling or repurchasing it in the near term; (ii) part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or (iii) a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Financial assets are designated at fair value through profit or loss upon initial recognition when: (i) the financial assets are managed, evaluated and reported internally on a fair value basis; (ii) the designation eliminates or significantly reduces an accounting mismatch in the gain and loss recognition arising from the difference in measurement bases of the financial assets; or (iii) a contract contains one or more embedded derivatives, i.e. an entire hybrid (combined) contract, unless: (i) the embedded derivative does not significantly modify the cash flows that otherwise would be required by the hybrid (combined) contract; or (ii) it is clear with little or no analysis when a similar hybrid (combined) instrument is first considered that separation of the embedded derivative is prohibited.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets, quoted in an active market, with fixed or determinable payments and fixed maturity that the Group has the positive intention and ability to hold to maturity, other than: (i) those that the Group, upon initial recognition, designates as financial assets at fair value through profit or loss or as available-for-sale financial assets; (ii) those that meet the definition of loans and receivables.

Chapter 10 Notes to the Consolidated Financial Statements

*For the year ended 31 December 2018
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4 Summary of significant accounting policies (Continued)

(c) Financial instruments (Continued)

IAS 39 (applicable until 31 December 2017) (Continued)

(i) Classification (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than: (i) those that the Group intends to sell immediately or in the near term, which will be classified as held for trading; (ii) those that the Group, upon initial recognition, designates as financial assets at fair value through profit or loss or as available-for-sale financial assets. Loans and receivables mainly comprise balances with central banks, deposits and placements with and loans to banks and non-bank financial institutions, financial assets held under resale agreements, investments classified as receivables, and loans and advances to customers.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified as: (i) financial assets at fair value through profit or loss, (ii) held-to-maturity investments or (iii) loans and receivables.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include those classified as held for trading, and those designated by the Group upon recognition as at fair value through profit or loss.

A financial liability is classified as held for trading if it is: (i) acquired or incurred principally for the purpose of selling or repurchasing it in the near term; (ii) part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or (iii) a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Financial liabilities are designated at fair value through profit or loss upon initial recognition when: (i) the financial liabilities are managed, evaluated and reported internally on a fair value basis; (ii) the designation eliminates or significantly reduces an accounting mismatch in the gain and loss recognition arising from the difference in measurement bases of the financial liabilities; or (iii) a contract contains one or more embedded derivatives, i.e. an entire hybrid (combined) contract, unless: (i) the embedded derivative does not significantly modify the cash flows that otherwise would be required by the hybrid (combined) contract; or (ii) it is clear with little or no analysis when a similar hybrid (combined) instrument is first considered that separation of the embedded derivative is prohibited.

Other financial liabilities

Other financial liabilities are financial liabilities other than those at fair value through profit or loss, and mainly comprise borrowings from central banks, deposits and placements from banks and non-bank financial institutions, financial assets sold under repurchase agreements, deposits from customers and debts securities issued.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
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4 Summary of significant accounting policies (Continued)

(c) Financial instruments (Continued)

IAS 39 (applicable until 31 December 2017) (Continued)

(ii) Derivatives and embedded derivatives

Derivatives mainly include forward and swap contracts in foreign currency market and interest rate market. The Group enters into derivatives to hedge its exposure on foreign exchange and interest rate risks; and for customer initiated transactions. The Group adopts hedge accounting in accordance with Note 4(c)(ix) for derivatives designated as hedging instruments if the hedge is effective. Other derivatives are accounted for as trading financial assets or financial liabilities. Derivatives are recognised at fair value upon initial recognition. Positive fair value is recognised as assets while the negative fair value is recognised as liabilities. Gain or loss on re-measurement to fair value is recognised immediately in the consolidated statement of profit or loss.

Certain derivative is embedded into a non-derivative instrument (the host contract). The embedded derivatives are separated from the host contract and accounted for as a derivative when (i) the economic characteristics and risks of the embedded derivative are not closely related to the host contract; (ii) a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and (iii) the hybrid (combined) instrument is not measured at fair value with changes in fair value recognised in the consolidated statement of profit or loss. When the embedded derivative is separated, the host contract is accounted for in accordance with Note 4 (c)(i).

(iii) Recognition and de-recognition

All financial assets and financial liabilities are recognised in the consolidated statement of financial position, when and only when, the Group becomes a party to the contractual provisions of the instrument.

Financial assets

The Group derecognises a financial asset if the part being considered for derecognition meets one of the following conditions: (i) the contractual rights to receive the cash flows from the financial asset expired; (ii) the contractual rights to receive the cash flows of the financial asset have been transferred and the Group transfers substantially all the risks and rewards of ownership of the financial asset; or (iii) the Group neither transfers nor retains substantially all the risks and rewards of ownership but does not continue to control the transferred asset.

Where a transfer of a financial asset in its entirety meets the criteria for de-recognition, the difference between the two amounts below is recognised in the consolidated statement of profit or loss:

- the carrying amount of the financial asset transferred;
- the sum of the consideration received from the transfer and any cumulative gain or loss that has been recognised directly in equity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
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4 Summary of significant accounting policies (Continued)

(c) Financial instruments (Continued)

IAS 39 (applicable until 31 December 2017) (Continued)

(iii) Recognition and de-recognition (Continued)

Securitisation

As part of its operations, the Group securitises financial assets, generally through the sale of these assets to structured entities which issue securities to investors. Further details on prerequisites for de-recognition of financial assets are set out above. When the securitisation of financial assets that qualify for de-recognition, the relevant financial assets are de-recognised in their entirety and a new financial asset or liabilities is recognised regarding the interest in the unconsolidated securitisation vehicles that the Group acquired. When the securitisation of financial assets that do not qualify for de-recognition, the relevant financial assets are not derecognised, and the consideration paid by third parties are recorded as a financial liability; when the securitisation of financial assets that partially qualify for de-recognition, where the Group has not retained control, it derecognises these financial assets and recognises separately as assets or liabilities any rights and obligations created or retained in the transfer. Otherwise the Group continues to recognise these financial assets to the extent of its continuing involvement in the financial asset.

Sales of assets on condition of repurchase

De-recognition of financial assets sold on condition of repurchase is determined by the economic substance of the transaction. If a financial asset is sold under an agreement to repurchase the same or substantially the same asset at a fixed price or at the sale price plus a reasonable return, the Group will not derecognise the asset. If a financial asset is sold together with an option to repurchase the financial asset at its fair value at the time of repurchase (in case of transferor sells such financial asset), the Group will derecognise the financial asset.

Financial liability

Financial liability is derecognised only when: (i) the underlying present obligation specified in the contracts is discharged/cancelled, or (ii) an agreement between the Group and an existing lender to exchange the original financial liability with a new financial liability with substantially different terms, or a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the consolidated statement of profit or loss.

(iv) Measurement

Financial instruments are measured initially at fair value plus or minus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the instruments. Transaction costs for financial instruments at fair value through profit or loss are expensed immediately.

Subsequent to initial recognition, held-to-maturity investments, loans and receivables and other financial liabilities are measured at amortised cost under effective interest rate method, while other categories of financial instruments are measured at fair value. Investments in available-for-sale equity instruments that do not have a quoted market price in an active market and fair value cannot be reliably measured are measured at cost.

Gain or loss on a financial instrument classified as at fair value through profit or loss is recognised in the consolidated statement of profit or loss.

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4 Summary of significant accounting policies (Continued)

(c) Financial instruments (Continued)

IAS 39 (applicable until 31 December 2017) (Continued)

(iv) Measurement (Continued)

Gain or loss on an available-for-sale financial asset is recognised directly as other comprehensive income, except for impairment losses and foreign exchange gains or losses arising from the amortised cost portion of monetary financial assets which are recognised directly in the consolidated statement of profit or loss. When the financial asset is derecognised, at which time the cumulative gains or losses previously recognised in other comprehensive income are removed from other comprehensive income and recognised in the consolidated statement of profit or loss. Interest on available-for-sale financial assets calculated using the effective interest method is recognised in the consolidated statement of profit or loss. Dividend income from the available-for-sale equity instruments is recognised in the consolidated statement of profit or loss when the investee declares the dividends.

When the available-for-sale financial assets are sold, gains or losses on disposal include the difference between the net sale proceeds and the carrying value, and the accumulated fair value adjustments which are previously recognised in other comprehensive income shall be reclassified from other comprehensive income to the profit or loss.

For financial instrument carried at amortised cost, a gain or loss is recognised in the consolidated statement of profit or loss when the financial instrument is derecognised, impaired, or through the amortisation process.

(v) Impairment

The Group assesses at the reporting date the carrying amount of a financial asset (other than those at fair value through profit or loss). If there is objective evidence that the financial asset is impaired, the Group will recognise the impairment loss in the consolidated statement of profit or loss.

Objective evidence that a financial asset is impaired included but is not limited to:

- significant financial difficulty of the borrower or issuer;
- a breach of contract by the borrower or issuer, such as a default or delinquency in interest or principal payments;
- the Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the Group would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganisations;
- disappearance of an active market for that financial asset because of financial difficulties of the issuer;
- observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including: adverse changes in the payment status of borrowers in the group, an increase in the unemployment rate in the geographical area of the borrowers, a decrease in property prices for mortgages in the relevant area, or adverse changes in industry conditions that affect the borrowers in the group;
- significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the borrower or issuer operates, indicating that the advances to borrowers or the cost of an investment in an equity instrument may not be recovered;

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For the year ended 31 December 2018
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4 Summary of significant accounting policies (Continued)

(c) Financial instruments (Continued)

IAS 39 (applicable until 31 December 2017) (Continued)

(v) Impairment (Continued)

- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost; and
- other objective evidence indicating there is an impairment of a financial asset.

The Group first assesses whether objective evidence of impairment exists individually for all corporate loans, investments classified as receivables, available-for-sale financial assets and held-to-maturity investments, and collectively for the remainder of financial assets (other than those at fair value through profit or loss). If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Financial assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in collective assessment of impairment.

Impairment of financial assets carried at amortised cost

For financial assets carried at amortised cost, including loans and advances to customers, investments classified as receivables and held-to-maturity investments, an impairment loss is recognised in the consolidated statement of profit or loss when there is objective evidence that the assets are impaired. The impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. For financial assets with variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

The calculation of present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that are expected to result from foreclosure, less the cost of obtaining and selling the collateral.

Financial assets will be grouped according to the similarities of credit risk characteristics during the portfolio assessment of impairment. These credit risk characteristics are usually related to the future cash flow measurement of the asset being inspected, reflecting the debtor's ability to repay all due amounts in accordance with the contractual terms of these assets.

Impairment reversal and written-off

If, in a subsequent period, the amount of the impairment loss on financial assets carried at amortised cost including loans and advances to customers, Investments classified as receivables and held-to-maturity investments decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. The reversal shall not result in a carrying amount of the financial asset that exceeds the amortised cost at the date of the reversal, had the impairment not been recognised. The amount of the reversal is recognised in the consolidated statement of profit or loss.

When the Group determines that a financial asset carried at amortised cost has no reasonable prospect of recovery after the Group has completed all the necessary legal or other proceedings, the financial asset carried at amortised cost is written off against its allowance for impairment losses. If in a subsequent period the financial asset carried at amortised cost written off is recovered, the amount recovered will be recognised in the consolidated statement of profit or loss through impairment losses.

Chapter 10 Notes to the Consolidated Financial Statements

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4 Summary of significant accounting policies (Continued)

(c) Financial instruments (Continued)

IAS 39 (applicable until 31 December 2017) (Continued)

(v) Impairment (Continued)

Rescheduled loans

Rescheduled loans are loans that have been rescheduled due to deterioration in the borrower's financial position and where the Group has made concessions that it would not otherwise consider. Where possible, the Group seeks to reschedule loans rather than to take possession of collateral. This may involve the agreement of new loan conditions. The Group has analysed de-recognition of rescheduled loans in accordance with Note 4 (c)(iii). Management continuously reviews rescheduled loans to ensure that all criteria are met and that future payments are likely to occur. The loans continue to be subject to individual or collective impairment assessment, and the impairment allowance is calculated using the loan's original effective interest rate.

Available-for-sale financial assets

When an available-for-sale financial asset is impaired, the cumulative loss arising from decline in fair value that had been recognised directly in other comprehensive income is removed from other comprehensive income and recognised in the consolidated statement of profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is removed from other comprehensive income is the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment loss on that financial asset previously recognised in the consolidated statement of profit or loss. For equity investments, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the consolidated statement of profit or loss, is removed from equity and recognised in the consolidated statement of profit or loss.

A significant or prolonged decline in the fair value of an equity instrument is an objective indicator of impairment of available-for-sale equity instrument. The Group separately checks all available-for-sale equity investments at reporting date. If a decline in the fair value of an equity instrument is below its initial cost by 50% or more, or fair value is below cost for one year or longer at reporting date, it indicates that such an equity instrument is impaired. If such a decline in fair value is below its initial cost by 20% or more but not up to 50% at reporting date, the Group takes other factors such as price volatility into consideration to judge whether the equity instrument is impaired.

If, in a subsequent period, the fair value of available-for-sale financial assets increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the consolidated statement of profit or loss, the impairment loss shall be treated in accordance with following principle:

- impairment loss on debt instruments classified as available-for-sale should be reversed, with the amount of the reversal recognised profit or loss;
- impairment loss on equity instruments classified as available-for-sale should not be reversed through profit or loss, and any subsequent increase in the fair value of such assets is recognised directly in equity;
- impairment loss of available-for-sale equity investments carried at cost should not be reversed through the consolidated statement of profit or loss.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
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4 Summary of significant accounting policies (Continued)

(c) Financial instruments (Continued)

IAS 39 (applicable until 31 December 2017) (Continued)

(vi) Presentation of financial assets and financial liabilities

Financial assets and financial liabilities are presented separately in the consolidated statement of financial position and are not offset. However, financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position only if the Group has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis, or by realising the asset and settling the liability simultaneously.

(vii) Financial assets held under resale and financial assets sold under repurchase agreements

Financial assets held under resale agreements are transactions which the Group acquires financial assets which will be resold at a predetermined price in the future date under resale agreements. Financial assets sold under repurchase agreements are transactions which the Group sells financial assets which will be repurchased at a predetermined price in the future date under repurchase agreements.

Cash advanced or received is recognised as amounts held under resale and repurchase agreements on the consolidated statement of financial position. Assets held under resale agreements are recorded in memorandum accounts as off-balance sheet items. Assets sold under repurchase agreements continue to be recognised in the statement of financial position.

The difference between the resale and repurchase consideration, and that between the purchase and sale consideration, should be expired over the period of the respective transaction using the effective interest method and are included in interest expense and interest income, respectively.

(viii) Equity instrument

The consideration received from the issuance of equity instruments net of transaction costs is recognised in equity. Consideration and transaction costs paid by the Bank for repurchasing self-issued equity instruments are deducted from equity holders' equity.

(ix) Hedging

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item is being hedged. The Group designates certain derivatives as hedges of the fair value of recognised assets or liabilities (fair value hedge).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values of hedged items.

Fair value hedges

Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recorded in the consolidated statement of profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
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4 Summary of significant accounting policies (Continued)

(d) Precious metals

Precious metals comprise gold and other precious metals. Precious metals that are not related to the Group's precious metals trading activities are initially measured at acquisition cost and subsequently measured at the lower of cost and net realisable value. Precious metals acquired by the Group for trading purposes and precious metals leasing are initially measured at fair value and subsequent changes in fair value are recorded in the consolidated statement of profit or loss.

(e) Interests in subsidiaries

In the Bank's consolidated statement of financial position, interests in subsidiaries are accounted for using the cost less impairment losses (see Note 4 (n)). Cost includes direct attributable costs of investment. Dividends declared by subsidiaries are recognised in investment income.

Determination of investment cost

For long-term equity investments acquired through a business combination: for long-term equity investments acquired through a business combination involving enterprises under common control, the investment cost shall be the absorbing party's share of the carrying amount of owners' equity of the party being absorbed at the combination date; for long-term equity investment acquired through a business combination involving enterprises not under common control, the investment cost shall be the combination cost.

For long-term equity investments acquired not through a business combination: for long-term equity investment acquired by payment in cash, the initial investment cost shall be the purchase price actually paid; for long-term equity investments acquired by issuing equity securities, the initial investment cost shall be the fair value of the equity securities issued.

(f) Interests in associates and joint ventures

An associate is an entity over which the Group has significant influence. A joint venture is an arrangement whereby the Group and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

When acquiring associates and joint ventures, the Group recognises as initial investment cost in the principle which: for the investments obtained by making payment in cash, the Group recognises the purchase cost which is actually paid as initial investment costs; for the investments obtained by equity securities, the Group recognises the fair value of the equity securities issued as initial investment cost.

An investment in an associate or a joint venture is accounted for using the equity method, unless the investment is classified as held for sale.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
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4 Summary of significant accounting policies (Continued)

(f) Interests in associates and joint ventures (Continued)

The Group adopts the following accounting treatments when using the equity method:

- Where the initial investment cost of an associate or joint venture exceeds the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at the initial investment cost. Where the initial investment cost is less than the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at the investor's share of the fair value of the investee's identifiable net assets, and the difference is charged to profit or loss.
- After the acquisition of the investment, the Group recognises its share of the investee's profit or loss and other comprehensive income as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly. Once the investee declares any cash dividends or profit distributions, the carrying amount of the investment is reduced by that amount attributable to the Group. Changes in the Group's share of the investee's owners' equity, other than those arising from the investee's profit or loss, other comprehensive income or profit distribution, is recognised in the Group's equity, and the carrying amount of the investment is adjusted accordingly.
- The Group recognises its share of investee's profits or losses, other comprehensive income and other changes in equity holders' equity after making appropriate adjustments to align the accounting policies or accounting periods with those of the Group based on the fair value of the investee's identifiable net assets at the date of acquisition. Unrealised profits and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interests in the associates or joint ventures. When an entity in the Group transacts with the Group's associate, profits and losses resulting from the transaction are recognised in the Group's consolidated financial statements only to the extent of the interest in the associate that are not related to the Group. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.
- The Group discontinues recognising its share of net losses of investees after the carrying amount of investment to the associates and joint ventures and any long-term interest that in substance forms part of the Group's net interest in the associates and joint ventures are reduced to zero, except to the extent that the Group has an obligation to assume additional losses. Additional loss is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate. Where profits are subsequently made by the associates and joint ventures, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Significant influence is the power to participate in the financial and operating policy decisions of an investee but does not have control or joint control over those policies.

The Group makes provisions for impairment of interests in associates and joint ventures in accordance with the principles described in Note 4 (n).

(g) Property, plant and equipment

Property, plant and equipment is asset held by the Group for the conduct of business and is expected to be used for more than one year. Construction-in-progress, an item of property, represents property under construction and is transferred to property when ready for its intended use.

Chapter 10 Notes to the Consolidated Financial Statements

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4 Summary of significant accounting policies (Continued)

(g) Property, plant and equipment

(i) Cost

Property, plant and equipment is stated at cost upon initial recognition. Costs of a purchased property, plant and equipment comprise purchase price, related taxes, and any directly attributable expenditures for bringing the asset to working condition for its intended use. Costs of a self-constructed property, plant and equipment comprise construction materials, direct labor costs and those expenditures necessarily incurred for bringing the asset to working condition for its intended use.

Subsequent to initial recognition, property, plant and equipment is stated at cost less accumulated depreciation and impairment losses.

Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

(ii) Subsequent costs

The Group recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the consolidated statement of profit or loss as an expense when incurred.

(iii) Depreciation

Depreciation is calculated to write off the cost, less residual value if applicable, of property, plant and equipment and is charged to profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives are as follows:

	Estimated useful lives	Estimated residual value	Depreciation rate
Buildings	30 – 35 years	0%-5%	2.71%-3.33%
Computer equipment and others	3 – 10 years	0%-10%	9.00%-33.33%

No depreciation is provided in respect of construction in progress.

The residual value and useful lives of assets are reviewed, and adjusted if appropriate, as of each reporting date.

(iv) Impairment

Impairment losses on property, plant and equipment are accounted for in accordance with the accounting policies as set out in Note 4 (n).

(v) Disposal and retirement

Gains or losses arising from the disposal or retirement of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit or loss on the date of disposal or retirement.

Chapter 10 Notes to the Consolidated Financial Statements

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4 Summary of significant accounting policies (Continued)

(h) Land use rights

Land use rights are stated at cost less amortisation and included under other assets. Land use rights are amortised on a straight-line basis over the respective periods of grant. When the costs attributable to the land use rights cannot be reliably measured and separated from that of the building at inception, the costs are included in the cost of buildings and recorded in property, plant and equipment.

Impairment loss on land use rights is accounted for in accordance with the accounting policies as set out in Note 4 (n).

(i) Intangible assets

Intangible assets are initially recognised at cost. The cost less estimated net residual values (if any) of the intangible assets is amortised on a straight-line basis over their useful lives, and charged to profit or loss. Impaired intangible assets are amortised net of accumulated impairment losses.

Impairment loss on intangible assets is accounted for in accordance with the accounting policies as set out in Note 4 (n). Impaired intangible assets are amortised net of accumulated impairment losses.

Intangible assets which are not yet available for use should be estimated at least at each financial year-end, even if there was no indication that the assets were impaired.

(j) Investment properties

Investment properties are land and/or buildings which are owned and/or held under a leasehold interest to earn rental income and/or for capital appreciation.

The Group's investment properties are accounted for using the fair value model for subsequent measurement when either of the following conditions is met:

- There is an active property market in the location in which the investment property is situated;
- The Group can obtain the market price and other relevant information regarding the same type of or similar properties from the property market, so as to reasonably estimate the fair value of the investment property.

Investment properties are stated at fair value in the consolidated statement of financial position. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in the consolidated statement of profit or loss.

When there is a change in use of properties from owner-occupation to earn rentals or for capital appreciation, the investment property transferring from property, plant and equipment or intangible assets is measured at fair value on the date of transfer. If the fair value on the transferred investment property is lower than the carrying amount of property, plant and equipment or intangible assets on the date of transfer, the difference is recognised in profit or loss, otherwise in the comprehensive income.

When an investment property is sold, transferred, retired or damaged, the Group recognises the amount of any proceeds on disposal, net of the carrying amount and related expenses, in the consolidated statement of profit and loss.

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4 Summary of significant accounting policies (Continued)

(k) Lease

A lease is classified as either a finance lease or an operating lease. A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of a leased asset to the lessee, irrespective of whether the legal title to the asset is eventually transferred. An operating lease is a lease other than a finance lease.

(i) Finance leases

Where the Group is a lessor under finance leases, an amount representing the sum of the minimum lease receipts and unguaranteed residual value, net of initial direct costs, all discounted at the implicit lease rate (the "net lease investment"), is included in "loans and advances to customers" on consolidated statement of financial position as a finance lease receivable. At the commencement of the lease term, the Group recognises the aggregate of the minimum lease receipts determined at the inception of a lease and the initial direct costs as finance lease receivable. The difference between the net lease investment and the aggregate of their present value is recognised as unearned finance income which is included in "loans and advances to customers" as well. Unrecognised finance income under finance leases is amortised using the effective interest rate method over the lease term. Hire purchase contracts having the characteristics of finance leases are accounted for in the same manner as finance leases.

Impairment losses are accounted in accordance with the accounting policies as set out in Note 4 (c)(v).

When the Group is a lessee under finance leases, an amount equal to the lower of the fair value of the leased asset and the present value of the minimum lease payments, each determined at the inception of the lease, is included in "property, plant and equipment" on the consolidated statement of financial position as a leased asset. An amount equals to the minimum lease payments is included in "other liabilities" on the consolidated statement of financial position recognised as a long-term payable. The difference between the recorded amount of the leased asset and the recorded amount of the payable shall be accounted for as unrecognised finance charge. The Group recognises financial charge for the current period using the effective interest method.

Depreciation policies are accounted in accordance with the accounting policies as set out in Note 4 (g) and impairment losses are accounted in accordance with the accounting policy as set out in Note 4 (n). If there is a reasonable certainty that the lessee will obtain ownership of the leased asset by the end of the lease term, the leased asset should be depreciated over its useful life. Otherwise, leased asset is depreciated over the shorter of the lease term and its estimated useful life.

(ii) Operating leases

Where the Group leases out assets under operating leases, the assets are included in the consolidated statement of financial position according to their nature and, where applicable, are depreciated in accordance with the Group's depreciation policies, as set out in Note 4(g) except where the asset is classified as an investment property. Impairment losses are accounted in accordance with the accounting policies as set out in Note 4(n). Revenue arising from operating leases is recognised in accordance with the Group's revenue recognition policies, as set out in Note 4 (u)(iv).

When the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in the consolidated statement of profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

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4 Summary of significant accounting policies (Continued)

(l) Goodwill

Goodwill represents the excess of the cost of a business combination over the Group's interest in the fair value of the acquiree's identifiable net assets. Goodwill is not amortised. Goodwill arising from a business combination is allocated to each cash-generating unit ("CGU") or a group of CGUs, that is expected to benefit from the synergies of the combination. The Group performs impairment test on goodwill annually.

Any excess of the Group's interest in the net fair value of the acquiree's identifiable net assets over the cost of a business combination is recognised immediately in the consolidated statement of profit or loss.

On disposal of the related CGU or a group of CGUs, any attributable amount of the purchased goodwill net of allowance for impairment losses, if any, is included in the calculation of the profit or loss on disposal.

Impairment loss on goodwill is accounted in accordance with the accounting policies as set out in Note 4 (n).

(m) Repossessed assets

In the recovery of impaired loans and advances, the Group may take possession of assets held as collateral through court proceedings or voluntary delivery of possession by the borrowers. Where it is intended to achieve an orderly realisation of the impaired assets and the Group is no longer seeking repayment from the borrower, repossessed assets are reported in "other assets".

When the Group seizes assets to compensate for the losses of loans and advances and interest receivables, the repossessed assets are initially recognised at fair value, plus any taxes paid for the seizure of the assets, litigation fees and other expenses incurred for collecting the repossessed assets are included in the carrying value of repossessed assets.

When the fair value less costs to sell is lower than a repossessed asset's carrying amount, an impairment loss is recognised in the consolidated statement of profit or loss. Repossessed assets are recognised at the carrying value, net of allowance for impairment losses.

The repossessed assets are disposed after acquisition and cannot be used without authorisation. The repossessed assets that are transferred to own use are treated as newly purchased property, plant and equipment.

Any gain or loss arising from the disposal of the repossessed assets is included in the consolidated statement of profit or loss in the period in which the item is disposed.

(n) Allowance for impairment of non-financial assets

(i) Impairment of non-financial assets other than goodwill

At the end of each reporting period, the Group assesses whether there is any indication that a non-financial asset other than goodwill such as investments in associates and joint ventures, property, plant and equipment, investment properties, intangible assets and other assets may be impaired. If any indication exists that an asset may be impaired, the Group estimates the recoverable amount of the asset.

The recoverable amount of an asset is the higher of its fair value less costs to sell and the present value of the future cash flows expected to be derived from the asset. The Group considers all relevant factors in estimating the present value of future cash flows, such as the expected future cash flows, the useful life and the discount rate.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is recognised as an impairment loss in the consolidated statement of profit or loss.

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4 Summary of significant accounting policies (Continued)

(n) Allowance for impairment of non-financial assets (Continued)

(ii) Impairment of goodwill

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU or the group of CGUs that is expected to benefit from the synergies of the combination.

A CGU is the smallest identifiable group of assets that generates cash inflows that is largely independent of the cash flows from other assets or groups of assets.

The CGU or the group of CGUs to which goodwill has been allocated is tested for impairment by the Group annually, or whenever there is an indication that the CGU or the group of CGUs are impaired, by comparing the carrying amount of the CGU or the group of CGUs, including the goodwill, with the recoverable amount of the CGU or the group of CGUs. The recoverable amount of the CGU or the group of CGUs are the estimated future cash flows, which are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU or the group of CGUs with allocated goodwill.

At the time of impairment testing of a CGU or a group of the CGUs to which goodwill has been allocated, there may be an indication of an impairment of an asset within the CGU containing the goodwill. In such circumstances, the Group tests the asset for impairment first, and recognises any impairment loss for that asset before testing for impairment on the CGU or group of the CGUs containing the goodwill. Similarly, there may be an indication of an impairment of a CGU within a group of the CGUs containing the goodwill. In such circumstances, the Group tests the CGU for impairment first, and recognises any impairment loss for that CGU, before testing for impairment the group of CGUs to which the goodwill is allocated.

For a CGU or a group of CGUs, the amount of impairment loss firstly reduces the carrying amount of any goodwill allocated to the CGU or the group of CGUs, and then reduces the carrying amount of other assets (other than goodwill) within the CGU or the group of CGUs, pro rata on the basis of the carrying amount of each asset. The carrying amount of an asset should not be reduced below the highest of its fair value less costs of disposal (if measurable); its value in use (if determinable) and zero.

An impairment loss in respect of goodwill is not reversed.

(o) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique (Note 65).

(p) Employee benefits

(i) Short-term employee benefits

During the accounting period when an employee has rendered service to the Group, the Group recognises the undiscounted amount of short-term employee benefits as a liability and as an expense, unless another IFRS requires or permits the inclusion of the benefits in the cost of an asset. Short-term employee benefits include wages, bonuses, labor union expenses and employee education expenses, social insurance such as medical insurance, work-related injury insurance and maternity insurance, as well as housing provident funds, which are all calculated based on the regulated benchmark and ratio.

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4 Summary of significant accounting policies (Continued)

(p) Employee benefits (Continued)

(ii) Post-employment benefits: Defined contribution plans

Pursuant to the relevant laws and regulations in the PRC, the Group participated in a defined contribution basic pension insurance in the social insurance system established and managed by government organisations. The Group makes contributions to basic pension insurance plans based on the applicable benchmarks and rates stipulated by the government. Basic pension insurance contributions are charged to profit or loss when the related services are rendered by the employees.

In addition to the statutory provision plan, the Bank's employees have joined its annuity scheme (the "scheme") which was established by the CITIC Group Corporation ("CITIC Group") in accordance with policies regarding the state owned enterprise annuity policy. The Bank has made annuity contributions in proportion to its employee's gross salaries which are expensed in the consolidated statement of profit or loss when the contributions are made.

The Group operates a defined contribution provident fund and a Mandatory Provident Fund scheme for Hong Kong staff. Contributions are charged to profit or loss as and when the contribution fall due.

(iii) Post-employment benefits: Defined benefit plans

The defined benefit plans of the Group are supplementary retirement benefits provided to the domestic employees.

The Group adopts the projected unit credit actuarial cost method, using unbiased and mutually compatible actuarial assumptions to estimate the demographic and financial variables, to measure the obligation associated in the defined benefits plan. The discounted present value of the defined benefit obligation, is recognised as the liabilities of the defined benefit plans.

The Group recognises the obligation of defined benefit plans in the accounting period in which the employees render the related services. Past-service costs are recognised immediately in the consolidated statement of profit or loss. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated statement of profit or loss. Re-measurement arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

(q) Government grants

Government grants are transfers of monetary assets or non-monetary assets from the government to the Group at no consideration except for any capital contribution from the government as an investor in the Group. Special funds such as investment grants allocated by the government, if clearly defined in official documents as part of "capital reserve" are dealt with as capital contributions, and not regarded as government grants.

Government grants are recognised when there is reasonable assurance that the grants will be received and that the Group will comply with the conditions attaching to the grants. Government grants are measured at the amount received or will be received when recognised as monetary assets. Government grants are measured at fair value when recognised as non-monetary assets.

The grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. The grants related to income are government grants other than those related to assets. A government grant related to an asset is recognised initially as deferred income and amortised to profit or loss on a straight-line basis over the useful life of the asset. A grant that compensates the Group for expenses to be incurred in the subsequent periods is recognised initially as deferred income and recognised in the consolidated statement of profit or loss in the same periods in which the expenses are recognised. A grant that compensates the Group for expenses incurred is recognised in the consolidated statement of profit or loss immediately. The Group uses the same statement method for similar government grants.

The prime based loan of the Group is calculated based on actual incoming loan as entry value and preferential interest rate. The direct interest charges against the cost of loan.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
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4 Summary of significant accounting policies (Continued)

(r) Financial guarantee contracts and loan commitments

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, in accordance with the terms of a debt instrument.

Financial guarantees are initially recognised at fair value on the date the guarantee was given. Subsequent to initial recognition, the Group's liabilities under such guarantees are measured at the higher of the initial amount, less amortisation of guarantee fees, and the best estimate of the expected credit loss provision required to settle the guarantee. Any increase in the liability relating to guarantees is taken to the consolidated statement of profit and loss.

The impairment allowance of loan commitments provided by the Group is measured by ECL. The Group has not provided any commitment to provide loans at a below-market interest rate, or that can be settled net in cash or by delivering or issuing another financial instrument.

For loan commitments and financial guarantee contracts, the loss allowance is recognised as a provision. However, for contracts that include both a loan and an undrawn commitment and the Group can not separately identify the ECL on the undrawn commitment component from those on the loan component, the ECL on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined ECL exceed the gross carrying amount of the loan, the ECL are recognised as a provision.

(s) Provisions and contingent liabilities

A provision is recognised in the consolidated statement of financial position when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows. The Group recognise the loss allowance of financial guarantee contracts measured by ECL as a provision.

A contingent liability is (a) a possible obligation that arises from past events and whose existence can only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or (b) a present obligation that arises from past events and it is not probable that an outflow of economic benefits is required to settle the obligation, or the amount of the obligation cannot be measured reliably. Such liability is disclosed as contingent liabilities under Note 57.

(t) Fiduciary activities

The Group acts in a fiduciary capacity as a custodian, trustee, or an agent for customers. Assets held by the Group and the related undertakings to return such assets to customers are excluded from the consolidated financial statements as the risks and rewards of the assets reside with the customers.

Entrusted lending is the business where the Group enters into entrusted loan agreements with customers, whereby the customers provide funding (the "entrusted funds") to the Group, and the Group grants loans to third parties (the "entrusted loans") at the instruction of the customers. As the Group does not assume the risks and rewards of the entrusted loans and the corresponding entrusted funds, entrusted loans and funds are recorded as off-balance sheet items at their principal amounts and no impairment assessments are made for these entrusted loans.

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4 Summary of significant accounting policies (Continued)

(u) Income recognition

Revenue is the gross inflow of economic benefit arising in the course of the Group's ordinary activities when those inflows result in increases in equity, other than increases relating to contributions from owners. Revenue is recognised when the controls of related products or services is obtained and satisfy the other conditions for different type of revenues as below.

(i) Interest income

Interest income of financial assets is calculated using the effective interest method and included in the profit and loss. Interest income includes the amortisation of any discount or premium or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated on an effective interest rate basis.

The effective interest method is a method of calculating the amortised cost of financial assets and liabilities and of allocating the interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial instrument. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but does not consider future credit losses. The calculation includes all fees and interest paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

(ii) Fee and commission income

Fee and commission income is recognised in the consolidated statement of profit or loss when the corresponding service is provided. Origination or commitment fees received by the Group which result in the creation or acquisition of a financial asset are deferred and recognised as an adjustment to the effective interest rate. If the commitment expires without the Group making a loan or anticipating will not, the fee is recognised as revenue on expiry.

(iii) Dividend income

Dividend income is recognised in the consolidated statement of profit or loss on the date when the Group's right to receive payment is established.

(iv) Rental income from operating lease

Rental income received under operating leases is recognised as other operating income in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives granted are recognised in the consolidated statement of profit or loss as an integral part of the aggregate net lease payments receivable.

(v) Finance income from finance lease and hire purchase contract

Finance income implicit in finance lease and hire purchase payments is recognised as interest income over the period of the leases so as to produce an approximately constant periodic rate of return on the outstanding net investment in the leases for each accounting period.

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For the year ended 31 December 2018
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4 Summary of significant accounting policies (Continued)

(v) Income tax

Current tax and deferred tax are recognised in the consolidated statement of profit or loss except to the extent that they relate to a business combination or items recognised directly in equity (including other comprehensive income).

Current income tax is the expected tax payables on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payables in respect of previous periods. Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences also arise from unused tax losses and unused tax credits. Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint ventures arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

At the reporting date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled according to the requirements of tax laws. The Group also considers the possibility of realisation and the settlement of deferred tax assets and deferred tax liabilities in the calculation.

Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and meet the additional conditions that deferred tax assets and liabilities relate to income taxes levied by the same authority on the same taxable entity.

(w) Cash equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturity of three months or less at acquisition.

(x) Profit distribution

Proposed dividends for ordinary shares which are declared and approved after the end of each reporting period are not recognised as a liability in the consolidated statement of financial position and are instead disclosed as a subsequent event after the end of each reporting period in the notes to the consolidated financial statements. Dividends payable are recognised as liabilities in the period in which they are approved.

As authorised by the shareholders' annual general meeting, the Board of Directors has the sole discretion to declare and distribute dividends on preference shares. Preference share dividend distribution is recognised as a liability in the consolidated financial statements in the period in which the dividends are approved.

(y) Related parties

If the Group has the power, directly or indirectly, to control, jointly control or exercise significant influence over another party, or vice versa, or where the Group and one or more parties are subject to common control, jointly control from another party, they are considered to be related parties. Related parties may be individuals or enterprises.

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4 Summary of significant accounting policies (Continued)

(z) Operating segments

An operating segment is a component of the Group that satisfies all of the following conditions: (1) the component is able to earn revenues and incur expenses from its ordinary activities; (2) whose operating results are regularly reviewed by the Group's management to make decisions about resources to be allocated to the segment and to assess its performance, and (3) for which the information on financial position, operating results and cash flows is available to the Group. If two or more operating segments have similar economic characteristics and satisfy certain conditions, they are aggregated into one single operating segment.

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision-maker for the purposes of allocating resources and assessing performance. The Group considers the business from different perspectives including products and services and geographic areas. The operating segments that meet the specified criteria have been aggregated, and the operating segments that meet quantitative thresholds have been reported separately.

Inter-segment revenues are measured on the basis of actual transaction price for such transactions for segment reporting, and segment accounting policies are consistent with those for the consolidated financial statements.

5 Critical accounting estimates and judgements

Preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and associated key assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(i) Measurement of the expected credit loss allowance (IFRS 9)

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 61(a).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Detailed information about the judgements and estimates made by the Group in the above areas is set out in note 61(a).

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
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5 Critical accounting estimates and judgements (Continued)

(ii) Impairment losses on loans and advances to customers and investments classified as receivables (IAS 39)

Loans and advances to customers

The Group reviews its loans and advances to customers to assess impairment on a periodic basis during the year. In determining whether an impairment loss should be recognised in the consolidated statement of profit or loss, the Group makes estimates and judgments as to whether there is any observable data indicating that there is objective evidence of impairment and the extent, if any, to which it will have a measurable decrease in the estimated future cash flows related to individually assessed loans and advances or pools of loans and advances to customers with similar risk characteristics, as described in Note 4 (c)(v) impairment of financial assets carried at amortised cost.

Significant judgments are made in the determination of whether objective evidence of impairment exists in individually assessed loans and advances to customers or pools of loans and advances to customers with similar risk characteristics. Among other things, objective evidence of impairment includes deterioration in the financial condition of specific borrowers (or specific pools of borrowers) affecting their ability to meet their loan payment obligations, overdue status, financial position of guarantors, latest collateral valuations, concession the Group that would not otherwise be granted to borrowers for economic or legal reasons relating to their financial difficulties, as well as increasing industry sector over-capacity or obsolescence, or deterioration in national or regional economic conditions that are correlated to increasing loans and advances to customers defaults. These judgments are made both during management's regular assessments of credit quality of loans and advances to customers and when other circumstances indicate the possibility that objective evidence of impairment may exist.

Where it is determined that objective evidence of impairment exists, significant judgments and estimates are made in estimating the adverse impact on future cash flows related to individually assessed impaired loans and advances to customers. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience. Factors affecting these estimates include the availability and granularity of information related to specific borrowers; the results of regulatory reviews and the related portfolio analysis; and the clarity of the correlation between qualitative factors, such as industry sector performance or changes in regional economic conditions and loans and advances to customer's defaults of related borrowers.

Corporate loans and advances to customers not identified as impaired from individually assessments, together with all personal loans and advances to customers are included in in homogenous groups with similar credit risks characteristics for performance of impairment assessments on a collective basis. Migration model is used for corporate loans and roll rate models are used for personal loans considering the similarity of credit risks and applying key assumptions. Significant judgments are applied to the calculation of assessed impairment using these models. Critical factors affecting these judgments include modelling assumptions (e.g., loss given default) and levels of correlation between qualitative factors and loans and advances to customers default. The collective impairment loss is assessed after taking into account: (i) historical loss experience in portfolios of similar credit risk characteristics; (ii) the emergence period between a loss occurring and that loss being identified; (iii) high risk products and geographic locations; and (iv) the current economic and credit environments and whether in management's experience these indicate that the actual level of inherent losses is likely to be greater or less than that suggested by historical experience. The Group considers the impact of the changes and uncertainty in the macro-economic environment, in which the Group operates when assessing the methodologies and assumptions used for loss estimation; makes adjustments where appropriate.

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For the year ended 31 December 2018
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5 Critical accounting estimates and judgements (Continued)

(ii) Impairment losses on loans and advances to customers and investments classified as receivables (IAS 39) (Continued)

Investments classified as receivables

In determining whether an impairment loss should be recognised in the consolidated statement of profit or loss, the Group makes significant estimates and judgments as to whether there is any observable data indicating that there is objective evidence of impairment and the extent, if any, to which it will have a measurable decrease in the estimated future cash flows related to investments classified as receivables by underlying assets or groups of underlying assets with similar risk characteristics, as described in Note 4 (c)(v) Impairment of financial assets carried at amortised cost.

Where it is determined that objective evidence of impairment exists, significant judgments and estimates are made in estimating the adverse impact on future cash flows based on the underlying assets related to individually significant impaired investment classified as receivables.

Investments classified as receivables not identified as impaired from the individual assessment are included in groups with similar credit risk characteristics by underlying assets with the consideration of risk factors specific to different industries and different type of underlying assets, and assessed for impairment collectively. Significant judgments are applied to the calculation of collectively assessed impairment.

(iii) Impairment of available-for-sale equity investments (IAS 39)

For available-for-sale equity investments, a significant or prolonged decline in fair value below cost is considered to be objective evidence of impairment. Judgement is required when determining whether a decline in fair value has been significant or prolonged. In making this judgement, the Group considers historical data of market volatility and historical share price of the specific equity investment as well as other factors, such as sector performance, financial information regarding the investee and industry practice.

(iv) Classification of financial assets (IFRS 9)

The critical judgments the Group has in determining the classification of financial assets include analysis of business models and characteristics of contractual cash flows.

The Group determines the business model for managing financial assets at the level of financial asset portfolio. The factors considered include evaluation and reporting of financial asset performance to key management personnel, risks affecting the performance of financial assets and their management methods, and related business management personnel. The way to get paid, etc.

When assessing whether the contractual cash flow of financial assets is consistent with the basic lending arrangement, the Group has the following main judgments: Whether the principal may be subject to change in the duration or amount of money due to prepayments during the duration; Whether interests is only included currency time value, credit risk, other basic borrowing risks, and considerations for costs and profits. For example, Whether the amount paid in advance reflect only the outstanding principal and interest on the outstanding principal, as well as reasonable compensation for early termination of the contract.

(v) Fair value of financial instruments

For financial instruments without active market, the Group determines fair values using valuation techniques which include discounted cash flow models, as well as other types of valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and foreign currency exchange rates. Where discounted cash flow techniques are used, estimated cash flows are based on management's best estimates and the discount rate used is a market rate at the end of each reporting period applicable for an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on observable market data at the end of each reporting period. However, where market data are not available, management needs to make estimates on such unobservable market inputs based on assumptions. Changes in assumptions about these factors could affect the estimated fair value of financial instruments.

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5 Critical accounting estimates and judgements (Continued)

(vi) De-recognition of financial assets

In its normal course of business, the Group transfers financial assets through various types of transactions including regular way sales and transfers, securitisation, financial assets sold under repurchase agreements and etc.. The Group applies significant judgement in assessing whether it has transferred these financial assets which qualify for a full or partial de-recognition.

Where the Group enters into structured transactions by which it transferred financial asset to structured entities, the Group analyses whether the substance of the relationship between the Group and these structured entities indicates that it controls these structured entities to determine whether the Group needs to consolidate these structured entities. This will determine whether the following de-recognition analysis should be conducted at the consolidated level or at the entity level from which the financial assets was transferred.

The Group analyses the contractual rights and obligations in connection with such transfers to determine whether the de-recognition criteria are met based on the following considerations:

- whether it has transferred the rights to receive contractual cash flows from the financial assets or the transfer qualified for the "pass-through" of those cash flows to independent third parties;
- the extent to which the associated risks and rewards of ownership of the financial assets are transferred by using appropriate models. Significant judgment is applied in the Group's assessment with regard to the parameters and assumptions applied in the models, estimated cash flows before and after the transfers, the discount rates used based on current market interest rates, variability factors considered and the allocation of weightings in different scenarios;
- where the Group neither retained nor transferred substantially all of the risks and rewards associated with their ownership, the Group analyses whether the Group has relinquished its controls over these financial assets, and if the Group has continuing involvement in these transferred financial assets.

(vii) Consolidation of structured entities

The Group makes significant judgment to assess whether or not to consolidate structured entities. When performing this assessment, the Group:

- assesses its contractual rights and obligations in light of the transaction structures, and evaluates the Group's power over the structured entities;
- performs independent analyses and tests on the variable returns from the structured entities, including but not limited to commission income and asset management fees earned, retention of residual income, and, if any, liquidity and other support provided to the structured entities; and
- assesses its ability to exercise its power to influence the variable returns assessed whether the Group acts as a principal or an agent through analysis of the scope of the Group's decision-making authority, remuneration entitled, other interests the Group holds, and the rights held by other parties.

(viii) Income taxes

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. There are certain transactions and activities for which the ultimate tax determination is uncertain during the ordinary course of business. The Group carefully evaluates the tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislations. Deferred tax assets are recognised for temporary deductible differences. As those deferred tax assets can only be recognised to the extent that it is probable that future taxable profits will be available against which the unused tax credits can be utilised, management's judgement is required to assess the probability of future taxable profits. Management's assessment is constantly reviewed and additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax assets to be recovered.

Chapter 10 Notes to the Consolidated Financial Statements

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6 Net interest income

	Year ended 31 December	
	2018	2017
Interest income arising from (Note (i)):		
Deposits with central banks	7,049	7,633
Deposits with banks and non-bank financial institutions	2,472	3,040
Placements with and loans to banks and non-bank financial institutions	8,203	6,223
Financial assets held under resale agreements	987	1,068
Loans and advances to customers	95,562	89,053
— corporate loans	61,401	48,279
— personal loans	8,645	4,004
— discounted bills		
Financial investments	32,881	—
— at amortised cost	16,534	—
— at fair value through other comprehensive income	—	35,438
Investments classified as receivables	—	25,922
Investments in debt securities	59	102
Others	233,793	220,762
Subtotal		
Interest expense arising from:		
Borrowings from central banks	(8,937)	(6,151)
Deposits from banks and non-bank financial institutions	(26,389)	(36,896)
Placements from banks and non-bank financial institutions	(3,389)	(3,006)
Financial assets sold under repurchase agreements	(1,623)	(2,691)
Deposits from customers	(66,254)	(53,190)
Debt securities issued	(22,416)	(19,171)
Others	(13)	(12)
Subtotal		
Net interest income	104,772	99,645

Note:

- (i) Interest income from impaired financial assets is RMB375 million for the year ended 31 December 2018 (2017: RMB643 million).

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7 Net fee and commission income

	Year ended 31 December	
	2018	2017
Fee and commission income:		
Bank card fees	32,656	30,453
Guarantee and advisory fees	5,613	6,358
Agency fees and commission (Note (i))	4,839	4,534
Commission for custodian business and other fiduciary	6,044	8,737
Settlement and clearance fees	1,269	1,215
Others	318	390
Total	50,739	51,687
Fee and commission expense	(5,591)	(4,829)
Net fee and commission income	45,148	46,858

Note:

(i) Agency fees and commission represent fees earned for sale of bonds, investment funds and insurance products, and provision of entrusted lending activities.

8 Net trading gain

	Year ended 31 December	
	2018	2017
Debt securities and certificates of interbank deposit	3,897	2,187
Foreign currencies	1,983	1,664
Derivatives and related exposures	552	2,131
Financial instrument designated at fair value through profit or loss	87	601
Total	6,519	6,583

9 Net gain from investment securities

	Year ended 31 December	
	2018	2017
Financial investments		
— at fair value through profit or loss	7,745	—
— at amortised cost	(1,416)	—
— at fair value through other comprehensive income	(494)	—
Revaluation loss on transfer out of equity at disposal	(262)	—
Net gain from sale of available-for-sale securities	—	1,221
Net gain from bills rediscounting	134	(5)
Net gain from securitisation of financial assets	3,181	2,622
Others	158	(81)
Total	9,046	3,757

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10 Net hedging (loss)/gain

	Year ended 31 December	
	2018	2017
Net (loss)/gain of fair value hedge	(1)	1

11 Operating expenses

	Year ended 31 December	
	2018	2017
Staff costs		
— salaries and bonuses	22,196	20,280
— welfare expenses	1,400	1,121
— social insurance	1,469	1,324
— housing fund	1,300	1,291
— labour union expenses and employee education expenses	416	378
— housing allowance	196	497
— other short-term benefits	61	48
— post-employment benefits – defined contribution plans	2,453	2,377
— post-employment benefits – defined benefit plans	102	11
— other long-term benefits	6	89
Subtotal	29,599	27,416
Property and equipment expenses		
— rent and property management expenses	4,972	4,899
— depreciation	1,830	1,818
— amortisation expenses	1,112	993
— electronic equipment operating expenses	458	524
— maintenance	485	498
— others	398	372
Subtotal	9,255	9,104
Tax and surcharges	1,699	1,660
Other general operating and administrative expenses (Note (i))	12,047	10,733
Total	52,600	48,913

Note:

- (i) Included in other general operating and administrative expenses were audit fees of RMB20 million for the year ended 31 December 2018 (2017: RMB18 million) and non-audit fees of RMB21 million for the year ended 31 December 2018 (2017: RMB12 million).

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11 Operating expenses (Continued)

(a) Individuals with highest emoluments

For the year ended 31 December 2018, of the 5 individuals with the highest emoluments in the Group, there was no director (2017: Nil) and no supervisor (2017: Nil). The aggregate of the emoluments before individual income tax in respect of the five highest paid individuals of the Group were as follows:

	Year ended 31 December	
	2018	2017
	RMB'000	RMB'000
Basic salaries, housing allowances, other allowances and benefits in kind	20,089	21,235
Discretionary bonuses	18,452	19,789
Contribution to pension scheme	1,438	1,418
Total	39,979	42,442

The emoluments before individual income tax of the five individuals of the Group with the highest emoluments are within the following bands:

	Year ended 31 December	
	2018	2017
RMB5,000,001 – RMB10,000,000	3	4
RMB10,000,001 – RMB15,000,000	2	1

No inducement fee and compensation for loss of office was paid to the five highest paid individuals for the year ended 31 December 2018 (2017: Nil).

12 Impairment losses on assets

	31 December
	2017
Loans and advances to customers	50,170
Deposits with banks and non-bank financial institutions	(32)
Interest receivables	4,212
Available-for-sale financial assets	(69)
Meld-to-maturity investments	(2)
Investments classified as receivables	1,018
Repossessed assets	272
Off-balance sheet items	(77)
Others	295
Subtotal	5,617
Total	55,787

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13 Credit impairment losses

	31 December 2018
Deposits with banks and non-bank financial institutions	11
Placements with and loans to banks and non-bank financial institutions	(1)
Financial assets held under resale agreements	(33)
Interest receivables	3,034
Loans and advances to customers	47,753
Financial investments	
— at amortised cost	999
— at fair value through other comprehensive income	75
Other assets-financial assets	6,098
Off-balance sheet items	(50)
Total	57,886

14 Impairment losses on other assets

	31 December 2018
Other assets-reposessed assets	347

15 Income tax

(a) Recognised in the consolidated statement of profit or loss and other comprehensive income

		Year ended 31 December	
	Note	2018	2017
Current tax			
— Mainland China		12,680	15,249
— Hong Kong		561	487
— Overseas		46	104
Deferred tax	35(c)	(4,337)	(6,442)
Total		8,950	9,398

Mainland China and Hong Kong income tax have been provided at the rate of 25% and 16.5% respectively. Overseas tax has been provided at the rates of taxation prevailing in the regions in which the Group operates respectively.

(b) Reconciliation between income tax expense and accounting profit

	Year ended 31 December	
	2018	2017
Profit before tax	54,326	52,276
Income tax calculated at PRC statutory tax rate	13,581	13,069
Effect of different tax rates in other regions	(286)	(325)
Tax effect of non-deductible expenses	274	259
Tax effect of non-taxable income		
— interest income arising from PRC government bonds and local government bonds	(3,353)	(3,097)
— the dividends of funds	(1,209)	(301)
— others	(57)	(207)
Total	8,950	9,398

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16 Other comprehensive income, net of tax

	Year ended 31 December	
	2018	2017
Items that will not be reclassified subsequently to profit or loss		
Changes on the measurement of defined benefit plans, net of tax		
— net changes recognised during the year before tax	9	(11)
— income tax	(2)	3
Fair value changes on financial asset designated at fair value through other comprehensive income, net of tax		
— net changes in fair value recognised during the year before tax	15	—
— income tax	(4)	—
Transfer from owner-occupied property to investment property		
— net changes during the year before tax	65	—
Subtotal	83	(8)
Items that may be reclassified subsequently to profit or loss		
Other comprehensive income transferable to profit or loss under equity method		
— net changes during the year	(10)	—
Other comprehensive income of available-for-sale financial assets		
— net changes in fair value recognised during the year	—	(10,877)
— net amount transferred to profit or loss	—	149
— income tax	—	2,686
Fair value changes on financial assets at fair value through other comprehensive income, net of tax (Note (i))		
— net changes during the year before tax	13,300	—
— net amount transferred to profit or loss	149	—
— Income tax	(3,409)	—
Credit impairment allowance on financial assets at fair value through other comprehensive income (Note (ii))		
— net changes during the year	173	—
— Income tax	(33)	—
Exchange differences on translation	2,209	(2,583)
Share of other comprehensive income of associates and joint ventures	—	(9)
Subtotal	12,379	(10,634)
Other comprehensive income, net of tax	12,462	(10,642)

Note:

- (i) Fair value changes on financial assets at fair value through other comprehensive income include those of financial investments and loans and advances to customers at fair value through other comprehensive income (Note 25(a)).
- (ii) Credit impairment allowance include financial investments and loans and advances to customers at fair value through other comprehensive income (Note 25(a)).

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17 Earnings per share

Earnings per share information for the year ended 31 December 2018 and 2017 is computed by dividing the profit for the year attributable to ordinary shareholders of the Bank by the weighted average number of shares in issue during the year.

The Bank issued non-cumulative preference shares during the year ended 31 December 2016, under the terms and conditions as detailed in Note 49. The Bank declared and paid cash dividends of RMB1,330 million of non-cumulative preference shares for the year of 2018 (2017: 1,330 million).

The conversion feature of preference shares is considered to fall within contingently issuable ordinary shares. The triggering events of conversion did not occur as at 31 December 2018, therefore the conversion feature of preference shares has no effect on the basic and diluted earnings per share calculation.

	Year ended 31 December	
	2018	2017
Profit for the year attributable to equity holders of the Bank	44,513	42,566
Less: dividend attributable to preference shareholders of the Bank	1,330	1,330
Profit for the year attributable to ordinary shareholders of the Bank	43,183	41,236
Weighted average number of shares (in million shares)	48,935	48,935
Basic and diluted earnings per share (in RMB)	0.88	0.84

18 Cash and balances with central banks

	Notes	31 December 2018	31 December 2017
Cash			
Balances with central banks		6,188	6,740
— statutory deposit reserve funds	(i)	399,797	462,743
— surplus deposit reserve funds	(ii)	128,424	89,288
— fiscal deposits	(iii)	2,816	4,083
— foreign exchange reserve	(iv)	1,288	5,446
Accrued interest		195	—
Total		538,708	568,300

Notes:

(i) The Group places statutory deposit reserve funds with the People's Bank of China ("PBOC") and overseas central banks where it has operations. The statutory deposit reserve funds are not available for use in the Group's daily business.

As at 31 December 2018, the statutory deposit reserve funds placed with the PBOC was calculated at 12% (as at 31 December 2017: 15%) of eligible Renminbi deposits for domestic branches of the Bank and at 12% (as at 31 December 2017: 15%) of eligible Renminbi deposits from overseas financial institutions. The Bank was also required to deposit an amount equivalent to 5% (as at 31 December 2017: 5%) of its foreign currency deposits from domestic branch customers as statutory deposit reserve funds.

As at 31 December 2018, the statutory RMB deposit reserve rates applicable to Zhejiang Lin'an CITIC Rural Bank Corporation Limited in mainland China, a subsidiary of the Group, was at 9% (as at 31 December 2017: 9%).

The amounts of statutory deposit reserve funds placed with the central banks of overseas countries are determined by respective jurisdictions. The statutory deposit reserve funds are interest bearing except for the foreign currency reserve funds deposits placed with the PBOC.

(ii) The surplus deposit reserve funds are maintained with the PBOC for the purposes of clearing.

(iii) Fiscal deposits placed with the PBOC are not available for use in the Group's daily operations, and are non-interest bearing.

(iv) The foreign exchange reserve is maintained with the PBOC in accordance with the related notice issued by the PBOC on 31 August 2015. The reserve is payable on a monthly basis at 20% of the total contract amount of customers driven forward transactions in the previous month. Such foreign exchange reserve is non-interest bearing and will be repayable in 12 months according to the Notice. In accordance with the relevant notice issued by the PBOC on 8 September 2017, the Group adjusted the foreign exchange risk reserve ratio required to domestic financial institutions for forward foreign exchange business to 0% from 11 September 2017. The Group's remaining foreign exchange risk reserves will be gradually released after the expiration of the long-term sale of foreign exchange on behalf of clients.

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19 Deposits with banks and non-bank financial institutions

(a) Analysed by types and locations of counterparties

Note	31 December 2018	31 December 2017
In Mainland China		
— banks	44,318	73,832
— non-bank financial institutions	21,028	17,557
Subtotal	65,346	91,389
Outside Mainland China		
— banks	31,984	26,187
— non-bank financial institutions	1,783	6,774
Subtotal	33,767	32,961
Accrued interest	114	—
Gross balance	99,227	124,350
Less: Allowances for impairment losses 37	(74)	—
Net balance	99,153	124,350

(b) Analysed by remaining maturity

Note	31 December 2018	31 December 2017
Demand deposits (Note (i))	65,023	67,370
Time deposits with remaining maturity		
— within one month	22,256	45,629
— between one month and one year	11,834	11,351
Subtotal	34,090	56,980
Accrued interest	114	—
Gross balance	99,227	124,350
Less: Allowances for impairment losses 37	(74)	—
Net balance	99,153	124,350

Note:

- (i) As at 31 December 2018, the carrying amount of pledged deposits with banks and other financial institutions was RMB1,343 million (as at 31 December 2017: RMB1,676 million). These deposits were mainly maintenance margin with a regulatory body.

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20 Placements with and loans to banks and non-bank financial institutions

(a) Analysed by types and locations of counterparties

	Note	31 December 2018	31 December 2017
In Mainland China			
— banks		13,680	15,320
— non-bank financial institutions		113,351	119,065
Subtotal		127,031	134,385
Outside Mainland China			
— banks		48,421	37,685
— non-bank financial institutions		—	—
Subtotal		48,421	37,685
Accrued interest		873	—
Gross balance		176,325	172,070
Less: Allowances for impairment losses	37	(165)	(1)
Net balance		176,160	172,069

(b) Analysed by remaining maturity

	Note	31 December 2018	31 December 2017
Within one month		112,284	66,564
Between one month and one year		63,168	105,506
Accrued interest		873	—
Gross balance		176,325	172,070
Less: Allowances for impairment losses	37	(165)	(1)
Net balance		176,160	172,069

21 Financial assets at fair value through profit or loss

	Notes	31 December 2017
Held for trading financial assets		
— debt securities	(a)	38,728
— certificates of interbank deposit	(b)	19,400
— investment funds		2,001
Subtotal		60,129
Financial assets designated at fair value through profit or loss	(c)	5,775
Total		65,904

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21 Financial assets at fair value through profit or loss (Continued)

(a) Held for trading – debt securities

	31 December 2017
Issued by	
In Mainland China	
— governments	705
— policy banks	4,039
— banks and non-bank financial institutions	2,722
— corporates	30,098
Subtotal	37,564
Outside Mainland China	
— banks and non-bank financial institutions	1,063
— corporates	101
Subtotal	1,164
Total	38,728
Listed in Hong Kong	668
Listed outside Hong Kong	36,788
Unlisted	1,272
Total	38,728

(b) Held for trading – certificates of interbank deposit

	31 December 2017
Issued by	
Banks in Mainland China	19,400
Listed outside Hong Kong	19,400

(c) Financial assets designated at fair value through profit or loss

	31 December 2017
Issued by	
In Mainland China	
— banks	606
— policy banks	53
— corporates	2,523
Subtotal	3,182
Outside Mainland China	
— banks	2,593
Total	5,775
Listed outside Hong Kong	659
Unlisted	5,116
Total	5,775

Debt securities traded on the China Domestic Inter-bank Bond Market are included in "Listed outside Hong Kong".

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22 Derivatives

Derivatives include forward, swap and option transactions undertaken by the Group in foreign exchange, precious metals, interest rate and credit derivatives related to trading, asset and liability management and customer initiated transactions. The Group, through the operations of its branch network, acts as an intermediary for a wide range of customers for structuring deals to offer risk management solutions to match individual customer needs. These positions are actively managed through hedging transactions with external parties to ensure the Group's net exposures are within acceptable risk levels. The Group also uses these derivatives for proprietary trading purposes and to manage its own asset and liability and structural positions. Derivatives, except for those which are designated as hedging instruments (Note 22(c)), are held for trading. Derivatives classified as held for trading are for trading and customer initiated transactions purpose, and those for risk management purposes but do not meet the criteria for hedge accounting.

The contractual/notional amounts of derivatives provide a basis for comparison with fair values of derivatives recognised on the consolidated statement of financial position but do not necessarily indicate the amounts of future cash flows involved or the current fair values of the derivatives and, therefore, do not indicate the Group's exposure to credit or market risks.

	31 December 2018			31 December 2017		
	Nominal amount	Assets	Liabilities	Nominal amount	Assets	Liabilities
Hedging instruments (Note 22(c))						
— interest rate derivatives	8,385	96	8	9,799	123	18
Non-Hedging instruments						
— interest rate derivatives	1,837,247	6,010	5,966	1,632,189	2,430	2,294
— currency derivatives	2,595,674	24,826	24,501	3,347,855	62,030	62,368
— precious metal derivatives	58,644	1,048	1,170	51,586	868	257
— credit derivatives	820	11	1	—	—	—
Total	4,500,770	31,991	31,646	5,041,429	65,451	64,937

(a) Nominal amount analysed by remaining maturity

	31 December 2018	31 December 2017
Within three months	1,921,744	1,868,273
Between three months and one year	2,033,875	2,751,469
Between one year and five years	542,276	418,881
Over five years	2,875	2,806
Total	4,500,770	5,041,429

(b) Credit risk weighted amounts

The credit risk weighted amount has been computed in accordance with the Regulation Governing Capital of Commercial Banks (Provisional) promulgated by the CBIRC in the year of 2012, and depends on the status of the counterparties and the maturity characteristics of the instruments, including those customer-driven back-to-back transactions. As at 31 December 2018, the total amount of credit risk weighted amount for counterparty was RMB20,158 million (as at 31 December 2017: RMB70,217 million).

(c) Fair value hedge

A subsidiary of the Group utilises fair value hedge to eliminate the effect of fair value changes of financial assets and financial liabilities caused by market interest rate fluctuations. Interest rate swap contracts are used for hedging interest risks arising from debt securities at fair value through other comprehensive income, available-for-sale debt securities, certificates of deposit and subordinated bonds issued.

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23 Financial assets held under resale agreements

(a) Analysed by types and locations of counterparties

Note	31 December 2018	31 December 2017
In Mainland China		
— banks	3,402	28,417
— non-bank financial institutions	6,428	26,209
Subtotal	9,830	54,626
Outside Mainland China		
— banks	958	—
Accrued interest	6	—
Gross balance	10,794	54,626
Less: Allowance for impairment losses	37 (4)	—
Net balance	10,790	54,626

(b) Analysed by types of collateral

As at 31 December 2018 and 31 December 2017, the collateral type of financial asset under resale agreements of the Group are all debt instruments. The collateral received by the Group in resale transactions are disclosed in Note 58 Collateral.

(c) Analysed by remaining maturity

As at 31 December 2018 and 31 December 2017, the financial assets held under resale agreements of the Group all mature within one month.

24 Interest receivables

Note	31 December 2017
Loans and advances to customers	13,543
Debt securities	11,138
Investments classified as receivables	9,508
Others	2,400
Gross balance	36,589
Less: Allowance for impairment losses	37 (3,946)
Net balance	32,643

The accrued interests or interest receivables of 2018 derived from respective financial assets are disclosed in Note 18, Note 19, Note 20, Note 23, Note 25 and Note 26 to conform the presentation in current year.

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25 Loans and advances to customers

(a) Analysed by nature

	Notes	31 December 2018
Loans and advances to customers at amortised cost		
Corporate loans and advances		
— loans		1,833,171
— discounted bills		146,414
— finance lease receivables		47,817
Subtotal		2,027,402
Personal loans and advances		
— residential mortgages		643,407
— credit cards		442,493
— personal consumption		203,853
— business loans		194,737
Subtotal		1,484,490
Accrued interest		8,338
Gross balance		3,520,230
Less: Allowances impairment losses	37	(101,100)
Loans and advances to customers at amortised cost, net		3,419,130
Loans and advances to customers at fair value through other comprehensive income		
— loans		137
— discounted bills		96,383
Carrying amount of loans and advances at fair value through other comprehensive income		96,520
— fair value changes through comprehensive income		21
Total		3,515,650
Allowances for impairment losses on loans and advances to customers at fair value through other comprehensive income	37	(132)

	Note	31 December 2017
Corporate loans		
— loans		1,812,589
— discounted bills		107,456
— finance lease receivables		45,258
Subtotal		1,965,303
Personal loans		
— residential mortgages		505,305
— credit cards		333,719
— personal consumption		226,545
— business loans		166,015
Subtotal		1,231,584
Gross balance		3,196,887
Less: Allowances for impairment losses	37	
— individually assessed		(28,930)
— collectively assessed		(61,973)
Subtotal		(90,903)
Net balance		3,105,984

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25 Loans and advances to customers (Continued)

(b) Analysed by assessment method of allowance for impairment losses

31 December 2018					Stage three loans and advances as a % of gross total loans and advances
	Stage one	Stage two	Stage three (Note (i))	Total	
Gross loans and advances to customers at amortised costs	3,353,529	92,949	65,414	3,511,892	1.81%
Accrued interest	7,592	727	19	8,338	
Less: Allowance for impairment losses	(31,940)	(22,788)	(46,372)	(101,100)	
Carrying amount of loans and advances to customers measured at Amortised cost	3,329,181	70,888	19,061	3,419,130	
Carrying amount of loans and advances to customers at fair value through other comprehensive income	96,520	—	—	96,520	
Total	3,425,701	70,888	19,061	3,515,650	
Allowances for impairment losses on loans and advances to customers at fair value through other comprehensive income	(132)	—	—	(132)	

31 December 2017					Gross impaired loans and advances as a % of gross total loans and advances
	Loans and advances for which allowance is collectively assessed	Identified impaired loans and advances for which allowance is collectively assessed	for which allowance is individually assessed (Note (ii))	Total	
Gross balance	3,143,239	11,393	42,255	3,196,887	1.68%
Less: Allowance for impairment losses	(52,997)	(8,976)	(28,930)	(90,903)	
Net balance	3,090,242	2,417	13,325	3,105,984	

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25 Loans and advances to customers (Continued)

(b) Analysed by assessment method of allowance for impairment losses (Continued)

Notes:

- (i) Stage 3 loans are loans and advances to customers that have incurred credit impairment.

	31 December 2018
Secured portion	37,648
Unsecured portion	27,766
Gross balance	65,414
Allowance for impairment losses	(46,372)
Net balance	19,042

As at 31 December 2018, the maximum exposure covered by pledge and collateral held of secured portion is RMB35,221 million.

- (ii) Individually assessed identified impaired loans

	31 December 2017
Secured portion	24,360
Unsecured portion	17,895
Gross balance	42,255
Individual allowance for impairment losses	(28,930)
Net balance	13,325

As at 31 December 2017, the maximum exposure covered by pledge and collateral held of secured portion is RMB22,199 million.

The fair value of collateral was estimated by management based on the latest revaluation including available external valuation, if any, adjusted by taking into account the current realisation experience as well as market situation.

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25 Loans and advances to customers (Continued)

(c) Overdue loans analysed by overdue period

	31 December 2018				
	Overdue within three months	Overdue between three months and one year	Overdue between one year and three years	Overdue over three years	Total
Unsecured loans	9,221	9,602	1,977	493	21,293
Guaranteed loans	9,284	8,292	6,639	627	24,842
Loans with pledged assets					
— loans secured by collateral	16,428	13,339	12,008	2,367	44,142
— pledged loans	2,457	1,959	1,752	114	6,282
Total	37,390	33,192	22,376	3,601	96,559

	31 December 2017				
	Overdue within three months	Overdue between three months and one year	Overdue between one year and three years	Overdue over three years	Total
Unsecured loans	6,739	7,624	767	424	15,554
Guaranteed loans	8,543	9,741	8,814	1,466	28,564
Loans with pledged assets					
— loans secured by collateral	14,168	13,614	11,886	363	40,031
— pledged loans	3,392	2,201	1,620	162	7,375
Total	32,842	33,180	23,087	2,415	91,524

Overdue loans represent loans of which the principal or interest are overdue one day or more.

(d) Finance lease receivables

Finance lease receivables transactions are attributable to the Group's subsidiaries, CITIC Financial Leasing Limited ("CFL") and CITIC International Finance Holdings Limited ("CIFH"), include net investment in machines and equipment leased to customers under finance lease and hire purchase contracts which have the characteristics of finance leases. These contracts usually run for an initial period from 1 to 25 years. The total minimum finance lease receivables under finance lease and hire purchase contracts and their present values are as follows:

	31 December 2018		31 December 2017	
	Present value of minimum finance leases receivables	Minimum finance leases receivables	Present value of minimum finance leases receivables	Minimum finance leases receivables
Within one year (including one year)	11,826	14,182	6,920	9,952
One year to two years (including two years)	9,866	11,626	10,233	11,371
Two years to three years (including three years)	7,863	9,140	8,365	9,066
Over three years	18,262	20,606	19,740	22,501
Gross balance	47,817	55,554	45,258	52,890
Allowance for expected credit losses				
— stage one	(1,001)		—	
— stage two	(429)		—	
— stage three	(100)		—	
— individually assessed	—		(1)	
— collectively assessed	—		(1,003)	
Net balance	46,287		44,254	

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26 Financial investments

(a) Analysed by types

	Note	31 December 2018
Financial assets at fair value through profit or loss		
Investment funds		189,176
Debt securities		71,920
— designated at fair value through profit or loss		52
Trust investment plans (Note (i))		26,486
Certificates of deposit		16,713
Wealth management products		116
Equity instruments		4,461
Net balance		308,872
Financial assets at amortised cost		
Debt securities		381,688
Investment management products managed by securities companies (Note (i))		228,502
Trust investment plans (Note (i))		151,582
Certificates of deposit		11,406
Subtotal		773,178
Accrued interest		8,430
Less: Allowance for impairment losses	37	(3,370)
Net balance		778,238
Financial assets at fair value through other comprehensive income (Note (ii))		
Debt securities		491,015
Certificates of deposit		12,644
Subtotal		503,659
Accrued interest		6,687
Net balance		510,346
Allowances for impairment losses on financial investments at fair value through other comprehensive income	37	(1,039)
Financial assets designated at fair value through other comprehensive income (Note (ii))		2,707
Total		1,600,163

- (i) As of 31 December 2018, RMB99,095 million (31 December 2017: RMB91,976 million) of Trust investment plans and Investment management products managed by securities companies listed above were managed by the subsidiaries and related companies of CITIC Corporation Limited, the Bank's immediate parent company.

The underlying assets of Trust investment plans and Investment management products managed by securities companies primarily include credit assets, interbank assets and rediscounted bills (Note 61(a) (viii)).

- (ii) *Financial investments at fair value through other comprehensive income*

	Note	31 December 2018		Total
		Equity instruments	Debt security instruments	
Costs/Amortised cost		2,630	498,130	500,760
Fair value change on accumulated into other comprehensive income		77	5,529	5,606
Fair value		2,707	503,659	506,366
Allowance for impairment losses	37		(1,039)	(1,039)

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26 Financial investments (Continued)

(b) Analysed by location of counterparties

	Note	31 December 2018
In Mainland China		
— governments		475,246
— policy banks		122,411
— banks and non-bank financial institutions		400,793
— corporates		126,144
Subtotal		1,124,594
Outside Mainland China		
— governments		16,121
— banks and non-bank financial institutions		433,910
— public entities		2,084
— corporates		11,707
Subtotal		463,822
Accrued interest		15,117
Total		1,603,533
Less: Impairment allowance for financial assets at amortised cost	37	(3,370)
Net balance		1,600,163
Listed in Hong Kong		39,541
Listed outside Hong Kong		1,104,876
Unlisted		455,746
Total		1,600,163

Bonds traded in China's inter-bank bond market are listed outside Hong Kong.

(c) Analysed by assessment method of allowance for impairment losses

	Notes	31 December 2018			Total
		Stage one	Stage two	Stage three	
Financial assets at amortised costs		768,136	3,882	1,160	773,178
Accrued interest		8,422	8	—	8,430
Less: Allowance for impairment losses	37	(2,680)	(152)	(538)	(3,370)
Net Balance		773,878	3,738	622	778,238
Financial assets at fair value through other comprehensive income		503,334	104	221	503,659
Accrued interest		6,686	1	—	6,687
Net Balance		510,020	105	221	510,346
Total carrying amount of financial assets affected by credit risk		1,283,898	3,843	843	1,288,584
Allowance for impairment losses of other debt instruments included in other comprehensive income		(727)	(2)	(310)	(1,039)

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27 Available-for-sale financial assets

	Notes	31 December 2017
Debt securities	(a)	469,843
Certificates of deposit	(b)	40,947
Equity investments		1,356
— measured at fair value	(c)	744
— measured at cost	(c)	612
Investment funds	(d)	119,518
Wealth management products		26
Total		631,690

(a) Debt securities analysed by location of counterparties

	31 December 2017
In Mainland China	245,368
— governments	72,171
— policy banks	31,985
— banks and non-bank financial institutions	78,084
— corporates	
Subtotal	427,608
Outside Mainland China	13,635
— governments	18,535
— banks and non-bank financial institutions	1,151
— public entities	8,914
— corporates	
Subtotal	42,235
Total	469,843
Listed in Hong Kong	23,590
Listed outside Hong Kong	429,769
Unlisted	16,484
Total	469,843

(b) Certificates of deposit analysed by location of counterparties

	31 December 2017
In Mainland China	38,391
— banks	1,436
— policy banks	
Outside Mainland China	1,120
— banks	
Total	40,947
Listed outside Hong Kong	40,947

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27 Available-for-sale financial assets (Continued)

(c) Equity investments analysed by location of counterparties

	31 December 2017
In Mainland China	
— corporates	927
Outside Mainland China	
— banks and non-bank financial institutions	145
— corporates	284
Total	1,356
Listed in Hong Kong	284
Listed outside Hong Kong	70
Unlisted	1,002
Total	1,356

(d) Investment funds analysed by location of counterparties

	31 December 2017
In Mainland China	
— banks and non-bank financial institutions	118,925
Outside Mainland China	
— banks and non-bank financial institutions	263
— corporates	330
Total	119,518
Listed outside Hong Kong	118,925
Unlisted	593
Total	119,518

Debt securities traded on the China Domestic Inter-bank Bond Market are included in "Listed outside Hong Kong".

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28 Held-to-maturity investments

Debt securities analysed by location of counterparties

	Note	31 December 2017
In Mainland China		
— governments		55,105
— policy banks		54,246
— banks and non-bank financial institutions		88,774
— corporates		18,133
Subtotal		216,258
Outside Mainland China		
— banks and non-bank financial institutions		325
— public entities		3
Subtotal		328
Gross balance		216,586
Less: Allowance for impairment losses	37	—
Total		216,586
Listed in Hong Kong		273
Listed outside Hong Kong		209,985
Unlisted		6,328
Total		216,586
Fair value		212,530
Of which: listed securities		206,202

Debt securities traded on the China Domestic Inter-bank Bond Market are included in "Listed outside Hong Kong".

29 Investments classified as receivables

	Note	31 December 2017
Investment management products managed by securities companies		268,247
Wealth management products		139,020
Trust investment plans		126,794
Gross balance		534,061
Less: Allowance for impairment losses	37	(2,943)
Net balance		531,118

The underlying assets of investments classified as receivables primarily include interbank assets and wealth management products issued by other banks, credit assets and rediscounted bills (Note 61 (a)(viii)).

30 Investments in associates and joint ventures

	Note	31 December 2018	31 December 2017
Investments in joint ventures	(a)	2,759	1,196
Investments in associates	(b)	1,122	1,145
Total		3,881	2,341

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30 Investments in associates and joint ventures (Continued)

(a) Investment in joint ventures

The details of the joint ventures as at 31 December 2018 were as follows:

Name of company	Form of business structure	Place of incorporation	Effective percentage of shares	Principal activities	Nominal value of issued shares
CITIC aiBank Corporation Limited ("CITIC Baixin") (Note (i))	Corporation	Mainland China	70.0%	Financial services	RMB4.0 billion
JSC Alryn Bank (Note (ii))	Corporation	Kazakhstan	50.1%	Financial services	KZT7.05 billion

Notes:

- (i) CITIC Baixin opened on 18 November 2017 with initial capital of RMB2 billion. According to the Articles of Association, the Bank and Fujian BoRui Network Technology Co., Ltd. ("Fujian BoRui") shall jointly approve major decisions before further development. Approved by the CBIRC, capital increase of CITIC Baixin was completed in 2018, which the Bank contributed RMB1.4 billion for subscription of 1.4 billion shares, and Fujian BoRui contributed RMB0.6 billion for subscription of 0.6 billion shares. After capital increase, their proportion of shareholding remains the same.
- (ii) The bank completed 50.1% share acquisition of JSC Alryn Bank in 2018. According to the Articles of Association, the Bank and the other shareholder, the National Bank of Kazakhstan, shall jointly approve major decisions before further development.

Financial statements of the joint ventures are as follow:

Name of Enterprise	As at or for the year ended 2018				
	Total assets	Total liabilities	Total net assets	Operating income	Net gain/(loss)
CITIC Baixin	35,924	32,701	3,223	1,295	(484)
JSC Alryn Bank	7,928	7,191	734	349	195

Name of Enterprise	As at or for the year ended 2017				
	Total assets	Total liabilities	Total net assets	Operating income	Net loss
CITIC Baixin	9,970	8,282	1,708	30	(291)

Movement of the Group's interests in the joint venture:

	Year ended 31 December 2018	Year ended 31 December 2017
Initial investment cost	3,229	1,400
As at 1 January	1,196	—
Additions	1,829	1,400
Share of net loss of the joint ventures for the year	(274)	(204)
Exchange difference	8	—
As at 31 December	2,759	1,196

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30 Investments in associates and joint ventures (Continued)

(b) Investment in associates

The Group holds its investment in associates through subsidiaries and details of the associates as at 31 December 2018 was as follows:

Name of company	Form of business structure	Place of incorporation	Effective percentage of shares and voting right held by the Group	Principal activities	Nominal value of issued shares
CITIC International Assets Management Limited ("CIAM")	Corporation	Hong Kong	46%	Investment holding and assets management	HKD2,218 million
ZhongAn Financial Services Limited ("ZAFS")	Corporation	Hong Kong	26.25%	Investment holding	HKD1,000 million
Binhai (Tianjin) Financial Assets Exchange Company Limited ("BFAE")	Corporation	Mainland China	20%	Services and investment	RMB500 million

Financial statements of the associates are as follow:

Name of Enterprise	Total assets	As at or for the year ended 2018				Net profit/(loss)
		Total liabilities	Total netassets	Operating income		
CIAM	1,631	149	1,482	(718)		(768)
ZAFS	884	—	884	5		5
BFAE	499	47	452	3		(30)

Name of Enterprise	Total assets	As at or for the year ended 2017				Net loss
		Total liabilities	Total netassets	Operating income		
CIAM	2,412	236	2,176	181		(251)
BFAE	581	98	483	1		(14)

Movement of the Group's interests in associates:

	Year ended 31 December 2018	Year ended 31 December 2017
Initial investment cost	1,489	1,183
As at 1 January	1,145	1,111
Additions	306	190
Share of net loss of associates for the year	(368)	(81)
Share of other comprehensive income of associates for the year	(10)	8
Dividend received	—	(11)
Exchange difference	49	(72)
As at 31 December	1,122	1,145

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31 Investment in subsidiaries

	Notes	31 December 2018	31 December 2017
Investment in subsidiaries			
— CIFH	(i)	16,570	16,570
— CNCB (Hong Kong) Investment Limited ("CNCB Investment")	(ii)	1,577	1,577
— Zhejiang Lin'an CITIC Rural Bank Corporation Limited ("Lin'an Rural Bank")	(iii)	102	102
— CFLL	(iv)	4,000	4,000
Total		22,249	22,249

Major subsidiaries of the Bank as at 31 December 2018 are as follows:

Name of entity	Place of incorporation	Particulars of the issued and paid up capital	Principal activities	% of ownership directly held by the Bank	% of ownership held by subsidiaries of the Bank	The Group's effective interest
CIFH (Note (i))	Hong Kong	HKD7,503 million	Commercial banking and other financial services	100%	—	100%
CNCB Investment (Note (ii))	Hong Kong	HKD1,889 million	Lending services	99.05%	0.71%	99.76%
Lin'an Rural Bank (Note (iii))	Mainland China	RMB200 million	Commercial banking	51%	—	51%
CFLL (Note (iv))	Mainland China	RMB4,000 million	Financial lease operations	100%	—	100%

Notes:

- CIFH is an investment holding company registered and headquartered in Hong Kong. Its business scope through its subsidiaries covers commercial banking and other financial services. The Bank holds 100% shareholding in CIFH. CIFH holds 75% shareholding in CITIC Bank International Limited ("CBI").
- CNCB Investment was founded in Hong Kong in 1984. Holding a money lending licence issued by the Hong Kong Company Registry, CNCB Investment's business scope includes capital market investment, lending and other related services. The Bank holds 99.05% shareholding in CNCB Investment, and CIFH holds the remaining 0.71% shareholding in CNCB Investment. The Bank effectively held 99.76% shareholding in CNCB Investment.
- Lin'an Rural Bank was founded in Zhejiang Province of Mainland China in 2011 with a registered capital of RMB200 million. Its principal activities are commercial banking related businesses. The Bank holds 51% of Lin'an Rural Bank's shares and voting rights.
- The Bank established CFLL in 2015 with a registered capital of RMB4 billion. Its principal business activities are financial leasing. The Bank holds 100% of its shares and voting rights.

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32 Investment properties

	31 December 2018	31 December 2017
Fair value as at 1 January	295	305
Change in fair value	35	30
Transfers in/(out)	93	(18)
Exchange difference	20	(22)
Fair value as at 31 December	443	295

Investment properties of the Group are buildings held by subsidiaries and mainly located in Hong Kong and leased to third parties through operating leases. There are active real estate markets where the investment properties are located and the Group is able to obtain market price and related information of similar properties, and therefore makes estimation about the fair value of the investment properties as at 31 December 2018.

All investment properties of the Group were revalued at 31 December 2018 by an independent firm of surveyors, Prudential Surveyors (Hong Kong) Limited, on an open market value basis. The fair value is in line with the definition of "IFRS13 – Fair value measurement". The revaluation surplus has been recognised in the profit or loss for the current year. Prudential Surveyors (Hong Kong) Limited has among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of properties being valued.

The investment properties of the Group are categorised into Level 3.

33 Property, plant and equipment

	Buildings	Construction in progress	Computer equipment and others	Total
Cost or deemed cost:				
As at 1 January 2018	21,313	1,078	11,018	33,409
Additions	1,157	210	1,466	2,833
Disposals	(514)	—	(663)	(1,177)
Transfer out	(102)	—	(1,041)	(1,143)
Exchange differences	31	—	59	90
As at 31 December 2018	21,885	1,288	10,839	34,012
Accumulated depreciation:				
As at 1 January 2018	(4,497)	—	(7,582)	(12,079)
Depreciation charges	(674)	—	(1,156)	(1,830)
Transfer out	9	—	492	501
Disposals	229	—	610	839
Exchange differences	(16)	—	(42)	(58)
As at 31 December 2018	(4,949)	—	(7,678)	(12,627)
Net carrying value:				
As at 1 January 2018	16,816	1,078	3,436	21,330
As at 31 December 2018 (Note (i))	16,936	1,288	3,161	21,385

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33 Property, plant and equipment (Continued)

	Buildings	Construction in progress	Computer equipment and others	Total
Cost or deemed cost:				
As at 1 January 2017	17,468	470	10,359	28,297
Additions	3,933	608	877	5,418
Disposals	(47)	—	(130)	(177)
Exchange difference	(41)	—	(88)	(129)
As at 31 December 2017	21,313	1,078	11,018	33,409
Accumulated depreciation:				
As at 1 January 2017	(3,949)	—	(6,514)	(10,463)
Depreciation charges	(568)	—	(1,250)	(1,818)
Disposals	—	—	115	115
Exchange difference	20	—	67	87
As at 31 December 2017	(4,497)	—	(7,582)	(12,079)
Net carrying value:				
As at 1 January 2017	13,512	470	3,845	17,834
As at 31 December 2017 (Note (i))	16,816	1,078	3,436	21,330

Notes:

- (i). As at 31 December 2018, the registration transfer process of certain buildings acquired has not been completed, and the net book value of such buildings was approximately RMB1,078 million (as at 31 December 2017: RMB2,859 million). The Group believes the incomplete registration procedure does not affect the rights of the Group as the legal successor to these buildings.

34 Goodwill

	31 December 2018	31 December 2017
As at 1 January	849	914
Exchange difference	47	(65)
As at 31 December	896	849

Based on the result of impairment test, no impairment losses on goodwill were recognised as at 31 December 2018 (as at 31 December 2017: Nil).

35 Deferred tax assets/(liabilities)

	31 December 2018	31 December 2017
Deferred tax assets	23,174	21,825
Deferred tax liabilities	(16)	(8)
Net	23,158	21,817

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35 Deferred tax assets/(liabilities) (Continued)

(a) Analysed by nature and jurisdiction

	31 December 2018		31 December 2017	
	Deductible/ (taxable) temporary differences	Deferred tax assets/ (liabilities)	Deductible/ (taxable) temporary differences	Deferred tax assets/ (liabilities)
Deferred tax assets				
— allowance for impairment losses	95,710	23,729	68,409	17,060
— fair value adjustments	(9,944)	(2,526)	12,357	3,078
— employee retirement benefits and salaries payable	7,430	1,857	6,248	1,562
— others	238	114	402	125
Subtotal	93,434	23,174	87,416	21,825
Deferred tax liabilities				
— fair value adjustments	(86)	(16)	(48)	(8)
Net	93,348	23,158	87,368	21,817

(b) Offsetting of deferred tax assets and deferred tax liabilities

As at 31 December 2018, the deferred tax assets/liabilities offset by the Group were RMB2,720 million (31 December 2017: RMB262 million).

(c) Movement of deferred tax

	Allowance for impairment losses	Fair value adjustments	Employee retirement benefits and accrued staff cost	Others	Total deferred tax
As at 31 December 2017	17,060	3,070	1,562	125	21,817
Change in accounting policy	3,020	(2,588)	—	(10)	422
Recognised in profit or loss	3,633	404	298	2	4,337
Recognised in other comprehensive income	—	(3,430)	(3)	—	(3,433)
Exchange differences	16	2	—	(3)	15
As at 31 December 2018	23,729	(2,542)	1,857	114	23,158
As at 1 January 2017	13,165	(261)	721	(939)	12,686
Recognised in profit or loss	3,899	645	838	1,060	6,442
Recognised in other comprehensive income	—	2,686	3	—	2,689
Exchange differences	(4)	—	—	4	—
As at 31 December 2017	17,060	3,070	1,562	125	21,817

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36 Other assets

	Notes	31 December 2018	31 December 2017
Prepayments for properties and equipment	(a)	10,833	10,521
Interest receivables	(b)	2,205	—
Fee and commission receivables		3,534	4,740
Advanced payments and settlement accounts		2,356	2,030
Repossessed assets	(c)	2,203	2,049
Prepayments for assets acquired for finance leases		1,679	1,546
Precious metal leasing		1,632	26,313
Prepaid rent		985	1,023
Leasehold improvements		871	1,315
Land use rights		993	1,024
Others	(d)	10,162	7,282
Total		37,453	57,843

Notes

(a) Prepayments for properties and equipment

Prepayments for properties and equipment are mainly payments the Group made for office premises being constructed.

(b) Interest Receivables

Interest receivable represents the interest which is matured but not yet collected at the reporting date, net of corresponding allowance for impairment losses. The allowance for impairment losses in relation to interest receivables of the Group is 4,436 million.

(c) Repossessed assets

	Notes	31 December 2018	31 December 2017
Premises		2,429	1,931
Others		499	518
Gross balance		2,928	2,449
Less: Allowance for impairment losses	37	(725)	(400)
Net balance		2,203	2,049

As at 31 December 2018, the Group intended to dispose all of the repossessed assets, and had no plan to transfer the repossessed assets for own use (as at 31 December 2017: Nil).

(d) Others

Others include continuing involvement in assets, provisional legal costs for lawyers, other long-term deferred expenses, other receivables, etc.

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37 Movements of allowance for impairment losses

	Notes	Year ended 31 December 2018				
		As at 1 January	Charge/ (reversal) for the year	Write-offs/ transfer out	Others Note (i)	As at 31 December
Allowance for credit impairment losses						
Deposits with bank and non-bank financial institutions	19	60	11	—	3	74
Placements with and loans to banks and non-bank financial institutions	20	165	(1)	—	1	165
Financial assets held under resale agreements	23	37	(33)	—	—	4
Interest receivables		4,970	3,034	(3,606)	(4,398)	—
Loans and advances to customers	25	97,905	47,753	(46,938)	2,512	101,232
Financial investments at amortised cost	26	3,044	999	(689)	16	3,370
at fair value through other comprehensive income		950	75	—	14	1,039
Other assets – financial assets		2,334	6,098	(1,182)	4,729	11,979
Off balance sheet credit assets	45	4,557	(50)	—	36	4,543
Subtotal		114,022	57,886	(52,415)	2,913	122,406
Allowance for impairment losses on other assets						
Other assets – repossessed assets		400	347	(7)	(15)	725
Total		400	347	(7)	(15)	725

	Notes	Year ended 31 December 2017				
		As at 1 January	Charge/ (reversal) for the year	Write-offs/ transfer out	Others Note (i)	As at 31 December
Deposits with bank and non-bank financial institutions	19	34	(32)	—	(2)	—
Placements with and loans to banks and non-bank financial institutions	20	9	—	—	(8)	1
Interest receivables	24	3,906	4,212	(3,977)	(195)	3,946
Loans and advances to customers	25	75,543	50,170	(35,691)	881	90,903
Available-for-sale financial assets	27	162	(69)	—	(15)	78
Held-to-maturity investments	28	2	(2)	—	—	—
Investments classified as receivables	29	1,756	1,018	—	169	2,943
Other assets		2,360	567	(364)	38	2,601
Total (Note (ii))		83,772	55,864	(40,032)	868	100,472

Note:

- (i) Others include unwinding of interest on impaired financial assets, reclassification of interest receivables, and effect of exchange differences during the year.
- (ii) In addition to the allowance for impairment losses above, the Group also charged impairment losses against off-balance sheet items (Note 12).

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38 Deposits from banks and non-bank financial institutions

Analysed by types and locations of counterparties

	31 December 2018	31 December 2017
In Mainland China		
— banks	208,427	170,801
— non-bank financial institutions	565,387	611,011
Subtotal	773,814	781,812
Outside Mainland China		
— banks	4,242	16,142
— non-bank financial institutions	57	53
Subtotal	4,299	16,195
Accrued interest	4,151	—
Total	782,264	798,007

39 Placements from banks and non-bank financial institutions

Analysed by types and locations of counterparties

	31 December 2018	31 December 2017
In Mainland China		
— banks	58,681	43,172
— non-bank financial institutions	47,239	28,733
Subtotal	105,920	71,905
Outside Mainland China		
— banks	9,197	5,690
Accrued interest	241	—
Total	115,358	77,595

40 Financial assets sold under repurchase agreements

(a) Analysed by type and location of counterparties

	31 December 2018	31 December 2017
In Mainland China		
— PBOC	93,151	88,063
— banks	25,911	46,321
— non-bank financial institutions	1,000	—
Subtotal	120,062	134,384
Outside Mainland China		
— banks	218	116
Subtotal	218	116
Accrued interest	35	—
Total	120,315	134,500

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40 Financial assets sold under repurchase agreements (Continued)

(b) Analysed by type of collateral

	31 December 2018	31 December 2017
Discounted bills	33,809	52,415
Debt securities	86,471	82,085
Accrued interest	35	—
Total	120,315	134,500

The Group did not derecognise financial assets transferred as collateral in connection with financial assets sold under repurchase agreements. As at 31 December 2018, none of the legal title of the collateral pledged disclosed in Note 58 has been transferred to counterparties.

41 Deposits from customers

Analysed by nature:

	31 December 2018	31 December 2017
Demand deposits		
— corporate customers	1,516,861	1,645,002
— personal customers	262,960	234,961
Subtotal	1,779,821	1,879,963
Time and call deposits		
— corporate customers	1,382,230	1,223,018
— personal customers	449,549	298,477
Subtotal	1,831,779	1,521,495
Outward remittance and remittance payables	4,823	6,178
Accrued interest	33,188	—
Total	3,649,611	3,407,636

Guarantee deposits included in above deposits:

	31 December 2018	31 December 2017
Bank acceptances	163,066	195,308
Guarantees	21,757	24,941
Letters of credit	6,234	9,289
Others	109,627	108,830
Total	300,684	338,368

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42 Accrued staff costs

	Notes	Year ended 31 December 2018			
		As at 1 January	Additions during the year	Payments during the year	As at 31 December
Short-term employee benefits	(a)	8,635	22,660	(20,909)	10,386
Post-employment benefits					
— defined contribution plans	(b)	34	2,453	(2,456)	31
Post-employment benefits					
— defined benefit plans	(c)	44	102	(111)	35
Other long-term benefits		125	6	(34)	97
Total		8,838	25,221	(23,510)	10,549

	Notes	Year ended 31 December 2017			
		As at 1 January	Additions during the year	Payments during the year	As at 31 December
Short-term employee benefits	(a)	8,673	23,253	(23,291)	8,635
Post-employment benefits					
— defined contribution plans	(b)	32	2,377	(2,375)	34
Post-employment benefits					
— defined benefit plans	(c)	35	11	(2)	44
Other long-term benefits		79	89	(43)	125
Total		8,819	25,730	(25,711)	8,838

(a) Short-term employee benefits

	Year ended 31 December 2018			
	As at 1 January	Additions during the year	Payments during the year	As at 31 December
Salaries and bonuses	7,553	17,818	(15,915)	9,456
Social insurance	28	1,469	(1,452)	45
Welfare expenses	—	1,400	(1,398)	2
Housing fund	10	1,300	(1,302)	8
Labour union expenses and employee education expenses	955	416	(566)	805
Housing allowance	75	196	(217)	54
Others	14	61	(59)	16
Total	8,635	22,660	(20,909)	10,386

	Year ended 31 December 2017			
	As at 1 January	Additions during the year	Payments during the year	As at 31 December
Salaries and bonuses	7,483	18,594	(18,524)	7,553
Social insurance	49	1,324	(1,345)	28
Welfare expenses	—	1,121	(1,121)	—
Housing fund	19	1,291	(1,300)	10
Labour union expenses and employee education expenses	1,060	378	(483)	955
Housing allowance	48	497	(470)	75
Others	14	48	(48)	14
Total	8,673	23,253	(23,291)	8,635

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42 Accrued staff costs (Continued)

(b) Post-employment benefits – defined contribution plans

Post-employment benefits defined contribution plans include contributions to statutory retirement plan. Pursuant to the relevant laws and regulations in the PRC governing labor and social security, the Group joins statutory retirement plan for the employees as set out by city and provincial governments. The Group is required to make contributions based on defined ratios of the salaries, bonuses and certain allowance of the employees to the statutory retirement plan under the administration of the government.

In addition to the above statutory retirement plan, the Bank's qualified employees have joined a defined contribution retirement scheme (the "Scheme") which was established by the Group and managed by the CITIC Group. For the year ended 31 December 2018, The Bank has made annuity contributions at 5% (31 December 2017: 5%) of its employee's gross wages. For the year ended 31 December 2018, the Bank made annuity contribution amounting to RMB757 million (year ended 31 December 2017: RMB662 million).

The Group operates a defined contribution provident fund and a Mandatory Provident Fund scheme for Hong Kong staff. Contributions are charged to profit or loss when the contribution fall due.

(c) Post-employment benefits – defined benefit plans

The Group offers supplementary retirement benefits for certain of its qualified employees in Mainland China. Retired employees are eligible to join this supplementary retirement benefit plan. The amount that is recognised as at reporting date presents the discounted value of benefit obligation in the future.

The Group's obligations in respect of the supplementary retirement benefit plan as at the reporting date are based on the projected unit credit actuarial cost method and computed by a qualified professional actuary firm (a member of Society of Actuaries in the United States of America).

Save for the disclosed above, the Group has no other material obligation for payment of retirement benefits.

43 Taxes payable

	31 December 2018	31 December 2017
VAT and surcharges	3,342	4,175
Income tax	1,570	4,668
Others	8	15
Total	4,920	8,858

44 Interest payable

	31 December 2017
Deposits from customers	28,097
Borrowings from central banks and deposits from banks and non-bank financial institutions	7,311
Debt securities issued	3,551
Others	364
Total	39,323

The accrued interests of 2018 derived from respective financial liabilities are disclosed in Note 38, Note 39, Note 40, Note 41 and Note 46 to conform the presentation in current year.

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45 Provisions

	31 December 2018	31 December 2017
Allowance for impairment losses on off-balance sheet items	4,543	402
Litigation provisions	470	394
Total	5,013	796

The movement of off-balance sheet allowance for impairment losses is included in the Note 37.

Movement of provisions:

	31 December 2018	31 December 2017
As at 1 January	394	244
Accruals	220	152
Reversals	—	(2)
Payments	(144)	—
As at 31 December	470	394

46 Debt securities issued

	Notes	31 December 2018	31 December 2017
Long-term debt securities issued	(a)	80,296	94,571
Subordinated bonds issued:			
— by the Bank	(b)	118,450	68,448
— by CBI	(c)	5,520	5,280
Certificates of deposit issued	(d)	2,752	2,849
Certificates of interbank deposit issued	(e)	341,310	270,096
Accrued interest		4,155	—
Total		552,483	441,244

(a) Long-term debt securities issued by the Group as at 31 December 2018:

Bond Type	Issue Date	Maturity Date	Annual Interest Rate	31 December 2018 Nominal Value RMB	31 December 2017 Nominal Value RMB
Fixed rate bond	8 November 2013	12 November 2018	5.20%	—	15,000
Fixed rate bond	17 April 2017	17 April 2020	4.20%	50,000	50,000
Fixed rate bond	24 May 2017	24 May 2020	4.40%	2,993	2,993
Fixed rate bond	21 May 2015	25 May 2020	3.98%	7,000	7,000
Fixed rate bond	17 November 2015	17 November 2020	3.61%	8,000	8,000
Floating rate bond	14 December 2017	14 December 2020	3.24%	4,814	4,555
Fixed rate bond	14 December 2017	14 December 2020	2.88%	2,063	1,952
Floating rate bond	14 December 2017	15 December 2022	3.34%	3,783	3,579
Fixed rate bond	14 December 2017	15 December 2022	3.13%	1,719	1,627
Total nominal value				80,372	94,706
Less: Unamortised issuance cost and discount				(76)	(90)
Elimination of positions held by a subsidiary				—	(45)
Carrying value				80,296	94,571

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46 Debt securities issued (Continued)

(b) The carrying value of the Bank's subordinated bonds issued as at 31 December:

	Notes	31 December 2018	31 December 2017
Subordinated fixed rate bonds maturing:			
— in May 2025	(i)	11,500	11,500
— in June 2027	(ii)	19,983	19,981
— in August 2024	(iii)	36,972	36,967
— in September 2028	(iv)	30,000	—
— in October 2028	(v)	19,995	—
Total		118,450	68,448

Notes:

- (i) The interest rate on the subordinated fixed rate bonds issued on 28 May 2010 is 4.30% per annum. The Bank has an option to redeem the bonds on 28 May 2020. If they are not redeemed, the interest rate of the bonds will remain at 4.30% per annum for the next five years.
- (ii) The interest rate on the subordinated fixed rate bonds issued on 21 June 2012 is 5.15% per annum. The Bank has an option to redeem the bonds on 21 June 2022. If they are not redeemed, the interest rate of the bonds will remain at 5.15% per annum for the next five years.
- (iii) The interest rate on the subordinated fixed rate bonds issued on 26 August 2014 is 6.13% per annum. The Bank has an option to redeem the bonds on 26 August 2019. If they are not redeemed, the interest rate of the bonds will remain 6.13% per annum for the next five years.
- (iv) The interest rate on the subordinated fixed rate bonds issued on 13 September 2018 is 4.96% per annum. The Bank has an option to redeem the bonds on 13 September 2023. If they are not redeemed, the interest rate of the bonds will remain 4.96% per annum for the next five years.
- (v) The interest rate on the subordinated fixed rate bonds issued on 22 October 2018 is 4.8% per annum. The Bank has an option to redeem the bonds on 22 October 2023. If they are not redeemed, the interest rate of the bonds will remain 4.8% per annum for the next five years.

(c) The carrying value of CBI's subordinated bonds issued as at 31 December:

	Notes	31 December 2018	31 December 2017
Subordinated fixed rate notes maturing:			
— in June 2020	(i)	3,465	3,341
— in May 2024	(ii)	2,055	1,939
Total		5,520	5,280

Notes:

- (i) Subordinated notes with nominal value of USD500 million bear an interest rate of 6.875% per annum were issued on 24 June 2010 by CBI, payable semi-annually. The notes are listed on Singapore Exchange Securities Trading Limited.
- (ii) Subordinated notes with nominal value of USD300 million bear interest at a fixed rate of 6.00% per annum were issued on 7 November 2013 by CBI, payable semi-annually until 7 May 2019, and thereafter fixed at the interest rate of the prevailing five-year US Treasury bonds yield plus 4.718% per annum if the notes are not redeemed on the call date or any interest payment date thereafter. The notes are listed on the Hong Kong Stock Exchange.

- (d) These certificates of deposit were issued by CBI with interest rate ranging from 2.05% to 2.26% per annum.
- (e) As at 31 December 2018, the Bank had issued certain certificates of interbank deposits, totaling RMB341,310 million (as at 31 December 2017: RMB270,096 million), with yield ranging from 2.80% to 4.86% (as at 31 December 2017: 4.00% to 5.35%) per annum. The original expiry terms are between one months to one year.

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47 Other liabilities

	Note	31 December 2018	31 December 2017
Payment and collection accounts		13,829	13,545
Settlement and clearing accounts		11,010	6,667
Deferred emoluments payable	(i)	9,162	6,306
Advances and deferred expenses		5,818	4,278
Leasing deposits		1,579	1,616
Precious metal contracts		1,383	4,872
Accrued expenses		741	636
Others		10,539	7,996
Total		54,061	45,916

Note:

- (i) As at 31 December 2018, the deferred emolument payable amounted to RMB9,162 million (31 December 2017: RMB6,306 million). This represents deferred emoluments payable to employees in respect of services provided to the Group. Such amount will be distributed according to plans.

48 Share capital

	31 December 2018 and 31 December 2017 Number of shares (millions)	Nominal Value
Ordinary shares		
Registered, issued and fully paid:		
A-Share	34,053	34,053
H-Share	14,882	14,882
Total	48,935	48,935

	31 December 2018	31 December 2017
As at 1 January	48,935	48,935
Additions	—	—
As at 31 December	48,935	48,935

49 Preference shares

Financial instruments in issue	Dividend rate	Issued price (RMB)	Issued number of shares (RMB millions)	Issued nominal value (RMB millions)	Maturity Date	Conversions
Preference shares	3.80%	100	350	35,000	No maturity date	No conversion during the year

35,000 million preference shares of RMB100 each were issued in October 2016, with a dividend rate of 3.80% per annum for the first five years from issuance, to no more than 200 qualified investors, pursuant to the approval by its ordinary shareholders, meeting and relevant regulatory authorities.

The carrying amount of preference shares, net of direct issuance expenses, was RMB34,955 millions as at 31 December 2018. All the proceeds received is used to replenish Other Tier-One capital in order to increase the Bank's Tier-One capital adequacy ratio (Note 62). Dividends are non-cumulative and where payable are paid annually. Dividend rate at the time of issue is 3.8% per annum and will be re-priced every five years thereafter with reference to the five-year PRC treasury bonds yield plus a fixed premium of 1.30%.

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49 Preference shares (Continued)

As authorised by the ordinary shareholders' Annual General Meeting, the Board of Directors has the sole discretion to declare and distribute dividends on preference shares. The Bank shall not distribute any dividends to its ordinary shareholders before it declares such dividends to preference shareholders for the relevant period. The distribution of preference shares dividend is at the Bank's discretion and is non-cumulative. Preference shareholders are not entitled to participate in the distribution of retained profits except for the dividends stated above.

The Bank has redemption option when specified conditions as stipulated in the offering documents of preference shares are met, subject to regulatory approval, whereas preference shareholders have no right to require the Bank to redeem the preference shares.

Upon occurrence of the triggering events as stipulated in paragraph 2(3) of the Guidance of the China Banking Regulatory Commission on Commercial Banks' Innovation on Capital Instruments (CBRC No.56 [2012]) and subject to regulatory approval, preference shares shall be mandatorily converted into ordinary A shares of the Bank at the conversion price of RMB7.07 per share, partially or entirely. The conversion price of the preference shares will be adjusted where certain events occur including bonus issues, rights issue, capitalisation of reserves and new issuances of ordinary shares, subject to terms and formulae provided for in the offering documents, to maintain the relative interests between preference shareholders and ordinary shareholders.

These preference shares are classified as equity instruments, and presented as equity in the consolidated statement of financial position; and are qualified as Additional Tier-One Capital Instruments in accordance with the CBIRC requirements.

Interests attributable to equity instruments' holder:

	31 December 2018	31 December 2017
Total equity attribute to equity holders of the parent company	436,661	388,002
Equity attribute to ordinary equity holders of the parent company	401,706	353,047
Equity attribute to other equity holders of the parent company	34,955	34,955
— Dividend paid	1,330	1,330

For the year ended 31 December 2018, the Bank paid RMB1,330 million dividend to the preference shareholders (for the year ended 31 December 2017: RMB1,330 million).

On 13 December 2018, a private issuance of preference shares is approved by the Board of Directors. The issuance of preference shares is with no more than RMB40 billion in domestic market, the par value is RMB100 per share. On 30 January 2019, The issuance is approved in the shareholder's meeting.

50 Capital reserves

		31 December 2018	31 December 2017
Share premium		58,896	58,896
Other reserves		81	81
Total		58,977	58,977

	Notes	31 December 2018	31 December 2017
As at 1 January		58,977	58,636
Contribution by non-controlling shareholders	55	—	341
As at 31 December		58,977	58,977

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51 Other comprehensive income

Other comprehensive income comprises items that will not be reclassified subsequently to profit or loss, such as net changes on the measurement of defined benefit plan (Note 42) and fair value changes on financial investments designated at fair value through other comprehensive income, and items that may be reclassified subsequently to profit or loss, such as fair value changes on financial assets at fair value through other comprehensive income, credit impairment allowance on financial assets at fair value through other comprehensive income and exchange differences on translation.

52 Surplus reserve

	31 December 2018	31 December 2017
As at 1 January	30,244	27,263
Appropriations	4,206	3,920
As at 31 December	34,450	31,183

Under the relevant PRC Laws, the Bank and the Bank's subsidiaries in Mainland China are required to appropriate 10% of its profit for the year, as determined under regulations issued by the regulatory bodies of the PRC, to the statutory surplus reserve until the reserve balance reaches 50% of the registered capital. After making the appropriation to the statutory surplus reserve, the Bank may also appropriate its profit for the year to the discretionary surplus reserve upon approval by ordinary shareholders at the Annual General Meeting. The Bank makes its appropriation on an annual basis.

Subject to the approval of ordinary shareholders, statutory surplus reserves may be used for replenishing accumulated losses, if any, and may be converted into share capital, provided that the balance of statutory surplus reserve after such capitalisation is not less than 25% of the registered capital before the process.

53 General reserve

	31 December 2018	31 December 2017
As at 1 January	74,251	73,911
Appropriations	4	340
As at 31 December	74,255	74,251

Pursuant to relevant Ministry of Finance ("MOF") notices, the Bank and the Group's banking subsidiaries in Mainland China are required to set aside a general reserve to cover potential losses against their assets. The Bank and the Group make its appropriation on an annual basis. As at 31 December 2018, the General Reserve of the Bank has reached 1.5% of the ending balance of gross risk-bearing assets and thus no appropriations in the general reserve have been made by the bank for the year end at 31 December 2018.

54 Profit appropriations and retained earnings

(a) Profit appropriations and distributions other than dividends declared during the year

	Notes	31 December 2018	31 December 2017
Appropriations to			
— surplus reserve	52	4,206	3,920
— general reserve	53	4	340
As at 31 December		4,210	4,260

In accordance with the approval from the Board of Directors dated 26 March 2019, the Bank appropriated RMB4,206 million to statutory surplus reserve fund for the year of 2018. General Reserve of the Bank has reached 1.5% of the ending balance of gross risk-bearing assets and thus no appropriations is required by the Bank for the year of 2018. The Group's subsidiary, Lin'an rural bank, made appropriations to general reserve in accordance with relevant regulatory requirements.

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54 Profit appropriations and retained earnings (Continued)

- (b) In accordance with the resolution approved in the Annual General Meeting of the Bank on 25 May 2018, a total amount of approximately RMB12,772 million (RMB2.61 per 10 shares) were distributed in the form of cash dividend to the ordinary shareholders on 2 July 2018.
- (c) In accordance with the resolution approved in the Annual General Meeting of the Bank on 27 August 2018, a total amount of approximately RMB1,330 million (calculated by the bank using the agreed dividend rate of 3.8% with RMB3.80 per share) were distributed in the form of cash dividend to the preference shareholders on 26 October 2018.
- (d) On 26 March 2019, the Board of Directors proposed a cash dividend of RMB2.30 per 10 shares in respect of the year ended 31 December 2018. Subject to the approval of the ordinary shareholders at the Annual General Meeting, approximately RMB11,255 million will be payable to those on the register of ordinary shareholders as at the relevant record date. This proposal is a non-adjusting event after the reporting period and has not been recognised as liability as at 31 December 2018.
- (e) As at 31 December 2018, the retained earnings included the statutory surplus reserves of certain subsidiaries of RMB200 million (as at 31 December 2017: RMB141 million), of which RMB56 million (as at 31 December 2017: RMB53 million) was the appropriation made by the subsidiaries for the year ended 31 December 2018. Such statutory surplus reserves in the retained earnings cannot be distributed.

55 Non-controlling interests

Non-controlling interests included ordinary shareholders held by non-controlling interest in subsidiaries and other equity instrument holders' interests. As at 31 December 2018, other equity instrument holders' interest amounted to RMB8,492 million representing other equity instruments issued by CBI on 22 April 2014, 29 September 2016, and 6 November 2018, an entity ultimately controlled by the Group. Such instruments are perpetual non-cumulative subordinated additional Tier- One capital securities (the "Capital Securities").

Financial instruments in issue	Issue Date	Nominal Value	First Call Date	Coupon Rate	Payment Frequency
Capital Securities	22 April 2014	USD300 millions	22 April 2019	7.25% per annum for the first five years after issuance, and re-priced every five years to a rate equivalent to the five year US Treasury rate plus 5.627% per annum	Semi-annually
Capital Securities	11 October 2016	USD500 millions	11 October 2021	4.25% per annum for the first five years after issuance, and re-priced every five years to a rate equivalent to the five year US Treasury rate plus 3.107% per annum	Semi-annually
Capital Securities	6 November 2018	USD500 millions	6 November 2023	7.10% per annum for the first five years after issuance, and re-priced every five years to a rate equivalent to the five year US Treasury rate plus 4.151% per annum	Semi-annually

CBI may, at its sole discretion, elect to cancel any payment of coupon, in whole or in part, or redeem Capital Securities in whole on the first call date and any subsequent coupon distribution date, where the holders of these Capital Securities have no right to require CBI to redeem. These Capital Securities listed above are classified as other equity instruments.

A distribution payment of RMB289 million was paid to the holders of the Capital Securities during the year ended 31 December 2018 (year ended 31 December 2017: RMB290 million).

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55 Non-controlling interests (Continued)

On 29 September 2017, by the approval of the board of directors, the Bank injected capital to CBI, the 100% owned subsidiary of CIFH which is a subsidiary of the Bank. CBI was the second tier wholly-owned subsidiary of the Bank before the capital injection. After the capital injection, CIFH holds 75% equity interests of CBI.

56 Notes to consolidated statement of cash flows

Cash and cash equivalents

	31 December 2018	31 December 2017
Cash	6,188	6,740
Cash equivalents		
— Surplus deposit reserve funds	128,423	89,288
— Deposits with banks and non-bank financial institutions due within three months when acquired	88,801	110,898
— Placements with and loans to banks and non-bank financial institutions due within three months when acquired	124,923	79,078
— Investment securities due within three months when acquired	27,674	51,911
Subtotal	369,821	331,175
Total	376,009	337,915

57 Commitments and contingent liabilities

(a) Credit commitments

The Group's credit commitments take the form of loan commitments, credit card commitments, financial guarantees, letters of credit and bank acceptances.

Loan commitments and credit card commitments represent the undrawn amount of approved loans with signed contracts and credit card limits. Financial guarantees and letters of credit represent guarantees provided by the Group to guarantee the performance of customers to third parties. Bank acceptances comprise undertakings by the Group to pay bills of exchange drawn on customers. The Group expects the majority acceptances to be settled simultaneously with the reimbursement from the customers.

The contractual amounts of credit commitments by categories are set out below. The amounts disclosed in respect of loan commitments and credit card commitments assume that amounts are fully drawn down. The amounts of guarantees, letters of credit and acceptances represent the maximum potential loss that would be recognised at the reporting date if counterparties failed to perform as contracted.

	31 December 2018	31 December 2017
Contractual amount		
Loan commitments		
— with an original maturity within one year	4,521	14,926
— with an original maturity of one year or above	35,508	57,434
Subtotal	40,029	72,360
Guarantees	393,851	427,561
Letters of credit	434,590	310,315
Bank acceptances	158,813	195,746
Credit card commitments	92,924	88,772
Total	1,120,207	1,094,754

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57 Commitments and contingent liabilities (Continued)

(b) Credit commitments analysed by credit risk weighted amount

	31 December 2018	31 December 2017
Credit risk weighted amount of credit commitments	370,529	351,475

The credit risk weighted amount refers to the amount as computed in accordance with the rules set out by the CBIRC and depends on the status of counterparties and the maturity characteristics. The risk weighting used range from 0% to 150%.

(c) Capital commitments

- (i) The Group had the following authorised capital commitments in respect of property, plant and equipment at the reporting date:

	31 December 2018	31 December 2017
For the purchase of property and equipment Contracted for	5,356	7,385

- (ii) On 13 December 2018, the Group announced and approved the establishment of a wealth management subsidiary by the Board of Directors. The proposed registered capital of the subsidiary was no more than RMB5 billion, which the bank hold all the shares. As at 31 December 2018, the matters are subject to the approval of relevant regulatory authorities.

(d) Operating lease commitments

The Group leases certain property, plant and equipment under operating leases, which typically run for an initial period from one to five years and may include an option to renew the leases when all terms are renegotiated. As at 31 December 2018, the Group's future minimum lease payments under non-cancellable operating leases are as follows:

	31 December 2018	31 December 2017
Within one year	3,489	2,876
After one year but within two years	2,776	2,892
After two years but within three years	2,340	2,306
After three years but within five years	3,063	3,418
After five years	1,266	2,122
Total	12,934	13,614

(e) Outstanding contingencies including litigation and disputes

The Group has assessed and has made provisions for any probable outflow of economic benefits in relation to commitments and contingent liabilities at the reporting date in accordance with its accounting policies including litigation and disputes.

As at 31 December 2018, the Group was involved in certain potential and pending litigation as defendant with gross claims of RMB271 million (as at 31 December 2017: RMB748 million). Based on the opinion of internal and external legal counsels, the Group had made litigation provisions of RMB220 million for the year ended 31 December 2018 (for the year ended 31 December 2017: RMB152 million) against these litigation (Note 45). Such contingencies, including litigation and disputes, will not have material impact on financial position and operations of the Bank.

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57 Commitments and contingent liabilities (Continued)

(f) Bonds redemption obligations

As an underwriting agent of PRC treasury bonds, the Group has the responsibility to buy back those bonds sold by it should the holders decide to early redeem the bonds held. The redemption price for the bonds at any time before their maturity dates is based on the nominal value plus any interest unpaid and accrued up to the redemption date. Accrued interest payables to the bond holders are calculated in accordance with relevant rules of the MOF and the PBOC. The redemption price may be different from the fair value of similar instruments traded at the redemption date.

The redemption obligations below represent the nominal value of treasury bonds underwritten and sold by the Group, but not yet matured at the reporting date:

	31 December 2018	31 December 2017
Redemption commitment for PRC treasury bonds	11,101	11,492

The original maturities of these bonds vary from one to five years. Management of the Group expects the amount of redemption before maturity dates of these bonds will not be material. The MOF will not provide funding for the early redemption of these bonds on a back-to-back basis, but will settle the principal and interest upon maturity.

(g) Underwriting obligations

As at 31 December 2018 and 31 December 2017, the Group did not have unfulfilled commitment in respect of securities underwriting business. (as at 31 December 2017: Nil)

58 Collateral

(a) Assets pledged

(i) The carrying amount of financial assets pledged as collateral in the Group's ordinary course of businesses, including repurchase agreements and borrowings from central banks, are disclosed as below:

	31 December 2018	31 December 2017
Debt securities	439,272	407,755
Discounted bills	33,955	52,780
Others	172	111
Total	473,399	460,646

As at 31 December 2018 and 31 December 2017, the Group's liabilities related to the above collateral were due within 12 months from the effective dates of these agreements and title of these collateral was not transferred to counterparties.

(ii) In addition, as at 31 December 2018, the Group pledged debt securities and deposits with banks and other financial institutions with carrying amount totalling RMB1,335 million (as at 31 December 2017: RMB1,668 million) as collateral for derivative transactions and guarantee funds to exchanges. Title of these pledged assets was not transferred to counterparties.

(b) Collateral accepted

The Group received debt securities as collateral for financial assets held under resale agreements as set out in Note 23. Under the terms of these agreements, the Group could not resell or re-pledge certain parts of these collateral unless in the event of default by the counterparties. As at 31 December 2018, there was no collateral that can be resold or re-pledged by the Group (as at 31 December 2017: Nil). During the year ended 31 December 2018, the Group did not resell or re-pledge any of these collateral (year ended 31 December 2017: Nil).

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59 Transactions on behalf of customers

(a) Entrusted lending business

The Group provides entrusted lending business services to corporations and individuals, as well as entrusted provident housing fund mortgage business services. All entrusted loans are made under the instruction or at the direction of these corporations, individuals or provident housing fund centre and are funded by entrusted funds from them.

For entrusted assets and liabilities and entrusted provident housing fund mortgage business, the Group does not expose to credit risk in relation to these transactions, but acts as an agent to hold and manage these assets and liabilities at the instruction of the entrusting parties and receives fee income for the services provided.

Trust assets are not assets of the Group and are not recognised on the consolidated statement of financial position. Income received and receivable for providing these services is included in the consolidated statement of profit or loss as fee income.

At the reporting date, the entrusted assets and liabilities were as follows:

	31 December 2018	31 December 2017
Entrusted loans	640,227	791,555
Entrusted funds	640,229	791,556

(b) Wealth management services

The Group's wealth management services to customers mainly represent sale of wealth management products, including principal guaranteed (Note 65(c)) and non-principal or interest guaranteed wealth management products (Note 65(b)), to corporate and personal banking customers.

The funds raised by non-principal guaranteed wealth management products from investors are invested in various investments, including debt securities and money market instruments, credit assets and other debt instruments, equity instruments etc. Credit risk, liquidity risk and interest rate risk associated with these products are borne by the customers. The Group only earns commission which represents the charges on customers in relation to the provision of custodian, sale and management services. Income is recognised in the consolidated statement of profit or loss as commission income. The Group has entered into placements transactions at market interest rates with the wealth management products vehicles (Note 65(b)).

The assets and liabilities of these wealth management products are not assets and liabilities of the Group and are not recognised on the consolidated statement of financial position.

As at 31 December 2018, the amount of total assets invested by these non-principal guaranteed wealth management products issued by the Group was disclosed in Note 65(b).

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60 Segment reporting

Measurement of segment assets and liabilities, and segment income and expenses are based on the Group's accounting policies.

Internal charges and transfer pricing of transactions between segments are determined for management purpose and have been reflected in the performance of each segment. Net interest income and expenses arising from internal charges and transfer pricing adjustments are referred to as "Internal net interest income/expenses". Interest income and expenses earned from third parties are referred to as "External net interest income/expenses".

Segment income, expense, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment assets and liabilities do not include deferred tax assets and liabilities. Segment income, expenses, assets, and liabilities are determined before intra-group balances, and intra-group transactions are eliminated as part of the consolidation process. Segment capital expenditure is the total costs incurred during the year to acquire assets (including both tangible assets and intangible assets) whose estimated useful lives are over one year.

(a) Business segments

The Group has the following main business segments for management purpose:

Corporate banking

This segment represents the provision of a range of financial products and services to corporations, government agencies and non-financial institutions, as well as conducts investment banking businesses and international businesses. The products and services include corporate loans, deposit taking activities, agency services, remittance and settlement services and guarantee services.

Personal banking

This segment represents the provision of a range of financial products and services to individual customers and small enterprises. The products and services comprise loans, deposit services, securities agency services, remittance and settlement services and guarantee services.

Treasury operations

This segment conducts capital markets operations, inter-bank operations, which, specifically, includes inter-bank money market transactions, repurchase transactions, and investments and trading in debt instruments. Furthermore, treasury operations segment also carries out derivatives and forex trading both for the group and for customers.

Others and unallocated

Others comprise components of the Group that are not attributable to any of the above segments, along with certain assets, liabilities, income or expenses of the Head Office that could not be allocated on a reasonable basis. This segment also manages the Group's liquidity position.

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60 Segment reporting (Continued)

(a) Business segments (Continued)

	Year ended 31 December 2018				
	Corporate Banking	Personal Banking	Treasury Operations	Others and Unallocated	Total
External net interest income/(expense)	53,087	52,250	27,170	(27,735)	104,772
Internal net interest income/(expense)	19,982	(32,360)	(18,247)	30,625	—
Net interest income	73,069	19,890	8,923	2,890	104,772
Net fee and commission income/(expense)	11,609	32,999	618	(78)	45,148
Other net income (Note (i))	2,506	4,250	8,516	574	15,846
Operating income	87,184	57,139	18,057	3,386	165,766
Operating expenses					
— depreciation and amortisation	(1,049)	(552)	(640)	(701)	(2,942)
— others	(19,675)	(25,560)	(3,486)	(937)	(49,658)
Credit impairment losses	(42,216)	(15,295)	(187)	(188)	(57,886)
Impairment losses on other assets	—	—	—	(347)	(347)
Revaluation gain on investment properties	—	—	—	35	35
Share of loss from associates and joint ventures	—	—	—	(642)	(642)
Profit before tax	24,244	15,732	13,744	606	54,326
Income tax					(8,950)
Net profit					45,376
Capital expenditure	1,394	769	851	1,089	4,103

	Year ended 31 December 2018				
	Corporate Banking	Personal Banking	Treasury Operations	Others and Unallocated	Total
Segment assets	2,328,330	1,155,488	1,488,115	1,067,726	6,039,659
Interest in associates and joint ventures	—	—	118	3,763	3,881
Deferred tax assets					23,174
Total asset					6,066,714
Segment liabilities	3,046,177	1,538,976	716,638	311,821	5,613,612
Deferred tax liabilities					16
Total liabilities					5,613,628
Off-balance sheet credit commitments	1,027,283	92,924	—	—	1,120,207

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60 Segment reporting (Continued)

(a) Business segments (Continued)

	Year ended 31 December 2017				
	Corporate Banking	Personal Banking	Treasury Operations	Others and Unallocated	Total
External net interest income/(expense)	56,534	43,899	20,671	(21,459)	99,645
Internal net interest income/(expense)	16,442	(23,724)	(17,572)	24,854	—
Net interest income	72,976	20,175	3,099	3,395	99,645
Net fee and commission income	13,285	32,866	702	5	46,858
Other net income (Note (i))	819	1,312	7,279	1,318	10,728
Operating income	87,080	54,353	11,080	4,718	157,231
Operating expenses					
— depreciation and amortisation	(995)	(432)	(554)	(830)	(2,811)
— others	(20,691)	(23,747)	(1,552)	(112)	(46,102)
Impairment losses	(44,651)	(9,891)	(210)	(1,035)	(55,787)
Revaluation gain on investment properties	—	—	—	30	30
Share of loss from associates and joint ventures	—	—	—	(285)	(285)
Profit before tax	20,743	20,283	8,764	2,486	52,276
Income tax					(9,398)
Net profit					42,878
Capital expenditure	3,309	1,981	1,953	1,157	8,400

	31 December 2017				
	Corporate Banking	Personal Banking	Treasury Operations	Others and Unallocated	Total
Segment assets	2,447,930	1,022,133	1,292,692	890,770	5,653,525
Interest in associates and joint ventures	—	—	131	2,210	2,341
Deferred tax assets	—	—	—	—	21,825
Total asset					5,677,691
Segment liabilities	3,075,264	1,272,327	784,837	132,822	5,265,250
Deferred tax liabilities	—	—	—	—	8
Total liabilities					5,265,258
Off-balance sheet credit commitments	784,439	310,315	—	—	1,094,754

Note:

- (i) Other net income consists of net trading gain, net gain from investment securities, net hedging loss and other operating income.

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60 Segment reporting (Continued)

(b) Geographical segments

The Group operates principally in Mainland China with branches located in 31 provinces, autonomous regions and municipalities. The Bank's principal subsidiaries, CNCB Investment and CIFH are registered and operating in Hong Kong. The other subsidiaries, Lin'an Rural Bank and CFLL are registered in Mainland China.

In presenting information by geographical segments, operating income is allocated based on the location of the branches that generated the revenue. Segment assets and capital expenditure are allocated based on the geographical location of the underlying assets.

Geographical segments, as defined for management reporting purposes, are as follows:

- "Yangtze River Delta" refers to the following areas where tier-1 branches of the Group are located: Shanghai, Nanjing, Suzhou, Hangzhou and Ningbo, as well as Lin'an Rural Bank;
- "Pearl River Delta and West Strait" refers to the following areas where tier-1 branches of the Group are located: Guangzhou, Shenzhen, Dongguan, Fuzhou, Xiamen, and Haikou;
- "Bohai Rim" refers to the following areas where tier-1 branches of the Group are located: Beijing, Tianjin, Dalian, Qingdao, Shijiazhuang, Jinan and CFLL;
- "Central" region refers to the following areas where tier-1 branches of the Group are located: Hefei, Zhengzhou, Wuhan, Changsha, Taiyuan and Nanchang;
- "Western" region refers to the following areas where tier-1 branches of the Group are located: Chengdu, Chongqing, Xi'an, Kunming, Nanning, Hohhot, Urumqi, Guiyang, Lanzhou, Xining, Yinchuan and Lhasa;
- "Northeastern" region refers to the following areas where tier-1 branches of the Group is located: Shenyang, Changchun and Harbin;
- "Head Office" refers to the headquarter of the Bank and the Credit Card Center; and
- "Overseas" includes all the operations of CNCB Investment, CIFH and its subsidiaries.

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60 Segment reporting (Continued)

(b) Geographical segments (Continued)

Year ended 31 December 2018										
	Yangtze River Delta	Pearl River Delta and West Strait	Bobai Rim	Central	Western	Northeastern	Head Office	Overseas	Elimination	Total
External net interest income	26,679	17,920	14,234	16,865	17,332	2,334	3,504	5,904	—	104,772
Internal net interest income/(expense)	(3,327)	(300)	6,477	(2,907)	(5,703)	(489)	6,578	(329)	—	—
Net interest income	23,352	17,620	20,711	13,958	11,629	1,845	10,082	5,575	—	104,772
Net fee and commission income	3,047	2,756	4,571	1,603	1,603	341	29,788	1,439	—	45,148
Other net income (Note (i))	991	216	638	112	103	26	12,979	781	—	15,846
Operating income	27,390	20,592	25,920	15,673	13,335	2,212	52,849	7,795	—	165,766
Operating expense										
— depreciation and amortisation	(515)	(266)	(375)	(342)	(419)	(127)	(704)	(194)	—	(2,942)
— others	(7,404)	(5,628)	(7,581)	(5,066)	(5,062)	(1,194)	(14,892)	(2,831)	—	(49,658)
Credit impairment losses	(8,378)	(6,669)	(11,366)	(6,131)	(8,000)	(4,419)	(11,821)	(1,102)	—	(57,886)
Impairment losses on other assets	(113)	(9)	(66)	—	(83)	(9)	—	(67)	—	(347)
Revaluation gain on investment properties	—	—	—	—	—	—	—	35	—	35
Share of loss of associates and joint ventures	—	—	—	—	—	—	(288)	(354)	—	(642)
Profit before tax	10,980	8,020	6,532	4,134	(229)	(3,537)	25,144	3,282	—	54,326
Income tax	—	—	—	—	—	—	—	—	—	(8,950)
Profit for the year	—	—	—	—	—	—	—	—	—	45,376
Capital expenditure	331	1,017	171	144	311	42	1,641	446	—	4,103

31 December 2018										
	Yangtze River Delta	Pearl River Delta and West Strait	Bobai Rim	Central	Western	Northeastern	Head Office	Overseas	Elimination	Total
Segment assets	1,184,230	812,520	1,255,616	594,775	539,071	97,329	2,442,818	337,570	(1,224,270)	6,039,659
Interest in associates and joint ventures	—	—	—	—	—	—	2,878	1,803	—	3,881
Deferred tax assets	—	—	—	—	—	—	—	—	—	23,174
Total assets	—	—	—	—	—	—	—	—	—	6,066,714
Segment liabilities	1,191,150	800,478	1,228,822	596,075	524,880	106,680	2,084,629	282,868	(1,201,970)	5,613,612
Deferred tax liabilities	—	—	—	—	—	—	—	—	—	16
Total liabilities	—	—	—	—	—	—	—	—	—	5,613,628
Off-balance sheet credit commitments	189,531	133,112	125,076	140,766	77,284	10,914	427,397	16,127	—	1,120,207

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60 Segment reporting (Continued)

(b) Geographical segments (Continued)

	Year ended 31 December 2017									
	Yangtze River Delta	Pearl River Delta and West Strait	Bohai Rim	Central	Western	Northeastern	Head Office	Overseas	Elimination	Total
External net interest income	16,386	14,398	7,764	14,662	14,345	2,375	14,542	5,173	—	99,645
Internal net interest income/(expense)	4,129	2,191	12,649	(158)	(2,061)	(576)	(15,987)	(187)	—	—
Net interest income	20,515	16,589	20,413	14,504	12,284	1,799	8,555	4,986	—	99,645
Net fee and commission income	4,150	3,689	5,724	1,940	1,945	302	27,564	1,544	—	46,858
Other net income (Note (i))	647	372	702	204	99	25	7,108	1,571	—	10,728
Operating income	25,312	20,650	26,839	16,648	14,328	2,126	43,227	8,101	—	157,231
Operating expense										
— depreciation and amortisation	(472)	(289)	(412)	(333)	(386)	(104)	(640)	(175)	—	(2,811)
— others	(7,555)	(5,379)	(7,717)	(5,067)	(4,996)	(1,233)	(11,288)	(2,867)	—	(46,102)
Impairment losses	(13,962)	(10,580)	(9,826)	(7,792)	(7,550)	(742)	(4,103)	(1,232)	—	(55,787)
Revaluation gain on investment properties	—	—	—	—	—	—	30	—	—	30
Share of loss from associates and joint ventures	—	—	—	—	—	—	(204)	(81)	—	(285)
Profit before tax	3,323	4,402	8,884	3,456	1,396	47	27,022	3,746	—	52,276
Income tax	—	—	—	—	—	—	—	—	—	(9,398)
Profit for the year	—	—	—	—	—	—	—	—	—	42,878
Capital expenditure	3,193	198	347	1,161	301	38	2,987	175	—	8,400

	31 December 2017									
	Yangtze River Delta	Pearl River Delta and West Strait	Bohai Rim	Central	Western	Northeastern	Head Office	Overseas	Elimination	Total
Segment assets	1,288,981	916,081	1,228,113	626,587	574,942	94,618	2,298,905	306,651	(1,681,353)	5,653,325
Interest in associate and joint ventures	—	—	—	—	—	—	1,196	1,145	—	2,341
Deferred tax assets	—	—	—	—	—	—	—	—	—	21,825
Total assets	—	—	—	—	—	—	—	—	—	5,677,491
Segment liabilities	1,135,639	820,311	1,079,757	565,919	483,560	86,047	2,466,613	266,293	(1,638,389)	5,265,250
Deferred tax liabilities	—	—	—	—	—	—	—	—	—	8
Total liabilities	—	—	—	—	—	—	—	—	—	5,265,258
Off-balance sheet credit commitment	198,104	158,719	154,949	161,686	85,618	13,277	304,020	18,381	—	1,094,754

Note:

- (i) Other net income consists of net trading gain, net gain from investment securities, net hedging loss and other operating income.

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61 Financial risk management

This section presents information about the Group's exposure to and its management and control of risks, in particular the primary risks associated with its use of financial instruments:

- **Credit risk** Credit risk represents the potential loss that may arise from the failure of a customer or counterparty to meet its contractual obligations or commitments to the Group.
- **Market risk** Market risk arises from unfavourable changes in market prices (interest rate, exchange rate, stock price or commodity price) that lead to a loss of on-balance sheet or off-balance sheet business in the Group.
- **Liquidity risk** Liquidity risk arises when the Group, in meeting the demand of liabilities due and other payment obligations as well as the needs of business expansion, is unable to sufficiently, timely or cost-effectively acquire funds.
- **Operational risk** Operational risk arises from inappropriate or problematic internal procedures, personnel, IT systems, or external events, such risk includes legal risk, but excluding strategy risk and reputational risk.

The Group has established policies and procedures to identify and analyse these risks, to set appropriate risk limits and controls, and to constantly monitor the risks and limits by means of reliable and up-to-date management information systems. The Group regularly modifies and enhances its risk management policies and systems to reflect changes in markets, products and best practice risk management processes. Internal auditors also perform regular audits to ensure compliance with relevant policies and procedures.

(a) Credit risk

Credit risk management

Credit risk refers to the risk of loss caused by default of debtor or counterparty. Credit risk also occurs when the Group makes unauthorised or inappropriate loans and advances to customers, financial commitments or investments. The credit risk exposure of the Group mainly arises from the Group's loan and advance to customers, treasury businesses and off-balance sheet items.

The Group has standardised management on the entire credit business process including loan application and its investigation, approval and granting of loan, and monitoring of non-performing loans. Through strictly standardising the credit business process, strengthening the whole process management of pre-loan investigation, credit rating and credit granting, examination and approval, loan review and post-loan monitoring, improving the risk of slow-release of collateral, accelerating the disposal of non-performing loans, and promoting the upgrading and transformation of credit management system, the credit risk management of the Group has been comprehensively improved.

The Group writes off the recoverable financial asset when it cannot reasonably expect to recover all or part of the asset. Signs indicating that the recoverable amount cannot be reasonably expected include: (1) the enforcement has been terminated, and (2) the Group's recovery method is to confiscate and dispose of the collateral, but the expected value of the collateral cannot cover the entire principal and interest.

In addition to the credit risk to the Group arising credit assets, the Group manages the credit risk for treasury businesses through prudently selecting peers and other financial institutions with comparable credit levels as counterparties, balancing credit risk with returns on investment, comprehensively considering internal and external credit rating information, granting credit hierarchy, and using credit management system to review and adjust credit commitments on a timely basis, etc. In addition, the Group provides off-balance sheet commitment and guarantee businesses to customers, so it is possible for the Group to make payment on behalf of the customer in case of customer's default and bear risks similar to the loan. Therefore, the Group applies similar risk control procedures and policies to such business to reduce the credit risk.

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61 Financial risk management (Continued)

(a) Credit risk (Continued)

Measurement of expected credit losses

Since 1 January 2018, the Group adapts the “expected credit loss model” on its debt instruments which are classified as financial assets measured at amortised cost and at fair value through other comprehensive income in accordance with the provisions of IFRS 9.

For financial assets that are included in the measurement of ECL, the Group evaluates whether the credit risks of related financial assets have increased significantly since the initial recognition. The “three-stage” impairment model is used to measure their allowances for impairment losses respectively to recognise ECL and their movements:

Stage 1: Financial instruments with no significant increase in credit risk since initial recognition will be classified as “stage 1” and the Group continuously monitors their credit risk. The allowance of impairment losses of financial instruments in Stage 1 is measured based on the ECL in the next 12 months, which represents the proportion of the ECL in the lifetime due to possible default events in the next 12 months.

Stage 2: If there is a significant increase in credit risk from initial recognition, the Group transfers the related financial instruments to Stage 2, but it will not be considered as credit-impaired instruments. The ECL of financial instruments in Stage 2 is measured based on the lifetime ECL.

Stage 3: If there is a significant impairment in financial instruments, it will be moved to Stage 3. The ECL of financial instruments in Stage 3 is measured based on the lifetime ECL.

POCI financial assets refers to financial assets that are credit-impaired at initial recognition. Allowance for impairment losses on these assets are the lifetime ECL.

The Group measures the ECL for financial assets through testing models, which includes expected loss model and discounted cash flows model. The expected loss model method is applicable to assets related to personal client, assets related to corporate client in stage 1 and 2, interbank investments and off-balance sheet credit assets. Discounted cash flows model is applicable to assets related to corporate client in stage 3.

The Group estimate the ECL in accordance with the IFRS 9, the key judgments and assumptions adopted by the Group are as follows:

(i) Significant increase in credit risk

On each reporting date, the Group evaluates whether the credit risk of the relevant financial instruments has increased significantly since the initial recognition. When one or more on quantitative or qualitative threshold, or upper limit are triggered, the credit risk of financial instruments would be considered as increased significantly.

By setting quantitative and qualitative threshold, and upper limit, the Group determines whether the credit risk of financial instruments has increased significantly since initial recognition. The judgment mainly includes (1) credit risk of borrowers declining to Grade 15 or below since initial recognition; (2) significant adverse changes in business, financial or operating conditions of borrowers and in economic conditions; (3) significant increase in other credit risk. For the borrowers who are 30 days (exclusive) to 90 days (inclusive) past due on their contractual payments (including principal and interest), the Group considers that their credit risk has increased significantly and classifies them to stage 2.

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For the year ended 31 December 2018
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61 Financial risk management (Continued)

(a) Credit risk (Continued)

(ii) Definition of credit-impaired assets

When credit impairment occurred, the Group defines that the financial asset is in default. In general, a financial asset that is overdue for more than 90 days is considered to be in default.

When one or more events that adversely affect the expected future cash flow of a financial asset occurs, the financial asset becomes a credit-impaired financial asset. Evidence of credit-impaired financial assets includes the following observable information:

- The issuer or borrower is in significant financial difficulties;
- The borrower is in breach of financial covenant(s) such as default or overdue in repayment of interests or principle, etc;
- The creditor gives the debtor no concession under any other circumstances, for economic or contractual reasons relating to the debtor's financial difficulties;
- It is becoming probable that the borrower will enter bankruptcy or other debt restructuring;
- An active market for that financial asset has disappeared because of financial difficulties from issuer or borrower;
- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The Group's default definition has been consistently applied to the modeling of default probability, default risk exposure and default loss rate in the Group's ECL calculation process.

(iii) Inputs for measurement of expected credit losses

The expected credit loss is measured on either a 12 months or lifetime basis depending on whether a significant increase in credit risk has occurred or whether an asset is considered to be credit-impaired. Related definitions are as follows:

- The probability of default ("PD") represents the likelihood of a borrower defaulting on its financial obligations, either over the next 12 months or over the remaining lifetime of the obligation.
- Loss given default ("LGD") represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim, and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default and is calculated on a 12-month or lifetime basis.
- Exposure at default ("EAD") is based on the amounts that the Group expects to be owed at the time of default, over the next 12 months or over the remaining lifetime of the obligation.

The Group regularly monitors and reviews the assumptions related to the calculation of ECL, including the PD and the change in the value of collateral over time.

The Group categorises exposures with similar risk characteristics and estimates the PD, LGD, EAD by the exposures respectively. The Group has obtained sufficient information to ensure its statistical reliability. ECL of the Group is measured based on the continuous assessment and follow-up of individuals and their financial status.

During the reporting period, there were no significant changes in the estimated technology or key assumptions.

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61 Financial risk management (Continued)

(a) Credit risk (Continued)

(iv) Forward-looking information

The assessment of significant increase in credit risk and the calculation of ECL incorporates forward-looking information. The Group has performed historical analysis and identified the key economic variables impacting credit risk and ECL for each asset portfolio.

These economic variables and their associated impact on the PD vary by financial instruments. Expert judgment has been applied in this process, forecasts of these economic variables are estimated by the experts of the Group on a quarterly basis, and the impact of these economic variables on the PD and the exposure at default was determined by statistical regression analysis.

In addition to the neutral economic scenario, the Group determine the possible scenarios and their weightings by a combination of statistical analysis and expert judgment. The Group measures ECL as either a probability weighted 12 months ECL (stage 1) or a probability weighted lifetime ECL (stage 2 and stage 3). These probability-weighted ECL are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting.

Macroeconomic scenario and weighting information

The Group has built a macro forecast model, and performed historical analysis and identified the key economic variables impacting credit risk and ECL for each portfolio, such as domestic Gross Domestic Product ("GDP"), electricity production and registered urban unemployment rate, etc.

In 2018, the Group has considered different macroeconomic scenarios, and the key macroeconomic scenario assumptions in estimating ECL are set out below:

Variables	Range
Growth rate of domestic GDP, year on year	5.70%-6.82%
Accumulated electricity production, year on year	2.78%-16.69%
Registered urban unemployment rate	3.70%-3.85%

Adopt top-down development approach, the Group has established models including different key economic indicators is established with the new actual default rate of regression model, and use the prediction results and historic default information adjustment coefficient calculation, then realise the provisions for forward-looking adjustment.

The Group considers internal and external data, experts predict, and the best estimate of future, to determine the weightings in positive, neutral and negative scenarios. Neutral is defined as the most likely to happen in the future, as compare to other scenarios. Optimistic scenario and pessimistic scenario represents the possible scenario that is better off or worse off scenario compared to neutral scenario respectively. Currently, the weighting of neutral scenario is equal to the sum of the weightings of other scenarios. Following this assessment, the Group measures ECL as a weighted average probability of ECL in the next 12-month under the three scenarios for Stage 1 financial instruments; and a weighted average probability of lifetime ECL for Stage 2 and 3 financial instruments.

For portfolio cannot establish regression model, such as customer default rate is extremely low, or no suitable internal rating data portfolio, etc., the Group mainly uses the regression model has been established a similar combination than expected losses, in order to increase the coverage of existing impairment model.

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61 Financial risk management (Continued)

(a) Credit risk (Continued)

(v) Sensitivity information

The change of the inputs for measurement of ECL and forward-looking information impact the assessment of significant increase in credit risk and measurement of credit loss.

As at 31 December 2018, assuming the weighting of optimistic scenario increased by 10% while the weighting of neutral scenario decreased by 10%, the allowance for credit impairment losses of the Group will be decreased by 2.868 billion; assuming the weighting of pessimistic scenario increased by 10% while the weighting of neutral scenario decreased by 10%, the allowance for credit impairment losses of the Group will be increased by 2.166 billion;

Allowance for impairment losses of performing loans and advances to customers consists of ECL from Stage 1 and Stage 2 which is measured based on 12 months ECL and lifetime ECL respectively. Loans and advances to customers in Stage 1 transfer to Stage 2 when there is a significant increase in credit risk. The following table presents the estimated impact as if the ECL of all performing loans and advances to customers are measured based on 12 months ECL, holding all other risk profile constant.

Year ended 31 December 2018			
	Allowance of impairment losses assuming performing loans and advances to customers are in Stage 1	Impact of stage transfers	Current allowance for impairment losses
Performing loans and advances to customers	53,070	1,790	54,860

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For the year ended 31 December 2018

(Amounts in millions of Renminbi unless otherwise stated)

61 Financial risk management (Continued)

(a) Credit risk (Continued)

(v) Sensitivity information (Continued)

(i) Maximum credit risk exposure

The maximum exposure to credit risk at the reporting date without taking into consideration of any collateral held or other credit enhancement is represented by the net balance of each type of financial assets in the consolidated statement of financial position after deducting any allowance for impairment losses. A summary of the maximum exposure is as follows:

	31 December 2018				31 December	
	Stage 1	Stage 2	Stage 3	Not applicable	Total	2017
Balances with central banks	532,520	—	—	—	532,520	561,560
Deposits with bank and non-bank financial institutions	99,153	—	—	—	99,153	124,350
Placements with and loans to banks and non-bank financial institutions	176,159	—	1	—	176,160	172,069
Financial assets at fair value through profit or loss	—	—	—	—	—	61,380
Derivative financial assets	—	—	—	31,991	31,991	65,451
Financial assets held under resale agreements	10,790	—	—	—	10,790	54,626
Interest receivables	—	—	—	—	—	32,643
Loans and advances to customers	3,425,701	70,888	19,061	—	3,515,650	3,105,984
Financial investments						
— at fair value through profit or loss	—	—	—	308,872	308,872	—
— at amortised cost	773,878	3,738	622	—	778,238	—
— at fair value through other comprehensive income	510,020	105	221	—	510,346	—
— designated at fair value through other comprehensive income	—	—	—	2,707	2,707	—
Available-for-sale financial assets	—	—	—	—	—	510,790
Held-to-maturity investments	—	—	—	—	—	216,586
Investments classified as receivables	—	—	—	—	—	531,118
Other financial assets	17,440	2,191	4,667	—	24,298	47,972
Subtotal	5,545,661	76,922	24,572	343,570	5,990,725	5,484,529
Credit commitments	1,114,830	5,257	120	—	1,120,207	1,094,754
Maximum credit risk exposure	6,660,491	82,179	24,692	343,570	7,110,932	6,579,283

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61 Financial risk management (Continued)

(a) Credit risk (Continued)

(v) Sensitivity information (Continued)

(i) Maximum credit risk exposure (Continued)

According to the quality of assets, the Group classified the credit rating of the financial assets as risk level 1, risk level 2, risk level 3 and default. "Risk level 1" refers to customers who have competitive advantages among local peers with good foundations, outstanding operation results, strong operational and financial strength, and/or good corporate governance structure. "Risk level 2" refers to customers who are in the middle tier among local peers with fair foundations, fair operation results, fair operational and financial strength, and/or fair corporate governance structure. "Risk level 3" refers to customers who are in the lower-tier among local peers, with weak foundations, poor operation results, poor operational and financial strength, and/or deficiency in corporate governance structure. The definition of "Default" is same as the definition of credit-impaired. The credit rating is used for internal risk management.

The following table provides an analysis of loans and advances to customers and financial investments that are included in the ECL assessment according to the credit risk level. The book value of the following financial assets is the Group's maximum exposure to credit risk for these assets.

	31 December 2018					Allowance for impairment losses	Net balance
	Risk level 1	Risk level 2	Risk level 3	Default	Subtotal		
Loans and advances to customers:							
Stage 1 (Note (ii))	2,713,135	683,890	60,616	—	3,457,641	(31,940)	3,425,701
Stage 2	414	9,373	83,889	—	93,676	(22,788)	70,888
Stage 3	—	—	—	65,433	65,433	(46,372)	19,061
Financial investments at amortised cost							
Stage 1	671,939	104,619	—	—	776,558	(2,680)	773,878
Stage 2	—	3,890	—	—	3,890	(152)	3,738
Stage 3	—	—	—	1,160	1,160	(538)	622
Financial investments at fair value through other comprehensive income							
Stage 1	493,858	16,162	—	—	510,020	(727)	510,020
Stage 2	—	105	—	—	105	(2)	105
Stage 3	—	—	—	221	221	(310)	221
Maximum credit risk exposure	3,879,346	818,039	144,505	66,814	4,908,704	(105,509)	4,804,234

Note:

Stage 1 includes loans and advances to customers measured at fair value through other comprehensive income, and its corresponding impairment does not include in the "Allowance for impairment losses" as shown in the table.

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(Amounts in millions of Renminbi unless otherwise stated)

61 Financial risk management (Continued)

(a) Credit risk (Continued)

(v) Sensitivity information (Continued)

(ii) Measurement of expected credit losses

The following table shows the movement in carrying value of loans and advances to customers in current reporting period:

	Stage 1	Stage 2	Stage 3
As at 1 January 2018	3,036,736	92,227	67,933
Movements			
Net transfers out from Stage 1	(84,271)	—	—
Net transfers in to Stage 2	—	11,115	—
Net transfers in to Stage 3	—	—	73,156
Net transactions incurred during the year			
(Note (i))	495,119	(10,215)	(28,961)
Write-off	—	—	(46,937)
Others (Note (ii))	10,057	549	242
As at 31 December 2018	3,457,641	93,676	65,433

The following table shows the movement in carrying value of financial investment in current reporting period:

	Stage 1	Stage 2	Stage 3
As at 1 January 2018	1,064,552	347	45
Movements			
Net transfers out from Stage 1	(8,430)	—	—
Net transfers in to Stage 2	—	3,875	—
Net transfers in to Stage 3	—	—	4,555
Net transactions incurred during the year			
(Note (i))	227,172	(236)	(2,528)
Write-off	—	—	(689)
Others (Note (ii))	3,280	9	2
As at 31 December 2018	1,286,574	3,995	1,385

Notes:

- (i) Net transactions incurred mainly includes changes in carrying amount due to purchased, originated or de-recognition excepting for write-off.
- (ii) Others include reclassification of interest receivables, and effect of exchange differences during the year.

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For the year ended 31 December 2018
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61 Financial risk management (Continued)

(a) Credit risk (Continued)

(v) Sensitivity information (Continued)

(ii) Measurement of expected credit losses (Continued)

The following table shows the movement in allowance for impairment of loans and advances to customers in current reporting period:

	Stage 1	Stage 2	Stage 3
As at 1 January 2018	30,664	24,674	42,565
Movements (Note (i))			
Net transfers out from Stage 1	(1,870)	—	—
Net transfers in to Stage 2	—	515	—
Net transfers in to Stage 3	—	—	48,640
Net transactions incurred during the year (Note (ii))	4,702	(1,838)	(1,337)
Changes in parameters for the year (Note (iii))	(1,540)	(625)	1,107
Write-off	—	—	(46,937)
Others (Notes (iv))	116	62	2,334
As at 31 December 2018	32,072	22,788	46,372

The following table shows the movement in allowance for impairment of financial investment in current reporting period:

	Stage 1	Stage 2	Stage 3
As at 1 January 2018	3,953	10	31
Movements (Note (i))			
Net transfers out from Stage 1	(239)	—	—
Net transfers in to Stage 2	—	144	—
Net transfers in to Stage 3	—	—	1,843
Net transactions incurred during the year (Note (ii))	370	—	—
Changes in parameters for the year (Note (iii))	(703)	—	(341)
Write-off	—	—	(689)
Others (Notes (iv))	26	—	4
As at 31 December 2018	3,407	154	848

Notes:

- (i) Movements mainly include the impacts to ECL due to changes in stages.
- (ii) Net transactions incurred during mainly includes changes in allowance of impairment due to purchased, originated or de-recognition excepting for write-off.
- (iii) Changes in parameters mainly include changes in risk exposure and the impacts to ECL due to changes in PD and LGD resulting from regular update on modeling parameters rather than stages movements.
- (iv) Others include unwinding interest on impaired financial assets, reclassification of interest receivables, and effect of exchange differences.

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For the year ended 31 December 2018

(Amounts in millions of Renminbi unless otherwise stated)

61 Financial risk management (Continued)

(a) Credit risk (Continued)

(v) Sensitivity information (Continued)

(iii) Loans and advances to customers analysed by industry sector:

	31 December 2018			31 December 2017		
	Gross balance	%	Loans and advances secured by collateral	Gross balance	%	Loans and advances secured by collateral
Corporate loans						
— real estate	312,923	8.7	273,640	333,055	10.4	272,486
— manufacturing	295,005	8.2	140,199	324,029	10.1	141,571
— rental and business services	282,699	7.8	177,013	221,786	6.9	134,207
— water, environment and public utility management	208,922	5.8	106,882	179,441	5.6	87,763
— wholesale and retail	151,391	4.2	89,064	193,818	6.1	103,102
— transportation, storage and postal services	151,038	4.2	76,331	152,851	4.8	79,120
— construction	79,086	2.2	31,980	77,878	2.4	31,442
— production and supply of electric power, gas and water	72,938	2.0	40,669	70,523	2.2	32,688
— public management and social organisations	13,366	0.4	2,721	18,566	0.6	5,399
— others	313,757	8.6	128,377	285,900	8.9	120,153
Subtotal	1,881,125	52.1	1,066,876	1,857,847	58.0	1,007,931
Personal loans	1,484,490	41.0	1,000,203	1,231,584	38.6	859,513
Discounted bills	242,797	6.7	—	107,456	3.4	—
Accrued interest	8,338	0.2	—	—	—	—
Gross loans and advances to customers	3,616,750	100.0	2,067,079	3,196,887	100.0	1,867,444

(iv) Loans and advances to customers analysed by geographical sector:

	31 December 2018			31 December 2017		
	Gross balance	%	Loans and advances secured by collateral	Gross balance	%	Loans and advances secured by collateral
Bohai Rim (including Head Office)	1,123,293	31.1	426,447	967,864	30.3	428,764
Yangtze River Delta	784,722	21.7	507,327	691,183	21.6	443,504
Pearl River Delta and West Strait	549,491	15.2	448,719	493,118	15.4	390,394
Central	463,100	12.8	296,286	421,810	13.2	265,898
Western	433,143	12.0	269,765	389,152	12.2	231,120
Northeastern	75,682	2.1	51,582	67,609	2.1	44,403
Outside Mainland China	178,981	4.9	66,953	166,151	5.2	63,361
Accrued interest	8,338	0.2	—	—	—	—
Total	3,616,750	100.0	2,067,079	3,196,887	100.0	1,867,444

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For the year ended 31 December 2018
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61 Financial risk management (Continued)

(a) Credit risk (Continued)

(v) Sensitivity information (Continued)

(v) Loans and advances to customers analysed by type of security

	31 December 2018	31 December 2017
Unsecured loans	806,154	708,164
Guaranteed loans	492,382	513,823
Secured loans	2,067,079	1,867,444
— loans secured by collateral	1,658,484	1,510,366
— pledged loans	408,595	357,078
Subtotal	3,365,615	3,089,431
Discounted bills	242,797	107,456
Accrued interest	8,338	—
Gross loans and advances to customers	3,616,750	3,196,887

(vi) Rescheduled loans and advances to customers

	31 December 2018		31 December 2017	
	Gross balance	% of total loans and advances	Gross balance	% of total loans and advances
Rescheduled loans and advances:				
— rescheduled loans and advances	21,588	0.60%	23,245	0.73%
— overdue more than 3 months	18,748	0.52%	19,859	0.62%

Rescheduled loans and advances are those loans and advances to customers which have been rescheduled or renegotiated because of deterioration in the financial position of the borrowers, or of the inability of the borrowers to meet their original repayment schedule and for which the revised repayment terms are a concession that the Group would not otherwise consider. As at 31 December 2018, with borrowers' financial difficulty, the concession the Group considered resulted from economic or legal reasons is not significant.

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For the year ended 31 December 2018

(Amounts in millions of Renminbi unless otherwise stated)

61 Financial risk management (Continued)

(a) Credit risk (Continued)

(v) Sensitivity information (Continued)

(vii) Debt securities analysed by credit rating

The Group adopts a credit rating approach to manage credit risk of its debt instruments portfolio. The ratings are obtained from major rating agencies where the debt instruments are issued. The carrying amounts of debt instruments investments analysed by rating as at the end of the reporting period are as follows:

	31 December 2018					
	Unrated (Note (i))	AAA	AA	A	Below A	Total
Debt securities issued by:						
— governments	371,368	114,370	11,693	265	—	497,696
— policy banks	108,816	8,664	—	7,016	—	124,496
— public entities	178	29	1,666	—	—	1,873
— banks and non-bank financial institutions	26,995	181,031	4,569	23,595	9,591	245,781
— corporates	55,240	48,675	10,047	7,230	6,254	127,446
Investment management products managed by securities companies	228,392	—	—	—	—	228,392
Trust investment plans	178,019	—	—	—	—	178,019
Total	969,008	352,769	27,975	38,106	15,845	1,403,703

	31 December 2017					
	Unrated (Note (i))	AAA	AA	A	Below A	Total
Debt securities issued by:						
— governments	257,551	48,565	8,440	375	—	314,931
— policy banks	127,848	—	—	609	—	128,457
— public entities	3	—	1,151	—	—	1,154
— banks and non-bank financial institutions	8,506	160,311	3,986	15,953	6,734	195,490
— corporates	9,014	96,367	23,018	15,138	5,187	148,724
Total	402,922	305,243	36,595	32,075	11,921	788,756

Note:

- (i) Unrated debt securities held by the Group are bonds issued primarily by the Chinese government, policy banks, banks, non-bank financial institutions, investment management products managed by securities companies and trust investment plans.

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For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)

61 Financial risk management (Continued)

(a) Credit risk (Continued)

(v) Sensitivity information (Continued)

(viii) Investments classified as receivables analysed by type of underlying assets

	30 June 2018	31 December 2017
Investment management products managed by securities companies and trust investment plans		
— interbank assets products issued by other banks	16,650	—
— credit assets	300,089	—
— rediscounted bills	89,831	—
Investments classified as receivables		
— interbank assets and wealth management products issued by other banks	—	153,510
— credit assets	—	303,386
— rediscounted bills	—	77,165
Total	406,570	534,061

The Group divides investment management products managed by securities companies and trust investment plans into comprehensive credit management system, to manage its credit risk exposure in a holistic manner. The type of collateral of credit assets includes guarantee, security by collateral, and pledge.

(b) Market risk

Market risk refers to risks that may cause a loss of on-balance sheet and off-balance sheet businesses for the Group due to the adverse movement of market prices, including interest rates, foreign exchange rates, stock prices and commodity prices. The Group has established a market risk management system that formulates procedures to identify, measure, supervise and control market risks. This system aims to limit market risk to an acceptable level through examining and approving new products and limit management.

Risk and Internal Control Committee of the Group is responsible for approving market risk management policies, establishing appropriate organisational structure and information systems to effectively identify, measure, monitor and control market risks, and ensuring adequate resources to reinforce the market risk management. The Risk Management Department is responsible for independently managing and controlling market risks of the Group, including developing market risk management policies and authorisation limits, providing independent report of market risk to identify, measure and monitor the Group's market risk. Business departments are responsible for the day-to-day management of market risks, including effectively identifying, measuring, controlling market risk factors associated with the relevant operations, so as to ensure the dynamic balance between business development and risk undertaking.

The Group uses sensitivity analysis, foreign exchange exposure and interest rate re-pricing gap analysis as the primary instruments to monitor market risk.

Interest rate risk and currency risk are the major market risks that the Group is exposed to.

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For the year ended 31 December 2018

(Amounts in millions of Renminbi unless otherwise stated)

61 Financial risk management (Continued)

(b) Market risk (Continued)

Interest rate risk

The Group's interest rate exposures mainly arise from the mismatching of assets and liabilities' re-pricing dates, as well as the effect of interest rate volatility on trading positions.

The Group primarily uses gap analysis to assess and monitor its re-pricing risk and adjust the ratio of floating and fixed rate exposures, the loan re-pricing cycle, as well as optimise the term structure of its deposits accordingly.

The Group implements various methods, such as duration analysis, sensitivity analysis, stress testing and scenario simulation, to measure, manage and report the interest rate risk on a regular basis.

The following tables summarise the average interest rates, and the next re-pricing dates or contractual maturity date whichever is earlier for the assets and liabilities as at the end of each reporting date.

	Average interest rate (Note (i))	31 December 2018					
		Total	Non-interest bearing	Less than three months	Between three months and one year	Between one and five years	More than five years
Assets							
Cash and balances with central banks	1.54%	538,708	17,047	521,661	—	—	—
Deposits with banks and non-bank financial institutions	2.22%	99,153	114	94,039	5,000	—	—
Placements with and loans to banks and non-bank financial institutions	3.38%	176,160	873	129,236	46,051	—	—
Financial assets held under resale agreements	2.59%	10,790	—	10,790	—	—	—
Loans and advances to customers (Note (ii))	4.86%	3,515,650	8,635	1,577,525	918,215	996,066	15,209
Financial investments							
— at fair value through profit or loss		308,872	225,164	28,057	26,624	20,915	8,112
— at amortised cost	4.71%	778,238	8,541	67,972	181,186	388,840	131,699
— at fair value through other comprehensive income	3.80%	510,346	8,529	42,830	73,607	288,337	97,043
— designated at fair value through other comprehensive income		2,707	2,707	—	—	—	—
Others		126,090	124,208	1,711	171	—	—
Total assets		6,066,714	395,818	2,473,821	1,250,854	1,694,158	252,063
Liabilities							
Borrowing from central banks	3.29%	286,430	—	68,350	218,080	—	—
Deposits from banks and non-bank financial institutions	3.54%	782,264	4,151	553,283	224,660	170	—
Placements from banks and non-bank financial institutions	3.49%	115,358	241	83,859	31,224	—	34
Financial liabilities at fair value through profit or loss		962	962	—	—	—	—
Financial assets sold under repurchase agreements	2.84%	120,315	35	110,790	9,490	—	—
Deposits from customers	1.88%	3,649,611	20,940	2,605,686	647,223	375,730	32
Debt securities issued	4.52%	552,483	4,155	98,144	247,974	95,260	106,950
Others		106,205	104,823	1,382	—	—	—
Total liabilities		5,613,628	135,307	3,521,494	1,378,651	471,160	107,016
Interest rate gap		453,086	260,511	(1,047,673)	(127,797)	1,222,998	145,047

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For the year ended 31 December 2018
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61 Financial risk management (Continued)

(b) Market risk (Continued)

Interest rate risk (Continued)

		31 December 2017					
	Average interest rate (Note (i))	Total	Non-interest bearing	Less than three months	Between three months and one year	Between one and five years	More than five years
Assets							
Cash and balances with central banks	1.56%	568,300	23,810	544,490	—	—	—
Deposits with banks and non-bank financial institutions	2.21%	124,350	—	120,240	4,110	—	—
Placements with and loans to banks and non-bank financial institutions	3.07%	172,069	—	87,528	84,541	—	—
Financial assets held under resale agreements	2.89%	54,626	—	54,626	—	—	—
Investments classified as receivables	4.25%	531,118	38,907	196,646	86,330	141,352	67,883
Loans and advances to customers (Note (ii))	4.61%	3,105,984	370	1,391,782	799,622	900,054	14,156
Investments (Note (iii))	3.28%	916,521	123,246	138,729	117,223	386,946	150,377
Others		204,723	178,407	9,383	16,933	—	—
Total assets		5,677,691	364,740	2,543,224	1,108,959	1,428,352	232,416
Liabilities							
Borrowing from central banks	3.13%	237,600	—	41,500	196,100	—	—
Deposits from banks and non-bank financial institutions	3.75%	798,007	2,812	623,409	171,781	5	—
Placements from banks and non-bank financial institutions	2.85%	77,595	—	39,440	38,123	—	32
Financial assets sold under repurchase agreements	2.91%	124,300	—	121,677	2,623	—	—
Deposits from customers	1.59%	3,407,636	14,605	2,647,574	503,511	241,939	7
Debt securities issued	4.17%	441,244	—	199,063	88,880	116,353	36,948
Others		168,676	163,769	2,393	2,514	—	—
Total liabilities		5,265,258	181,186	3,675,056	1,013,732	358,297	36,987
Interest rate gap		412,433	183,554	(1,131,832)	95,227	1,070,055	195,429

Notes:

- (i) Average interest rate represented the ratio of interest income/expense to average interest bearing assets/liabilities during the year.
- (ii) For loans and advances to customers, the "Less than three months" category included overdue amounts (net of allowance for impairment losses) of RMB42,389 million as at 31 December 2018 (as at 31 December 2017: RMB40,660 million).
- (iii) Investments included the financial assets at fair value through profit or loss, available-for-sale financial assets, held-to-maturity investments and investments in associates and joint ventures.

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61 Financial risk management (Continued)

(b) Market risk (Continued)

Interest rate risk (Continued)

The Group uses sensitivity analysis to measure the potential effect of changes in interest rates on the Group's net interest income. The following table sets forth the results of the Group's interest rate sensitivity analysis as at 31 December 2018 and 31 December 2017.

	31 December 2018		31 December 2017	
	Net interest income	Other comprehensive income	Net interest income	Other comprehensive income
+100 basis points	(11,435)	(1,409)	(6,328)	(1,229)
-100 basis points	11,435	1,409	6,328	1,229

This sensitivity analysis is based on a static interest rate risk profile of the Group's non-derivative assets and liabilities and certain assumptions as discussed below. The analysis measures only the impact of changes in interest rates within one year, showing how annualised interest income would have been affected by repricing of the Group's non-derivative assets and liabilities within the one-year period. The analysis is based on the following assumptions: (i) all assets and liabilities that reprice or mature within the three months bracket, and the after three months but within one year bracket are both reprice or mature at the beginning of the respective periods, (ii) it does not reflect the potential impact of unparalleled yield curve movements, and (iii) there are no other changes to the portfolio, all positions will be retained and rolled over upon maturity. The analysis does not take into account the effect of risk management measures taken by management. Due to the assumptions adopted, actual changes in the Group's net interest income and other comprehensive income resulting from increases or decreases in interest rates may differ from the results of this sensitivity analysis.

Currency risk

Currency risk arises from the potential change of exchange rates that cause a loss to the on-balance sheet and off-balance sheet business of the Group. The Group measures its currency risk with foreign currency exposures, and manages its currency risk by spot and forward foreign exchange transactions and matching its foreign currency denominated assets with corresponding liabilities in the same currency, as well as using derivative financial instruments, mainly foreign exchange swaps, to manage its exposure.

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61 Financial risk management (Continued)

(b) Market risk (Continued)

Currency risk (Continued)

The exposures at the reporting date were as follows:

	31 December 2018				Total
	RMB	USD (RMB equivalent)	HKD (RMB equivalent)	Others (RMB equivalent)	
Assets					
Cash and balances with central banks	525,321	12,668	535	184	538,708
Deposits with banks and non-bank financial institutions	64,670	23,757	2,429	8,297	99,153
Placements with and loans to banks and non-bank financial institutions	123,262	41,291	9,137	2,470	176,160
Financial assets held under resale agreements	9,832	958	—	—	10,790
Loans and advances to customers	3,263,386	122,573	109,773	19,918	3,515,650
Financial investments					
— at fair value through profit or loss	287,997	18,146	2,729	—	308,872
— at amortised cost	775,749	2,489	—	—	778,238
— at fair value through other comprehensive income	429,671	50,766	23,970	5,939	510,346
— designated at fair value through other comprehensive income	2,340	155	212	—	2,707
Others	121,762	1,858	515	1,955	126,090
Total assets	5,603,990	274,661	149,300	38,763	6,066,714
Liabilities					
Borrowings from central banks	286,430	—	—	—	286,430
Deposits from banks and non-bank financial institutions	777,789	2,582	131	1,762	782,264
Placements from banks and non-bank financial institutions	101,094	14,139	125	—	115,358
Financial liabilities at fair value through profit or loss	—	962	—	—	962
Financial assets sold under repurchase agreements	120,097	218	—	—	120,315
Deposits from customers	3,283,244	205,993	138,905	21,469	3,649,611
Debt securities issued	531,768	20,715	—	—	552,483
Others	93,020	3,626	7,625	1,934	106,205
Total liabilities	5,193,442	248,235	146,786	25,165	5,613,628
Net on-balance sheet position	410,548	26,426	2,514	13,598	453,086
Credit commitments	1,004,799	95,187	12,862	7,359	1,120,207
Derivatives (Note (i))	33,795	(38,861)	22,205	(14,261)	2,878

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61 Financial risk management (Continued)

(b) Market risk (Continued)

Currency risk (Continued)

	31 December 2017				Total
	RMB	USD (RMB equivalent)	HKD (RMB equivalent)	Others (RMB equivalent)	
Assets					
Cash and balances with central banks	551,528	15,956	650	166	568,300
Deposits with banks and non-bank financial institutions	83,703	25,650	8,411	6,586	124,350
Placements with and loans to banks and non-bank financial institutions	133,686	28,356	6,703	3,324	172,069
Financial assets held under resale agreements	54,626	—	—	—	54,626
Investments classified as receivables	531,118	—	—	—	531,118
Loans and advances to customers	2,880,887	106,687	103,638	14,772	3,105,984
Investments	846,759	46,739	18,687	4,336	916,521
Others	199,761	1,904	1,618	1,440	204,723
Total assets	5,282,068	225,292	139,707	30,624	5,677,691
Liabilities					
Borrowings from central banks	237,600	—	—	—	237,600
Deposits from banks and non-bank financial institutions	769,690	15,103	349	12,865	798,007
Placements from banks and non-bank financial institutions	66,913	10,411	253	18	77,595
Financial assets sold under repurchase agreements	134,384	116	—	—	134,500
Deposits from customers	3,053,751	201,668	128,314	23,903	3,407,636
Debt securities issued	421,420	19,122	702	—	441,244
Others	159,456	1,966	3,381	3,873	168,676
Total liabilities	4,843,214	248,386	132,999	40,659	5,265,258
Net on-balance sheet position	438,854	(23,094)	6,708	(10,035)	412,433
Credit commitments	938,064	117,615	20,124	18,951	1,094,754
Derivatives (Note (i))	(20,790)	9,158	21,489	7,532	17,389

Note:

- (i) Derivatives represent the net notional amount of currency derivatives, including undelivered foreign exchange spot, foreign exchange forward, foreign exchange swap and currency option.

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61 Financial risk management (Continued)

(b) Market risk (Continued)

Currency risk (Continued)

The Group uses sensitivity analysis to measure the potential effect of changes in foreign currency exchange rates on the Group's profit or loss and other comprehensive income. The following table sets forth, as at 31 December 2018 and 31 December 2017, the results of the Group's foreign exchange rate sensitivity analysis.

	31 December 2018		31 December 2017	
	Profit before tax	Other comprehensive income	Profit before tax	Other comprehensive income
5% appreciation	582	(1)	582	6
5% depreciation	(582)	1	(582)	(6)

This sensitivity analysis is based on a static foreign exchange exposure profile of assets and liabilities and certain assumptions as follows: (i) the foreign exchange sensitivity is the gain and loss recognised as a result of 500 basis point fluctuation in the foreign currency exchange rates against RMB at the reporting date, (ii) the exchange rates against RMB for all foreign currencies change in the same direction simultaneously and does not take into account the correlation effect of changes in different foreign currencies, and (iii) the foreign exchange exposures calculated include both spot foreign exchange exposures, foreign exchange derivative instruments, and all positions will be retained and rolled over upon maturity. The analysis does not take into account the effect of risk management measures taken by management. Due to the assumptions adopted, actual changes in the Group's profit and other comprehensive income resulting from increases or decreases in foreign exchange rates may differ from the results of this sensitivity analysis. Precious metal is included in foreign currency for the purpose of this sensitivity analysis.

(c) Liquidity risk

Liquidity risk arises when the Group, in meeting the demand of liabilities due and other payment obligations as well as the needs of business expansion, is unable to sufficiently, timely or cost-effectively acquire funds. The Group's liquidity risk arises mainly from the mismatch of assets to liabilities and customers may concentrate their withdrawals.

The Group has implemented overall liquidity risk management on the entity level. The headquarters has the responsibility for developing the entire Group's liquidity risk policies, strategies, and implements centralised management of liquidity risk on the entity level. The domestic and foreign affiliates develop their own liquidity policies and procedures within the Group's liquidity strategy management framework, based on the requirements of relevant regulatory bodies.

The Group manages liquidity risk by setting various indicators and operational limits according to the overall position of the Group's assets and liabilities, with referencing to market condition. The Group holds assets with high liquidity to meet unexpected and material demand for payments in the ordinary course of business.

The tools that the Group uses to measure and monitor liquidity risk mainly include:

- Liquidity gap analysis;
- Liquidity indicators (including but not limited to regulated and internal managed indicators, such as liquidity coverage ratio, net stable funding ratio, loan-to-deposit ratio, liquidity ratio, liquidity gap rate, excess reserves rate) monitoring;
- Scenario analysis;
- Stress testing.

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61 Financial risk management (Continued)

(c) Liquidity risk (Continued)

On this basis, the Group establishes regular reporting mechanisms for liquidity risk to report the latest situation of liquidity risk to the senior management on a timely basis.

Analysis of the remaining contractual maturity of assets and liabilities:

	31 December 2018					Undated (Note(i))	Total
	Repayable on demand	Within 3 months	Between three months and one year	Between one and five years	More than five years		
Assets							
Cash and balances with central banks	134,917	—	1,288	—	—	402,503	538,708
Deposits with banks and non-bank financial institutions	65,701	28,245	5,207	—	—	—	99,153
Placements with and loans to banks and non-bank financial institutions	—	129,317	46,843	—	—	—	176,160
Financial assets held under resale agreements	—	10,790	—	—	—	—	10,790
Loans and advances to customers (Note (ii))	7,117	585,723	952,830	910,098	1,022,976	36,906	3,515,650
Financial investments							
— at fair value through profit or loss	—	30,418	43,589	29,476	8,115	197,274	308,872
— at amortised cost	—	68,375	182,641	394,010	132,878	334	778,238
— at fair value through other comprehensive income	31	39,437	75,556	295,308	99,920	94	510,346
— designated at fair value through other comprehensive income	—	—	—	—	—	2,707	2,707
Others	34,630	17,382	12,238	28,655	180	33,005	126,090
Total assets	242,396	909,687	1,320,192	1,657,547	1,264,069	672,823	6,066,714
Liabilities							
Borrowings from central banks	80	68,350	218,000	—	—	—	286,430
Deposits from banks and non-bank financial institutions	319,576	236,910	225,607	171	—	—	782,264
Placements from banks and non-bank financial institutions	—	84,099	31,225	—	34	—	115,358
Financial liabilities at fair value through profit or loss	962	—	—	—	—	—	962
Financial assets sold under repurchase agreements	—	110,823	9,492	—	—	—	120,315
Deposits from customers	1,880,088	746,341	647,718	375,432	32	—	3,649,611
Debt securities issued	—	98,205	247,992	97,354	108,932	—	552,483
Others	50,170	16,677	16,827	6,554	4,419	11,558	106,205
Total liabilities	2,250,876	1,361,405	1,396,861	479,511	113,417	11,558	5,613,628
(Short)/long position	(2,008,480)	(451,718)	(76,669)	1,178,036	1,150,652	661,265	453,086

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61 Financial risk management (Continued)

(c) Liquidity risk (Continued)

Analysis of the remaining contractual maturity of assets and liabilities: (Continued)

	31 December 2017						
	Repayable on demand	Within 3 months	Between three months and one year	Between one and five years	More than five years	Undated (Note (i))	Total
Assets							
Cash and balances with central banks	96,481	3,523	1,923	—	—	466,373	568,300
Deposits with banks and non-bank financial institutions	69,392	50,819	4,139	—	—	—	124,350
Placements with and loans to banks and non-bank financial institutions	400	86,928	84,741	—	—	—	172,069
Financial assets held under resale agreements	—	54,676	—	—	—	—	54,626
Investments classified as receivables	504	196,142	91,944	174,645	67,883	—	531,118
Loans and advances to customers (Note (ii))	12,973	495,684	769,740	862,643	919,143	45,801	3,105,984
Investments (Note (iii))	1,114	96,202	124,076	417,814	155,248	122,067	916,521
Others	69,662	47,606	55,520	12,831	7,357	11,747	204,723
Total assets	250,526	1,031,530	1,132,083	1,467,933	1,149,631	645,988	5,677,691
Liabilities							
Borrowings from central banks	—	41,550	196,050	—	—	—	237,600
Deposits from banks and non-bank financial institutions	240,616	385,586	171,800	5	—	—	798,007
Placements from banks and non-bank financial institutions	—	39,440	38,123	—	32	—	77,595
Financial assets sold under repurchase agreements	—	121,677	17,873	—	—	—	134,500
Deposits from customers	1,082,218	670,433	513,039	241,939	7	—	3,407,636
Debt securities issued	—	199,069	188,880	116,353	36,948	—	441,244
Others	68,746	42,866	40,546	6,506	1,430	8,582	168,676
Total liabilities	2,291,580	1,500,615	1,061,261	364,803	38,417	8,582	5,265,258
(Short)/long position	(2,041,054)	(469,085)	70,822	1,103,130	1,111,214	637,406	412,433

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61 Financial risk management (Continued)

(c) Liquidity risk (Continued)

The tables below present the cash flows of the Group of financial assets and financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flow:

	31 December 2018					Undated (Note(i))	Total
	Repayable on demand	Within 3 months	Between three months and one year	Between one and five years	More than five years		
Non-derivative cash flow							
Assets							
Cash and balances with central banks	134,721	1,621	6,608	—	—	402,503	545,453
Deposits with banks and non-bank financial institutions	67,502	29,625	5,326	—	—	—	102,453
Placements with and loans to banks and non-bank financial institutions	—	134,633	57,838	—	—	—	192,471
Financial assets held under resale agreements	—	10,795	—	—	—	—	10,795
Loans and advances to customers	8,797	620,238	1,042,464	1,197,180	1,536,250	40,738	4,445,667
Financial investments							
— at fair value through profit or loss	—	35,039	47,703	31,114	88,205	200,776	402,837
— at amortised cost	—	74,135	201,371	418,337	163,300	5,880	863,023
— at fair value through other comprehensive income	31	43,751	97,680	375,381	145,474	11,941	674,258
— designated at fair value through other comprehensive income	—	—	—	—	—	2,406	2,406
Others	34,630	17,381	12,239	28,655	180	33,275	126,360
Total assets	245,681	967,218	1,471,229	2,050,667	1,933,409	697,519	7,365,723
Liabilities							
Borrowings from central banks	80	64,769	226,130	—	—	—	290,979
Deposits from banks and non-bank financial institutions	573,392	662,179	485,918	31,575	—	—	1,753,064
Placements from banks and non-bank financial institutions	—	89,065	40,706	—	34	—	129,805
Financial liabilities at fair value through profit or loss	962	—	—	—	—	—	962
Financial assets sold under repurchase agreements	—	110,983	9,483	155	—	—	120,621
Deposits from customers	1,880,996	760,404	679,534	429,917	40	—	3,750,891
Debt securities issued	—	98,780	306,786	180,166	108,932	—	694,664
Others	50,171	16,677	16,827	6,554	4,419	11,558	106,206
Total liabilities	2,505,601	1,802,857	1,765,384	648,367	113,425	11,558	6,847,192
(Short)/long position	(2,259,920)	(835,639)	(294,155)	1,402,300	1,819,984	685,961	518,531
Derivative cash flow							
Derivative financial instrument settled on a net basis	—	(50)	44	128	23	—	139
Derivative financial instruments settled on a gross basis							
— cash inflow	—	1,194,286	1,244,844	48,220	—	—	2,487,350
— cash outflow	—	(802,726)	(1,243,629)	(48,151)	—	—	(2,094,506)

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61 Financial risk management (Continued)

(c) Liquidity risk (Continued)

The tables below present the cash flows of the Group of financial assets and financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flow (Continued).

	31 December 2017						
	Repayable on demand	Within three months	Between Three months and one year	Between One and five years	More than five years	Undated (Note (i))	Total
Non-derivative cash flow							
Assets							
Cash and balances with central banks	96,481	5,348	7,830	—	—	466,373	576,022
Deposits with banks and non-bank financial institutions	69,392	31,126	4,333	—	—	—	124,871
Placements with and loans to banks and non-bank financial institutions	400	87,275	88,704	—	—	—	176,379
Financial assets held under resale agreements	—	54,664	—	—	—	—	54,664
Investments classified as receivables	904	198,785	104,126	207,422	83,377	—	594,214
Loans and advances to customers	14,928	527,401	851,330	1,121,708	1,373,413	48,140	3,936,920
Investments	1,114	103,323	145,063	470,191	171,707	122,117	1,013,515
Others	69,662	47,606	55,520	12,831	7,357	11,747	204,723
Total assets	252,481	1,075,528	1,256,916	1,812,152	1,635,854	648,377	6,681,308
Liabilities							
Borrowings from central banks	—	42,083	203,230	—	—	—	245,313
Deposits from banks and non-bank financial institutions	740,617	391,400	178,750	6	—	—	810,773
Placements from banks and non-bank financial institutions	—	39,494	38,164	—	33	—	77,693
Financial assets sold under repurchase agreements	—	122,362	13,009	—	—	—	135,371
Deposits from customers	1,983,354	682,437	541,013	271,799	8	—	3,478,611
Debt securities issued	—	200,312	100,698	135,496	40,673	—	477,179
Others	68,746	43,151	40,277	6,491	1,430	8,582	168,677
Total liabilities	2,292,717	1,521,239	1,115,143	413,792	42,143	8,582	3,393,617
Shortfall position	(2,040,236)	(445,711)	(141,773)	(1,398,360)	(1,593,710)	639,795	(1,287,691)
Derivative cash flow							
Derivative financial instrument							
settled on a net basis	—	—	(85)	(295)	17	—	(354)
Derivative financial instruments							
settled on a gross basis	—	—	—	—	—	—	—
— cash inflow	—	1,185,850	1,750,876	27,070	3	—	2,963,799
— cash outflow	—	(1,185,464)	(1,749,920)	(26,861)	—	—	(2,962,245)

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61 Financial risk management (Continued)

(c) Liquidity risk (Continued)

Credit Commitments include bank acceptances, credit card commitments, guarantees, loan commitment and letters of credit. The tables below summarise the amounts of credit commitments by remaining contractual maturity.

	31 December 2018			
	Less than 1 year	1-5 years	Over 5 years	Total
Bank acceptances	393,851	—	—	393,851
Credit card commitments	427,681	6,909	—	434,590
Guarantees	83,905	68,354	6,554	158,813
Loan commitments	7,033	15,578	17,418	40,029
Letter of credit	90,634	2,290	—	92,924
Total	1,003,104	93,131	23,972	1,120,207

	31 December 2017			
	Less than 1 year	1-5 years	Over 5 years	Total
Bank acceptances	427,490	71	—	427,561
Credit card commitments	310,315	—	—	310,315
Guarantees	113,575	81,171	1,000	195,746
Loan commitments	86,600	2,172	—	88,772
Letter of credit	18,718	24,784	28,858	72,360
Total	956,698	108,198	29,858	1,094,754

Notes:

- (i) For cash and balances with central banks, the undated period amount represented statutory deposit reserve funds and fiscal deposits maintained with the PBOC. For placements with and loans to banks and non-bank financial institutions, loans and advances to customers and investments, the undated period amount represented the balances being impaired or overdue for more than one month. Equity investments were also reported under undated period.
- (ii) The balances of loans and advances to customers which were overdue within one month but not impaired are included in repayable on demand.
- (iii) Investments included the financial assets at fair value through profit or loss, available-for-sale financial assets, and held-to-maturity investments. For investments, the remaining term to maturity did not represent the Group's intended holding period.

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61 Financial risk management (Continued)

(d) Operational risk

Operational risk refers to the risk of loss arising from inappropriate or problematic internal procedures, personnel, IT systems, or external events, including legal risk, but excluding strategy risk and reputational risk.

The Group manages operational risk through a control-based environment by establishing a sound mechanism of operational risk management in order to identify, assess, monitor, control, mitigate and report operational risks. The framework covers all business functions ranging from finance, credit, accounting, settlement, savings, treasury, intermediary business, computer applications and management, special assets resolution and legal affairs. Key controls include:

- by establishing a matrix authorisation management system of the whole group, carrying out the annual unified authorisation work, and strictly restricting the institutions and personnel at all levels to carry out business activities within the scope of authority granted, the management requirements of prohibiting the overstepping of authority to engage in business activities were further clarified at the institutional level;
- through consistent legal responsibility framework, taking strict disciplinary actions against non-compliance in order to ensure accountability;
- promoting operational risk management culture throughout the organisation; building a team of operational risk management professionals. Through formal training and performance appraisal system in raising risk management awareness;
- strengthening cash and account management in accordance with the relevant policies and procedures, intensifying the monitoring of suspicious transactions. Ensure the staff are well-equipped with the necessary knowledge and basic skills on anti-money laundering through continuous training;
- backup systems and disaster recovery plans covering all the major activities, especially backoffice operations in order to minimise any unforeseen interruption. Insurance cover is arranged to mitigate potential losses associated with certain disruptive events.

In addition to the above, the Group improves its operational risk management information systems on an ongoing basis to efficiently identify, evaluate, monitor, control and report its level of operational risk. The Group's management information system has the functionalities of recording and capturing lost data and events of operational risk to further support operational risk control and self-assessment, as well as monitoring of key risk indicators.

62 Capital Adequacy Ratio

Capital adequacy ratio reflects the Group's operational and risk management capability and it is the core of capital management. The Group's capital management objectives are to meet the legal and regulatory requirements, and to prudently determine the capital adequacy ratio under realistic exposures with reference to the capital adequacy ratio levels of leading global banks and the Group's operating situations.

The Group considers its strategic development plans, business expansion plans and risk variables in conducting its scenario analysis, stress testings and other measures to forecast, plan and manage capital adequacy ratio.

The Group's management monitors the Group's and the Bank's capital adequacy regularly based on regulations issued by the CBIRC. The required information is filed with the CBIRC by the Group and the Bank semi-annually and quarterly, respectively.

From 1 January 2013, the Group commenced the computation of its capital adequacy ratios in accordance with the Regulation Governing Capital of Commercial Banks (Provisional) and other relevant regulations promulgated by the CBIRC in the year of 2012. The requirements pursuant to these regulations may have certain differences comparing to those applicable in Hong Kong and other jurisdictions.

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62 Capital Adequacy Ratio (Continued)

CBIRC demands that commercial banks shall meet the capital adequacy requirements set out in the "Capital Management Measures for Commercial Banks (Trial)" by the end of 2018. Systematically important banks are required to meet the minimum core Tier-One capital adequacy ratio, Tier-One capital adequacy ratio and capital adequacy ratio of 8.50%, 9.50% and 11.50%. Nonsystematically important bank are required to meet the minimum core Tier-One capital adequacy ratio, Tier-One capital adequacy ratio and capital adequacy ratio of 7.50%, 8.50% and 10.50%. In addition, overseas subsidiaries and branches are directly regulated by the respective local banking regulators and the requirements of capital adequacy ratios differ by country. During the year, the Group has complied in full with all its externally imposed capital requirements.

The capital adequacy ratios calculated in accordance with Regulation Governing Capital of Commercial Banks (Provisional). According to the requirements, for credit risk, the capital requirement was measured using the weighting method. The market risk was measured by adopting the standardised approach and the operational risk was measured by using the basic indicator approach.

Relevant requirements promulgated by the CBIRC are listed as below.

	31 December 2018	31 December 2017
Core Tier-One capital adequacy ratio	8.62%	8.49%
Tier-One capital adequacy ratio	9.43%	9.34%
Capital adequacy ratio	12.47%	11.65%
Components of capital base		
Core Tier-One capital:		
Share capital	48,935	48,935
Qualified portion of capital reserve	58,977	58,977
Other comprehensive income	5,269	(11,784)
Surplus reserve	34,450	31,183
General reserve	74,255	74,251
Retained earnings	179,820	163,121
Qualified portion of non-controlling interests	4,422	3,872
Total core Tier-One capital	406,128	368,555
Core Tier-One capital deductions:		
Goodwill (net of related deferred tax liability)	(896)	(849)
Other intangible assets other than land use right (net of related deferred tax liability)	(1,878)	(1,139)
Core Tier-One Capital investments made in financial institutions over which the Group has control but are outside the regulatory consolidation scope	—	—
Net core Tier-One capital	403,354	366,567
Other Tier-One capital (Note (i))	37,768	36,811
Tier-One capital	441,122	403,378
Tier-Two capital:		
Qualified portion of Tier-Two capital instruments issued and share premium	104,515	60,842
Surplus allowance for loan impairment	37,122	37,255
Qualified portion of non-controlling interests	634	1,346
Net capital base	583,393	502,821
Total risk-weighted assets	4,677,713	4,317,502

Note:

- (i) As at 31 December 2018, the Group's other Tier-One capital included preference shares issued by the Bank (Note 49) and non-controlling interests (Note 55).

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63 Fair value

Fair value estimates are generally subjective in nature, and are made as of a specific point in time based on the characteristics of the financial instruments and relevant market information. The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date. This level includes listed equity instruments and debt instruments on exchanges and exchange-traded derivatives.
- Level 2: inputs other than quoted prices included within Level 1 are observable for assets or liabilities, either directly or indirectly. A majority of the debt securities classified as level 2 are Renminbi bonds. The fair values of these bonds are determined based on the evaluation results provided by China Central Depository & Clearing Corporate Limited. This level also includes partial bills rediscounting and forfeiting in loans and advances, as well as a majority of over-the-counter derivative contracts. Foreign exchange forward and swaps, Interest rate swap, and foreign exchange options use discount cash flow evaluation method and the evaluation model of which includes Forward Pricing Model, Swap Model and Option Pricing Model. Bills rediscounting and forfeiting use discount cash flow evaluation method to estimate fair value. Input parameters are sourced from the Open market such as Bloomberg and Reuters.
- Level 3: inputs for assets or liabilities are based on unobservable parameters. This level includes equity investments and debt instruments with one or more than one significant unobservable parameters. Management determine the fair value through inquiring from counterparties or using the valuation techniques. The model incorporate unobservable parameters such as discount rate and market price volatilities.

The fair value of the Group's financial assets and financial liabilities are determined as follows:

- If traded in active markets, fair values of financial assets and financial liabilities with standard terms and conditions are determined with reference to quoted market bid prices and ask prices, respectively;
- If not traded in active markets, fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models or discounted cash flow analysis using prices from observable current market transactions for similar instruments. If there were no available observable current market transactions prices for similar instruments, quoted prices from counterparty is used for the valuation, and management performs analysis on these prices. Discounted cash flow analysis using the applicable yield curve for the duration of the instruments is used for derivatives other than options, and option pricing models are used for option derivatives.

The Group has established an independent valuation process for financial assets and financial liabilities. The Financial Market Department, the Financial Institution Department, and the Investment Bank Department are responsible for the fair valuation of financial assets and financial liabilities. The Risk Management Department performs an independent review of the valuation methodologies, inputs, assumptions and valuation results. The Operations Department records the accounting for these items according to the result generated from the valuation process and accounting policies. The Finance and Accounting Department prepares the disclosure of the financial assets and financial liabilities, based on the independently reviewed valuation.

The Group's valuation policies and procedures for different types of financial instruments are approved by the Risk Management Committee. Any change to the valuation policies, or the related procedures, must be reported to the Risk Management Committee for approval before they are implemented.

For the year ended 31 December 2018, there was no significant change in the valuation techniques or inputs used to determine fair value measurements.

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63 Fair value (Continued)

(a) Financial assets and financial liabilities not measured at fair value

Financial assets and liabilities not carried at fair value of the Group include cash and balances with central banks, deposits with banks and non-bank financial institutions, placements with and loans to banks and non-bank financial institutions, financial assets held under resale agreements, loans and advances to customers at amortised cost, financial investments at amortised cost, held-to-maturity investments, investments classified as receivables, borrowings from central banks, deposits from banks and non-bank financial institutions, placements from banks and non-bank financial institutions, financial assets sold under repurchase agreements, deposits from customers and debt securities issued.

Except for the items shown in the tables below, the maturity dates of aforesaid financial assets and liabilities are within a year or are mainly floating interest rates, as a result, their carrying amounts are approximately equal to their fair value.

	Carrying values		Fair values	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Financial assets:				
Financial investment				
— at amortised cost	778,238	—	778,779	—
Held-to-maturity investments	—	216,586	—	212,530
Investments classified as receivables	—	531,118	—	533,669
Financial liabilities:				
Debt securities issued				
— certificates of deposit (not for trading purpose) issued	2,813	2,849	2,752	2,849
— debt securities issued	82,091	94,571	80,625	94,131
— subordinated bonds issued	126,269	73,728	126,041	76,246
— certificates of interbank deposit issued	341,310	270,096	335,475	265,071

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63 Fair value (Continued)

(a) Financial assets and financial liabilities not measured at fair value (Continued)

Fair value of financial assets and liabilities above at fair value hierarchy is as follows:

	31 December 2018			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial investment				
— at amortised cost	2,109	501,890	274,780	778,779
Financial liabilities:				
Debt securities issued				
— certificates of deposit (not for trading purpose) issued	—	2,752	—	2,752
— debt securities issued	—	80,625	—	80,625
— subordinated bonds issued	5,642	120,399	—	126,041
— certificates of interbank deposit issued	—	335,475	—	335,475
	31 December 2017			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Held-to-maturity investments	897	211,633	—	212,530
Investments classified as receivables	—	92,967	440,702	533,669
Financial liabilities:				
Debt securities issued				
— certificates of deposit (not for trading purpose) issued	—	2,849	—	2,849
— debt securities issued	—	94,131	—	94,131
— subordinated bonds issued	5,531	70,715	—	76,246
— certificates of interbank deposit issued	—	265,071	—	265,071

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63 Fair value (Continued)

(b) Financial assets and financial liabilities measured at fair value

	Level 1 (Note (i))	Level 2 (Note (i))	Level 3 (Note (ii))	Total
As at 31 December 2018				
Recurring fair value measurements				
Assets				
Loans and advances to customers at fair value through other comprehensive income				
— loans	—	137	—	137
— discounted bills	—	96,383	—	96,383
Financial investments at fair value through profit or loss				
— debt securities	2,815	62,319	6,786	71,920
— investment funds	4,879	178,451	5,846	189,176
— certificates of deposit	—	16,713	—	16,713
— wealth management products	—	—	116	116
— equity instruments	540	—	3,921	4,461
— trust investment plans	—	—	26,486	26,486
Financial investments at fair value through other comprehensive income				
— debt securities	64,506	421,783	4,726	491,015
— certificates of deposit	662	11,982	—	12,644
Financial investments designated at fair value through other comprehensive income				
— equity instruments	295	—	2,412	2,707
Derivative financial assets				
— interest rate derivatives	8	6,098	—	6,106
— currency derivatives	—	24,825	1	24,826
— precious metals derivatives	—	1,048	—	1,048
— credit derivatives	—	11	—	11
Total financial assets measured at fair value	73,705	819,750	50,294	943,749
Liabilities				
Financial liabilities at fair value through profit or loss				
— short position in debt securities	962	—	—	962
Derivative financial liabilities				
— interest rate derivatives	12	5,962	—	5,974
— currency derivatives	—	24,500	1	24,501
— precious metals derivatives	—	1,170	—	1,170
— commodity derivatives	—	1	—	1
Total financial liabilities measured at fair value	974	31,633	1	32,608

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63 Fair value (Continued)

(b) Financial assets and financial liabilities measured at fair value (Continued)

	Level 1 (Note (i))	Level 2 (Note (i))	Level 3 (Note (ii))	Total
As at 31 December 2017				
Recurring fair value measurements				
Assets				
Financial assets at fair value through profit or loss				
Held for trading financial assets				
— debt securities	3,480	35,248	—	38,728
— investment funds	—	2,000	1	2,001
— certificates of interbank deposit	177	19,223	—	19,400
Financial assets designed at fair value through profit or loss				
— debt securities	198	5,577	—	5,775
Derivative financial assets				
— interest rate derivatives	—	2,552	1	2,553
— currency derivatives	—	62,030	—	62,030
— precious metals derivatives	—	868	—	868
Available-for-sale financial assets				
— debt securities	48,906	420,925	12	469,843
— investment funds	189	119,259	70	119,518
— certificates of deposit	104	40,843	—	40,947
— wealth management products	—	26	—	26
— equity investments	744	—	—	744
Total financial assets measured at fair value	53,798	708,551	84	762,433
Liabilities				
Derivative financial liabilities				
— interest rate derivatives	—	2,311	1	2,312
— currency derivatives	—	62,368	—	62,368
— precious metals derivatives	—	237	—	237
Total financial liabilities measured at fair value	—	64,936	1	64,937

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For the year ended 31 December 2018

(Amounts in millions of Renminbi unless otherwise stated)

63 Fair value (Continued)

(b) Financial assets and financial liabilities measured at fair value (Continued)

Notes:

- (i) During the current year, there were no significant transfers amongst Level 1, Level 2 and Level 3 of the fair value hierarchy.

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in the Level 3 fair value hierarchy:

	Assets				Liabilities		
	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets designated at fair value through other comprehensive income	Derivative financial assets	Total	Derivative financial liabilities	Total
As at 1 January 2018	45,535	4,850	237	1	50,623	(1)	(1)
Total gains or losses							
— in profit or loss	194	(40)	—	1	155	(1)	(1)
— in comprehensive income	—	102	(9)	—	93	—	—
Purchase	8,549	1,700	2,185	—	12,434	—	—
Settlements	(11,105)	(1,926)	—	(1)	(13,032)	1	1
Transfer in/out	—	39	—	—	39	—	—
Exchange effect	(18)	1	(1)	—	(18)	—	—
As at 31 December 2018	43,155	4,726	2,412	1	50,294	(1)	(1)

	Assets						Liabilities	
	Trading financial assets Investments funds	Financial assets designated at fair value through profit or loss Debt securities	Derivative financial assets Interest rate derivatives	Available-for-sale financial assets			Derivative financial liabilities Interest rate derivatives	Total
				Debt securities	Investments funds	Equity instruments		
As at 1 January 2017	1	—	2	13	83	—	99	(2)
Total gains or losses								
— in profit or loss	—	—	—	—	—	—	—	—
Purchase	—	—	—	—	—	—	—	—
Settlements	—	—	(1)	—	(8)	—	(9)	1
Exchange effect	—	—	—	(1)	(5)	—	(6)	—
As at 31 December 2017	1	—	1	12	70	—	84	(1)

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For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)

64 Related parties

(a) Relationship of related parties

- (i) The Group is controlled by CITIC Corporation Limited (incorporated in mainland China), which owns 65.37% of the Bank's shares. The ultimate parent of the Group is CITIC Group (incorporated in mainland China).
- (ii) Related parties of the Group include subsidiaries, joint ventures and associates of CITIC Corporation Limited and CITIC Group. The Bank entered into banking transactions with its subsidiaries at arm's length in the ordinary course of business. These transactions are eliminated on consolidation.

The Bank issued 2,147,469,539 shares to CNTC through private placement on 31 December 2015, representing 4.39% shares of the Bank. A non-executive director designated by CNTC was appointed on 17 March 2016, and the appointment was approved by the CBRC on 24 June 2016. CNTC is thereafter regarded as the Group's related party as it has significant influence upon the Bank.

In February 2015, Xinhua Zhongbao Co., Ltd. acquired 2,292,579,000 H shares of the Bank through its wholly owned subsidiary, representing 4.68% shares of the Bank. A non-executive director designated by Xinhua Zhongbao Co., Ltd. was appointed on 17 March 2016, and the appointment was approved by the CBRC on 16 November 2016. Xinhua Zhongbao Co., Ltd. is thereafter regarded as the Group's related party, as it has significant influence upon the Bank. On 29 November 2016, Xinhua Zhongbao Co., Ltd., increased its shareholding to 2,320,177,000 H shares of the Bank through its wholly owned subsidiary, representing 4.74% shares of the Bank. In October 2017, Xinhua Zhongbao Co., Ltd. increased its shareholding to 2,446,265,000 H shares of the Bank through its wholly owned subsidiary, representing 4.99% shares of the Bank.

Poly Group acquired 27,216,400 A shares of the Bank through the secondary market, representing 0.06% shares of the Bank. A non-executive director designated by Poly Group was appointed and sent to the bank on 25 May 2018. Poly Group is thereafter regarded as the Group's related party as it has significant influence upon the Bank.

(b) Related party transactions

During the relevant years, the Group entered into transactions with related parties in the ordinary course of its banking businesses including lending, assets transfer (i.e. issuance of asset-backed securities in the form of public placement), wealth management, investment, deposit, settlement and clearing, off-balance sheet transactions, and purchase, sale and leases of property. These banking transactions were conducted under normal commercial terms and conditions and priced at the relevant market rates prevailing at the time of each transaction.

In addition, transactions during the relevant year and the corresponding balances outstanding at the reporting dates are as follows:

	Year ended 31 December 2018		
	Ultimate holding company and affiliates	Other major equity holders Note (i)	Associates and joint ventures
Profit and loss			
Interest income	244	4	63
Fee and commission income and other operating income	1,240	2	—
Interest expense	(445)	(869)	(17)
Net trading loss	(32)	—	—
Other service fees	(1,398)	—	—

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For the year ended 31 December 2018

(Amounts in millions of Renminbi unless otherwise stated)

64 Related parties (Continued)

(b) Related party transactions (Continued)

	Year ended 31 December 2017		
	Ultimate holding company and affiliates	Other major equity holders Note (i)	Associates and joint ventures
Profit and loss			
Interest income	337	46	—
Fee and commission income and other operating income	1,573	—	8
Interest expense	(597)	(407)	(21)
Net trading gain	9	—	11
Other service fees	(940)	—	—
	31 December 2018		
	Ultimate holding company and affiliates	Other major equity holders Note (i)	Associates and joint ventures
Assets			
Gross loans and advances to customers	10,645	14,363	—
Less: allowance for impairment losses on loans and advances	(258)	(417)	—
Loans and advances to customers (net)	10,387	13,946	—
Deposits with banks and non-bank financial institutions	—	—	5,364
Investment in financial assets			
— at fair value through profit or loss	310	—	—
— at amortised cost	4,258	4,318	—
Placements with and loans to banks and non-bank financial institutions	1,547	—	—
Derivative financial assets	60	—	—
Investments in associates and joint ventures	—	—	3,881
Other assets	10,941	—	—
Liabilities			
Deposits from banks and non-bank financial institutions	25,710	178	1,201
Derivative financial liabilities	24	—	—
Deposits from customers	37,496	41,756	17
Placements from banks and non-bank financial institutions	2,503	—	—
Other liabilities	1,222	—	—
Off-balance sheet items			
Guarantees and letters of credit	1,828	452	—
Acceptances	72	—	—
Entrusted funds	45,729	6,641	—
Entrusted loans	18,514	12,540	—
Funds raised from investors of non-principle guaranteed wealth management products	707	—	—
Guarantees received	52,986	9,638	—
Nominal amount of derivatives	7,950	—	—

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For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)

64 Related parties (Continued)

(b) Related party transactions (Continued)

	Ultimate holding company and affiliates	31 December 2017 Other major equity holders Note (i)	Associates and joint ventures
Assets			
Gross loans and advances to customers	16,556	875	—
Less: collectively assessed allowance for impairment losses	(172)	(12)	—
Loans and advances to customers (net)	16,384	863	—
Deposits with banks and non-bank financial institutions	—	—	7,000
Placements with and loans to banks and non-bank financial institutions	418	—	—
Derivative financial assets	14	—	—
Interest receivables	123	1	—
Available for sale financial asset	390	—	—
Investment in associates and joint ventures	—	—	2,341
Other assets	10,104	—	—
Liabilities			
Deposits from banks and non-bank financial institutions	16,205	178	266
Placements from banks and non-bank financial institutions	2,800	—	—
Derivative financial liabilities	6	—	—
Deposits from customers	69,094	17,362	75
Interest payable	107	21	1
Other liabilities	72	—	—
Off-balance sheet items			
Guarantees and letters of credit	1,979	13	—
Bank acceptances	618	190	—
Entrusted funds	7,695	1,500	—
Entrusted loan	2,130	6,446	—
Funds raised from investors of non-principle guaranteed wealth management products	496	—	450
Guarantees received	7,793	867	—
Nominal amount of derivatives	1,710	—	—

Note

(i) Other major equity holders include CNTC, Xinhua Zhongbao Co., Ltd. and Poly Group.

The amounts disclosed represented those transactions or balances when they were considered as related parties of the Group during the relevant periods. The transactions between the subsidiaries of CNTC/Poly Group and the Group are not significant in 2018.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018

(Amounts in millions of Renminbi unless otherwise stated)

64 Related parties (Continued)

(c) Key management personnel and their close family members and related companies

Key management personnel are those persons who have the authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including directors, supervisors and executive officers.

The Group entered into banking transactions with key management personnel and their close family members and those companies controlled or jointly controlled by them in the normal course of business. Other than those disclosed below, there was no material transactions and balances between the Group and these individuals, their close family members or those companies controlled or jointly controlled by them.

The aggregate amount of relevant loans outstanding as at 31 December 2018 to directors, supervisors and executive officers amounted to RMB0.40 million (as at 31 December 2017: RMB3.37 million).

The compensation paid or payable to key management for employee services is shown below:

	Year ended 31 December 2018 RMB'000	Year ended 31 December 2017 RMB'000
Salaries and other emoluments	11,751	13,495
Discretionary bonuses	24,141	20,134
Retirement schemes contributions	2,693	2,860
Total	38,585	36,489

(d) Supplementary defined contribution plan

The Group has established a supplementary defined contribution plan for its qualified employees which is administered by CITIC Group (Note 42(b)).

(e) Transactions with state-owned entities in the PRC

The Group operates in an economic regime currently predominated by entities directly or indirectly owned by the PRC government through its government authorities, agencies, affiliations and other organisations (collectively referred to as "state-owned entities").

Transactions with state-owned entities, including CNTC's indirect subsidiaries and Poly Group's indirect subsidiaries, include but are not limited to the following:

- lending and deposit taking;
- taking and placing of inter-bank balances;
- derivative transactions;
- entrusted lending and other custody services;
- insurance and securities agency, and other intermediary services;
- sale, purchase, underwriting and redemption of bonds issued by state-owned entities;
- purchase, sale and leases of property and other assets; and
- rendering and receiving of utilities and other services.

These transactions are conducted in the ordinary course of the Group's banking business on terms similar to those that would have been entered into with non-state-owned entities. The Group has also established its pricing strategy and approval processes for major products and services, such as loans, deposits and commission income. The pricing strategy and approval processes do not depend on whether the customers are state-owned entities or not. The Directors are of opinion that none of these transactions are material related party transactions that require separate disclosure.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
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65 Structured entities

(a) Unconsolidated structured entities sponsored and managed by third parties

The Group invests in unconsolidated structured entities which are sponsored and managed by other entities for investment return, and records trading gains or losses and interest income therefrom. These unconsolidated structured entities primarily include wealth management products, trust investment plans, investment management products, investment funds and asset-backed securities.

The following table sets out an analysis of the carrying amounts of interests held by the Group as at 31 December 2018 in the structured entities sponsored by third party institutions, as well as an analysis of the line items in the consolidated statement of financial position under which relevant assets are recognised:

	31 December 2018			Total	Maximum loss exposure
	Financial investments at fair value through profit or loss	Financial investments at amortised cost	Financial investments at fair value through other Comprehensive income		
Wealth management product of other banks	116	—	—	116	116
Investment management products managed by securities companies	—	228,502	—	228,502	228,502
Trust management plans	26,486	151,582	—	178,068	178,068
Asset-backed securities	1,289	39,846	61,994	103,129	103,129
Investment funds	189,176	—	—	189,176	189,176
Total	217,067	419,930	61,994	698,991	698,991

	31 December 2017				Total	Maximum loss exposure
	Financial assets at fair value through profit or loss	Held-to-maturity investments	Available for sale financial assets	Investments classified as receivables		
Wealth management products issued by banks	—	—	26	139,020	139,046	139,046
Investment management products managed by securities companies	—	—	—	268,247	268,247	268,247
Trust investment plans	—	—	—	126,794	126,794	126,794
Asset-backed securities	—	34,234	16,877	—	51,111	51,111
Investment funds	2,001	—	119,518	—	121,519	121,519
Total	2,001	34,234	136,421	534,061	706,717	706,717

The maximum exposures to risk in the above wealth management products, trust investment plans, investment management products, investment funds and asset-backed securities managed by securities companies and trust investment funds are the carrying value of the assets held by the Group at the reporting date. The maximum exposures to risk in the asset-backed securities are the amortised cost or fair value of the assets held by the Group at the reporting date in accordance with the line items under which these assets are presented in the consolidated statement of financial position.

Chapter 10 Notes to the Consolidated Financial Statements

*For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)*

65 Structured entities (Continued)

(b) Unconsolidated structured entities sponsored and managed by the Group

Unconsolidated structured entities sponsored and managed by the Group mainly include non-principal guaranteed wealth management products. The wealth management products invest in a range of primarily fixed-rate assets, most typically money market instruments, debt securities and loan assets. As the manager of these wealth management products, the Group invests, on behalf of its customers, in assets as described in the investment plan related to each wealth management product and receives fee and commission income.

As at 31 December 2018, the total assets invested by these outstanding non-principal guaranteed wealth management products issued by the Group amounted to RMB1,058,907 million (31 December 2017: RMB1,132,676 million).

During the year ended 31 December 2018, the Group's interest in these wealth management products included fee and commission income of RMB2,628 million (2017: RMB5,536 million); interest income of RMB2,271 million (2017: RMB2,258 million) and interest expense of RMB620 million (2017: RMB1,613 million).

As at 31 December 2018, the placements and financial assets held under resale agreements from the Group with these wealth management products sponsored by the Group amounted to RMB63,500 million (31 December 2017: RMB70,488 million), while the placements from these wealth management products to the Group amounted to RMB44,605 million (31 December 2017: RMB25,901 million). During the year ended 31 December 2018, the amount of maximum exposure of the placements and financial assets held under resale agreements from the Group with these wealth management products sponsored by the Group was RMB68,144 million (31 December 2017: RMB72,372 million), and the amount of maximum exposure of the placements from these wealth management products to the Group was RMB13,435 million (31 December 2017: RMB44,233 million). These transactions were conducted under normal business terms and conditions.

As at 31 December 2018, assets of these wealth management products amounting to RMB198,892 million (31 December 2017: RMB202,167 million) were invested in investments in which certain subsidiaries and associates of the CITIC Group acted as trustees.

(c) Principal guaranteed wealth management products sponsored and managed by the Group

Principal guaranteed wealth management products sponsored and managed by the Group represent products to which the Group has guaranteed the investor's principal investment, regardless of their actual performance. Investments made by these products and the corresponding liabilities to the investors of these products are presented in the respective financial assets and financial liabilities items in accordance with the Group's accounting policies based on the nature of the assets and liabilities.

66 Transfers of financial assets

The Group entered into transactions which involved transfers of financial assets including securitisation transactions, structured transfers on assets usufruct, transfers of loans including non-performing loans, and financial assets sold under repurchase agreements.

These transactions were entered into in the normal course of business by which recognised financial assets were transferred to third parties or structured entities. Transfers of assets may give rise to full or partial de-recognition of the financial assets concerned. On the other hand, where transferred assets do not qualify for de-recognition as the Group has retained substantially all the risks and rewards of these assets, the Group continues to recognise the transferred assets.

Details of the financial assets sold under repurchase agreements are set forth in Note 40. Details of securitisation transactions, structured transfers on assets usufruct and loan transfer transactions conducted by the Group for the year ended 31 December 2018 totally RMB227,518 million (year ended 31 December 2017: RMB175,601 million) are set forth below.

Chapter 10 Notes to the Consolidated Financial Statements

For the year ended 31 December 2018
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65 Structured entities (Continued)

Securitisation transactions and structured transfers on assets usufruct

The Group enters into securitisation transactions by which it transfers loans to structured entities which issue asset-backed securities to investors. The Group assessed among other factors, whether or not to derecognise the transferred assets by evaluating the extent to which it retains the risks and rewards of the assets and whether it has relinquished its controls over these assets based on the criteria as detailed in Note 4(c) and Note 5.

During the year ended 31 December 2018, the Group entered into securitisation transactions and structured transfers on assets usufruct backed by financial assets transferred with book value before impairment of RMB192,665 million (year ended 31 December 2017: 127,271 million). RMB7,197 million of this balance (year ended 31 December 2017: RMB865 million) was in respect of performing loans and the Group concluded that it had continuing involvement in these assets. The Group also recognised other assets and other liabilities of RMB897 million (year ended 31 December 2017: RMB79 million) arising from such continuing involvement. The remaining balance of the loans transferred were qualified for full de-recognition.

Loan transfers

During the year ended 31 December 2018, the Group also through other types of transactions transferred loans of book value before impairment of RMB34,853 million (during the year of 2017: RMB48,330 million), of which RMB34,853 million represented non-performing loans (during the year of 2017: RMB38,733 million). The Group carried out assessment based on the criteria as detailed in Note 4(c) and Note 5(iv) and concluded that these transferred assets qualified for full de-recognition.

67 Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

As at 31 December 2018, the amount of the financial assets and financial liabilities subject to enforceable master netting arrangements or similar agreements are not material to the Group.

Chapter 10 Notes to the Consolidated Financial Statements

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68 Statements of financial position and changes in equity of the Bank

Statement of financial position

	31 December 2018	31 December 2017
Assets		
Cash and balances with central banks	533,393	564,105
Deposits with banks and non-bank financial institutions	78,758	102,139
Precious metals	4,988	3,348
Placements with and loans to banks and non-bank financial institutions	144,364	149,511
Financial assets at fair value through profit or loss	—	59,976
Derivative financial assets	26,571	61,795
Financial assets held under resale agreements	10,790	54,626
Interest receivables	—	31,674
Loans and advances to customers	3,285,963	2,886,685
Financial investments		
— at fair value through profit or loss	293,542	—
— at amortised cost	777,883	—
— at fair value through other comprehensive income	449,350	—
— designated at fair value through other comprehensive income	2,242	—
Available-for-sale financial assets	—	579,623
Held-to-maturity investments	—	216,586
Investments classified as receivables	—	531,118
Investments in subsidiaries and joint ventures	25,008	23,445
Property, plant and equipment	20,956	20,594
Intangible assets	1,301	1,135
Deferred tax assets	22,458	21,605
Other assets	33,108	51,249
Total assets	5,710,675	5,359,214
Liabilities		
Borrowings from central banks	286,350	237,500
Deposits from banks and non-bank financial institutions	782,768	799,259
Placements from banks and non-bank financial institutions	71,482	34,088
Financial liabilities at fair value through profit or loss	962	—
Derivative financial liabilities	25,784	61,236
Financial assets sold under repurchase agreements	120,095	134,384
Deposits from customers	3,397,318	3,181,070
Accrued staff costs	9,508	8,024
Taxes payable	4,086	8,153
Interest payable	—	38,395
Provisions	4,944	796
Debt securities issued	541,053	430,176
Other liabilities	44,800	38,131
Total liabilities	5,289,150	4,971,212
Equity		
Share capital	48,935	48,935
Preference shares	34,955	34,955
Capital reserve	61,359	61,359
Other comprehensive income	5,167	(9,782)
Surplus reserve	34,450	31,183
General reserve	73,370	73,370
Retained earnings	163,289	147,982
Total equity	421,525	388,002
Total liabilities and equity	5,710,675	5,359,214

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For the year ended 31 December 2018
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68 Statements of financial position and changes in equity of the Bank (Continued)

Statement of changes in equity

	Share capital	Preference shares	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Total equity
As at 31 December 2017	48,935	34,955	61,359	(9,782)	31,183	73,370	147,982	388,002
Changes in accounting policy	—	—	—	4,478	(939)	—	(8,442)	(4,903)
As at 1 January 2018	48,935	34,955	61,359	(5,304)	30,244	73,370	139,540	383,099
(i) Net profit	—	—	—	—	—	—	42,057	42,057
(ii) Other comprehensive income	—	—	—	10,471	—	—	—	10,471
Total comprehensive income	—	—	—	10,471	—	—	42,057	52,528
(iii) Profit appropriations								
— Appropriations to surplus reserve	—	—	—	—	4,206	—	(4,206)	—
— Dividend distribution to ordinary shareholders of the bank	—	—	—	—	—	—	(12,772)	(12,772)
— Dividend distribution to preference shareholders of the bank	—	—	—	—	—	—	(1,330)	(1,330)
As at 31 December 2018	48,935	34,955	61,359	5,167	34,450	73,370	163,289	421,525

	Share capital	Preference shares	Capital reserve	Other comprehensive income	Surplus reserve	General reserve	Retained earnings	Total equity
As at 1 January 2017	48,935	34,955	61,359	(1,737)	27,263	73,370	124,557	368,702
(i) Net profit	—	—	—	—	—	—	39,196	39,196
(ii) Other comprehensive income	—	—	—	(8,045)	—	—	—	(8,045)
Total comprehensive income	—	—	—	(8,045)	—	—	39,196	31,151
(iii) Profit appropriations								
— Appropriations to surplus reserve	—	—	—	—	3,920	—	(3,920)	—
— Dividend distribution to ordinary shareholders of the bank	—	—	—	—	—	—	(10,521)	(10,521)
— Dividend distribution to preference shareholders of the bank	—	—	—	—	—	—	(1,330)	(1,330)
As at 31 December 2017	48,935	34,955	61,359	(9,782)	31,183	73,370	147,982	388,002

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69 Benefits and interests of directors and supervisors

(a) Directors and supervisors' emoluments

The remuneration of the Bank's director and supervisor is set out below:

For the year ended 31 December 2018:

Emoluments paid or receivable in respect of services as director or supervisor of the Group							Emoluments paid or receivable in respect of director or supervisor's other services in connection with the management of the affairs of the Group	Total
Name	Fees RMB'000	Salary RMB'000	Discretionary bonuses RMB'000	Housing allowance RMB'000	Allowances and benefits in kind (note (vii)) RMB'000	Employer's contribution to retirement benefit scheme RMB'000	Remunerations paid or receivable in respect of accepting office as director and supervisor RMB'000	RMB'000
Executive directors								
Li Qingning Note (i)	—	—	—	—	—	—	—	—
Fang Huiying	—	600	652	—	132	184	—	1,568
Non-executive directors								
Cao Guoqiang Note (i)(iv)	—	233	229	—	104	63	—	629
Huang Fang Note (i)	—	—	—	—	—	—	—	—
Wan Liming Note (i)	—	—	—	—	—	—	—	—
Independent non-executive directors								
He Cao	300	—	—	—	—	—	—	300
Chen Lihua	300	—	—	—	—	—	—	300
Qian Jun	300	—	—	—	—	—	—	300
Ying Liji	82	—	—	—	—	—	—	82
Supervisors								
Liu Cheng	—	467	451	—	47	99	—	1,064
Deng Changqing Note (i)	—	—	—	—	—	—	—	—
Wang Xiuhong	300	—	—	—	—	—	—	300
Jia Xiangsen	300	—	—	—	—	—	—	300
Deng Wei	300	—	—	—	—	—	—	300
Cheng Tusheng	—	360	2,373	—	164	178	—	3,075
Chen Panwu	—	440	2,327	—	179	184	—	3,130
Zeng Yufang	—	330	2,457	—	117	329	—	3,233
Former Directors and Supervisors resigned in 2018								
Chang Zhenming Note (ii)	—	—	—	—	—	—	—	—
Shu Yang Note (iii)	225	—	—	—	—	—	—	225
Wu Xiaoping Note (v)	225	—	—	—	—	—	—	225
Wang Lianzhong Note (vi)	—	—	—	—	—	—	—	—
Zhu Gaoming Note (v)	—	—	—	—	—	—	—	—
Sun Desheng	—	900	1,124	—	222	209	—	2,455

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For the year ended 31 December 2018
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69 Benefits and interests of directors and supervisors (Continued)

(a) Directors and supervisors' emoluments (Continued)

For the year ended 31 December 2017

Emoluments paid or receivable in respect of services as director or supervisor of the Group

Name	Fees RMB'000	Salary RMB'000	Discretionary bonuses RMB'000	Housing allowance RMB'000	Allowances and benefits in kind (note (vi)) RMB'000	Employer's contribution to retirement benefit scheme RMB'000	Remunerations paid or receivable in respect of accepting office as director and supervisor RMB'000	Emoluments paid or receivable in respect of other services in connection with the management of the affairs of the Group RMB'000	Total RMB'000
Executive directors									
Li Qingping (Note (i))	—	—	—	—	—	—	—	—	—
Sun Deshan	—	900	1,112	—	351	233	—	—	2,596
Non-executive directors									
Zhu Gaoming	—	—	—	—	—	—	—	—	—
Huang Fang	—	—	—	—	—	—	—	—	—
Wan Liming	—	—	—	—	—	—	—	—	—
Chang Zhenming	—	—	—	—	—	—	—	—	—
Independent non-executive directors									
Wu Yaoping	300	—	—	—	—	—	—	—	300
Wong Lam Cheung Andrew	300	—	—	—	—	—	—	—	300
He Cao	300	—	—	—	—	—	—	—	300
Chen Lihua	300	—	—	—	—	—	—	—	300
Qian Jun	300	—	—	—	—	—	—	—	300
Supervisors									
Cao Guocun	—	700	658	—	297	219	—	—	1,874
Wang Xinhong	300	—	—	—	—	—	—	—	300
Jia Xiangsen	300	—	—	—	—	—	—	—	300
Zheng Wei	300	—	—	—	—	—	—	—	300
Cheng Pingcheng	340	2,418	—	—	261	202	—	—	3,221
Chen Peimin	430	2,191	—	—	281	211	—	—	3,113
Zeng Yufang	320	2,344	—	—	94	340	—	—	3,098
Shu Yang	—	—	—	—	—	—	—	—	—
Former Directors and Supervisors resigned in 2017									
Zhu Xiaohu (Note (vi))	—	—	—	—	—	—	—	—	—
Wen Shuping (Note (vi))	143	806	—	—	24	47	—	—	1,020
Ma Huiqing (Note (vi))	70	539	—	—	85	68	—	—	762

Chapter 10 Notes to the Consolidated Financial Statements

*For the year ended 31 December 2018
(Amounts in millions of Renminbi unless otherwise stated)*

69 Benefits and interests of directors and supervisors (Continued)

(a) Directors and supervisors' emoluments (Continued)

Notes:

- (i) Mrs. Li Qingping, Mr. Cao Guoqiang, Mrs. Huang Fang, Mr. Wan Liming, and Mr. Deng Changqing did not receive any of the four directors are delegated by CITIC Limited and CITIC Group ("parent companies"). Their emoluments were paid by the group. The other two directors and the supervisor are delegated respectively by Xinhua Zhongbao Co., Ltd, CNTC and Poly Group and provide service to both the parent company and the bank. Their emolument allocation are not disclosed due to the difficulty to differentiate the services provided by the four directors and the supervisor.
- (ii) Mr. Chang Zhenmig resigned in January, 2018.
- (iii) Mr. Shu Yang resigned in February, 2018.
- (iv) Mr. Cao Guoqiang resigned in March, 2018.
- (v) Mrs. Wu Xiaoping, Mr. Wang Lianzhang, and Mr. Zhu Gaoming resigned in September, 2018.
- (vi) Mr. Sun Deshun resigned in February, 2018.
- (vii) Mr. Zhu Xiaohuang resigned in March, 2017.
- (viii) Mrs. Wen Shuping and Mr. Ma Haiqing resigned in September, 2017.

(b) Other benefits and interests

No direct or indirect retirement benefits and termination benefits were paid to directors as at 31 December 2018 (as at December 2017: Nil).

For the year ended 31 December 2018 and 31 December 2017, the balance of loans and advances from the Group to Directors, Supervisors or certain controlled body corporates and connected entities of the Directors or Supervisors was not significant.

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year 2018 (2017: Nil).

70 Events after the reporting period

- (a) On 4 March 2019, the Bank issued a total of 400,000,000 A share convertible corporate bonds ("A Share Convertible Bonds"), with a nominal value of RMB100 each and an aggregate value amounting to RMB40 billion. The A Share Convertible Bonds was issued at nominal value and the initial conversion price shall be RMB7.45 per share. The A Share Convertible Bonds have a term of six years from the date of the issuance, which commences from 4 March 2019 and ends on 3 March 2025.
- (b) On 26 March 2019, a public issuance of perpetual capital securities with no more than RMB40 billion or equivalent foreign currency in China and foreign markets is approved by the Board of Directors. As at the report date, the relevant issuance is subject to the approval from regulators.

Chapter 10 Unaudited Supplementary Financial Information

(Amounts in millions of Renminbi unless otherwise stated)

The information set out below does not form part of the audited financial statements, and is included herein for information purposes only.

1 Difference between the financial report prepared under IFRSs and that prepared in accordance with PRC GAAP

China CITIC Bank Corporation (the "Bank") prepares consolidated financial statements for the year ended at 31 December 2018, which includes the financial statements of the Bank and its subsidiaries (collectively the "Group"), in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

As a financial institution incorporated in the People's Republic of China (the "PRC") and listed in the Shanghai Stock Exchange, the Group also prepares its consolidated financial statements for the year ended 31 December 2018 in accordance with the Accounting Standards for Business Enterprises and other relevant regulations issued by the regulatory bodies of the PRC (collectively "PRC GAAP").

There is no difference in the profit for the year ended 31 December 2018 or total equity as at 31 December 2018 between the Group's consolidated financial statements prepared in accordance with IFRSs and those prepared in accordance with PRC GAAP respectively.

2 Liquidity coverage ratio

	31 December 2018	31 December 2017
Liquidity coverage ratio	114.33%	97.98%

The liquidity coverage ratios were also in accordance with the Rules on Liquidity Risk management of Commercial Banks (Provisional) issued by the CBIRC and applicable calculation requirements, and based on the data determined under the PRC GAAP.

3 Currency concentrations

	31 December 2018			
	US Dollars	HK Dollars	Others	Total
Spot assets	291,086	143,406	33,019	467,511
Spot liabilities	276,119	147,045	(4,303)	418,861
Forward purchases	1,240,838	194,757	53,275	1,488,870
Forward sales	(1,256,218)	(172,554)	(67,729)	(1,496,501)
Options	(23,481)	2	193	(23,286)
Net long position	528,344	312,656	14,455	855,455

	31 December 2017			
	US Dollars	HK Dollars	Others	Total
Spot assets	225,292	139,707	30,624	395,623
Spot liabilities	(248,386)	(132,999)	(40,659)	(422,044)
Forward purchases	1,630,824	116,379	49,774	1,796,977
Forward sales	(1,621,525)	(94,772)	(40,212)	(1,756,509)
Options	(141)	(118)	(2,030)	(2,289)
Net long position	(13,936)	28,197	(2,503)	11,758

Chapter 10 Unaudited Supplementary Financial Information

(Amounts in millions of Renminbi unless otherwise stated)

4 International claims

International claims are the sum of cross-border claims in all currencies and local claims in foreign currencies. The Group is principally engaged in business operations within Mainland China, and regards all the claims on third parties outside Mainland China as cross border claims.

International claims include balances with central banks, deposits with banks and non-bank financial institutions, placements with and loans to banks and non-bank financial institutions, financial assets held for trading, financial assets designated at fair value through profit or loss, loans and advances to customers, financial assets held under resale agreements, financial investments, etc.

International claims are disclosed based on different countries or regions. A country or region is reported where it constitutes 10% or more of the aggregate amount of international claims, after taking into account any risk transfers. Risk transfer is only made if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose head office is located in another country.

31 December 2018				
	Banks	Official sector	Non-bank private sector	Total
Asia Pacific excluding Mainland China	25,970	314	63,854	90,138
— of which attributed to Hong Kong	16,335	307	56,098	72,740
Europe	6,025	3	12,350	18,378
North and South America	25,623	41,616	65,373	132,612
Africa	186	—	—	186
Total	57,804	41,933	141,577	241,314

31 December 2017				
	Banks	Official sector	Non-bank private sector	Total
Asia Pacific excluding Mainland China	33,040	418	56,421	89,879
— of which attributed to Hong Kong	25,305	411	49,538	75,254
Europe	1,817	1	7,115	8,933
North and South America	20,570	47,179	50,786	118,535
Africa	—	—	—	—
Total	55,427	47,598	114,322	217,347

Chapter 10 Unaudited Supplementary Financial Information

(Amounts in millions of Renminbi unless otherwise stated)

5 Overdue loans and advances to customers by geographical sectors

	Gross loans and advances	31 December 2018	
		Loans and advances overdue over 3 months	Credit impaired loans
Bohai Rim (including Head Office)	1,123,293	23,325	25,738
Yangtze River Delta	784,722	8,582	9,193
Pearl River Delta and West Strait	549,491	7,506	7,729
Central	463,100	7,994	8,565
Western	433,143	6,475	7,638
Northeastern	75,682	4,903	5,083
Outside Mainland China	178,981	384	1,470
Accrued interest	8,338	—	—
Total	3,616,750	59,169	65,416

	Gross loans and advances	31 December 2017	
		Loans and advances overdue over 3 months	Impaired loans
Bohai Rim (including Head Office)	967,864	15,861	15,225
Yangtze River Delta	691,183	10,949	9,672
Pearl River Delta and West Strait	493,118	6,796	6,029
Central	421,810	10,669	10,705
Western	389,152	9,566	7,809
Northeastern	67,609	3,340	2,271
Outside Mainland China	166,151	1,501	1,937
Total	3,196,887	58,682	53,648

6 Gross overdue amounts due from banks and other financial institutions and overdue loans and advances to customers

(a) Gross overdue amounts due from banks and other financial institutions

	31 December 2018	31 December 2017
Gross amounts due from banks and other financial institutions which have been overdue	1	1
As a percentage of total gross amounts due from banks and other financial institutions	0.00036%	0.00058%

Chapter 10 Unaudited Supplementary Financial Information

(Amounts in millions of Renminbi unless otherwise stated)

6 Gross overdue amounts due from banks and other financial institutions and overdue loans and advances to customers (Continued)

(b) Gross amounts of overdue loans and advances to customers

	31 December 2018	31 December 2017
Gross loans and advances to customers which have been overdue with respect to either principal or interest for periods of:		
— between 3 and 6 months	13,181	13,207
— between 6 and 12 months	20,011	19,976
— over 12 months	25,977	25,499
Total	59,169	58,682
As a percentage of total gross loans and advances to customers:		
— between 3 and 6 months	0.37%	0.41%
— between 6 and 12 months	0.55%	0.62%
— over 12 months	0.72%	0.80%
Total	1.64%	1.83%

— The above analysis represents loans and advances overdue for more than 3 months as required by the Hong Kong Monetary Authority.

— Loans and advances with a specific repayment date are classified as overdue when the principal or interest is overdue.

— Loans and advances repayable on demand are classified as overdue when a demand for repayment has been served on the borrower but repayment has not been made in accordance with the instructions. If the loans and advances are repayable on demand which are outside the approved limit that was advised to the borrower, they are also considered as overdue.

— As at 31 December 2018, the loans and advances to customers of RMB46,908 million of the above overdue loans and advances were credit-impaired. (As at 31 December 2017, loans and advances to customers of RMB37,685 million were subjected to individual assessment for impairment)

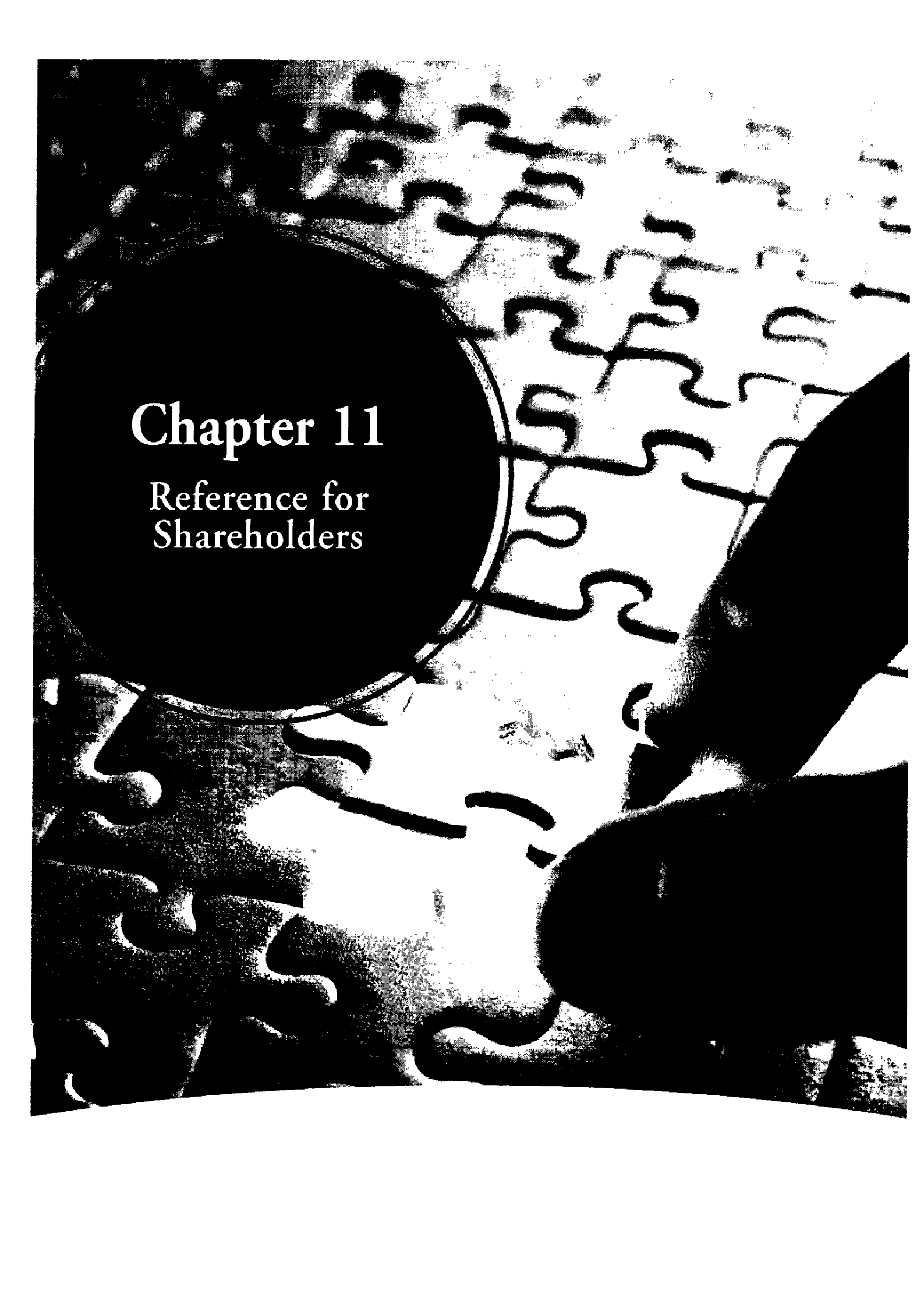
Loans and advances to customers overdue for more than 3 months:

	31 December 2018	31 December 2017
Secured portion	31,690	21,147
Unsecured portion	15,218	16,538
Total	46,908	37,685
Allowance for impairment losses	(28,026)	(26,477)
Net balance	18,882	11,208
Maximum exposure covered by pledge and collateral held	29,187	19,197

The fair value of collateral was estimated by management based on the latest revaluation including available external valuation, if any, adjusted by taking into account the current realisation experience as well as market situation.

7 Non-bank Mainland China exposures

The Bank is a commercial bank incorporated in the Mainland China with its banking business primarily conducted in Mainland China. As of 31 December 2018, the majority of the Bank's non-bank exposures arose from businesses with Mainland China entities or individuals. Analyses of various types of exposures by counterparties have been disclosed in the notes to the consolidated financial statements.



Chapter 11

Reference for
Shareholders

Chapter 11 Reference for Shareholders

11.2.2 Index Constituent Stock

A-share Index of SSE
SSE 180 Index
SSE Composite Index
SSE Corporate Governance Index
New SSE Composite Index
Shanghai Shenzhen CSI 300 Index
CSI 100 Index
CSI 800 Index
Hang Seng China H-Financials Index (H-Fin)

11.2.3 Investor Inquiry

For any inquiry, investors may contact:
Investor Relations Team of China CITIC Bank Corporation Limited
Address: No. 9 Chaoyangmen Beidajie, Dongcheng District, Beijing
Tel: +86-10-8523 0010
Fax: +86-10-8523 0079
E-mail: ir@citicbank.com

11.3 Other Information

The Bank's annual report (A shares) is available in Chinese and its annual report (H shares) is available in both Chinese and English. To obtain a copy of the annual report (H shares) prepared in accordance with the international accounting standards, please write to Computershare Hong Kong Investor Services Limited, the Bank's H-share Registrar. For a copy of the annual report (A shares) prepared in accordance with the PRC accounting standards, please write to the Head Office of the Bank (No. 9 Chaoyangmen Beidajie, Dongcheng District, Beijing). The annual report is also available in both the Chinese and English languages on the websites of SSE (www.sse.com.cn), HKEXnews (www.hkexnews.hk) and the Bank (www.citicbank.com).

Should you have any queries about how to obtain a copy of the annual report or how to access the annual report on the Bank's website, please call the Bank's hotline at +86-10-8523 0010.

11.2 Shareholders' Inquiry

If shareholders have any inquiry about their shareholdings, such as share transfer, change of name or address or loss of share certificate, please post letters to the following addresses:

A share

China Securities Depository and Clearing Corporation Limited Shanghai Branch
3/F, China Insurance Building, No. 166 Lu Jia Zui East Road, Pudong New Area, Shanghai
Tel: +86-21-68870587

H share

Computershare Hong Kong Investor Services Limited
Room 1712-16, 17/F, Hopewell Centre, No. 183 Queen's Road East, Wan Chai, Hong Kong
Tel: +852-2862 8555
Fax: +852-2865 0990
E-mail: hkinfo@computershare.com.hk

Preference Shares

China Securities Depository and Clearing Corporation Limited Shanghai Branch
3/F, China Insurance Building, No. 166 Lu Jia Zui East Road, Pudong New Area, Shanghai
Tel: +86-21-68870587

11.2.1 Credit Ratings

Credit Ratings

As at the end of the reporting period, the Bank had the following ratings:

Ratings by S&P:

- (1) BBB+ for long-term corporate credit rating;
- (2) A-2 for short-term rating; and
- (3) Stable for long-term rating outlook.

Ratings by Moody's Investors Service:

- (1) Baa2/P-2 for deposit rating;
- (2) ba2 for baseline credit assessment (BCA); and
- (3) Positive for rating outlook.

Ratings by Fitch ratings:

- (1) BBB for default rating;
- (2) 2 for support rating;
- (3) BBB for support bottom line rating;
- (4) b+ for survival rating; and
- (5) Stable for rating outlook.

Chapter 11 Reference for Shareholders

11.2.2 Index Constituent Stock

A-share Index of SSE
SSE 180 Index
SSE Composite Index
SSE Corporate Governance Index
New SSE Composite Index
Shanghai Shenzhen CSI 300 Index
CSI 100 Index
CSI 800 Index
Hang Seng China H-Financials Index (H-Fin)

11.2.3 Investor Inquiry

For any inquiry, investors may contact:
Investor Relations Team of China CITIC Bank Corporation Limited
Address: No. 9 Chaoyangmen Beidajie, Dongcheng District, Beijing
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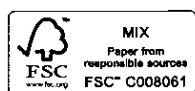
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