Outlook

The banking sector will continue to face a complicated operating environment in the second half of 2019. Globally, economic growth drivers will weaken, financial markets will become more volatile, and the overall economic environment will tighten. The Chinese economy will maintain stable growth, albeit within an external context characterised by greater uncertainty and instability.

Adhering at all times to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Bank will resolutely implement national decisions and strategies, work towards the strategic goal of building a world-class bank in the new era, actively address the new environment's emerging challenges while making the most of its newly arising opportunities. It will stimulate a new vitality, foster new growth drivers, achieve new breakthroughs and make further progress in strategy implementation. First, the Bank will deepen reforms and seek innovation in its mechanisms, optimise the Group's organisational structure and system, strengthen team and talent building and work hard to improve assessment and incentive mechanisms, thus stimulating a new vitality across the whole Bank. Second, the Bank will seize opportunities with agility, accelerate digitalisation, tap business potential in strategic fields, speed up the build of ecosystem, forge new frontiers of business growth and foster new momentum for strategy implementation. Third, the Bank will tackle problems, balance weaknesses by enhancing strengths, push forward integrated operation and take decisive measures to seize opportunities in key business lines and fields, thus striving constantly for new breakthroughs. Fourth, the Bank will defend the risk bottom line and adopt appropriate measures to cope with changes in the internal and external situation. It will speed up the transformation of its credit management system and mechanism, strengthen the collection and mitigation of NPAs, and step up the compliance and AML management of its overseas institutions. Moreover, it will strengthen the consolidated management of the Group's risks and devote great efforts to internal control and case prevention management, thus sustaining the Group's business development in a stable manner over a long period of time.