



PUBLIC DISCLOSURE

January 8, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Industrial and Commercial Bank of China (USA), N.A.
Charter Number: 24440

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NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

Institution’s CRA Rating: This institution is rated Outstanding.

The following table indicates the performance level of Industrial and Commercial Bank of China (USA), National Association (ICBC USA) with respect to the **Large Bank CRA** Lending, Investment, and Service Tests for 2020:

Performance Levels	ICBC USA Large Bank CRA Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X		
High Satisfactory		X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- The Lending Test rating is based on Outstanding performance in both California and New York.
- The Investment Test rating is based on Outstanding performance in California and Low Satisfactory performance in New York.
- The Service Test rating is based on Low Satisfactory performance in California and Outstanding performance in New York.

Conclusions with respect to the **Strategic Plan** performance for 2021-2022:

Performance Levels*	ICBC USA Strategic Plan CRA Performance Tests		
	Lending Test	Investment Test	Service Test
Outstanding		X	X
High Satisfactory	X		
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

*All tests are weighted equally in arriving at an overall rating

The bank exceeded its plan goals for a satisfactory rating and substantially achieved its plan goals for an outstanding rating.

- Community Development (CD) lending performance is Satisfactory. ICBC USA exceeded its Strategic Plan goals for an outstanding rating for the 2021-2022 evaluation period in the state of New York. In the state of California, the bank failed to substantially meet its Strategic Plan goals for a satisfactory rating in two of its three assessment areas (AAs). In the Los Angeles AA, the bank exceeded its plan goals for an outstanding rating for the 2021-2022 evaluation period; however, in the Oakland and San Francisco AAs, the bank did not meet its plan goals for a satisfactory rating for the 2021-2022 evaluation period.
- CD investment performance is Outstanding. ICBC USA exceeded its Strategic Plan goals for an outstanding rating for the 2021-2022 evaluation period in the state of California and met its plan goals for a satisfactory rating in the state of New York.
- CD service performance is Outstanding. ICBC USA exceeded its Strategic Plan goals for an outstanding rating for the 2021-2022 evaluation period in the state of California and met its plan goals for a satisfactory rating in the state of New York.

Lending in Assessment Area

An adequate percentage of the bank's loans are in its AAs.

The bank originated and purchased 57.2 percent of its total reportable loans inside the AAs during 2020. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria. This performance was a neutral factor in the overall analysis of the geographic distribution of lending by income level of the geographies.

Lending Inside and Outside of the Assessment Area (2020)										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	125	56.8	95	43.2	220	\$118,843	55.4	\$95,796	44.6	\$214,639
Small Business	2	100.0	0	0.0	2	\$1,450	100.0	\$0	0.0	\$1,450
Total	127	57.2	95	42.8	222	\$120,293	55.7	\$95,796	44.3	\$216,089

*Lending in Assessment Area factor is applicable to the Large Bank procedures only

Description of Institution

Industrial and Commercial Bank of China (USA), National Association is an interstate bank headquartered in New York, New York. ICBC USA is considered an ethnic bank as it's located in primarily Asian-American neighborhoods and attracts largely the Chinese community due to the familiarity of the bank's parent. ICBC USA is a majority-owned subsidiary of Industrial and Commercial Bank of China, Limited (ICBC Ltd), headquartered in Beijing, China. ICBC Ltd is the largest wholesale and retail bank in China. As of December 31, 2022, ICBC USA had total assets of \$2.9 billion, total loans of \$2.6 billion, and tier one capital of \$430.6 million.

ICBC USA provides retail and commercial banking and trade finance services, offering a range of products to meet both consumer and commercial banking needs. Within lending, the bank focuses on commercial loans and commercial mortgages, which account for 78.1 percent of total loans. In addition to the main office, the bank operates three branches in New York City, five branches in the greater Los Angeles area, and five branches in the greater San Francisco/Oakland area. The bank owns and operates 11 deposit-taking ATMs (three in New York, five in Los Angeles, and three in San Francisco/Oakland). There were no branches opened or closed during the evaluation period.

There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its communities. The bank received a Satisfactory rating in its previous CRA evaluation dated November 16, 2020.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This performance evaluation assesses the bank's CRA performance under both the Large Bank CRA procedures and the bank's approved Strategic Plan. Since the last CRA performance evaluation, the bank entered into a CRA Strategic Plan that was approved by the OCC in December 2020. The plan is effective January 1, 2021, and covers 2021 through 2025. Since the bank was not operating under its Strategic Plan until 2021, the OCC evaluated the bank's 2020 performance under the CRA Large Bank procedures, and the 2021 and 2022 performance was evaluated against the bank's approved Strategic Plan goals.

Large Bank evaluation

In evaluating the bank's lending performance under the CRA Large Bank procedures during 2020, the OCC reviewed home mortgage loans reported under the Home Mortgage Disclosure Act (HMDA). In 2020, the volume of small loans to businesses reported under the CRA was insufficient to conduct a meaningful analysis and the bank made no reportable farm loans.

Lending activity responsiveness was assessed by comparing the bank's deposit market rank percentage in each AA to the home mortgage market rank percentage in 2020. Specifically, the bank's market rank (deposit or lending) was divided by the total number of depository institutions or lenders, respectively to determine the bank's "percentile." This approach takes into consideration the differences between the number of insured depository institutions and the number of home mortgage lenders within the AA.

In assessing retail lending performance, more weight was placed on the geographic distribution of mortgage loans than the borrower distribution of loans. Within the bank's reported home mortgage data there is a very high percentage of loans with borrower income information not available. This is attributed to the bank's asset-based adjustable-rate mortgage product which does not consider the income of the borrower for underwriting.

The analysis of CD loans considered both the number and dollar volume of lending with emphasis placed on loans that were particularly complex or responsive to AA needs. CD lending had either a positive, neutral, or negative impact on the rating, which is described within the narrative comments. To provide perspective, the dollar volume of CD lending was compared to the tier 1 capital amount allocated to the AA based on the area's pro rata share of bank deposits. The level of CD lending was

considered for one year only under the Large Bank procedures versus the entire three-year evaluation period.

The Investment Test considers the bank's qualified CD investments, as well as grants and donations that were made during the evaluation period. Prior period investments that remain outstanding and continue to benefit the bank's AAs were also considered at the year-end 2020 book values. The level of qualified investments in comparison to allocated tier 1 capital, based on the pro rata share of AA deposits, received the most weight in determining the rating. Consistent with CD lending, the level of CD investments was considered for one year only under the Large Bank procedures versus the entire three-year evaluation period. Examiners also considered the complexity or innovativeness of the investments, the responsiveness of the investments to community development needs, and the bank's demonstrated leadership as applicable.

Service Test performance considers both retail services and CD services. For retail services, the geographic distribution of the bank's branches among low-, moderate-, middle-, and upper-income geographies was given the most weight. Consistent with other CD activities, the level of CD services was considered for one year only under the Large Bank procedures versus the entire three-year evaluation period.

Qualifying activities performed by ICBC USA in response to the coronavirus pandemic, also known as COVID-19, are also considered in this evaluation.

Strategic Plan evaluation

In evaluating the bank's performance under its Strategic Plan, the OCC reviewed the bank's CD loans, CD investments and CD services for the period of 2021 through 2022.

Selection of Areas for Full-Scope Review

For the Large Bank CRA evaluation (2020), all bank AAs were evaluated as full-scope and there were no limited-scope AAs. For purposes of the Large Bank CRA evaluation, bank delineated AAs located within the same metropolitan statistical area (MSA) are combined and evaluated as a single AA. Further, all bank AAs are included within the bank's Strategic Plan goals (2021-2022).

Ratings

Per the CRA Large Bank procedures, the Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating. The bank's overall rating under the Large Bank CRA performance (2020), is a blend of the state ratings. The state of California received slightly greater weight than the state of New York based on the bank's level of deposits and branches. The evaluation of lending was based on home mortgage lending. As noted earlier, the bank originated an insufficient volume of small loans to businesses to conduct a meaningful analysis. The state ratings are based on performance in all bank AAs. Refer to the "Scope" section under each State Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

For the Strategic Plan evaluation covering 2021 and 2022, the bank's overall rating is based on the performance as agreed upon in the strategic planning application process. Per the Strategic Plan, all three tests carried equal weight in arriving at an overall rating. Further, all areas were equally weighted in determining conclusions regardless of the level of deposits or branches.

In determining the overall institution rating, examiners placed greater weight on the bank’s Strategic Plan performance given that it represents the majority of the evaluation period.

Strategic Plan Information

ICBC USA’s Strategic Plan is effective January 1, 2021, and covers calendar years 2021-2025. The plan sets forth measurable goals over the five-year period for which the OCC will assess the bank’s record of helping to meet the credit needs of its communities. The plan includes goals that constitute “satisfactory” and “outstanding” performance for CD lending, investments, and services. The bank set cumulative targets for the plan period which are spread out across the five-year period as annual benchmarks. The plan also establishes annual minimum target amounts which set forth an expectation that an acceptable level of activity is conducted every year of the plan. Once the minimum thresholds are met, the plan allows the bank to carry over excess amounts to a prior or following year to satisfy that year’s benchmark, which allows for flexibility in responding to AA needs and opportunities and also considers market conditions and internal factors. The target goals for CD lending and investments are based upon percentages of allocated tier 1 capital for the AA and take into consideration a projected increase in tier 1 capital over the plan period. The target hours for community services are based on the number of employees within the AA.

Strategic Plan Goals 2021-2025												
AA	2021		2022		2023		2024		2025		Cumulative	
	SAT	OUT	SAT	OUT	SAT	OUT	SAT	OUT	SAT	OUT	SAT	OUT
CD Lending (\$000s)												
Los Angeles	\$4,300	\$5,375	\$4,472	\$5,590	\$4,649	\$5,811	\$4,832	\$6,040	\$5,020	\$6,274	\$23,272	\$29,090
Oakland	\$800	\$1,000	\$832	\$1,040	\$865	\$1,081	\$899	\$1,124	\$934	\$1,167	\$4,330	\$5,412
San Francisco	\$4,650	\$5,812	\$4,836	\$6,045	\$5,028	\$6,284	\$5,225	\$6,531	\$5,428	\$6,785	\$25,167	\$31,458
New York	\$5,280	\$6,600	\$5,491	\$6,864	\$5,709	\$7,136	\$5,933	\$7,416	\$6,163	\$7,704	\$28,576	\$35,720
CD Investments (\$000s)												
Los Angeles	\$200	\$300	\$300	\$400	\$400	\$500	\$500	\$600	\$600	\$800	\$2,000	\$2,600
Oakland	\$100	\$200	\$200	\$300	\$300	\$400	\$400	\$500	\$500	\$600	\$1,500	\$2,000
San Francisco	\$200	\$300	\$300	\$400	\$400	\$500	\$500	\$600	\$600	\$600	\$2,000	\$2,600
New York	\$200	\$300	\$300	\$400	\$400	\$500	\$500	\$600	\$600	\$800	\$2,000	\$2,600
CD Services (hours)												
Los Angeles	66	99	73	109	80	120	88	132	97	145	403	605
Oakland	14	21	15	24	17	26	19	28	20	31	85	103
San Francisco	54	81	59	90	65	99	72	108	79	119	330	497
New York	92	138	101	152	111	167	122	184	135	203	562	844

In assessing the bank’s performance against its Strategic Plan goals, examiners utilized the following criteria outline in the approved Strategic Plan.

The bank’s CD lending, investment, and service performance were assigned points based on the following parameters.

Performance Rating	Minimum % of Satisfactory Goals		Points
Substantial Noncompliance	<	75%	0
Needs to Improve	< =	85%	5
Low Satisfactory	< =	95%	10
High Satisfactory	< =	125%	15
Outstanding	>	125%	20

The bank's CD lending, investment, and service performance or points, across all its AAs were then averaged to determine overall ratings based on the following composite rating scale.

Minimum Average Points	Rating/Result
< = 8	Evaluate performance under Large Bank procedures
< = 15	Satisfactory
< = 20	Outstanding

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §25.28(c) in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution (or any affiliate whose loans have been considered as part of the institution's lending performance) has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

State Rating

State of California

CRA rating for the State of California: Outstanding

LARGE BANK CRA (2020):

The Lending Test is rated: Outstanding

The Investment Test is rated: Outstanding

The Service Test is rated: Low Satisfactory

The major factors that support this rating include:

- Lending levels reflected excellent responsiveness to AAs credit needs.
- An excellent geographic distribution of loans.
- A poor distribution of loans among individuals of different income levels.
- A relatively high level of CD loans that had a positive impact on the rating.
- An excellent level of CD investments.
- Reasonably accessible service delivery systems.
- A relatively high level of CD services.

STRATEGIC PLAN (2021-2022):

- The bank exceeded its plan goals for an outstanding rating for CD lending in the Los Angeles AA and failed to meet its plan goals for a satisfactory rating for CD lending in the Oakland and San Francisco AAs.
- The bank exceeded its plan goals for an outstanding rating for CD qualified investments.
- The bank exceeded its plan goals for an outstanding rating for CD services.

Description of Institution's Operations in California

ICBC USA delineated three AAs in the state of California. They included the Los Angeles-Long Beach-Glendale MD (Los Angeles MD), the Oakland-Berkley-Livermore MD (Oakland MD) and the San Francisco-San Mateo-Redwood City MD (San Francisco MD). Examiners combined bank-delineated AAs located in the same MSA into one AA for purposes of the Large Bank CRA evaluation. Refer to appendix A for a complete list of counties reviewed.

As of year-end 2022, ICBC USA had 10 branch locations and eight deposit-taking ATMs within these AAs. In 2020, the bank made \$86.1 million or 72.4 percent of its total dollar volume of home mortgage loans in these AAs.

The state of California represented the bank's largest rated area in terms of deposits. Based on June 30, 2020, Federal Deposit Insurance Corporation (FDIC) summary of deposit information, ICBC USA had \$1.15 billion in deposits in the state of California, which represented 56.7 percent of the bank's total deposits. The bank ranked 42nd in deposit market share with 0.1 percent out of 120 depository institutions. The top three competitors had 54.4 percent of the market share and included Bank of America, NA with 339 branches and 28.4 percent market share, Wells Fargo Bank, NA with 355 branches and 15.5 percent market share, and JP Morgan Chase Bank, NA with 390 branches and 10.5 percent market share.

Based on June 30, 2022, FDIC summary of deposit information, ICBC USA had just under \$1.18 billion in deposits in the state of California, which represented 52.5 percent of the bank's total deposits. The bank ranked 42nd in deposit market share with 0.1 percent out of 116 depository institutions. The top three competitors had 53 percent of the market share and included Bank of America, NA with 316 branches and 26.7 percent market share, Wells Fargo Bank, NA with 320 branches and 13.2 percent market share, and JP Morgan Chase Bank, NA with 362 branches and 13.1 percent market share.

Los Angeles-Long Beach-Glendale MD

The following table provides a summary of the demographics, including housing and business information for the Los Angeles MD AA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Los Angeles MD						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	2,346	9.4	28.7	24.9	34.8	2.2
Population by Geography	10,038,388	8.6	29.3	26.3	35.1	0.8
Housing Units by Geography	3,476,718	7.8	26.3	24.8	40.6	0.5
Owner-Occupied Units by Geography	1,499,879	2.4	17.2	26.6	53.7	0.1
Occupied Rental Units by Geography	1,763,190	12.2	34.2	23.6	29.2	0.9
Vacant Units by Geography	213,649	8.7	25.4	22.8	42.2	1.0
Businesses by Geography	941,441	4.6	18.9	21.2	52.8	2.4
Farms by Geography	8,629	2.7	17.6	24.9	53.6	1.1
Family Distribution by Income Level	2,186,485	24.5	16.3	16.7	42.4	0.0
Household Distribution by Income Level	3,263,069	25.9	15.4	15.8	43.0	0.0
Median Family Income MSA – 31084 Los Angeles-Long Beach-Glendale, CA		\$62,703	Median Housing Value			\$495,540
			Median Gross Rent			\$1,292
			Families Below Poverty Level			14.3%
<i>Source: 2015 ACS Census and 2020 D&B Data</i> <i>Due to rounding, totals may not equal 100.0</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The Los Angeles MD AA consisted of Los Angeles County. As of year-end 2022, ICBC USA operated five branches and five deposit-taking ATMs in the AA.

According to the FDIC's Summary of Deposits as of June 30, 2020, ICBC USA had \$527.8 million in deposits in the AA which represented 26 percent of total bank deposits. ICBC USA had 0.1 percent deposit market share which ranked 46th among all institutions. Competition was extensive with 98 total FDIC insured financial institutions operating 1,698 offices in the AA. The top three competitors were Bank of America, NA with 239 branches and 16.4 percent market share, JP Morgan Chase Bank, NA with 287 branches and 13.8 percent market share, and Wells Fargo Bank, NA with 243 branches and 12.9 percent market share.

According to the FDIC's Summary of Deposits as of June 30, 2022, ICBC USA had \$520.4 million in deposits in the AA which represented 23.2 percent of total bank deposits. ICBC USA had 0.1 percent deposit market share which ranked 45th among all institutions. Competition was extensive with 95 total FDIC insured financial institutions operating 1,571 offices in the AA. The top three competitors were Bank of America, NA with 222 branches and 17.3 percent market share, JP Morgan Chase Bank, NA with 265 branches and 16.7 percent market share, and Wells Fargo Bank, NA with 218 branches and 12.9 percent market share.

Based on information from the November 2022 Moody's Analytics report, the Los Angeles MD's economy has cooled but is nonetheless nearing a full employment recovery. The area economy is driven by tourism, logistics, and medical centers. Los Angeles benefits from a strong healthcare base and a growing tech presence that provide well-paying jobs. Other strengths of the area include global links through entertainment, tourism, and fashion and the presence of the deep San Pedro harbor which enables Los Angeles to handle megaships that other ports cannot. Conversely, the area is prone to natural disasters including earthquakes, drought, and wildfires. In addition, high costs hinder net migration gains. While the pandemic exodus has eased, the loss of residents is still greater than pre-COVID. The top employers in the area include Cedars-Sinai Medical Center, Los Angeles International Airport, University of California (Los Angeles), VXi Global Solutions, and the Walt Disney Co. On the housing front, rising borrowing costs have hampered demand, and home sales have fallen to near-historic lows. However, affordability continues to be an issue in Los Angeles despite some housing price contraction.

According to the U.S. Bureau of Labor Statistics, the 2022 annual unemployment rate in the Los Angeles MD was 4.9 percent, compared to 12.3 percent in 2020 and 8.9 percent in 2021. Unemployment peaked at 19 percent in May 2020 due the business shutdowns caused by the COVID-19 pandemic. The Los Angeles MD unemployment rate was higher than the 4.2 percent unemployment rate for the state of California in 2022.

Based on information in the above table, low-income families earned less than \$31,352 and moderate-income families earned less than \$50,162. One method used to determine housing affordability assumes a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$784 for low-income borrowers and \$1,254 for moderate-income borrowers. Assuming a 30-year mortgage with a five percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value would be \$2,660. Most low-income and moderate-income borrowers would be unable to afford a mortgage loan in this AA.

Examiners relied on information provided from two community contacts conducted during the evaluation period to understand area needs and opportunities. The contacts represented organizations focused on neighborhood housing and economic development.

Per one contact, Los Angeles has a large minority population who may not speak English and work primarily low paying jobs. It is difficult for them to obtain credit for housing and consumer goods. Los Angeles County has a very limited housing stock, which has highly increased in value, and more people are having a difficult time being able to afford housing. Individuals with little or no credit histories face difficulties building and obtaining credit and qualifying for housing, even for affordable housing programs. The contact identified needs for credit counseling, small consumer loans, and affordable housing loans, and noted opportunities for local financial institutions to provide credit building loans that could help low- and moderate-income individuals gain credit.

The contact from an economic development organization stated that it is difficult to obtain small business loans for minority and women owned entrepreneurs mainly located in low- and moderate-income communities. This is due to the businesses being young and lacking the two to three years of business activity that banks often require. They have seen an increase in requests for start-ups with the majority of requests being for online retailing versus traditional brick and mortar retail. The contact identified a need for small business loans to support start-up businesses in the area since many banks and Community Development Financial Institutions (CDFIs) do not offer this type of financing.

San Francisco-Oakland MSA

The following table provides a summary of the demographics, including housing and business information for the San Francisco-Oakland MSA AA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: San Francisco-Oakland MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	716	12.6	20.7	30.4	34.4	2.0
Population by Geography	3,174,477	11.6	21.8	33.1	32.8	0.6
Housing Units by Geography	1,246,372	11.9	20.4	32.2	34.6	0.8
Owner-Occupied Units by Geography	576,764	4.7	15.9	35.2	44.0	0.2
Occupied Rental Units by Geography	595,141	18.2	24.9	29.7	25.9	1.3
Vacant Units by Geography	74,467	18.0	18.8	29.6	32.0	1.6
Businesses by Geography	310,031	13.4	16.8	27.7	40.9	1.1
Farms by Geography	3,520	9.3	16.0	32.5	41.8	0.4
Family Distribution by Income Level	709,163	25.1	15.8	18.0	41.2	0.0
Household Distribution by Income Level	1,171,905	27.0	14.6	15.9	42.5	0.0
Median Family Income MSA - 36084 Oakland-Berkeley-Livermore, CA		\$93,822	Median Housing Value			\$686,064
Median Family Income MSA - 41884 San Francisco-San Mateo-Redwood City, CA		\$103,742	Median Gross Rent			\$1,523
			Families Below Poverty Level			7.4%

Source: 2015 ACS Census and 2020 D&B Data

Due to rounding, totals may not equal 100.0

() The NA category consists of geographies that have not been assigned an income classification.*

The San Francisco-Oakland MSA AA consisted of a portion of the Oakland-Berkeley-Livermore MD (Alameda County) and the entire San Francisco-San Mateo-Redwood City MD (San Francisco and San Mateo counties). As of year-end 2022, ICBC USA operated five branches and three deposit-taking ATMs in the AA.

According to the FDIC's Summary of Deposits as of June 30, 2020, ICBC USA had \$624 million in deposits in the AA which represented 30.7 percent of total bank deposits. ICBC USA had 0.1 percent deposit market share which ranked 28th among all institutions. Competition was extensive with 59 total FDIC insured financial institutions operating 711 offices in the AA. The top three competitors were Bank of America, NA with 100 branches and 42.7 percent market share, Wells Fargo Bank, NA with 112 branches and 18.6 percent market share, and First Republic Bank with 24 branches and 9.4 percent market share.

According to the FDIC's Summary of Deposits as of June 30, 2022, ICBC USA had \$656.7 million in deposits in the AA which represented 29.3 percent of total bank deposits. ICBC USA had 0.1 percent deposit market share which ranked 25th among all institutions. Competition was extensive with 60 total FDIC insured financial institutions operating 668 offices in the AA. The top three competitors were Bank of America, NA with 94 branches and 38.4 percent market share, First Republic Bank with 24 branches and 13.9 percent market share, and Wells Fargo Bank, NA with 102 branches and 13.6 percent market share.

Oakland MD

Based on information from the November 2022 Moody's Analytics report, Oakland's economy is making headway, but job growth has slowed. While leisure/hospitality and healthcare industries led gains, the public sector has struggled to find momentum and overall employment remains below its pre-pandemic level. Area economic drivers include high tech, medical centers, and the federal government. The top employers in the area include University of California, Western Digital, Chevron Corp., Grifols, and Lawrence Livermore National Laboratory. The tech industry is a vital source of high paying jobs in Oakland as the area benefits from its proximity to Silicon Valley. Oakland is attractive for tech firms fleeing higher-cost Silicon Valley with its more affordable industrial and office space. Area strengths include the presence of world-class universities and laboratories, and ample infrastructure for transportation and distribution facilities. Weaknesses of the area include deteriorating migration trends and high costs compared with other emerging tech hubs. On the housing front, the area is facing one of the sharpest housing corrections in the nation. While housing prices have contracted somewhat, they remain elevated. This coupled with rising interest rates and slow income growth continue to push homeownership out of reach for many area residents.

San Francisco MD

Based on information from the November 2022 Moody's Analytics report, San Francisco's economy continues to recover but job growth has slowed. Total employment is further from its pre-pandemic peak than all other large California economies. The area economy is driven by high tech, financial services, and medical centers. The top five employers in the area are University of California (San Francisco), Salesforce Inc, Wells Fargo, Kaiser Permanente, and United Airlines. San Francisco benefits from a

highly educated and skilled workforce and in turn very high incomes. The Bay Area is the tech capital of the world and benefits from a robust cluster of internet and other tech-service companies. While tech giants including Meta, Twitter, and Salesforce have recently announced layoffs, the cuts were not unexpected given the inherent volatility of the tech industry along with the rapid expansion of firms in the initial aftermath of the pandemic. In addition, tech firms are facing difficulty raising capital and investment funding due to rising interest rates and overall economic uncertainties. Area weaknesses include high costs, including housing, office rents, and energy, and land constraints and regulations that limit construction. Housing affordability is a major issue in San Francisco. While housing prices have contracted somewhat, they remain elevated. This coupled with rising interest rates and slow income growth continue to push homeownership out of reach for many area residents.

According to the U.S. Bureau of Labor Statistics, the 2022 annual unemployment rate in San Francisco-Redwood City-South San Francisco MD was 2.5 percent, compared to 7.5 percent in 2020 and 4.9 percent in 2021. The 2022 annual unemployment rate in the Oakland-Hayward-Berkeley MD was 3.4 percent, compared to 9 percent in 2020 and 6.2 percent in 2021. Unemployment in both MDs peaked in April 2020 at 12.6 and 15 percent respectively due to the business shutdowns caused by the COVID-19 pandemic. The areas unemployment rates compared favorably to the 4.2 unemployment rate for the state of California in 2022.

Based on information in the above table, low-income families earned less than \$46,911-\$51,871 and moderate-income families earned less than \$75,058-\$82,994, depending on the MD. One method used to determine housing affordability assumes a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. Depending on the MD, this calculated to a maximum monthly mortgage payment between \$1,173 and \$1,297 for low-income borrowers and between \$1,876 and \$2,075 for moderate-income borrowers. Assuming a 30-year mortgage with a five percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value would be \$3,683. Most low-income and moderate-income borrowers would be unable to afford a mortgage loan in this AA.

Examiners relied on information provided from a community contact conducted during the evaluation period with a representative from a local community development organization. The contact indicated that with COVID-19 many industries have been negatively affected, particularly small retail and hospitality. People are struggling to stay in their homes despite federal aid and mortgage forbearance programs. Despite the pandemic, housing prices and rents are increasing. When properties go into foreclosure investors are coming in and buying properties. This had led to further gentrification and pushing low- and moderate-income people out of the area. The contact indicated that banks can help by not funding this type of development, funding Community Land Trusts to buy at-risk properties, and creating first-time home buyer programs.

Examiners also considered comments provided by seven community organizations as part of an interagency CRA listening session conducted in November 2021. The participants in the session represented organizations focused on community development including affordable housing, financial literacy, and economic development. During the CRA listening session, the participants indicated that the inequities that existed prior to the pandemic have been exacerbated. Low- and moderate-income families are relying more and more on food pantries, and there are extreme concerns from the community about housing insecurity. Bay Area rents are very high, and many families could not access or did not qualify for housing assistance. The participants also mentioned there are many low- and moderate-income individual owned small businesses in the area. The participants identified a need for

flexible loan underwriting for small businesses with no prior credit history. The participants added that more emphasis is needed to help homeowners preserve their homes along with assistance programs for first-time homebuyers.

Scope of Evaluation in California

Examiners selected all AAs in the state of California for full-scope review. The San Francisco MSA received slightly more weight in arriving at conclusions as it had more deposits in the state of California than the Los Angeles MD. In arriving at Lending Test conclusions, examiners only analyzed home mortgage loans as small business and small farm lending was negligible and did not provide for a meaningful analysis.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN CALIFORNIA

LARGE BANK CRA (2020)

LENDING TEST

The bank's performance under the Lending Test in California is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Los Angeles MD and San Francisco-Oakland MSA AAs was excellent.

Lending Activity

Number of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State Loans	%State Deposits
Los Angeles MD	57	2	0	2	61	55.5	45.8
San Francisco-Oakland MSA	48	0	0	1	49	44.5	54.2
Total	105	2	0	3	110	100.0	100.0

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Dollar Volume of Loans* (\$000)							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State* Loans	%State Deposits
Los Angeles MD	\$47,505	\$1,450	\$0	\$2,250	\$51,205	55.6	45.8
San Francisco-Oakland MSA	\$38,820	\$0	\$0	\$2,000	\$40,820	44.4	54.2
Total	\$86,325	\$1,450	\$0	\$4,250	\$92,025	100.0	100.0

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Los Angeles MD

Lending levels reflected excellent responsiveness to AA credit needs when considering the bank's business model and limited presence in the market.

As of June 30, 2020, ICBC USA ranked 46th out of 98 depository institutions (top 46.9 percent) with a deposit market share of 0.1 percent.

For home mortgage loans, the bank's 2020 market share of 0.01 percent ranked 377th out of 869 lenders (top 43.4 percent). The top three lenders were Quicken Loans, LLC with 8.8 percent market share, United Wholesale Mortgage, LLC with 8.4 percent market share, and Wells Fargo Bank, NA with 4.6 percent market share.

San Francisco-Oakland MSA

Lending levels reflected excellent responsiveness to AA credit needs when considering the bank's business model and limited presence in the market.

As of June 30, 2020, ICBC USA ranked 28th out of 59 depository institutions (top 47.5 percent) with a deposit market share of 0.1 percent.

For home mortgage loans, the bank's 2020 market share of 0.03 percent ranked 228th out of 725 lenders (top 31.4 percent). The top three lenders were Quicken Loans, LLC with 11.9 percent market share, Wells Fargo Bank, NA with 7.2 percent market share, and United Wholesale Mortgage, LLC with 6.1 percent market share.

Distribution of Loans by Income Level of the Geography

The bank exhibited an excellent geographic distribution of loans in its AAs. Examiners generally placed more emphasis on the bank's performance in moderate-income geographies as these areas had a higher percentage of owner-occupied housing units.

Los Angeles MD

Home Mortgage Loans

Refer to Table O in the state of California section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home mortgage loans was good. The percentage of home mortgage loans originated or purchased in low-income geographies was below both the percentage of owner-occupied housing units located in those geographies and the aggregate percentage of all reporting lenders. The percentage of home mortgage loans originated or purchased in moderate-income geographies exceeded both the percentage of owner-occupied housing units located in those geographies and the aggregate percentage of all reporting lenders.

San Francisco-Oakland MSA

Home Mortgage Loans

Refer to Table O in the state of California section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home mortgage loans was excellent. The percentage of home mortgage loans originated or purchased in low-income geographies was near the percentage of owner-occupied housing units located in those geographies and approximated the aggregate percentage of all reporting lenders. The percentage of home mortgage loans originated or purchased in moderate-income geographies exceeded both the percentage of owner-occupied housing units located in those geographies and the aggregate percentage of all reporting lenders.

Lending Gap Analysis

The OCC reviewed summary reports and maps and analyzed home mortgage activity to identify any gaps in the geographic distribution of the bank's loans in the AAs. In performing this analysis, examiners considered the low volume of reportable lending activity by ICBC USA in the AA. Examiners also considered competition and demographic information. The OCC did not identify any unexplained conspicuous gaps in any of the areas reviewed.

Distribution of Loans by Income Level of the Borrower

The bank exhibited a poor distribution of loans among individuals of different income levels.

Los Angeles MD***Home Mortgage Loans***

Refer to Table P in the state of California section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of home mortgage loans among individuals of different income levels was poor.

The bank did not originate or purchase any home mortgage loans to low- and moderate-income borrowers in 2020. Examiners considered housing costs in relation to the median family incomes in the AAs, which limited the affordability for low-income and moderate-income borrowers. The area's high poverty rate of 14.3 percent also inhibits homeownership. Further, examiners considered the very high percentage of home mortgage loans made by the bank in 2020 to borrowers with income information not available in the AA (89.5 percent).

San Francisco-Oakland MSA***Home Mortgage Loans***

Refer to Table P in the state of California section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of home mortgage loans among individuals of different income levels was poor.

The bank did not originate or purchase any home mortgage loans to low- and moderate-income borrowers in 2020. Examiners considered housing costs in relation to the median family incomes in the AAs, which limited the affordability for low-income and moderate-income borrowers. Further, examiners considered the very high percentage of home mortgage loans made by the bank in 2020 to borrowers with income information not available in the AA (87.5 percent).

Community Development Lending

The institution has made a relatively high level of CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

Los Angeles MD

The bank is a leader in making CD loans which had a positive impact on performance. ICBC USA made two CD loans totaling \$2.2 million in 2020, which represented 2.2 percent of allocated tier 1 capital. All loans supported affordable housing, which is a significant need in the AA.

CD loans included:

- A \$2 million line of credit to a nonprofit affordable housing organization headquartered in the Los Angeles MD. Specifically, the organization lends to developers to provide construction and permanent financing for dwellings occupied by low- and moderate-income individuals throughout the state of California.
- A \$500,000 commercial mortgage loan secured by a six-unit apartment building containing three housing units affordable to low- and moderate-income individuals in Los Angeles based on the Housing and Urban Development (HUD) affordable housing calculation. The qualified amount for CD is \$250,000.

San Francisco-Oakland MSA

The bank made a relatively high level of CD loans which had a positive impact on performance. ICBC USA made one CD loan totaling \$2 million in 2020, which represented 1.7 percent of allocated tier 1 capital. The CD loan addressed affordable housing, a significant need in the AA, by refinancing an existing mortgage on a multifamily property consisting of 45 units with below market rents considered affordable to low- and moderate-income individuals based on the HUD affordable housing calculation.

Product Innovation and Flexibility

The institution made no use of innovative or flexible lending practices in order to serve AA credit needs.

Refer to Tables O through P in the state of California section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

The bank's performance under the Investment Test in California is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Los Angeles MD AA was good and, in the San Francisco-Oakland MSA AA was excellent.

Qualified Investments (2020)										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Los Angeles MD	2	\$503	10	\$1,173	12	63.2	\$1,676	40.6	0	0.0
San Francisco-Oakland MSA	0	\$0	7	\$2,450	7	36.8	\$2,450	59.4	0	0.0
Total	2	\$503	17	\$3,623	19	100.0	\$4,126	100.0	0	0.0

* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Los Angeles MD

The bank had a significant level of qualified CD investments and grants, particularly those that are not routinely provided by private investors, although rarely in a leadership position. The institution did not use innovative or complex investments to support CD initiatives.

In 2020, ICBC USA had two prior period mortgage-backed securities (MBS) on the books totaling \$503,196 and purchased one new MBS investment totaling \$1.2 million. The MBS are secured by underlying mortgages to primarily low- and moderate-income borrowers in Los Angeles. ICBC USA also made nine grants and donations, totaling \$5,357, in 2020 to community service organizations that provided essential services to low- and moderate-income individuals. CD investments represented 1.6 percent of allocated tier 1 capital in 2020.

Examples of grants and donations in the AA include:

- A \$1,250 donation to a nonprofit organization that provides community services including legal consultation for new immigrants, family counseling, and low cost medical and dental services to underserved populations.
- A \$1,000 donation to an organization providing childcare and distance learning programs to low-income students and families during the COVID-19 pandemic.

San Francisco-Oakland MSA

The bank had an excellent level of qualified CD investments and grants, particularly those that are not routinely provided by private investors, although rarely in a leadership position. The institution made no use of innovative or complex investments to support CD initiatives.

In 2020, ICBC USA made one MBS investment totaling \$1.1 million that is secured by underlying mortgages to primarily low- and moderate-income borrowers in Oakland. The bank also placed funds at a San Francisco based CDFI bank totaling \$1.3 million using the Certificate of Deposit Account Registry Service (CDARS). In addition, the bank made five grants and donations, totaling \$8,750, to community service organizations that provided essential services to low- and moderate-income individuals. CD investments represented 2 percent of allocated tier 1 capital for 2020.

Examples of grants and donations in the AA include:

- A \$2,500 donation to a nonprofit organization that serves at-risk youth in San Francisco’s Chinatown area. The organization provides programs including behavioral health, community/school-based outreach, leadership development, and workforce development.
- A \$1,750 donation to a community center that provides care for children from primarily low- and moderate-income families.

SERVICE TEST

The bank’s performance under the Service Test in California is rated Low Satisfactory.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank’s performance in the Los Angeles MD and San Francisco-Oakland MSA AAs was adequate.

Retail Banking Services

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Los Angeles MD	44.2	5	50.0	0.0	40.0	0.0	60.0	8.6	29.3	26.3	35.1
San Francisco-Oakland MSA	55.8	5	50.0	60.0	0.0	40.0	0.0	11.6	21.8	33.1	32.8

Los Angeles MD

Service delivery systems are reasonably accessible to geographies and individuals of different income levels in the institution’s AA.

Although the bank has no branches in low-income geographies, the distribution of branches in moderate-income geographies exceeded the percentage of the population living within those geographies.

ICBC USA had several Alternative Delivery Systems (ADS) including ATMs, telephone banking, online banking, and mobile banking options. These systems provided additional delivery availability and access to banking services to both retail and business customers. ICBC USA had five deposit-taking ATMs in the AA, one in each of the bank’s branches. ADS had a neutral impact on the Service Test rating.

San Francisco-Oakland MSA

Service delivery systems are reasonably accessible to geographies and individuals of different income levels in the institution’s AA.

Although the bank has no branches in moderate-income geographies, the distribution of branches in low-income geographies exceeded the percentage of the population living within those geographies.

ICBC USA had several ADS including ATMs, telephone banking, online banking, and mobile banking options. These systems provided additional delivery availability and access to banking services to both retail and business customers. ICBC USA had three deposit-taking ATMs in the AA, all of which were located inside the bank’s branches in low-income geographies. ADS had a neutral impact on the Service Test rating.

Distribution of Branch Openings/Closings						
Assessment Area	# of Branch Openings	# of Branch Closings	Branch Openings/Closings			
			Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
Los Angeles MD	0	0	0	0	0	0
San Francisco-Oakland MSA	0	0	0	0	0	0

Los Angeles MD

The bank did not open or close branches during the evaluation period.

Services, including where appropriate, business hours, did not vary in a way that inconveniences the AA, particularly low- and moderate-income geographies or individuals. Services are comparable among locations regardless of income level of the geography, and all branches have reasonable weekday hours (10:00 a.m.- 4:00 p.m.).

San Francisco-Oakland MSA

The bank did not open or close branches during the evaluation period.

Services, including where appropriate, business hours, did not vary in a way that inconveniences the AAs, particularly low- and moderate-income geographies or individuals. Services are comparable among locations regardless of income level of the geography, and all branches have reasonable weekday hours (10:00 a.m.- 4:00 p.m.).

Community Development Services

Los Angeles MD

The institution provided a relatively high level of CD services.

In 2020, six ICBC USA employees participated in two qualified CD service activities totaling 60 hours within the Los Angeles MD AA. Specifically, the activities related to youth financial literacy as part of a distance learning program during COVID-19 that covered banking basics.

San Francisco-Oakland MSA

The institution provided a relatively high level of CD services.

In 2020, eleven ICBC USA employees participated in four qualified CD service activities totaling 69 hours within the San Francisco-Oakland MSA AA. Specifically, the activities related to youth financial literacy and fundraising.

Examples of CD service activities include:

- Six bank employees provided financial literacy presentations to at-risk youth through an organization serving a diverse population of low-income minority youth.
- An employee served as a member of the fundraising committees for two area organizations that provide programs and services to low- and moderate-income youth and families.

CRA STRATEGIC PLAN (2021-2022)

CONCLUSIONS WITH RESPECT TO PERFORMANCE IN CALIFORNIA:

- CD lending performance was overall satisfactory. ICBC USA exceeded its plan goals for an outstanding rating in the Los Angeles AA. Within the Oakland and San Francisco AAs, the bank did not meet its plan goals for a satisfactory rating for the 2021-2022 period. Examiners considered that on a combined basis, the bank made \$40.2 million in CD loans in the state of California, far exceeding its combined plan goals of \$24.9 million for an Outstanding rating across its AAs in California.
- CD investment performance was excellent. ICBC USA exceeded its plan goals for an outstanding rating in all AAs in the state of California for the 2021-2022 period. The bank had \$7.4 million in qualified investments outstanding (along with donations and grants made) as of year-end 2021 and \$8.4 million outstanding as of year-end 2022, thus exceeding its combined plan goals of \$7.2 million for an Outstanding rating across its AAs in California.
- CD service performance was excellent. ICBC USA exceeded its plan goals for an outstanding rating in all AAs in the state of California for the 2021-2022 period. Bank employees provided 530 service hours in the state of California, exceeding its combined plan goals of 424 hours for an outstanding rating across its AAs in California.

DISCUSSION OF PERFORMANCE IN LOS ANGELES:

The bank exceeded its plan goals for a satisfactory rating and substantially achieved its plan goals for an outstanding rating for CD loans, investments, and services within the Los Angeles AA.

- The bank originated six CD loans totaling \$18.9 million in 2021 and six CD loans totaling \$13.9 million in 2022, which substantially exceeded its CD lending plan goals for an outstanding rating for 2021 (\$5.4 million) and 2022 (\$5.6 million). CD loans supported affordable housing, a significant need in the AA.
- For 2021-2022, the bank substantially exceeded its CD investment plan goals for an outstanding rating. The bank had \$2.9 million in CD investments outstanding in both 2021 and 2022 and made \$7,550 in qualifying donations and grants over the evaluation period. Investments primarily supported affordable housing needs, followed by community services for low- and moderate-income individuals. The bank's targeted total qualified investments goals are cumulative, and while the plan provides for minimum annual plan benchmarks, the bank measures against the cumulative plan performance goals of \$2 million for satisfactory performance and \$2.6 million for outstanding performance which the bank exceeded in both 2021 and 2022.
- Bank employees participated in various CD service activities totaling 120 hours in 2021 and 147 hours in 2022, which substantially exceeded its plan goals for an outstanding rating for 2021 (99) and 2022 (109). CD services included financial education and fundraising assistance to area nonprofits.

STRATEGIC PLAN GOALS AND ACTUAL PERFORMANCE					
Los Angeles AA					
	Plan Targets			Actual Performance (2021-2022)	Rating
	Outstanding	Satisfactory	Minimum		
CD Lending (\$ 000's)					
2021	\$5,375	\$4,300	\$2,150	\$18,880	
2022	\$5,590	\$4,472	\$2,236	\$13,900	
Total	\$10,965	\$8,772	\$4,386	\$32,780	Outstanding
CD Investments* (\$ 000's)					
2021	\$300	\$200	\$200	\$2,954	
2022	\$400	\$300	\$300	\$2,937	
Cumulative	\$2,600	\$2,000	\$2,000		Outstanding
CD Services (Hours)					
2021	99	66	66	120	
2022	109	73	73	147	
Total	208	139	139	267	Outstanding

*Investments include new investments, outstanding investments at book value, and any grants/donations made within the year. CD investment goals are measured on a cumulative basis for the entire Strategic Plan period.

Examples of CD activities in the AA include:

- A refinance of an \$11.5 million commercial mortgage secured by five apartment buildings in Los Angeles, containing a total of 59 units. The apartments are under a Housing Assistance Payment contract with HUD and are 100 percent occupied by tenants under Section 8 housing.
- A new \$2.1 million commercial mortgage secured by a 15-unit co-living style property providing affordable housing. The property which has separate one bedroom/bathroom suites with common living areas is subject to the city of Los Angeles rent control policy.
- A renewal and increase to \$6.5 million of an existing line of credit to a community organization headquartered in Los Angeles that supports affordable housing development in California.
- A \$1.3 million MBS purchased in 2021 for which the underlying mortgages were made to low- and moderate-income borrowers in Los Angeles.
- Three prior period MBS investments with an outstanding book value of \$1.7 million as of year-end 2022.
- Two donations totaling \$2,750 to an area nonprofit that provides essential community services to the Chinese community including new immigrants and the underserved.
- Numerous bank employees participated in fundraising events for a community health center that serves low-income patients providing 64 service hours over 2021 and 2022. The employees’ involvement included arranging, planning, and coordinating the events and advising on fundraising strategies.

DISCUSSION OF PERFORMANCE IN OAKLAND:

The bank exceeded its plan goals for a satisfactory rating and substantially achieved its plan goals for an outstanding rating for CD investments and services within the Oakland AA. The bank failed to substantially meet its plan goals for a satisfactory rating for CD loans.

- The bank failed to substantially meet its CD lending plan goals for a satisfactory rating in the Oakland AA. The bank originated no CD loans in the AA for 2021-2022, falling short of its plan targets for 2021 (\$800,000) and 2022 (\$832,000).
- For 2021-2022, the bank substantially exceeded its CD investment plan goals for an outstanding rating. The bank had \$2.4 million in CD investments outstanding in both 2021 and 2022 which supported affordable housing needs. The bank made no grants or donations over the evaluation period. The bank’s targeted total qualified investments goals are cumulative and while the plan provides for minimum annual plan benchmarks, the bank measures against the cumulative plan performance goals of \$1.5 million for satisfactory performance and \$2 million for outstanding performance which the bank exceeded in both 2021 and 2022.
- Bank employees participated in various CD service activities totaling 56 hours in 2021 and 24 hours in 2022, achieving its plan goals for an outstanding rating for 2021 (21) and 2022 (24). CD services included financial education and general community services.

STRATEGIC PLAN GOALS AND ACTUAL PERFORMANCE
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Oakland AA					
	Plan Targets			Actual Performance	Rating
	Outstanding	Satisfactory	Minimum		
CD Lending (\$000's)					
2021	\$1,000	\$800	\$400	\$0	
2022	\$1,040	\$832	\$416	\$0	
Total	\$2,040	\$1,632	\$816	\$0	Substantial Noncompliance
CD Investments* (\$000's)					
2021	\$200	\$100	\$100	\$2,416	
2022	\$300	\$200	\$200	\$2,416	
Cumulative	\$2,000	\$1,500	\$1,500		Outstanding
CD Services (Hours)					
2021	21	14	14	56	
2022	24	15	15	24	
Total	45	29	29	80	Outstanding

*Investments include new investments, outstanding investments at book value, and any grants/donations made within the year. CD investment goals are measured on a cumulative basis for the entire Strategic Plan period.

Examples of CD activities in the AA include:

- A \$1.3 million MBS purchased in 2021 for which the underlying mortgages were made to low- and moderate-income borrowers in Oakland.
- A prior period MBS investment purchased in 2020 with an outstanding book value of \$1.1 million as of year-end 2022.
- Bank staff provided assistance totaling 30 service hours in 2021 to an area nonprofit that serves low-income families, seniors, and those with disabilities. Specifically, bank staff provided financial education covering common scam prevention and volunteered with food pantry sorting, packing, and distributing.

DISCUSSION OF PERFORMANCE IN SAN FRANCISCO:

The bank exceeded its plan goals for a satisfactory rating and substantially achieved its plan goals for outstanding ratings for CD investments and services within the San Francisco AA. The bank failed to substantially meet its plan goals for a satisfactory rating for CD loans.

- The bank failed to substantially meet its CD lending plan goals for a satisfactory rating in the San Francisco AA. The bank originated no CD loans in 2021 and originated two CD loans totaling \$7.4 million in 2022. The bank fell short of its target CD lending goal for a satisfactory rating in 2021 (\$4.7 million) and exceeded its plan goal for an outstanding rating in 2022 (\$6 million). On a combined basis, the bank fell short of its \$9.5 million combined plan goal for a satisfactory rating for 2021-2022.
- For 2021-2022, the bank substantially exceeded its CD investment plan goals for an outstanding rating. The bank had \$2 million in CD investments outstanding in 2021 and \$3 million in CD investments outstanding in 2022. Investments supported affordable housing and economic development. The bank also made \$9,500 in qualifying donations and grants over the evaluation

period which supported community services for low- and moderate-income individuals. The bank’s targeted total qualified investments goals are cumulative and while the plan provides for minimum annual plan benchmarks, the bank measures against the cumulative plan performance goals of \$2 million for satisfactory performance and \$2.6 million for outstanding performance which the bank exceeded in both 2021 and 2022.

- Bank employees participated in various CD service activities totaling 83 hours in 2021 and 100 hours in 2022, substantially exceeding the Strategic Plan goals for an outstanding rating for 2021 (81) and 2022 (90).

STRATEGIC PLAN GOALS AND ACTUAL PERFORMANCE					
San Francisco AA					
	Plan Targets			Actual Performance	Rating
	Outstanding	Satisfactory	Minimum		
CD Lending (\$ 000's)					
2021	\$5,812	\$4,650	\$2,325	\$0	
2022	\$6,045	\$4,836	\$2,418	\$7,390	
Total	\$11,857	\$9,486	\$4,743	\$7,390	Needs to Improve
CD Investments (\$ 000's)					
2021	\$300	\$200	\$200	\$2,004	
2022	\$400	\$300	\$300	\$3,015	
Prior Period	\$2,600	\$2,000	\$2,000		Outstanding
CD Services (Hours)					
2021	81	54	54	83	
2022	90	59	59	100	
Total	171	113	113	183	Outstanding

*Investments include new investments, outstanding investments at book value, and any grants/donations made within the year. CD investment goals are measured on a cumulative basis for the entire Strategic Plan period.

Examples of CD activities in the AA include:

- A \$6 million loan to a nonprofit CDFI that supported working capital for their programs providing affordable housing in San Francisco.
- A \$2 million certificate of deposit with a San Francisco based CDFI bank to support the bank’s efforts in providing business checking, business lending, and personal banking services to underserved groups in the San Francisco Bay area.
- A \$1 million MBS purchased in 2022 for which the underlying mortgages were made to low- and moderate-income borrowers in San Francisco.
- Two donations totaling \$3,500 to a nonprofit organization that serves low-income, at-risk youth in San Francisco’s Chinatown area. The organization provides supportive programs including behavioral health, education, and workforce development.
- Six bank employees participated in a local affordable housing expo providing a total of 42 financial education service hours to first time homebuyers attending the free event.

State Rating

State of New York

CRA rating for the State of New York: Outstanding

LARGE BANK CRA (2020):

The Lending Test is rated: Outstanding

The Investment Test is rated: Low Satisfactory

The Service Test is rated: Outstanding

The major factors that support this rating include:

- Lending levels reflected good responsiveness to AA credit needs.
- An excellent geographic distribution of loans.
- An adequate distribution of loans among individuals of different income levels.
- An excellent level of CD loans that had a positive impact on performance.
- An adequate level of CD investments.
- Readily accessible service delivery systems
- A relatively high level of CD services.

STRATEGIC PLAN (2021-2022):

- The bank exceeded its plan goals for an outstanding rating for CD lending.
- The bank achieved its plan goals for a satisfactory rating for CD qualified investments.
- The bank achieved its plan goals for a satisfactory rating for CD services.

Description of Institution's Operations in New York

ICBC USA delineated one AA in the state of New York which included the New York-Jersey City-White Plains, NY MD (New York MD) (Refer to appendix A for a complete list of counties reviewed).

As of year-end 2022, ICBC USA had three branch locations and three deposit-taking ATMs in the state of New York. In 2020, the bank made \$32.8 million or 16 percent of its total dollar volume of home mortgage loans in this AA.

The state of New York represented the bank's second largest rated area in terms of deposits. Based on June 30, 2020, FDIC summary of deposit information, ICBC USA had \$880 million in deposits in the state of New York, which represented 43.3 percent of the bank's total deposits. The bank ranked 48th in

deposit market share with 0.1 percent out of 111 depository institutions. The top three competitors had 61.2 percent of the market share and included JP Morgan Chase Bank, NA with 291 branches and 41.1 percent market share, The Bank of New York Mellon with two branches and 10.5 percent market share, and Goldman Sachs Bank USA with one branch and 9.6 percent market share.

Based on June 30, 2022, FDIC summary of deposit information, ICBC USA had \$1.1 billion in deposits in the state of New York, which represented 47.5 percent of the bank's total deposits. The bank ranked 44th in deposit market share with 0.1 percent out of 106 depository institutions. The top three competitors had 62.5 percent of the market share and included JP Morgan Chase Bank, NA with 248 branches and 39.4 percent market share, Goldman Sachs Bank USA with one branch and 13.6 percent market share, and The Bank of New York Mellon with two branches and 9.5 percent market share.

New York-Jersey City-White Plains MD

Table A – Demographic Information of the Assessment Area						
Assessment Area: New York MD						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1,718	8.4	26.9	32.2	29.1	3.3
Population by Geography	6,525,905	11.2	30.7	28.4	29.5	0.3
Housing Units by Geography	2,723,760	9.8	27.3	26.3	36.2	0.3
Owner-Occupied Units by Geography	785,357	2.8	17.3	33.9	45.7	0.2
Occupied Rental Units by Geography	1,677,492	13.6	32.5	23.3	30.2	0.4
Vacant Units by Geography	260,911	6.7	24.2	22.1	46.6	0.4
Businesses by Geography	734,204	6.5	20.5	20.7	49.3	3.1
Farms by Geography	2,884	4.2	16.7	22.1	55.1	1.9
Family Distribution by Income Level	1,423,260	30.4	16.1	15.8	37.8	0.0
Household Distribution by Income Level	2,462,849	30.0	14.3	15.4	40.4	0.0
Median Family Income MSA – 35614 New York-Jersey City-White Plains, NY- NJ		\$67,560	Median Housing Value			\$593,392
			Median Gross Rent			\$1,417
			Families Below Poverty Level			15.7%
<i>Source: 2015 ACS Census and 2020 D&B Data</i> <i>Due to rounding, totals may not equal 100.0</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The New York MD AA consisted of three of 10 counties that comprise the MD including: Kings, New York, and Queens counties. As of year-end 2022, ICBC USA operated three branches and three deposit-taking ATMs in the AA. The bank's main office is also located in the AA, but the location does not provide walk-in services to the general public.

Based on the information from November 2022 Moody's Analytics report, the New York MD's economy is recovering although growth has slowed. Despite the slower pace, gains are widespread supported by consumer industries and construction. New York is a major tourist destination and consumer industries have been bolstered by tourists and weekend visitors returning to Manhattan. New

York is also the financial capital of the world and benefits from high per capita income and limited exposure to manufacturing. The top employers in the area include Montefiore Health System, Mount Sinai Health System, JP Morgan Chase & Co., Bank of America, and New York-Presbyterian Healthcare System. Area weaknesses include high costs, including taxes, housing, office rents, and energy, and a rapidly aging infrastructure. The area also suffers from troubled fiscal health made worse by population losses, although international immigration remains strong. The financial sector has been hurt by rapidly rising interest rates that have sharply reduced transactions and led to a bear market. Big banks are reporting weak earnings, and at least one large bank has already announced significant layoffs. On the commercial real estate front, office vacancies are significantly higher than pre-pandemic levels due to the prevalence of remote work arrangements. With office usage dwindling, companies are offloading real estate which is hampering commercial construction and sales prices. The residential housing market is not faring much better. While the housing market has slowed overall, a heavy reliance on condos has helped soften the blow of a broader single-family price correction. Apartment rent growth has also slowed and is far below its early-year pace.

According to the U.S. Bureau of Labor Statistics, the 2022 annual unemployment rate in the New York MD was 4.7 percent, compared to 10.8 percent in 2020 and 8.3 percent in 2021. Unemployment peaked in May 2020 (18.7 percent) due the business shutdowns caused by the COVID-19 pandemic. The area unemployment rate was higher than the 4.3 percent unemployment rate for New York State in 2022.

Based on information in the above table, low-income families earned less than \$33,780 and moderate-income families earned less than \$54,048. One method used to determine housing affordability assumes a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$845 for low-income borrowers and \$1,351 for moderate-income borrowers. Assuming a 30-year mortgage with a five percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value would be \$3,185. Most low-income and moderate-income borrowers would be unable to afford a mortgage loan in this AA.

Examiners relied on information provided from a community contact conducted during the evaluation period to understand area needs and opportunities. The contact, who represented an organization focused on economic development, indicated that needs for small business assistance programs and small business financing increased drastically after the pandemic. The organization's small business workshops for new and existing business owners, and small business loans for start-ups and business expansion have been well received in the community. The contact indicated there is an opportunity for banks to invest in CDFIs, which can in turn be used to fund micro-loans. Other identified needs included food assistance, supportive health services, and affordable housing.

Scope of Evaluation in New York

Examiners selected the only AA in the state of New York for full-scope review. In arriving at conclusions, examiners only analyzed home mortgage loans as the bank made no small business/small farm loans in 2020 in the AA.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEW YORK

LARGE BANK CRA (2020)

LENDING TEST

The bank's performance under the Lending Test in New York MD is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the New York MD was excellent.

Lending Activity

Lending levels reflected good responsiveness to AA credit needs.

Number of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State Loans	%State Deposits
New York MD	20	0	\$0	3	23	100.0	100.0

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Dollar Volume of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State*	%State Deposits
New York MD	\$32,774	\$0	\$0	\$11,500	\$44,274	100.0	100.0

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

New York MD

As of June 2020, ICBC USA ranked 48th out of 111 depository institutions (top 43.2 percent) with a deposit market share of 0.1 percent.

For home mortgage loans, the bank's 2020 market share of 0.03 percent ranked 178th out of 380 lenders (top 46.8 percent). The top three lenders were Wells Fargo Bank, NA with 12.1 percent market share, JP Morgan Chase Bank, NA with 11.8 percent market share, and Citi Bank, NA with 6.7 percent market share.

Distribution of Loans by Income Level of the Geography

The bank exhibited an excellent geographic distribution of loans in its AA.

Home Mortgage Loans

Refer to Table O in the state of New York section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home mortgage loans was excellent. The percentage of home mortgage loans originated or purchased in both low- and moderate-income geographies exceeded the percentage of owner-occupied housing units located in those geographies and the aggregate percentage of all reporting lenders.

Lending Gap Analysis

The OCC reviewed summary reports and maps and analyzed home mortgage activity to identify any gaps in the geographic distribution of the bank's loans in the AA. In performing this analysis, examiners considered the low volume of reportable lending activity by ICBC USA in the AA. Examiners also considered competition and demographic information. The OCC did not identify any unexplained conspicuous gaps in the area reviewed.

Distribution of Loans by Income Level of the Borrower

The bank exhibited an adequate distribution of loans among individuals of different income levels.

Home Mortgage Loans

Refer to Table P in the state of New York section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of home mortgage loans among individuals of different income levels was adequate. The bank made no home mortgage loans to low-income borrowers during 2020. The proportion of the bank's home mortgage loans to moderate-income borrowers was significantly below the percentage of moderate-income families but exceeded the aggregate industry distribution of loans.

Examiners considered housing costs in relation to the median family incomes in the AA, which limited the affordability for both low-income and moderate-income borrowers. The area's high poverty rate of 15.7 percent also inhibits homeownership. Further, examiners considered the very high percentage of home mortgage loans made by the bank in 2020 to borrowers with income information not available in the AA (75 percent).

Community Development Lending

The institution is a leader in making CD loans, which had a positive impact on the rating.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

New York MD

The level of CD lending was excellent. ICBC USA made three CD loans totaling \$11.5 million in 2020, which represented 6.8 percent of allocated tier 1 capital. CD loans were responsive to identified community needs for economic development and affordable housing.

By dollar volume, 43.5 percent of CD loans funded revitalization and stabilization efforts, 30.4 percent funded economic development activities, and 26.1 percent funded community services.

Examples of CD loans in the AA include:

- A \$3.5 million term loan to an economic development corporation which allowed the corporation to provide financial assistance to business owners who were impacted by the COVID-19 pandemic.
- A refinancing of a \$5 million commercial mortgage on a mixed-use property, comprised of 27 residential units and two commercial units, located in a moderate-income tract in Manhattan. The subject property benefits from a tax exemption program in New York given to real estate developers for building new multi-family residential housing on land that is vacant or underutilized.

Product Innovation and Flexibility

The institution made no use of innovative or flexible lending practices in order to serve AA credit needs.

Refer to Tables O through P in the state of New York section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

The bank’s performance under the Investment Test in New York is rated Low Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank’s performance in the New York MD was adequate.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000’s)	#	\$(000’s)	#	% of Total #	\$(000’s)	% of Total \$	#	\$(000’s)
New York MD	0	\$0	6	\$1,238	6	100.0	\$1,238	100.0	0	0

* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

New York MD

The institution had an adequate level of qualified CD investments and grants, particularly those that are not routinely provided by private investors, although rarely in a leadership position. The institution did not use innovative or complex investments to support CD initiatives.

In 2020, ICBC USA made five donations totaling \$37,512 to community service organizations that provided essential services to low- and moderate-income individuals. The bank also placed funds at a New York City based CDFI bank totaling \$1.2 million using CDARS. Qualified investments represented 0.7 percent of allocated tier 1 capital.

Examples of grants and donations in the AA include:

- A \$26,080 COVID-19 related donation to a medical center that supported the hospital as they provided access to healthcare services to the affected communities, particularly low- and moderate-income communities.
- A \$5,000 donation to a nonprofit organization that builds and preserves affordable housing for low-income individuals in Chinatown and the Lower East Side of Manhattan and also provides after school programs for new immigrant students.

SERVICE TEST

The bank’s performance under the Service Test in New York is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank’s performance in the New York MD was excellent.

Retail Banking Services

Service delivery systems are readily accessible to geographies and individuals of different income levels in the institution’s AA.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
New York MD	100.0	3	100.0	33.3	66.7	0.0	0.0	11.2	30.7	28.4	29.5

The bank’s distribution of branches in both low- and moderate- income geographies exceeded the percentage of the population living within those geographies.

ICBC USA had several ADS including ATMs, telephone banking, online banking, and mobile banking options. These systems provided additional delivery availability and access to banking services to both retail and business customers. ICBC USA had three deposit-taking ATMs in the AA, one in each of the bank’s branches . ADS had a neutral impact on the Service Test rating.

Distribution of Branch Openings/Closings						
Assessment Area	# of Branch Openings	# of Branch Closings	Branch Openings/Closings			
			Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
New York MD	0	0	0	0	0	0

The bank did not open or close branches during the evaluation period.

Services, including where appropriate, business hours, did not vary in a way that inconveniences the AA, particularly low- and moderate-income geographies or individuals. Services are comparable among locations regardless of income level of the geography, and all branches have reasonable weekday hours (9:00 a.m.- 4:00 p.m.).

Community Development Services

The institution provided a relatively high level of CD services.

In 2020, ICBC USA employees provided participated in three activities providing 80 hours of qualified service activities.

Examples of CD activities include:

- Three bank employees created a financial literacy video on the basics of banking for local high school students in Long Island City. The video covered topics including basic banking accounts and the difference between debit cards and credit cards.
- A bank employee served as a member of the board for a community-based organization that works to oversee and fund the maintenance, improvement, and promotion of a low-income commercial district in New York City. The employee provided technical assistance on financial matters and strategies to address issues that local small businesses face specifically in response to the COVID-19 pandemic.

CRA STRATEGIC PLAN (2021-2022)

The bank exceeded its plans goals for a satisfactory rating and substantially achieved its plan goals for an outstanding rating within the state of New York.

- CD lending performance was excellent. ICBC USA exceeded its plan goals for an outstanding rating in the New York MD AA for the 2021-2022 period.
- CD investment performance was good. ICBC USA exceeded its plan goals for a satisfactory rating in the New York MD AA for the 2021-2022 period.
- CD service performance was good. ICBC USA exceeded its plan goals for a satisfactory rating in the New York MD AA for the 2021-2022 period.

DISCUSSION OF PERFORMANCE IN NEW YORK MD:

- The bank originated one CD loan totaling \$35 million in 2021 and four CD loans totaling \$87.1 million in 2022, which substantially exceeded its plan goals for an outstanding rating for 2021 (\$6.6 million) and 2022 (\$6.9 million). CD loans supported affordable housing, a significant need in the AA, and to a lesser extent community services to low- and moderate-income individuals.
- For 2021-2022, the bank exceeded its CD investment plan goals for a satisfactory rating. The bank had \$2 million in CD investments outstanding in both 2021 and 2022 and made \$19,000 in grants

and donations over the evaluation period. The bank's one investment supported economic development and the grants and donations supported affordable housing and community services to low- and moderate-income individuals. The bank's targeted total qualified investments goals are cumulative, and while the plan provides for minimum annual plan benchmarks, the bank measures against the cumulative plan performance goals of \$2 million for satisfactory performance which the bank met in both 2021 and 2022.

- Bank employees participated in various CD service activities totaling 96 hours in 2021 and 115 hours in 2022, exceeding its plan goals for a satisfactory rating for 2021 (92) and 2022 (101). CD services included financial education, board membership, and general community services.

STRATEGIC PLAN GOALS AND ACTUAL PERFORMANCE					
New York MD					
	Plan Targets			Actual Performance 2021-2022	Rating
	Outstanding	Satisfactory	Minimum		
CD Lending (\$ 000's)					
2021	\$6,600	\$5,280	\$2,640	\$35,000	
2022	\$6,864	\$5,491	\$2,746	\$87,138	
Total	\$13,464	\$10,771	\$5,386	\$122,138	Outstanding
CD Investments (\$ 000's)					
2021	\$300	\$200	\$200	\$2,009	
2022	\$400	\$300	\$300	\$2,015	
Total	\$2,600	\$2,000			High Satisfactory
CD Services (Hour)					
2021	138	92	92	96	
2022	152	101	101	115	
Total	290	193	193	211	High Satisfactory

Examples of CD activities in the AA include:

- A \$35 million commercial mortgage secured by a former hotel property that is operated by a nonprofit that provides transitional housing for formerly incarcerated individuals along with individual and group counseling, case management, education and employment assistance, and substance abuse and mental health treatment.
- A refinance of a \$43 million commercial mortgage secured by a mixed-use property containing 11 commercial and 83 rent stabilized, affordable housing units located in Queens.
- A \$2 million certificate of deposit with a New York City based CDFI bank which supported the CDFI's efforts in providing affordable small business loans, innovative and responsible personal loans, and asset building services in low- and moderate-income communities in New York City.
- Two donations totaling \$10,000 to an area nonprofit organization that supports affordable housing development and preservation for low-income people in Chinatown and the Lower East Side and also provides after school programs to disadvantaged youth.

- A bank employee served on the board of a community-based Business Improvement District (BID) in New York City. The BID focuses on overseeing and funding the maintenance, improvement, and promotion of the Chinatown commercial district.
- Numerous bank employees participated in financial education workshops through an area nonprofit community organization serving low-income Asian Americans. The attendees of the workshops were primarily Chinese immigrants who have been in the country 0-5 years and primarily speak Mandarin.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

Time Period Reviewed:	(01/01/2020 to 12/31/2022)	
Bank Products Reviewed:	Home mortgage, Community development loans, qualified investments, community development services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None		
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
State		
California		
Los Angeles MD AA	Full-scope	Los Angeles County
San Francisco/Oakland MSA AA	Full-scope	San Francisco, San Mateo, Alameda counties
New York		
New York MD AA	Full-scope	Kings, New York, Queens counties

Appendix B: Summary of MMSA and State Ratings

RATINGS ICBC USA Large Bank CRA (2020)				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
	Outstanding	High Satisfactory	High Satisfactory	Outstanding
MMSA or State:				
California	Outstanding	Outstanding	Low Satisfactory	Outstanding
New York	Outstanding	Low Satisfactory	Outstanding	Outstanding

(*) The Lending Test is weighted more heavily than the Investment and Service Tests in the overall rating.

Ratings ICBC USA Strategic Plan (2021-2021)	
State or Multistate Metropolitan Area Name	State or Multistate Metropolitan Area Rating
California	Outstanding
New York	Outstanding

Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending (Aggt.): The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

Census Tract (CT): A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

Combined Statistical Area (CSA): A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always

equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under §1003.2 of this title, and that is not an excluded transaction under §1003.3(c)(1) through (10) and (13) of this title.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income Individual: Individual income that is less than 50 percent of the area median income.

Low-Income Geography: A census tract with a median family income that is less than 50 percent.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

Metropolitan Division (MD): As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an

employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

MMSA (state): Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rating Area: A rated area is a state or multi-state metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Tier 1 Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Upper-Income: Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased loans are treated the same as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography** – Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/assessment area.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

CALIFORNIA

Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																		2020
	Total Home Mortgage Loans			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area	#	\$	% of Total	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing	% Bank Loans	Aggregate	% of Owner-Occupied Housing	% Bank Loans	Aggregate	% of Owner-Occupied Housing	% Bank Loans	Aggregate
Los Angeles	57	\$47,370	54.3	2.4	1.8	2.2	17.2	17.5	14.9	26.6	17.5	25.3	53.7	63.2	57.5	0.1	0.0	0.1
San Francisco-Oakland	48	\$38,699	45.7	4.7	4.2	4.3	15.9	27.1	15.4	35.2	33.3	35.2	44.0	31.3	44.7	0.2	4.2	0.3
Total	105	\$86,069	100.0	3.1	2.9	2.8	16.8	21.9	15.0	29.0	24.8	28.2	51.0	48.6	53.8	0.1	1.9	0.2

Source: 2015 ACS Census; 01/01/2020 - 12/31/2020 Bank Data, 2020 HMDA aggregate data.
Due to rounding, totals may not equal 100.0

Table P : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																		2020
	Total Home Mortgage Loans			Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area	#	\$	% of Total	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate
Los Angeles	47	\$47,370	54.3	24.5	0.0	2.1	16.3	0.0	5.8	16.7	0.0	15.3	42.4	10.5	60.3	0.0	89.5	16.5
San Francisco-Oakland	58	\$38,699	45.7	25.1	0.0	3.5	15.8	0.0	11.1	18.0	2.1	20.1	41.2	10.4	56.2	0.0	87.5	9.0
Total	105	\$86,069	100.0	24.7	0.0	2.5	16.2	0.0	7.3	17.0	1.0	16.7	42.1	10.5	59.1	0.0	88.6	14.3

Source: 2015 ACS Census; 01/01/2020 - 12/31/2020 Bank Data, 2020 HMDA aggregate data.
Due to rounding, totals may not equal 100.0

NEW YORK

Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																		2020	
Assessment Area	Total Home Mortgage Loans			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing	% Bank Loans	Aggregate	% of Owner-Occupied Housing	% Bank Loans	Aggregate	% of Owner-Occupied Housing	% Bank Loans	Aggregate	
New York	20	\$32,774	100.0	2.8	5.0	3.9	17.3	35.0	17.5	33.9	10.0	31.2	45.7	50.0	47.2	0.2	0.0	0.3	
Total	20	\$32,774	100.0	2.8	5.0	3.9	17.3	35.0	17.5	33.9	10.0	31.2	45.7	50.0	47.2	0.2	0.0	0.3	

Source: 2015 ACS Census; 01/01/2020 - 12/31/2020 Bank Data, 2020 HMDA aggregate data.
Due to rounding, totals may not equal 100.0

Table P : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																		2020	
Assessment Area	Total Home Mortgage Loans			Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
	#	\$	% of Total	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	
New York	20	\$32,774	100.0	30.4	0.0	1.2	16.1	5.0	4.9	15.8	5.0	15.0	37.8	15.0	61.8	0.0	75.0	17.0	
Total	20	\$32,774	100.0	30.4	0.0	1.2	16.1	5.0	4.9	15.8	5.0	15.0	37.8	15.0	61.8	0.0	75.0	17.0	

Source: 2015 ACS Census; 01/01/2020 - 12/31/2020 Bank Data, 2020 HMDA aggregate data.
Due to rounding, totals may not equal 100.0