

# Industrial and Commercial Bank of China Limited

## Key Takeaways

The company is involved in moderate to severe ESG controversies. Industrial and Commercial Bank of China Limited allegedly failed to assess environmental impact in Bosnia and Herzegovina, Colombia, and Argentina. The company also reportedly failed to respect the right to an adequate standard of living in Colombia as well as failing to prevent money laundering and pollution in Canada. *Source: ISS ESG research dated Nov. 15, 2023.*

**Meeting Type:** Extraordinary Shareholders (Normal - H)

**Meeting Date:** 30 November 2023

**Record Date:** 24 November 2023

**Meeting ID:** 1803775

**Hong Kong Stock Exchange:** 1398

**Index:** Hang Seng

**Sector:** Diversified Banks

**GICS:** 40101010

### Primary Contacts

Blessing De Castro

Gene Allen Rodriguez

[Sustainability Advisory Services Help Center](#)

## Agenda & Recommendations

Policy: Sustainability

Incorporated: China

Item	Code	Proposal	Board Rec.	Sust. Rec.
<b>EGM BALLOT FOR HOLDERS OF H SHARES</b>				
1	M0219	Approve Payment Plan of Remuneration to Directors	FOR	FOR
2	M0219	Approve Payment Plan of Remuneration to Supervisors	FOR	FOR
3	M0127	Approve Application for Temporary Authorization Limit for External Donations	FOR	FOR
4	M0370	Approve Issuance Amount of Capital Instruments	FOR	FOR
5	M0201	Elect Herbert Walter as Director	FOR	FOR

Shading indicates that Sustainability Advisory Services recommendation differs from Board recommendation

► Items deserving attention due to contentious issues or controversy

## Report Contents

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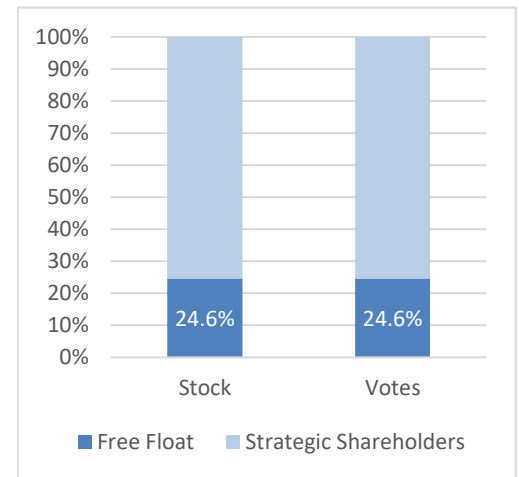
## Ownership & Control Overview

Stock Type	Votes per Share	Issued
H Shares	1	86,794,044,550
A Shares	1	269,612,212,539
Top Holders - Ownership & Control		
	% of Stock	% of Votes
<i>Treasury</i>	0.0	0.0
▶China Investment Corp. (Investment Company)	35.0	35.0
▶Government of China	31.1	31.1
▶Ping An Insurance (Group) Co. of China Ltd.	3.1	3.1
▶National Council for Social Security Fund	2.1	2.1
▶Temasek Holdings Pte Ltd. (Investment Management)	1.7	1.7
▶Taiping Asset Management Co., Ltd.	1.2	1.2
Taiping Life Insurance Co. Ltd. (Investment Portfolio)	1.1	1.1
The Vanguard Group, Inc.	0.9	0.9
▶China Securities Finance Corp. Ltd.	0.6	0.6

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Percentages rounded down to 1 decimal. "▶" identifies shareholders considered strategic under ISS' definition.

ISS' definition of strategic shareholders may include, but is not limited to, shareholders with board representation, State-controlled entities, insiders/executives, employee funds, and other entities with holdings beyond a materiality threshold (5% or 10%).



[to Detailed Ownership Profile](#)

## Corporate Governance Profile

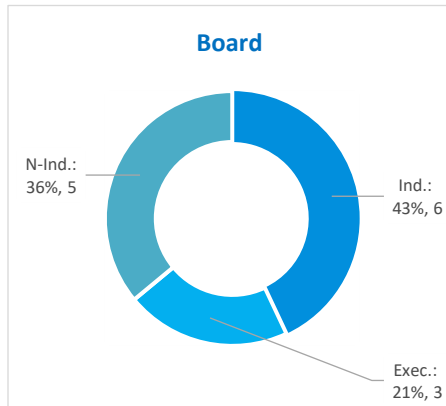
### BOARD SUMMARY

	Executive Director
Chairman classification	
Separate chair/CEO	Yes
Number of directors attending < 75% of meetings	0
Average director age	62 years
Average director tenure	3 years
Percentage of women on board	14%

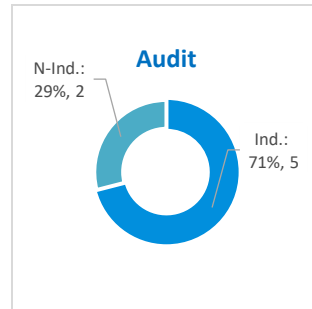
## Board & Committee Composition

The information provided in the charts and tables below is based on Sustainability Advisory Services data records, which rely on disclosures in proxy materials and other public sources available as of the date set forth below (for the general meeting under review) and, with respect to information from prior years, information that was available ahead of each year's annual general meeting at the time of Sustainability Advisory Services' report for that meeting. As such, these charts and tables might not reflect changes to the board composition and/or other covered elements subsequently disclosed by the issuer after Sustainability Advisory Services' publications or between general meetings. Independence values refer to Sustainability Advisory Services Independence classifications ("Exec": Executive Director; "N-Ind.": Non-Independent Director; "Ind.": Independent Director).

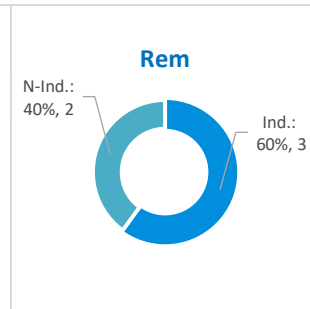
as of November 30, 2023



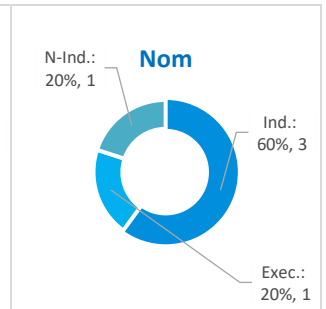
Meetings last FY:10



Meetings last FY:8



Meetings last FY:5



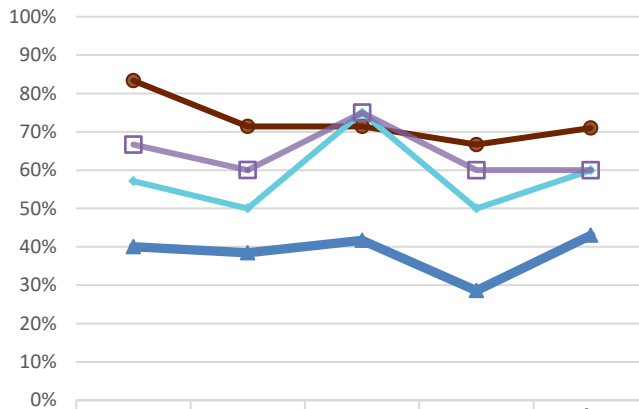
Meetings last FY:5

■ Exec

■ N-Ind.

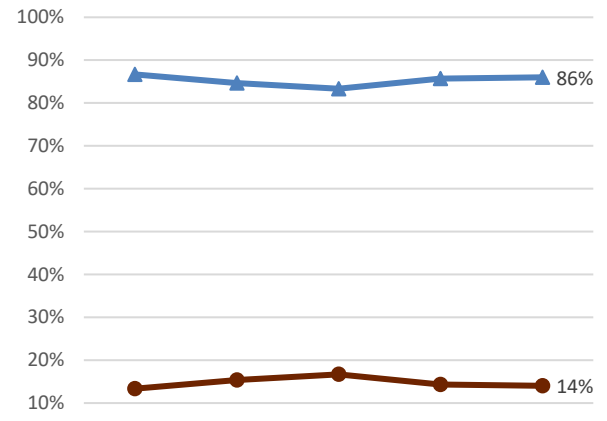
■ Ind.

### Independence History



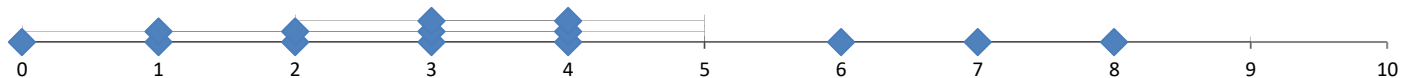
	2019	2020	2021	2022	After Meeting
Board	40%	38%	42%	29%	43%
Audit Com	83%	71%	71%	67%	71%
Rem Com	57%	50%	75%	50%	60%
Nom Com	67%	60%	75%	60%	60%

### Gender Diversity Trend



	2019	2020	2021	2022	After Meeting
male	87%	85%	83%	86%	86%
female	13%	15%	17%	14%	14%

### Director Tenure



## Board Profile (after upcoming meeting)

Item #	Executive Directors	Affiliation	Independence		Leadership	Gender	Age	Tenure	Term Ends	Committee		
			Co.	Sustainability Advisory Services						Audit	Comp	Nom
	<b>Siqing Chen</b>		Exec	Exec	Chair	M	63	4	2025			
	<b>Lin Liao</b>		Exec	Exec	CEO	M	57	3	2023			M
	<b>Jingwu Wang</b>		Exec	Exec	Executive Director	M	57	2	2024			
<b>Non-Executive Directors</b>												
	<b>Liqun Cao</b>	Shareholder Rep.	Non-Ind.	Non-Ind.		F	52	3	2026	M		
	<b>Tak Lam (Norman) Chan</b>		Ind.	Ind.		M	69	1	2025	F		
	<b>Yifang Chen</b>	Shareholder Rep.	Non-Ind.	Non-Ind.		F	59	2	2024		M	
	<b>Yang Dong</b>	Shareholder Rep.	Non-Ind.	Non-Ind.		M	57	1	2024			
	<b>Weidong Feng</b>	Shareholder Rep.	Non-Ind.	Non-Ind.		M	59	3	2026	F		M
	<b>Zuliu (Fred) Hu</b>		Ind.	Ind.		M	60	4	2025	M	M	C
	<b>Yongzhen Lu</b>	Shareholder Rep.	Non-Ind.	Non-Ind.		M	56	4	2025		M	
	<b>Anthony Francis Neoh</b>		Ind.	Ind.		M	77	8	2025	M	M	M
	<b>Si Shen</b>		Ind.	Ind.		M	70	6	2023	C	C	
5	<b>Herbert Walter</b>		Ind.	Ind.		M	70	NEW	2026			
	<b>Siu Shun Yang</b>		Ind.	Ind.		M	68	7	2024	F		M
			43% Ind.	43% Ind.		14% F	Ave: 62	Ave: 3	Ave: 2	71% Ind.	60% Ind.	60% Ind.

Committee Membership: M = Member | C = Chair | F = Financial Expert

## DIRECTOR NOTES

	Liqun Cao	SHAREHOLDER REP.	Representative of Central Huijin Investment Ltd (Huijin), a substantial shareholder of the company
	Yifang Chen	SHAREHOLDER REP.	Representative of Huijin.
	Yang Dong	SHAREHOLDER REP.	Representative of Huijin.
	Weidong Feng	SHAREHOLDER REP.	Representative of Huijin.
	Yongzhen Lu	SHAREHOLDER REP.	Representative of Huijin.
5	Herbert Walter	OTHER INFORMATION	Appointment is subject to the approval of the National Administration of Financial Regulation.

## COMMITMENTS AT PUBLIC COMPANIES

Item #	Director Name	# of boards	Company Name	Mandate Type	CEO	Board Chair	Committee			Ownership		
							Audit	Comp	Nom	#	% stock	% votes
	Siqing Chen	1	Industrial and Commercial Bank of China Limited	Executive Director		✓				0	0	0
	Lin Liao	1	Industrial and Commercial Bank of China Limited	Executive Director	✓				M	0	0	0
	Jingwu Wang	1	Industrial and Commercial Bank of China Limited	Executive Director						0	0	0
	Liqun Cao	1	Industrial and Commercial Bank of China Limited	Non-Executive Director				M		0	0	0
	Tak Lam (Norman) Chan	2	Industrial and Commercial Bank of China Limited	Non-Executive Director				F		0	0	0
			HK Acquisition Corp. (Cayman Islands)	Executive Director								
	Yifang Chen	1	Industrial and Commercial Bank of China Limited	Non-Executive Director					M	0	0	0
	Yang Dong	1	Industrial and Commercial Bank of China Limited	Non-Executive Director						0	0	0
	Weidong Feng	1	Industrial and Commercial Bank of China Limited	Non-Executive Director				F	M	0	0	0

Item #	Director Name	# of boards	Company Name	Mandate Type	CEO	Board Chair	Committee			Ownership		
							Audit	Comp	Nom	#	% stock	% votes
	Zuliu (Fred) Hu	3	Industrial and Commercial Bank of China Limited	Non-Executive Director			M	M	C	0	0	0
			Yum China Holdings, Inc.	Non-Executive Director		✓			C			
			UBS Group AG	Non-Executive Director					M			
	Yongzhen Lu	1	Industrial and Commercial Bank of China Limited	Non-Executive Director				M		0	0	0
	Anthony Francis Neoh	2	Industrial and Commercial Bank of China Limited	Non-Executive Director			M	M	M	0	0	0
			CITIC Limited	Non-Executive Director			M	C	M			
	Si Shen	2	Industrial and Commercial Bank of China Limited	Non-Executive Director			C	C		0	0	0
			Zheshang Securities Co., Ltd.	Non-Executive Director			M	C	C			
5	Herbert Walter	1	Industrial and Commercial Bank of China Limited	Non-Executive Director						0	0	0
	Siu Shun Yang	4	Industrial and Commercial Bank of China Limited	Non-Executive Director			F		M	0	0	0
			Xinyi Glass Holdings Ltd.	Non-Executive Director			C F	M	M			
			Tencent Holdings Ltd.	Non-Executive Director			C F		M			
			Man Wah Holdings Limited	Non-Executive Director			F					

#### DIRECTOR PAY AND ATTENDANCE OVERVIEW MOST RECENT FY

Item #	Director Name	Board Position	Attendance (in %)	Total Compensation
	<b>Siqing Chen</b>	ED, Chair	80	CNY 868,000
	<b>Lin Liao</b>	ED, CEO, Nom (M)	100	CNY 868,000
	<b>Jingwu Wang</b>	ED	100	CNY 795,000
	<b>Liqun Cao</b>	NED, Audit (M)	100	CNY 0
	<b>Tak Lam (Norman) Chan</b>	NED, Audit (M)	100	CNY 140,000
	<b>Yifang Chen</b>	NED, Comp (M)	100	CNY 0
	<b>Yang Dong</b>	NED	100	CNY 0
	<b>Weidong Feng</b>	NED, Audit (M), Nom (M)	100	CNY 0
	<b>Zuliu (Fred) Hu</b>	NED, Audit (M), Comp (M), Nom (C)	85	CNY 433,000
	<b>Yongzhen Lu</b>	NED, Comp (M)	100	CNY 0
	<b>Anthony Francis Neoh</b>	NED, Audit (M), Comp (M), Nom (M)	89	CNY 520,000
	<b>Si Shen</b>	NED, Audit (C), Comp (C)	100	CNY 485,000
5	<b>Herbert Walter</b>	NED	N/A	N/A
	<b>Siu Shun Yang</b>	NED, Audit (M), Nom (M)	100	CNY 470,000
<b>Total</b>				<b>CNY 4,579,000</b>

Attendance rates take into account board and committee meetings.  
ED for Executive Directors, NED for Non-Executive Directors

## Meeting Agenda & Proposals

### EGM BALLOT FOR HOLDERS OF H SHARES

#### Items 1-2. Approve Payment Plan of Remuneration to Directors and Supervisors

**FOR**

##### VOTE RECOMMENDATION

Director and supervisor remuneration at Hong Kong-listed companies are usually reasonable. In the absence of known concerns over director and supervisor remuneration at the company, a vote FOR these proposals is warranted.

### Discussion

The board seeks shareholder approval for the payment plan of remuneration to directors and supervisors for the year 2022.

The details of the proposed payment plan are as follows:

Details of the Remuneration Before Tax Received from the Bank for 2022						
Name	Position	Remuneration Payable*	Contribution by Employer to Social Insurance, Annuities, Additional Medical Insurance, and Housing Allowance*	Other Monetary Income*	Total*	Obtain Remuneration from Shareholder Entities or Other Related Parties?
<b>Incumbent Directors</b>						
Chen Siqing	Executive chairman	917,900	211,400	-	1.13 million	No
Liao Lin	Executive director, vice chairman, president	917,900	211,400	-	1.13 million	No
Wang Jingqu	Executive director, SVP	826,100	204,400	-	1.03 million	No
Lu Yongzhen	Non-executive director	-	-	-	-	Yes
Feng Weidong	Non-executive director	-	-	-	-	Yes
Cao Liqun	Non-executive director	-	-	-	-	Yes
Chen Yifang	Non-executive director	-	-	-	-	Yes

Dong Yang	Non-executive director	-	-	-	-	Yes
Anthony Francis Neoh	Independent non-executive director	520,000	-	-	520,000	Yes
Yang Siu Shun	Independent non-executive director	470,000	-	-	470,000	Yes
Shen Si	Independent non-executive director	485,000	-	-	485,000	No
Fred Zulu Hu	Independent non-executive director	432,500	-	-	432,500	Yes
Norman Chan Tak Lam	Independent non-executive director	140,000	-	-	140,000	No
<b>Directors leaving office</b>						
Zheng Guoyu	Executive director, SVP	826,100	204,400	-	1.03 million	No
Zheng Fuqing	Non-executive director	-	-	-	-	Yes
Nout Wellink	Independent non-executive director	117,500	-	-	117,500	No
<b>Incumbent Supervisors</b>						
Huang Li	Employee supervisor	50,000	-	-	50,000	No
Zhang Jie	External supervisor	250,000	-	-	250,000	No
Liu Lanbiao	External supervisor	129,900	-	-	129,900	Yes
<b>Supervisors leaving office</b>						
Huang Liangbo	Chairman of the board of supervisors	611,900	137,500	-	749,400	No
Zhang Wei	Shareholder supervisor	669,300	85,800	-	755,100	No
Wu Xiangjiang	Employee supervisor	50,000	-	-	50,000	No
Shen Bingxi	External supervisor	-	-	-	-	No

\*in CNY

## Analysis

Director and supervisor remuneration at Hong Kong-listed companies are usually reasonable and, unless there is evidence of problems in the past, we recommend supporting such proposals.

### Item 3. Approve Application for Temporary Authorization Limit for External Donations

FOR

#### VOTE RECOMMENDATION

A vote FOR this resolution is warranted as it would allow the bank to better fulfill its corporate social responsibility.

## Discussion

The board seek shareholder approval for the application for temporary authorization limit for external donations for 2023.

The bank's current plan on authorization of the shareholders' general meeting to the board of directors and the plan on authorization of the board of directors to the president, the authorization limit of the board and the president for external donations is CNY 100 million. If such limit is exceeded, it needs to be submitted to the board and shareholders' general meeting for consideration and approval.

This year, in order to continuously and comprehensively implement the national strategic arrangements on comprehensively promoting rural revitalization, firmly perform material duties such as rural development, improve rural infrastructure and rural governance and proactively fulfil the social responsibilities and commitments of a major state-owned bank, application is made to increase the temporary authorization limit for external donations by CNY 45 million, based on the bank's existing authorization amount (i.e. the limit for total external donations for 2023 be increased to CNY 145 million).

## Analysis

It is reasonable for a public company to make charitable donations so long as there is a sufficient mechanism for monitoring the granting process and use of the funds. Public companies are increasingly being asked to be responsible members of the society in which they operate and returning a portion of the earnings to communities and those in need could be an appropriate way to facilitate the company's sustainability efforts and community engagement. Furthermore, these activities could help improve the company's brand image as well as to gain the community's trust, which in turn may improve financial performance in the long term. Moreover, these activities and charitable giving could improve the company's sustainability ranking and scores as measured by various institutions, potentially providing greater access to funds.

There are, however, concerns about the potential for abuse and lack of accountability. Many corporations give funds to individuals or entities associated with their directors or major shareholders in the name of charitable giving. While these funds may be used for charitable purposes, there is a risk of expropriating shareholders' wealth for the benefit of an affiliate. Additionally, many companies do not disclose the use of the donated funds or the impact the donations have made, and as such the effectiveness of the use of the bank's capital is often difficult to ascertain.

The bank has been committed in extending its resources to social public welfare objectives. As explained by the bank, the proposed increase in the temporary authorization limit for external donations is intended for serving the national rural revitalization strategy and improving people's livelihood and well-being. The amount of increase would also represent a relatively small portion of the bank's income and is therefore deemed reasonable.

In view of the above and given that the amount of increase is not expected to adversely affect the bank's operations and returns to shareholders, a vote FOR this resolution is warranted.



## Item 4. Approve Issuance Amount of Capital Instruments

FOR

### VOTE RECOMMENDATION

A vote FOR this proposal is warranted given the reasons stated by the board and the intended use of proceeds.

### Discussion

The board is seeking shareholder approval for the company to issue capital instruments, as follows:

- issuance of tier 2 capital instruments of CNY 240 billion or an equivalent amount in foreign currency; and
- reapplication for the issuance quota of CNY 130 billion or an equivalent amount in foreign currency of write-down undated tier 1 capital bonds that has been considered and approved at the First EGM of 2022, but that has not yet been issued.

The issuance of the write-down undated tier 1 capital bonds and write-down eligible tier 2 capital instruments by the company will be in the following terms and conditions:

<i>Type of capital instruments:</i>	Write-down undated tier 1 capital bonds or write-down eligible tier 2 capital instruments, which may be applied to replenish the capital of commercial banks
<i>Market:</i>	Domestic and overseas markets
<i>Tenor:</i>	Same as the ongoing operation term of the issuer for write-down undated tier 1 capital bonds; and not less than 5 years for write-down eligible tier 2 capital instruments
<i>Interest rate:</i>	To be determined with reference to market interest rates
<i>Use of proceeds:</i>	Write-down undated tier 1 capital bonds to replenish other tier 1 capital of the company; and write-down eligible tier 2 capital instruments to replenish other tier 2 capital of the company
<i>Term of validity of the resolution:</i>	From the date of approval by the shareholders' general meeting of the company until 24 months after the date of approval by the National Administration of Financial Regulation

### RATIONALE

The issuance of capital instruments was proposed in order to further support the development of the real economy, effectively prevent financial risks, steadily improve the capital strength of the bank, optimize the capital structure, and maintain good market image of the bank.

### Analysis

The board and management should be granted a reasonable flexibility in adjusting the capital structure of the bank, absent a cause for shareholder concern. The issuance of capital instruments has the potential of raising the bank's debt-to-equity ratio to 155.32 percent.

Considering the size of the debt to be issued, the bank's financial position, and the board's rationale, this is a reasonable request.

## Item 5. Elect Herbert Walter as Director

FOR

### VOTE RECOMMENDATION

A vote FOR the nominee is warranted at this time.

### Discussion

The board seeks shareholder approval for the election of one director. Please see the [Board Profile](#) section above for more information on the director nominee.

### ELECTION SUMMARY

Type of election	Nominees
Incumbent board members to be reelected	No incumbent directors on ballot
New board nominee to be elected by shareholders	Herbert Walter
Terms of candidates	Nominees
Three-year term	Herbert Walter

### INFORMATION ON NEW NOMINEES

	Herbert Walter
# Shares held	0
Voting power	0.00
CEO or Chair positions	N/A

### Analysis

#### MANAGEMENT AND OVERSIGHT OF ESG RISKS

The ISS ESG research dated Nov. 15, 2023 has identified the following controversies:

#### *Climate Controversies*

The proposed construction of the Bosniak-Croat Federation owned Banovici coal-fired power plant financed by ICBC continues to be criticized for its potential environmental impacts and not aligning with human rights to healthy environment, near Tuzla in Bosnia and Herzegovina (BiH). Latest in March 2021, the United Nations Human Rights Council (UNHRC) special rapporteur expressed concerns over the project regarding deficiencies in environmentally sound management, threatening a safe, clean, healthy, and sustainable environment and requested further information on the project and associated remediation measures. In their May 2021 response to the UNHRC, the People's Republic of China, as the project executor, questioned the validity of the data used for calculating the human health impact and stated that the project will meet the latest emission standards of the European Union. Although contracts have been signed with ICBC, construction of the Banovici coal fired power plant is yet to be confirmed. Local government has recently expressed its commitment to decarbonization by 2050 and to improve the air quality which is a significant issue in the region.

#### *Environment Controversies*

ICBC reportedly finances the construction of the Ituango hydroelectric project (also called Hidroitungo), on the Cauca River in Antioquia, Colombia, whose construction has been criticized by local stakeholders for its alleged

environmental impacts. In March 2017, local NGOs filed a complaint against the project's environmental license, accusing the Empresas Publicas de Medellin ESP (EPM), the company developing the project, of non-compliance with requirements set by the Colombian National Environmental Licensing Authority (ANLA). Following similar fines in 2020 and 2021, in May 2022 the project was reportedly fined COP5.5 billion by ANLA for not implementing adequate environmental management measures which it is currently appealing. In September 2022, the Council of the State rejected the lower court's dismissal of the project's appeal and ordered that it must reconsider it. The project has previously suffered from incidents such as heavy flooding in May 2018 and allegations against the project have continued to emerge.

ICBC is reportedly financing the construction of the Coastal GasLink pipeline being developed by a subsidiary of TC Energy Corporation, faces allegations from local stakeholders and environmental authorities regarding repeated failures to prevent pollution at the project site in British Columbia (BC), Canada. In February 2022, the Environmental Assessment Office (EAO) of BC issued two orders for allowing sediment to flow into sensitive watersheds through the pipeline's right-of-way. The EAO stated that sediment flowing into the environment can adversely impact flora and fauna in the aquatic ecosystems. The company reportedly blamed the scale of the project, the changing nature of erosion and sediment control, and the terrain the pipeline passes through for the challenges, stating that both orders were resolved within the administrative timeframes, but admitting in a January 2022 self-compliance report that there are "ongoing compliance concerns" with its Environmental Management Plan. Separately, in March 2022 the BC Oil and Gas Commission reportedly confirmed that it was investigating an incident that caused an unspecified amount of diesel fuel to flow into Hirsch Creek. In 2020, the EAO reportedly found the company to be at fault over two dozen environmental infractions regarding the pipeline.

ICBC reportedly provides funding to Represas Patagonia, the consortium created for the construction and operation of the Condor Cliff and La Barrancosa dams on the Santa Cruz River in Argentina, whose EIA has been criticized as inadequate by local and international NGOs since 2015. Specific concerns have been raised over potential irremediable damages on glaciers located within the Los Glaciares UNESCO World Heritage Site, as well as alleged threats to the Santa Cruz rivers ecosystem, including the Hooded Grebe, listed as critically Endangered on the International Union for the Conservation of Nature's (IUCN) Red List. In its 2020 conservation outlook, the IUCN continued to express concerns over the project, deemed to constitute a high threat to Los Glaciares. Construction has reportedly been repeatedly halted, notably over concerns following the suspension of the financial agreement supporting the project.

#### *Human Rights Controversies*

The Ituango hydroelectric project (Hidroituango) on the Cauca River in Antioquia, Colombia, has been criticized by local communities and NGOs due to allegations of forced relocation, loss of livelihood, and failure to provide adequate compensation. In May 2018, heavy floods downstream the project led to the evacuation of several communities. Following a complaint filed by the Colombian General Prosecutors Office (FGN), in June 2019, a court in Bogotá ordered for precautionary measures to be implemented to prevent further damage. In March 2023, media reported that, following multiple meetings facilitated by the UNHCHR and with the Ombudsman's Office and the Nation's Attorney General's Office acting as guarantors, local NGO Ríos Vivos Movement, the Medellín Mayor's Office and EPM, the operator of the project, agreed to EPM executing and Ríos Vivos monitoring agreed upon measures such as projects for the benefit of the communities to mitigate the economic impacts and construction of infrastructure. However, communities reportedly continued to express concerns regarding the stability of the rock mass supporting the project and sudden changes in the river level as well as demanding full protection of the Cauca River Canyon. In December 2022, two units of the power plant reportedly began generating energy.

#### *Corruption Controversies*

In December 2021, the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) imposed an administrative penalty of CAD701,250 on Industrial and Commercial Bank of China (Canada), a subsidiary of ICBC, for non-compliance with regulations regarding money laundering and terrorist financing during an unspecified

period. According to FINTRAC's compliance examination in 2019, ICBC Canada failed to take precautions measures when treating certain high-risk activities, to submit suspicious transaction reports on transactions related to money laundering or terrorist financing, and to implement certain compliance policies and procedures. ICBC Canada accepted the outcome of FINTRAC's review and stated that the concerns were caused by human and administrative errors while there is no evidence of any misconduct. The company also claimed to have implemented an action plan to address all concerns and adopted comprehensive measures to prevent them from happening again. The FINTRAC confirmed that the penalty has been paid in full by ICBC Canada and the case is closed.

## CONCLUSION

Sustainability Advisory Services will continue to monitor Industrial and Commercial Bank of China Limited's performance on the management and oversight of ESG risks, and may recommend voting against members of the board in the future if additional significant controversies occur and it is determined that the company has failed to adequately guard against or manage exposure to ESG risks.

## Detailed Ownership Profile

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Percentages rounded down to 1 decimal. "▶" identifies shareholders considered strategic under ISS' definition.

Type	Votes per Share	Issued
H Shares	1	86,794,044,550
<b>Ownership - H Shares</b>	<b>Number of Shares</b>	<b>% of Class</b>
▶Ping An Insurance (Group) Co. of China Ltd.	11,237,984,000	12.9
▶National Council for Social Security Fund	7,730,678,573	8.9
▶Temasek Holdings Pte Ltd. (Investment Management)	6,064,961,777	6.9
▶Taiping Asset Management Co., Ltd.	4,415,314,000	5.0
Taiping Life Insurance Co. Ltd. (Investment Portfolio)	4,002,002,000	4.6
The Vanguard Group, Inc.	3,069,310,927	3.5
BlackRock Fund Advisors	1,826,988,602	2.1
Hang Seng Investment Management Ltd.	1,161,818,350	1.3
▶Norges Bank Investment Management	928,394,339	1.0
BlackRock Advisors (UK) Ltd.	537,326,551	0.6
Dimensional Fund Advisors LP	534,745,719	0.6
Geode Capital Management LLC	450,186,008	0.5
Charles Schwab Investment Management, Inc.	350,940,365	0.4
▶China State-Owned Assets Supervision & Admn Commission	306,113,000	0.3
FIL Investment Management (Hong Kong) Ltd.	272,478,280	0.3
Capital Research & Management Co. (World Investors)	264,007,000	0.3
State Street Global Advisors Ltd.	216,238,138	0.2
Fidelity Management & Research Co. LLC	213,635,069	0.2
APG Asset Management NV	169,911,272	0.2
China Asset Management Co., Ltd.	153,875,948	0.1

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Type	Votes per Share	Issued
A Shares	1	269,612,212,539
<b>Ownership - A Shares</b>	<b>Number of Shares</b>	<b>% of Class</b>
▶China Investment Corp. (Investment Company)	124,731,774,651	46.2
▶Government of China	110,984,806,678	41.1
▶China Securities Finance Corp. Ltd.	2,416,131,540	0.9
China Life Asset Management Co., Ltd.	480,363,392	0.1
China Asset Management Co., Ltd.	402,866,559	0.1
Dalian Furong Trade Co. Ltd.	253,542,001	<0.1
Huatai-PineBridge Fund Management Co., Ltd.	218,056,141	<0.1
The Vanguard Group, Inc.	200,481,435	<0.1
Zhongtai Securities Shanghai Assets Management Co., Ltd.	177,400,327	<0.1
Bank of Communications Schroder Fund Management Co., Ltd.	170,057,508	<0.1
Hwabao WP Fund Management Co., Ltd.	163,554,354	<0.1
E Fund Management Co., Ltd.	128,116,218	<0.1
BlackRock Fund Advisors	97,451,524	<0.1
BlackRock Asset Management North Asia Ltd.	80,683,814	<0.1
CCB Principal Asset Management Co., Ltd.	75,722,486	<0.1
HuaAn Fund Management Co., Ltd.	69,201,184	<0.1
Yinhua Fund Management Co., Ltd.	67,649,595	<0.1
Penghua Fund Management Co., Ltd.	63,229,646	<0.1
BlackRock Advisors (UK) Ltd.	58,116,001	<0.1
CSOP Asset Management Ltd.	53,956,512	<0.1

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## Additional Information

Meeting Location	Head Office of Industrial and Commercial Bank of China Limited, 55 Fuxingmennei Avenue, Xicheng District, Beijing, PRC
Meeting Time	14:50
Security IDs	Y3990B112(CINS)

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