

Message from the Chairman of the Board of Supervisors



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In 2018, the Board of Supervisors implemented new strategies and planned new moves with a fresh mind-set and solid work style, in compliance with relevant laws and regulations, regulatory requirements and the Articles of Association of the Bank, and in alignment with the Bank's overall reform and development, as well as strategy implementation. It diligently supervised the duty performance, financial management, internal control and risk management, added a great deal of insight and perspective to its work, and played a constructive supervisory role for the Bank's sound development.

During the past year, the Board of Supervisors fulfilled its supervisory duties in accordance with the law. It carried out the supervision and assessment of the duty performance of directors and senior management members in an orderly fashion, urged and guided them to diligently perform their duties and raise the overall level of corporate governance. Focused on the Group's strategic goal and based on routine financial supervision, the Board of Supervisors conducted regular review and reporting, deeply analysed the Bank's operation and management action as well as its strategy implementation, exercised solid supervision over strategy and finance, and presented suggestions in a timely manner to the Board of Directors, the Senior Management and functional departments on the issues requiring close attention. Firmly bearing in mind its responsibility for risk supervision, the Board of Supervisors deepened the supervision of risk management and internal control, devoted greater effort to enhance the focus, analysis and warning of it. It urged the Board of Directors and the Senior Management to perform the duties of risk management and internal control and hold the bottom line of preventing any systemic risks. Alongside its day-to-day supervision, it gave full play to the supplementary function of special surveys. Targeting key topics in strategy implementation, the Board of Supervisors organised special surveys, delved into the root causes, and held extensive discussions regarding suggestions for countermeasures. It provided comprehensive analysis and targeted opinions and suggestions to the Board of Directors and the Senior Management, making the supervision function more effective and promoting the improvement of operation management. New methods were created to improve the interaction and communication between the directors and supervisors, thus optimising governance system synergies. The Board of Supervisors also deepened the coordinated supervision, information sharing and interactive training with the auditing and inspection departments in order to make the supervision function more cost-effective and efficient.

Over the past year, the Board of Supervisors comprehensively fulfilled the requirement of strict governance over the Party organisations and consolidated the foundation of the supervision function. It organised workshops around its activities and discussed how to improve its performance in light of the current circumstances and the Bank's strategy implementation. It organised training courses for supervisors to enhance their professional competence and duty performance capability. All members of the Board of Supervisors carefully fulfilled their duties and actively contributed their opinions to the implementation of the Bank's strategy. The Board of Directors and the Senior Management paid close attention and gave strong support to the work of the Board of Supervisors, carefully studied relevant supervisory reminders it issued, and made corrections and improvements accordingly, so as to perfect the Bank's operation management.

In the past year, the Board of Supervisors successfully completed changes to its membership according to related laws, regulations and the Articles of Association of the Bank. Mr. WANG Xueqiang, Mr. DENG Zhiying, Mr. GAO Zhaogang and Ms. XIANG Xi ceased to serve as supervisors of the Bank, while Mr. WANG Zhiheng, Mr. LI Changlin and Mr. LENG Jie began to serve as supervisors of the Bank. On behalf of the Board of Supervisors, I would like to take this opportunity to express my deep gratitude to Mr. WANG Xueqiang, Mr. DENG Zhiying, Mr. GAO Zhaogang and Ms. XIANG Xi for their efforts and contributions to the Bank during their terms, and extend my warm welcome to Mr. WANG Zhiheng, Mr. LI Changlin and Mr. LENG Jie as new members of the Board of Supervisors.

In 2019, the Board of Supervisors will continue to perform the duties endowed by the Articles of Association, centred on the Bank's strategic goal of "Building a World-class Bank in the New Era". Focused on the supervision of duty performance, financial management, internal control and risk management, it will intensify its supervision and assessment of strategy implementation, play an active supervisory and advisory role, and make new contributions to the Bank's sustained and sound development.



WANG Xiquan

Chairman of the Board of Supervisors

29 March 2019