**[News Release]**

**Financial Fluidity Nourishes People's Livelihood and Happy Life**

**China Construction Bank reports operating results for the first half of 2021**

Beijing/Hong Kong, 27 August 2021 – China Construction Bank Co., Ltd. (stock code: SH: 601939; HK: 00939) (hereinafter referred to as "CCB") announced its operating results for the first half of 2021. (The following data for the Group are prepared in line with International Financial Reporting Standards and denominated in RMB). Since 2021, CCB has scientifically understood the new development phase, strictly implemented the new development concept, served the formation of a new development pattern, forcefully advanced the new financial practices, facilitated the exchanges of party history learning and central work, ensured the stringent implementation of the party's decisions and arrangements, effectively concretized the learned knowledge to "do practical for the masses", actively alleviated social pain, difficult and block points, guide financial fluidity towards the real economy and the most urgent needs of the people, seized development opportunities in serving the good start of the 14th Five Year Plan and registered excellent operating performances.

According to the interim report, CCB registered stable growth in asset and liability scale and continuously optimized the asset-liability structure as of June this year. Its total asset amounted to RMB 29.83 trillion, up by RMB 1.7 trillion over the previous year or 6.05%. In the first half of the year, benefiting from the increase in the scale of interest-bearing assets and the enhancement of the comprehensive service capabilities, its net interest income and net commission income grew by 5.18% and 6.82% YOY respectively. Its operating income, pretax profit and net profit amounted to RMB 380.907 billion, RMB 184.463 billion and RMB 154.106 billion respectively, up by 5.83%, 9.30% and 10.92% respectively YOY. It had an annualized mean ROE of 1.06%, an annualized weighted average ROE of 13.10% and a capital adequacy ratio of 16.58%. The group had a non-performing loan rate of 1.53%, down by 0.03 percentage points compared with that at the end of 2020. The provision coverage ratio was 222.39%.

CCB actively promoted the high-quality development of the real economy; increased credits in the inclusive financing, advanced manufacturing, strategic emerging industry, green finance and other sectors. Its amount of distributed loans and advance payments increased by RMB 1.26 trillion or 7.78% compared with those at the end of 2020. Meanwhile, it continuously strengthened attraction of low-cost funds, diversified the sources of funds and optimized the debt structure. Its total liability amounted to RMB 27.37 trillion, up by RMB 1.63 trillion or 6.32% over that at the end of 2020. Its deposit balance amounted to RMB 22.32 trillion, up by RMB 1.70 trillion or 8.26% over that at the end of 2020.

**Forcefully Advance of Strategic Businesses and Continuous Deepening of New Financial Actions**

CCB upholds the mission and responsibility of a big bank, implements the new financial concept, takes strengthening the ability to serve the country, guard against financial risks and enhance the ability to participate in international competition as the basic guidelines, forcefully advances the "Three Major Strategies" of house rental, inclusive finance and FinTech; adheres to the digital approach; releases new financial potential energy continuously; helps to develop a better life for the people, and obtains good economic and social benefits.

**Stable progress of house lease strategy:** the house lease comprehensive service platform covers 96% of prefecture-level and above administrative regions of China and offers transparent transaction platforms for 14,000 enterprises and 37,000,000 leasers and tenants. Completed verification of over 10 million real estate properties and registered over 6 million contracts cumulatively as an effective tool for the government to supervise the market; took the lead in founding an industrial alliance of house lease, covering over 130 upstream and downstream enterprises in decoration design, furniture, home electric appliance and operation service, to strengthen the industrial development motives, improve the industry's self-disciple mechanism and promote the standardization of the industry; continuously promoted pilot services for equity transaction of house lease enterprises; made innovations in policy, standard, ownership nature, trading structure, etc; diversified the financing channels of house lease enterprises; developed "CCB JIANGONGJIAYUAN" community for long-term lease that integrated intelligent community, public service, financial service and venturing service; and offered a comfortable living environment to blue-collars, white-collars, young innovators, etc. Connected to over 140 indemnificatory housing projects in Guangzhou, Hangzhou, Jinan and other pilot cities and supported the supply of small and low-rental apartments through special purpose loan.

**Continuous deepening of inclusive financing strategy:** promoted online businesses, deepened platform operations and improved the service of "CCB Huidongni". As of June, "CCB Huidongni" was accessed by over 130 million visitors with over 17 million times of downloading, over 5.56 million certified enterprises, over 1 million credited clients and a total credit loan of over RMB 700 billion. CCB availed its outlet and channel advantages to continuously promote extension of its business chain. Over 14,000 outlets offer inclusive financing services through 18,000-plus service officers. 250-plus inclusive finance (small business) service centers and small business centers were established and over 1,900-certified inclusive financing outlets for efficient and fast online access by and considerate quality offline links to clients. It continuously improved "Rapid Loan for Small and Micro Businesses", "Rapid Loan for Personal Businesses", "Yunong Quick Loan", "Rapid Loans for Transactions" and other new modes and products; and established a highly diversified inclusive financing product system. As of June, CCB released cumulative loans of over RMB 4.7 trillion to over 2.1 million leasers and had an inclusive financing balance of RMB 1.71 trillion, up by RMB 288.382 billion over that at the end of 2020; 1.8018 million inclusive financing clients, up by 106,300 clients over that at the end of 2020.

**Forcefully development of FinTech strategy:** CCB reviewed and passed its 2021-2025 FinTech strategic plan for a general arrangement of the group's development goals, key tasks and assurance measures in FinTech for the next five years. It has developed 180 models in five major sectors, i.e. computer vision, intelligent voice, natural language processing, knowledge graph and intelligent decision-making, and launched them into operation in 507 scenarios cumulatively. The block chain service platform has realized cloud service supply and established a basic system of block chain applications in over 30 scenarios across 12 business sectors, including trade financing, cross-border payment, intelligent government and house lease. CCB cloud is committed to developing a financial cloud service brand prioritized by clients and establishing a safe and reliable multiregional and multifunctional network to provide cloud services and supports to 401 projects in 9 major sectors, including governmental, housing and interbank sectors, further strengthen bank-government cooperation and increase the ecological enabling level. CCB FinTech Co., Ltd. attracted three strategic investors that contributed to increase its statutory capital. After the capital increase, its valuation reached 10 billion. As of June, CCB FinTech had a total workforce of 14,012 staffs, accounting for 3.79% of the group total; acquired 606 patents cumulatively, including 389 invention patents, leading in the domestic banking industry.

**Stable business growth to aggressively support real economy:** as of June, CCB had a domestic corporate deposit balance of 10.41 trillion, up by RMB 707.969 billion or 7.30%; 7.5477 million institutional clients, up by 267,200 clients or 3.67% over that at the end of 2020. The balance of infrastructure loans was RMB 4.83 trillion, up by 497,723 billion or 11.48% over that at the end of 2020. CCB also resorted to smart government innovations to help improve the national governance system and enable digital government, digital society and digital economy. As of June, CCB established partnerships with 28 provincial governments and participated in the development of the "Internet+ governmental service" and "Internet+ regulation" platforms or scenarios of the national governmental service platform, the Banking and Insurance Regulatory Committee, Beijing-Tianjin-Hebei region and 13 provinces and 10 cities. It strengthened support to foreign trade clients and actively assisted to establish the new development pattern where domestic and international cycles promoted each other. It availed international banking syndicate, cross-border merger and acquisition, export credit and other products and services; and resorted to the service concept of "financing + intelligencing" to provide all-around financial support and convenience to the "Belt & Road" Initiative. It assisted the RMB internationalization strategy and aggressively developed cross-border RMB services. In the first half of the year, CCB completed cross-border settlement of a total of RMB 1.28 trillion, wherein the RMB clearing bank of Britain had a cumulative settlement of RMB 57 trillion and thus maintained its status as the largest RMB clearing bank outside Asia.

**Continuous enhancement of competitiveness in the retailing market:** enhanced scenario deployment ability, capitalized on the preemptive edges in the early provision of digital RMB services and actively developed a consumption ecology. Aggressively held "Fortune Season", "Fighting Season" and other theme events to enhance social influence, enable business development and substantially increase the digitalized operating capability. Initial achievements were made in the establishment of a great fortune system and the "CCB Dragon Fortune" brand and platform were fully upgraded. Individual deposit balance increased rapidly to RMB 11.17 trillion at the end of June, up by RMB 988.879 billion or 9.71% over that at the end of 2020; pretax profit of individual banking services accounted for 63.26% of total. Financial services for the indemnificatory housing market were promoted stably, with a cumulative loan of 117.283 billion for nearly 600,000 residents with medium and low incomes and a cumulative housing fund loan of RMB 53.161 billion for 220 pilot indemnificatory housing projects.

**Fulfillment of Social Responsibilities as a Large State-owned Bank for Quality Development**

CCB integrates environment, society and governance (ESG) management concepts and elements into its operating and management procedure to optimize its ESG management and guide its clients to strengthen ESG management. It closely follows domestic and international regulatory requirements, integrates environment, climate and other risks into its comprehensive risk management system, improves its environment and climate risk management and control mechanism, carries out environment and climate risk pressure tests and establishes a financial service and risk control system that conforms to quality development requirements.

**Improved enterprise governance mechanism and promoted the realization of "double carbon" goals:** CCB continuously promoted its ESG and green financial management architecture and strengthened evaluation of its green financial work. It established a peak carbon dioxide emission and carbon neutralization work leadership panel to formulate and coordinate the action plan of " peak carbon dioxide emission and carbon neutralization"; it established an ESG promotion committee to carry out ESG-related work; it added the index of "service to ecological civilization strategy" in its performance evaluation to increase the scope of evaluation and the weight of green finance.

**Effectively connected poverty relief work and countryside revitalization:** CCB took green development concept and new financial action as the driving force of sustainable development. On the basis of poverty elimination of mutual-aid regions in 2020, CCB properly interfaced policies, mechanism and teams to ensure adequate poverty relief efforts. It improved and promoted the network supply chain, migrant worker loan, rapid loan for small and micro businesses, new community and factory loan, cloud enterprise loan and other innovative products. It strengthened credit-based poverty relief efforts and its balance of loans to prioritized counties under the countryside revitalization initiative grew at a speed faster than the growing speed of loan balance in the same province. As of June, CCB's agriculture-related loan balance amounted to RMB 2.31 trillion, up by RMB 224.305 billion or 10.74% over that at the end of 2020. It diversified its poverty-relief financial products and service modes and established 520,000 inclusive financing service points under its "CCB Yunongtong" program, covering nearly 80% towns and villages nationwide; its "CCB Yunongtong" countryside revitalization comprehensive service platform distributed loans of RMB 2.115 billion, completed payment of over RMB 26 million and served over 950,000 clients cumulatively; it issued 13.75 million "Countryside Revitalization: Yunongtong Cards" to key groups of innovation and venturing cumulatively. It assisted with consumption via its "Financing Commercial Platform called "Countryside Financing". As of June, Financing Commercial Platform had 5,444 aided merchants with a total aided transaction of RMB 6.911 billion.

**Facilitated the fosterage of new advantages in green finance:** in the first half of the year, CCB focused on peak carbon dioxide emission and carbon neutralization goals; continuously diversified the green potentials of new financial actions; improved the long-term mechanism of green financial development; collectively promoted the "double carbon" action plan; gave full rein to the advantages in financial technology and full finance licensing; actively developed new products, services and measures of green finance; applied green credit, green bond, green lease, green trust and other financial instruments to extensively support and nurture the green industry. At the end of June, the balance of green loans amounted to RMB 1.57 trillion, up by RMB 223.601 billion or 16.65% over that at the end of 2020. The ratio of loans to industries with a high energy consumption and high emission registered decline for years successively.

**Adherence to "customer-orientation" to safeguard consumer rights and interests:** CCB included consumer right and interest protection as part of operational development strategy and corporate culture; continuously improved the consumer protection management system and operating mechanism; continuously promoted the institutionalization, standardization and systematization of consumer protection work; and safeguarded various rights and interests of financial consumers. It continuously strengthened consumer information protection and system control; enhanced information protection pre-warning and monitoring ability; protected data safety and client privacy; and improved the safety assurance of e-banking transaction. Actively carried out trainings on financial enabling; relied on the online and offline channels of "finance-for-livelihood" program to strengthen education on the inclusiveness of financing, including countryside financing, inclusive financing and consumer right and interest protection.

**Proactively Mitigate Risks and Consolidate Asset Quality**

CCB continuously improved its comprehensive active intelligent modern risk management system; optimized its risk preference, risk evaluation, risk assessment, credit policy, risk quota and other risk control measures; diversified its digitalization and intelligentization risk management "tool kit"; strengthened active risk management and control; and availed "three major strategies" and the new financial action to help prevent and eliminate significant financial risks.

CCB targeted support for participants in the real economy and helped more troubled enterprises to effectively alleviate the impacts of COVID-19; insisted on credit restructuring and development of green financing; focused on "new-type infrastructure projects, new-type urbanization projects and key construction projects of transportation, irrigation and others", technological innovation and other key sectors; strengthened comprehensive financial service support; promoted restructuring and upgrading of the domestic industry; smoothened the block points in the domestic cycle; and consolidated the base against external risks; paid attention to the pressures and challenges encountered during the peak carbon dioxide emission and carbon neutralization process, strengthened financial services and supports to low-carbon production capacity from the perspectives of policy and price, and promoted the replacement of high-carbon capacity with low-carbon capacity; strengthened the efforts to alleviate risks in key sectors and tried to prevent systematic financial risks.

As of June, the balance of NPL amounted to RMB 276.981 billion, up by RMB 16.252 billion over that at the end of 2020; the NPL ratio was 1.53%, down by 0.03 percentage points over that at the end of 2020. Loan and advance payment loss reserves were withdrawn according to substantive risk judgment, with a total depreciation loss of RMB 108.512 billion, down by 2.74% over that at the end of 2020. The provision coverage ratio was 222.39%, up by 8.80 percentage points over that at the end of 2020.

As CCB stated, focus will be placed on the following jobs according to outline of the "fourteenth five-year plan": firstly, deepen the "three major strategies", continuously improve the house lease ecology, solidly promote the "great inclusive financing and new inclusive financing" program and continuously improve the support capacity of financial technology. Secondly, try to promote the construction of smart finance and improve its quality and effectiveness of serving the real economy. Thirdly, facilitate development of the great fortune system and help to elevate the group's comprehensive financial service ability to a new level. Fourthly, strengthen asset quality management and control across different periods and maintain the balanced coordination and sustainability of key performance indexes. Facing the complicated domestic and international situations, CCB will take a stable and aggressive approach, insist on the general philosophy of "new finance + high technology", facilitate the formation of a benign cycle of high-quality development of real economy and CCB and create a new development situation for CCB in the new era.