

China Construction Bank Corporation

Capital Management Pillar III

Annual Report 2025



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1 Introduction

1.1 Corporate Introduction

China Construction Bank Corporation, headquartered in Beijing, is a leading large-scale commercial bank in China. Its predecessor, People's Construction Bank of China, was established in October 1954. It was listed on Hong Kong Stock Exchange in October 2005 (stock code: 00939) and Shanghai Stock Exchange in September 2007 (stock code: 601939). At the end of 2025, the Bank's market capitalisation was approximately US\$265,545 million, ranking seventh among all listed banks in the world.

The Bank provides customers with comprehensive financial services, including corporate finance business, personal finance business, treasury and asset management business and others, serving 785 million personal customers and 12.73 million corporate customers. Moreover, it has subsidiaries in various sectors, including fund management, financial leasing, trust, insurance, futures, pension and investment banking. At the end of 2025, the Group had 378,344 staff members and 14,614 operating entities.

1.2 Report Basis

The Report is prepared in accordance with the *Rules on Capital Management of Commercial Banks* issued by National Financial Regulatory Administration.

1.3 Declaration

CCB strictly adheres to regulatory requirements, has established a governance framework for the capital management Pillar III information disclosure, and formulated management policy. The Board of Directors of the Bank has approved the effective internal control process which is implemented by senior management. The process comprehensively enhanced the standardisation and procedural management of information disclosure, ensuring the authenticity and reliability.

The Report has been reviewed by senior management and approved by the Board of Directors on 27 March 2026.

2 Risk Management, Key Prudential Regulatory Indicators and Risk-weighted Assets

2.1 Overview of Key Prudential Regulatory Indicators

According to the regulatory requirements, CCB shall calculate and disclose capital adequacy ratios in accordance with the *Rules on Capital Management of Commercial Banks*. Based on the approval to implement the advanced capital measurement method in 2014, former China Banking and Insurance Regulatory Commission approved the Group to expand the implementation scope of the advanced capital measurement method in April 2020. According to regulatory requirements, the Group continues to apply the Internal Ratings-Based (IRB) Approach to measure capital requirements for credit risk within the approved scope, parts uncovered by IRB using Regulatory Weighting Approach. For both market risk and operational risk, the Standardised Approach is implemented to calculate capital requirements. The Group calculates capital adequacy ratios with both the advanced approach and other approaches and complies with the relevant requirements for capital floors.

Key prudential regulatory indicators include capital adequacy ratios, leverage ratio, and liquidity risk-related metrics. As of 31 December 2025, key prudential regulatory indicators of the Group met regulatory requirements, and the overview is as follows.

Table 1 (KMI): Regulatory Consolidated Key Prudential Regulatory Indicators

(In millions of RMB, except percentages)		a	b	c	d	e
		31 December 2025	30 September 2025	30 June 2025	31 March 2025	31 December 2024
Available capital						
1	Common Equity Tier 1 capital (CET1)	3,464,852	3,437,715	3,367,925	3,232,913	3,165,549
2	Tier 1 capital	3,663,783	3,636,619	3,566,821	3,391,788	3,324,424
3	Total capital	4,663,426	4,607,363	4,582,571	4,427,994	4,303,263
Risk-weighted assets (RWA)						
4	Total RWA	23,685,171	23,943,962	23,483,601	23,123,253	21,854,590
4a	Total RWA (before the application of capital floor)	23,685,171	23,943,962	23,483,601	23,123,253	21,854,590
Capital adequacy ratios						
5	CET1 ratio (%)	14.63	14.36	14.34	13.98	14.48
5a	CET1 ratio (%) (before the application of capital floor)	14.63	14.36	14.34	13.98	14.48
6	Tier 1 ratio (%)	15.47	15.19	15.19	14.67	15.21
6a	Tier 1 ratio (%) (before the application of capital floor)	15.47	15.19	15.19	14.67	15.21
7	Total capital ratio (%)	19.69	19.24	19.51	19.15	19.69
7a	Total capital ratio (%) (before the application of capital floor)	19.69	19.24	19.51	19.15	19.69
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirements (%)	2.50	2.50	2.50	2.50	2.50

(In millions of RMB, except percentages)		a	b	c	d	e
		31 December 2025	30 September 2025	30 June 2025	31 March 2025	31 December 2024
9	Countercyclical buffer requirements (%)	0.00	0.00	0.00	0.00	0.00
10	Bank G-SIBs and/or D-SIBs additional requirements (%)	1.50	1.50	1.50	1.50	1.50
11	Total of bank CET1 specific buffer requirements (%) (8 + 9 + 10)	4.00	4.00	4.00	4.00	4.00
12	CET1 available after meeting the bank's minimum capital requirements (%)	9.47	9.19	9.19	8.67	9.21
Leverage ratio						
13	On and off-balance sheet assets after adjustments	48,093,733	47,630,745	46,673,697	45,123,921	42,755,544
14	Leverage ratio (%)	7.62	7.64	7.64	7.52	7.78
14a	Leverage ratio a (%) ¹	7.62	7.64	7.64	7.52	7.78
14b	Leverage ratio b (%) ²	7.56	7.60	7.71	7.55	7.69
14c	Leverage ratio c (%) ³	7.56	7.60	7.71	7.55	7.69
Liquidity coverage ratio (LCR)⁴						
15	Total high-quality liquid assets (HQLA)	6,875,591	6,683,214	6,373,935	6,311,992	6,237,408
16	Total net cash outflows	5,099,688	5,049,662	5,230,404	5,061,751	4,957,733
17	Liquidity coverage ratio (%)	135.47	132.40	122.06	124.79	125.73
Net stable funding ratio (NSFR)						
18	Total available stable funding	30,556,990	30,455,916	29,823,343	29,382,514	28,158,322
19	Total required stable funding	23,131,933	23,149,418	22,674,562	21,948,714	21,027,700
20	Net stable funding ratio (%)	132.10	131.56	131.53	133.87	133.91

1. The leverage ratio a refers to the leverage ratio calculated by excluding the temporary exemption of deposit reserves and using quarter-end value of securities financing transactions. For detailed information, please refer to the "13. Leverage Ratio" section.

2. The leverage ratio b refers to the leverage ratio calculated by the simple arithmetic mean of the daily balance of securities financing transactions within the latest quarter, without deducting the temporary exemption of deposit reserves. For detailed information, please refer to the "13. Leverage Ratio" section.

3. The leverage ratio c refers to the leverage ratio calculated by excluding the temporary exemption of deposit reserves and using simple arithmetic mean of the daily balance of securities financing transactions within the latest quarter. For detailed information, please refer to the "13. Leverage Ratio" section.

4. The liquidity coverage ratio data above represent simple arithmetic means of the values for each calendar days within the latest quarter. For detailed information, please refer to the "14. Liquidity Risk" section.

In June 2025, the Bank issued 11,589,403,973 A-shares to the Ministry of Finance, with total proceeds of RMB105.0 billion, and net proceeds of RMB104,969 million after deducting issuance-related costs. For details, please refer to the announcement published by the Bank on 25 June 2025.

The following table shows the key prudential regulatory indicators for the Group's Total Loss-Absorbing Capacity (TLAC).

Table 2 (KM2): Key Prudential Regulatory Indicators: Regulatory Requirements for Total Loss-Absorbing Capacity (TLAC) at Resolution Group Level

(In millions of RMB, except percentages)		a	b	c	d
		31 December 2025	30 September 2025	30 June 2025	31 March 2025
1	Total Loss-Absorbing Capacity (TLAC) available	5,305,555	5,255,962	5,219,661	5,056,075
2	Total RWA at the level of the resolution group	23,685,171	23,943,962	23,483,601	23,123,253
3	TLAC as a percentage of RWA (row1/row2, %) ¹	22.40	21.95	22.23	21.87
4	Leverage exposure measure at the level of the resolution group	48,093,733	47,630,745	46,673,697	45,123,921
5	TLAC as a percentage of leverage exposure measure (row1/row4, %)	11.03	11.03	11.18	11.20

1. According to the *Measures for Administration of the Total Loss-Absorbing Capacity of Global Systemically Important Banks*, the bank shall meet both external TLAC risk-weighted ratio requirements (16%) and capital buffer requirements (4%), which include capital conservation buffer (2.5%) and G-SIBs additional capital requirements (1.5%), totalling 20%.

2.2 Overview of Risk Management and Risk-weighted Assets

2.2.1 Risk Management

Risk Management Structure

The Board fulfils risk management responsibilities pursuant to the Articles of Association of the Bank and regulatory requirements. The Board and its Risk Management Committee are responsible for developing risk management strategies and supervising the implementation of such strategies, evaluating the Group's overall risk profile, conducting regular reviews of the Group's statements of risk appetite and communicating the Group's risk appetite through relevant policies. Senior management and its Risk and Internal Control Management Committee are responsible for executing risk management strategies developed by the Board and organising the implementation of comprehensive risk management across the Group.

Risk Management Department is the lead department responsible for the Group's comprehensive risk management and leads market risk management. Credit Management Department is responsible for the overall credit risk management and takes the lead in country risk management. Asset & Liability Management Department is the lead department responsible for the management of liquidity risk and interest rate risk in the banking book. Internal Control & Compliance Department is the lead department responsible for operational risk management. FinTech Department and Internal Control & Compliance Department take joint responsibility in leading IT risk management. Public Relations & Corporate Culture Department is the lead department responsible for reputational risk management. Strategy and Policy Coordination Department is the lead department responsible for strategic risk management. Other types of risks are managed under the Group's comprehensive risk management framework in accordance with relevant policies and division of responsibilities.

The Bank continued to enhance its group-wide integrated risk management system and effectively strengthened look-through risk management of its subsidiaries. It improved the transmission and implementation mechanism of its unified risk appetite, reinforcing the guiding role of risk policies, systems, and limits on subsidiaries' risk controls. This enhances the refined management of subsidiaries in terms of authorisation, limits, and approval. Furthermore, the Bank enhanced the risk management monitoring and evaluation system for subsidiaries. It conducted risk scanning and detection of subsidiaries to clarify the risk profile, and bolstered risk management of key subsidiaries and key businesses, thereby laying a solid foundation for the high-quality development of its subsidiaries.

Group Risk Appetite and Transmission

The Bank emphasises the strategic orientation of risk management centred on risk appetite, highlights the arrangement of risk realization, and focuses on the layout of business structure and development orientation to clarify "what to do", "what not to do", "how much risk will be assumed if we do". Risk appetite represents the judgement of the Board and Senior management on the economic trend in the future, the grasp of bank risk laws and the basic attitude of various risk taking.

Each relevant department of the Head Office transmits risk appetite through resource allocation, capital planning, plan management, performance appraisal, business guidance, risk policies, limits, criteria and other transmission carriers according to the risk appetite approved by the Board to ensure the effective connection between management requirements and risk appetite. Domestic tier one branches, overseas institutions and subsidiaries shall implement the management requirements of the above related transmission carriers, formulate implementation rules and operational regulations in combination with the actual management of the jurisdiction,

and ensure that the operation and management activities meet the requirements of risk appetite.

Risk Culture Building

The Group persisted in fostering a "steady, prudent, comprehensive and proactive" risk culture. It pressed ahead with the implementation of relevant rules for the building of risk culture, and promoted the effective integration of risk culture into management mechanism, rules and policies, business procedures, operating process, technical tools, code of conduct, as well as business management. Leaders of institutions at all levels across the Group took the lead in practicing and promoting risk culture, incorporated it as a key component of business line training programs, and advocate risk awareness through multiple channels including on-site sessions, video conferences, micro-courses, and online classrooms. It attached great importance to the building of risk management team, expanded the reserve of international risk management talents, and enhanced its professional capabilities, and embedded risk management throughout the entire process of business operations and value creation.

Comprehensive Risk Management Report

The Bank has established a risk reporting management system to clarify the responsibilities, types, channels, frequency and timeliness for reporting. Risk reports follow the principles of accuracy, timeliness, integrity, adaptability, sharing and effectiveness, focusing on identifying and resolving issues, and providing management decision support for the Board and Senior management, etc.

Risk Measurement System

The Bank has established a relatively complete risk measurement system, covering the main risk types of credit risk, market risk, and operational risk under Pillar I, as well as liquidity risk, interest rate risk of banking book, concentration risk under Pillar II, which can conduct effective identification, measurement, monitoring, mitigation, control, and reporting of various risks, supporting comprehensive risk management and capital measurement.

Strategies and Process for Identifying, Measuring, Monitoring, Mitigating and Controlling Risks

The Bank continuously improves its risk prevention and control system by establishing governance structures, management systems, business processes, information systems, etc. It identifies, measures, monitors, controls, and mitigates substantive risks faced by its subsidiaries, branches, business lines, and related operations. A combination of quantitative and qualitative methods is employed to effectively measure, assess, and manage various types of risks. For all business exposures, adhering to the principle of substance over form, the Bank identifies the actual risk bearers and substantive risks by analysing dimensions such as the ultimate debtor, underlying assets, fund allocation, and transaction structures. It continuously accumulates historical data, develops and optimises risk measurement models to ensure consistency, objectivity, and accuracy in risk measurement. From the perspectives of data, systems, and applications, the Bank establishes an enterprise-level risk monitoring and early warning system to continuously monitor the group's risk exposures. For substantive risks, the front, middle, and back offices, along with the three lines of defence, collaborate to implement risk control measures, and continuously track and monitor the effectiveness of controls and trends in risk changes.

Stress Testing

The Bank regularly carries out stress testing on credit risk, market risk, operational risk, interest rate risk of banking book, liquidity risk, collateral risk, and country risk in according with regulatory requirements, covering a variety of assets such as loans, financial investments,

financial assets held under resale agreements, and derivatives, and quantitatively analyses the impact on the Bank under different stress scenarios. The test fully considers the characteristics of various risks, establishes different test methods and models, and designs a variety of stress scenarios in combination with the external situation. The Bank continues to leverage the value of stress testing tools and deepen their application in management. Firstly, the credit risk stress testing scenarios provide important references for the scenario settings of the expected credit loss model. Secondly, the stress testing results are used in areas such as internal capital adequacy assessment process (ICAAP), recovery and resolution plans (RRP), reassessment of risk appetite, policy adjustment and risk warning.

Methods and Procedures for Internal Capital Adequacy Assessment Process

The Bank's internal capital adequacy assessment process includes governance structure and performance, major risk assessment and measurement, stress testing, capital assessment and planning, consolidated capital management, and capital emergency management. On the basis of comprehensive assessment of the main risks faced by the Bank, the Bank leverages between capital and risk, establishes a management system of overall consideration of risk and capital, and ensures that the capital level is adapted to the risk statues under various market environments. The Bank carries out internal capital adequacy assessment annually and continues to promote the optimisation of methodology. The Bank has established relatively standardised governance structure, thorough policy system, complete evaluation process, periodic monitoring and reporting mechanism and internal audit policies. At present, the Bank maintains a reasonable risk and capital governance structure, with clearly defined processes, enabling it to effectively manage various risks, properly aligns its capital capability with its operations, risk shifts and movements as well as long-term development strategy, and with all risk exposures well covered, to sustain its business development.

Capital Planning and Capital Adequacy Ratios Management Plan

In accordance with the relevant requirements of the *Rules on Capital Management of Commercial Banks*, the Bank formulated capital planning and capital adequacy ratios management plan. During the reporting period, the Bank implements the *China Construction Bank Capital Planning 2024-2026*. The Bank adheres to the new development philosophy, effectively balances capital supply and demand, focuses on internal capital accumulation and external capital replenishment, and actively seizes opportunities to issue capital instruments to achieve high-quality development in terms of serving the real economy, lean management, intensive capital management, effective risk control, and regulatory compliance. The Bank achieves sustainable internal capital growth by improving profit retention, maintaining reasonable business growth and structural optimisation, and taking capital-intensive approaches. The Bank comprehensively utilizes market-based financing methods to conduct external capital replenishment in a prudent manner, ensuring consistently adequate capital levels and high capital quality.

Within the capital planning framework, the Bank comprehensively considers external operating conditions, future regulatory trends, its strategic plans, risk appetite, and capital adequacy assessments to set capital adequacy ratio targets, ensuring full alignment between capital plans with business and financial plans. The Bank actively leverages the guiding and constraining functions of capital, adheres to a capital-light development strategy, continuously improves the group-wide capital planning and assessment mechanism, thoroughly promotes intensive capital operation and refined management, and conducts regular dynamic monitoring, analysis, and reporting of capital adequacy ratios to ensure all tiers of capital ratios consistently meet regulatory requirements and business development needs.

2.2.2 Overview of Risk Weighted Assets

The following table shows the Group's risk-weighted assets and capital requirements.

Table 3 (OVI): Overview of Risk-weighted Assets

(In millions of RMB)		a	b	c
		Risk-weighted assets		Minimum capital requirements
		31 December 2025	30 September 2025	31 December 2025
1	Credit risk	21,671,505	21,733,928	1,733,721
2	Credit risk (exclusive of counterparty credit risk, credit valuation adjustment risk, asset management products in the banking book, and banking book securitisation)	21,188,634	21,362,282	1,695,091
3	of which: Regulatory weighting approach	6,460,099	6,513,967	516,808
4	of which: Risk exposure formed in the clearing process of securities, commodities, and foreign currencies transactions	0	0	0
5	of which: Amounts below the threshold deductions	402,527	425,773	32,202
6	of which: Foundation internal ratings-based (F-IRB) approach	12,649,159	12,673,991	1,011,933
7	of which: Regulatory mapping approach	-	-	-
8	of which: Advanced internal ratings-based (A-IRB) approach	2,079,376	2,174,324	166,350
9	Counterparty credit risk	100,972	107,808	8,078
10	of which: Standardised approach	100,972	107,808	8,078
11	of which: Current exposure method	-	-	-
12	of which: Other approaches	-	-	-
13	Credit valuation adjustment risk	20,685	22,357	1,655
14	Asset management products in the banking book	329,164	221,600	26,333
15	of which: Look-through approach	145	2,921	12
16	of which: Mandate-based approach	327,082	216,669	26,166
17	of which: 1250% risk weight applies	1,937	2,010	155
18	Banking book securitisation	32,050	19,881	2,564
19	of which: Internal ratings-based approach for securitisation	-	-	-
20	of which: External ratings-based approach for securitisation	2,802	2,355	224
21	of which: Standardised approach for securitisation	6,524	7,148	522
	of which: 1250% risk weight applies	81,099	70,614	6,488
	of which: Adjustment for applying the capital charge cap	(58,375)	(60,236)	(4,670)
22	Market risk	344,608	392,524	27,569
23	of which: Standardised approach	344,608	392,524	27,569
24	of which: Internal model-based approach (IMA)	-	-	-

(In millions of RMB)		a	b	c
		Risk-weighted assets		Minimum capital requirements
		31 December 2025	30 September 2025	31 December 2025
25	of which: Simplistically standardised approach	-	-	-
26	Capital charge for switch between trading book and banking book	3,799	73,091	304
27	Operational risk	1,665,259	1,744,419	133,221
28	Additional adjustments due to the application of capital floor	0	0	
29	Total	23,685,171	23,943,962	1,894,815

3 Capital and Total Loss Absorbing Capacity (TLAC) Composition

3.1 Main Features of Regulatory Capital Instruments and Eligible External TLAC Instruments

In compliance with the relevant requirements of the *Rules on Capital Management of Commercial Banks* released by National Financial Regulatory Administration, the main features of regulatory capital instruments and eligible external TLAC instruments are published on CCB website separately from the report.

(Website link: <https://en.ccb.com/eng/investor/announcement/regulatorycapital/index.shtml>).

3.2 Capital Composition

The following table shows the Group's regulatory capital composition, and the corresponding relationship with the regulatory consolidated balance sheet.

Table 4 (CC1): Composition of Regulatory Capital

(In millions of RMB, except percentages)		a	b
		31 December 2025 Amount	Code
Common Equity Tier 1 capital (CET1): instruments and reserves			
1	Qualifying common share capital and capital reserve	490,687	e+g
2	Retained earnings	2,951,079	
2a	Surplus reserve	434,687	h
2b	General reserve	586,449	i
2c	Undistributed profits	1,929,943	j
3	Accumulated other comprehensive income	26,669	
4	Non-controlling interest given recognition in Common Equity Tier 1 capital	4,271	
5	Common Equity Tier 1 capital (CET1) before regulatory adjustments	3,472,706	
Common Equity Tier 1 capital (CET1): regulatory adjustments			
6	Prudent valuation adjustments	-	
7	Goodwill (net of deferred tax liabilities)	2,061	a-c
8	Other intangible assets (excluding land use rights) (net of deferred tax liabilities)	4,970	b-d
9	Net deferred tax assets relying on future profitability and arising from operating losses	-	
10	Cash flow hedge reserves that relate to the hedging of items that are not fair valued on the balance sheet	823	
11	Shortfall of provisions to expected losses	-	
12	Gains from sales of securitisation	-	
13	Unrealised profit / loss arising from the changes in own credit risk on fair values of liability	-	
14	Net defined-benefit pension assets (net of deferred tax liabilities)	-	
15	Directly or indirectly investments in own shares	0	
16	Deduction for reciprocal cross-holdings in common equity	-	
17	Deduction for non-significant investments in the Common Equity Tier 1 capital of financial institutions outside the regulatory scope of consolidation	-	
18	Deduction for significant investments in the Common Equity Tier 1 capital of financial institutions outside the regulatory scope of consolidation	-	
19	Deduction for deferred tax assets relying on the Bank's future profitability	-	

(In millions of RMB, except percentages)		a	b
		31 December 2025	Code
		Amount	
20	Deduction for significant investments in the capital of financial institutions outside the regulatory scope of consolidation and other net deferred tax assets that rely on the Bank's future profitability after all deduction (amount exceeding the 15% threshold)	-	
21	of which: Deduction for significant investments in the capital of financial institutions	-	
22	of which: Deduction for other deferred tax assets that rely on the Bank's future profitability	-	
23	Other deductions for Common Equity Tier 1 capital	-	
24	Deduction for Common Equity Tier 1 capital due to insufficient Additional Tier 1 and Tier 2	-	
25	Total regulatory adjustments to Common Equity Tier 1 capital (CET1)	7,854	
26	Common Equity Tier 1 capital (CET1)	3,464,852	
Additional Tier 1 capital (AT1): instruments			
27	Qualifying Additional Tier 1 instruments	199,977	
28	of which: Equity	199,977	
29	of which: Liabilities	-	
30	Non-controlling interest given recognition in Additional Tier 1 capital	142	
31	Additional Tier 1 capital (AT1) before regulatory adjustments	200,119	
Additional Tier 1 capital (AT1): regulatory adjustments			
32	Direct or indirect investments in own Additional Tier 1 instruments	-	
33	Deduction for reciprocal cross-holdings in the Additional Tier 1 instruments	-	
34	Deduction for non-significant investments in the Additional Tier 1 capital of financial institutions outside the regulatory scope of consolidation	-	
35	Significant investments in the Additional Tier 1 capital of financial institutions outside the regulatory scope of consolidation	1,188	
36	Other deductions for Additional Tier 1 capital	-	
37	Deduction for Additional Tier 1 due to insufficient Tier 2	-	
38	Total regulatory adjustments to Additional Tier 1 capital (AT1)	1,188	
39	Additional Tier 1 capital (AT1)	198,931	
40	Tier 1 capital (T1 = CET1 + AT1)	3,663,783	
Tier 2 capital: instruments and provisions			
41	Qualifying Tier 2 instruments	638,904	
42	Non-controlling interest given recognition in Tier 2 capital	229	
43	Provisions in Tier 2	360,510	
44	Tier 2 capital before regulatory adjustments	999,643	
Tier 2 capital: regulatory adjustments			
45	Direct or indirect investments in own Tier 2 instruments	-	
46	Reciprocal cross-holdings in Tier 2 instruments and TLAC investment	-	
47	Deduction for non-significant investments in Tier 2 capital of financial institutions outside the regulatory scope of consolidation	-	
47a	Deduction for non-significant investments in TLAC of financial institutions outside the regulatory scope of consolidation (applicable for G-SIBs only)	-	
48	Deduction for significant investments in the Tier 2 capital of financial institutions outside the regulatory scope of consolidation	-	
48a	Deduction for significant investments in TLAC of financial institutions outside the regulatory scope of consolidation	-	

(In millions of RMB, except percentages)		a	b
		31 December 2025	Code
		Amount	
	(applicable for G-SIBs only)		
49	Other deductions for Tier 2 capital	-	
50	Total regulatory adjustments to Tier 2 capital	-	
51	Tier 2 capital	999,643	
52	Total capital (= Tier 1 + Tier2)	4,663,426	
53	Total RWA	23,685,171	
Capital adequacy ratios and capital requirements			
54	CET1 ratio (%)	14.63	
55	Tier 1 ratio (%)	15.47	
56	Total capital ratio (%)	19.69	
57	Additional CET1 buffer requirements (%)	4.00	
58	of which: Capital conservation buffer requirements	2.50	
59	of which: Countercyclical buffer requirements	0.00	
60	of which: Bank G-SIBs and/or D-SIBs additional requirements	1.50	
61	CET1 available after meeting the bank's minimum capital requirements (%)	9.47	
Minimum regulatory capital requirements			
62	CET1 ratio (%)	5.00	
63	Tier 1 ratio (%)	6.00	
64	Total capital ratio (%)	8.00	
Amounts below the threshold for deductions			
65	Amount not deducted from non-significant investments in the capital of other financial institutions outside of the regulatory scope of consolidation	146,091	
65a	Amount not deducted from non-significant investments in TLAC of other financial institutions outside the regulatory scope of consolidation (applicable for G-SIBs only)	53,531	
66	Amount not deducted from significant investments in the capital of other financial institutions outside of the regulatory scope of consolidation	16,813	
67	Other deferred tax assets relying on the Bank's future profitability (net of deferred tax liabilities)	138,366	
Caps on the inclusion of provisions in Tier 2 capital			
68	Excess of provisions to expected losses related to portfolios uncovered by IRB approach	195,967	
69	Excess of provisions to expected losses related to portfolios uncovered by IRB approach to be included in Tier 2 capital	85,716	
70	Excess of provisions to expected losses related to portfolios covered by IRB approach	292,668	
71	Excess of provisions to expected losses related to portfolios covered by IRB approach to be included in Tier 2 capital	274,795	

3.3 Reconciliation of Accounting Balance Sheet to Balance Sheet under the Regulatory Scope of Consolidation

As of 31 December 2025, the difference between the scope of the Group's regulatory consolidation and accounting consolidation mainly included CCB Life Insurance Co., Ltd., as well as other insurance and industrial and commercial subsidiaries. Detailed information of CCB Life Insurance Co., Ltd. is disclosed in the annual report of CCB.

The following table shows the differences between the Group's balance sheet of the accounting scope of consolidation and regulatory scope of consolidation and the constitutive relation between the balance sheet and the capital items disclosed in Table CC1.

Table 5 (CC2): Reconciliation of Accounting Balance Sheet to Balance Sheet under the Regulatory Scope of Consolidation

(In millions of RMB)		a	b	c
		31 December 2025		Code
		Balance sheet of the accounting scope of consolidation	Balance sheet of the regulatory scope of consolidation	
Assets				
1	Cash and deposits with central banks	3,054,199	3,054,199	
2	Deposits with banks and non-bank financial institutions	190,622	174,972	
3	Precious metals	190,225	190,225	
4	Placements with banks and non-bank financial institutions	819,823	819,822	
5	Positive fair value of derivatives	49,300	49,300	
6	Financial assets held under resale agreements	856,818	844,997	
7	Loans and advances to customers	26,926,790	26,929,094	
8	Financial investments	12,897,352	12,590,680	
9	Financial assets measured at fair value through profit or loss	874,994	757,602	
10	Financial assets measured at amortised cost	7,739,652	7,698,248	
11	Financial assets measured at fair value through other comprehensive income	4,282,706	4,134,830	
12	Long-term equity investments	27,781	44,954	
13	Fixed assets	165,235	163,920	
14	Construction in progress	6,002	5,751	
15	Land use rights	11,548	11,500	
16	Intangible assets	5,611	4,970	b
17	Goodwill	2,416	2,061	a
18	Deferred tax assets	139,747	138,366	
19	Other assets	288,349	269,312	
20	Total assets	45,631,818	45,294,123	
Liabilities				
21	Borrowings from central banks	1,096,307	1,096,307	
22	Deposits from banks and non-bank financial institutions	4,287,217	4,289,936	
23	Placements from banks and non-bank financial institutions	499,957	497,508	
24	Financial liabilities measured at fair value through profit or loss	324,230	323,061	
25	Negative fair value of derivatives	89,804	89,777	
26	Financial assets sold under repurchase agreements	1,490,932	1,463,224	

(In millions of RMB)		a	b	c
		31 December 2025		Code
		Balance sheet of the accounting scope of consolidation	Balance sheet of the regulatory scope of consolidation	
27	Deposits from customers	30,835,574	30,840,310	
28	Accrued staff costs	70,004	67,655	
29	Taxes payable	30,896	30,252	
30	Provisions	25,806	25,800	
31	Debt securities issued	2,593,524	2,581,168	
32	Deferred tax liabilities	2,576	901	
33	of which: Related to goodwill	-	-	c
34	of which: Related to intangible assets	-	-	d
35	Other liabilities	598,914	301,197	
36	Total liabilities	41,945,741	41,607,096	
Equity				
37	Share capital	261,600	261,600	e
38	Other equity instruments - preference shares	59,977	59,977	
39	Other equity instruments - perpetual bonds	140,000	140,000	
40	Capital reserve	229,113	229,087	g
41	Other comprehensive income	20,566	26,669	
42	Surplus reserve	434,687	434,687	h
43	General reserve	587,051	586,449	i
44	Undistributed profits	1,930,417	1,929,943	j
45	Total equity attributable to equity shareholders of the Bank	3,663,411	3,668,412	
46	Non-controlling interests	22,666	18,615	
47	Total equity	3,686,077	3,687,027	

3.4 Composition of Total Loss-Absorbing Capacity (TLAC)

The following table shows the Group's TLAC composition.

Table 6 (TLAC1): TLAC Composition for G-SIBs (at resolution group level)

(In millions of RMB, except percentages)		a
		31 December 2025
		Amount
Regulatory capital elements of TLAC and adjustments		
1	Common Equity Tier 1 capital (CET1)	3,464,852
2	Additional Tier 1 capital (AT1) before TLAC adjustments	198,931
3	Deduction items of TLAC (if applicable)	-
4	Additional Tier 1 instruments eligible under the TLAC framework	198,931
5	Tier 2 capital before TLAC adjustments	999,643
6	Amortised portion of Tier 2 instruments where remaining maturity > 1 year	-
7	Deduction items of TLAC (if applicable)	-
8	Tier 2 instruments eligible under the TLAC framework	999,643
9	TLAC arising from regulatory capital	4,663,426
Non-regulatory capital elements of TLAC		
10	External TLAC instruments issued directly by the bank and subordinated to excluded liabilities	50,000

(In millions of RMB, except percentages)		a
		31 December 2025
		Amount
11	External TLAC instruments issued directly by the bank which are not subordinated to excluded liabilities	
12	of which: amount eligible as TLAC after application of the caps	
13	Eligible ex ante commitments to recapitalise a G-SIBs in resolution	592,129
14	TLAC arising from non-regulatory capital instruments before deduction	642,129
Non-regulatory capital elements of TLAC: adjustments		
15	TLAC before deductions	5,305,555
16	Deductions of exposures between MPE resolution groups that correspond to items eligible for TLAC (not applicable to SPE G-SIBs)	-
17	Deduction of investments in own other TLAC liabilities	-
18	Other adjustments to TLAC	-
19	TLAC after deductions	5,305,555
RWA and leverage exposure measure for TLAC purposes		
20	Total RWA	23,685,171
21	Leverage exposure measure	48,093,733
TLAC ratios and buffers		
22	TLAC (as a percentage of RWA adjusted as permitted under the TLAC regime) (%)	22.40
23	TLAC (as a percentage of leverage exposure) (%)	11.03
24	CET1 (as a percentage of RWA) available after meeting the resolution group's minimum capital and TLAC requirements (%)	6.40
25	Additional CET1 buffer requirements (%)	4.00
26	of which: Capital conservation buffer requirements	2.50
27	of which: Countercyclical buffer requirements	0.00
28	of which: Bank G-SIBs and/or D-SIBs additional requirements	1.50

3.5 Creditor Ranking at Legal Entity Level for Material Subgroup Entity and Resolution Entity

The following table shows the creditor ranking information of the material subgroup entity.

Table 7 (TLAC2): Material Subgroup Entity - Creditor Ranking at Legal Entity Level

(In millions of RMB)		31 December 2025		Sum of 1-2
		Creditor ranking		
		1	2	
		most junior	most senior	
1	Is the resolution entity the creditor/investor?	Yes	Yes	
2	Description of creditor ranking	Common Shares	Additional Tier 1 capital instruments (Undated Capital Bonds)	
3	Total capital and liabilities net of credit risk mitigation	25,878	20,939	46,817
4	Subset of row 3 that are excluded liabilities	-	-	-
5	Total capital and liabilities less excluded liabilities (row 3 minus row 4)	25,878	20,939	46,817
6	Subset of row 5 that are eligible as TLAC	25,878	20,939	46,817
7	Subset of row 6 with 1 year ≤ residual maturity < 2	-	-	-

		31 December 2025		
(In millions of RMB)		Creditor ranking		Sum of 1-2
		1 most junior	2 most senior	
	years			
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	-	-	-
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	-	-	-
10	Subset of row 6 with residual maturity ≥ 10 years, but excluded perpetual securities	-	-	-
11	Subset of row 6 that is perpetual securities	25,878	20,939	46,817

The following table shows the creditor ranking information of the Group resolution entity.

Table 8 (TLAC3): Resolution Entity - Creditor Ranking at Legal Entity Level

		31 December 2025						Sum of 1 - 5
(In millions of RMB)		Creditor Ranking						
		1 most junior	2	3	4	5 most senior		
1	Description of creditor ranking	Common Shares	of which: Equity instruments	Additional Tier 1 capital instruments (Preference Shares)	Additional Tier 1 capital instruments (Undated Capital Bonds)	Tier 2 capital instruments	Non-regulatory Capital Elements of TLAC	
2	Total capital and liabilities net of credit risk mitigation	490,634	295,797	59,977	140,000	638,904	50,000	1,379,515
3	Subset of row 2 that are excluded liabilities	-	-	-	-	-	-	-
4	Total capital and liabilities less excluded liabilities (row 2 minus row 3)	490,634	295,797	59,977	140,000	638,904	50,000	1,379,515
5	Subset of row 4 that are potentially eligible as TLAC	490,634	295,797	59,977	140,000	638,904	50,000	1,379,515
6	Subset of row 5 with 1 year ≤ residual maturity < 2 years	-	-	-	-	-	-	-
7	Subset of row 5 with 2 years ≤ residual maturity < 5 years	-	-	-	-	-	50,000	50,000
8	Subset of row 5	-	-	-	-	485,930	-	485,930

31 December 2025

(In millions of RMB)		Creditor Ranking					Sum of 1 - 5	
		1	2	3	4	5		
		most junior				most senior		
	with 5 years \leq residual maturity < 10 years							
9	Subset of row 5 with residual maturity \geq 10 years, but excluded perpetual securities	-	-	-	-	152,974	-	152,974
10	Subset of row 5 that is perpetual securities	490,634	295,797	59,977	140,000	-	-	690,611

4 Links Between Financial Statements and Regulatory Exposures

4.1 Explanations of Differences Between Accounting Book Values and Regulatory Exposure Amounts

The Report has been prepared in accordance with the *Rules on Capital Management of Commercial Banks*, rather than the *Accounting Standards for Business Enterprises*. Therefore, there might be discrepancies between the regulatory data and financial data presented herein, primarily attributable to differences in the scope of regulatory consolidation versus accounting consolidation. Furthermore, factors such as off-balance sheet conversion, impairment provisions, and net settlement required in the calculation process give rise to variances between risk exposures and accounting book values under regulatory consolidation.

Valuation Techniques

The fair value of financial instruments that are traded in an active market is based on their quoted market prices in an active market at the valuation date. A quoted market price is a price from an active market where price information is readily and regularly available from an exchange or from a dealer quotation and where this price information represents actual and recurring orderly transactions.

For all other financial instruments, the Group determines fair values using valuation techniques which include discounted cash flow models, as well as other types of valuation model. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, foreign currency exchange rates, credit spreads and the liquidity premium. Where discounted cash flow techniques are used, estimated cash flows are based on management's best estimates and the discount rate used is a market rate at the end of each reporting period applicable for an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on the maximising observable market data at the end of each reporting period. However, where market data is not available, the Group needs to make the best estimates on such unobservable market inputs.

The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants in an orderly transaction.

Valuation Process, Technique, and Input

The Board is responsible for establishing a robust internal control policy of valuation, and takes the ultimate responsibility for the adequacy and effectiveness of internal control system. According to the requirements of the Board, senior management is responsible for organising and implementing the internal control system over the valuation process to ensure the effectiveness of the internal control system of valuation.

The Group has established an independent valuation process for financial assets and financial liabilities. The relevant departments are responsible for performing valuation, verifying valuation model and accounting of valuation results. For the year ended 31 December 2025, there was no significant change in the valuation techniques or inputs used to determine fair values as compared to those used for the year ended 31 December 2024.

Treatment of Insurance Subsidiaries

When calculating consolidated capital regulatory metrics, the Group does not include insurance companies with majority voting rights or control rights in the consolidation scope, in accordance with the relevant provisions of the *Rules on Capital Management of Commercial Banks*. The Group deducts equity investment in insurance subsidiaries from regulatory capital

through thresholds for deduction, with the undeducted portion treated as equity investments in insurance subsidiaries to calculate credit risk-weighted assets. The Group does not incorporate the surplus reserves of insurance subsidiaries when calculating the capital adequacy ratios.

5 Remuneration

5.1 Remuneration Policy

Remuneration Management Structure and Decision-making Process

In accordance with corporate governance requirements, the Bank continues to improve its remuneration management structure, defines the responsibility boundaries of relevant bodies and the remuneration distribution mechanism, and consistently enhances the systematic remuneration management system that involves full participation of all stakeholders. The performance evaluation and remuneration plan for directors and senior management of the Bank, along with the remuneration management policy, shall be reviewed and approved by the Nomination and Remuneration Committee and then be submitted to the Board for review. Matters concerning the remuneration distribution for directors shall be submitted to the shareholders' meeting for approval.

At the end of 2025, the Nomination and Remuneration Committee consisted of five directors. Mr. Leung Kam Chung, Antony, independent non-executive director of the Bank, served as chairman of the committee. Members included Ms. Li Lu, Ms. Li Li, Lord Sassoon and Mr. Zhang Weiguo. Two of these members were non-executive directors, and three were independent non-executive directors.

The primary responsibilities of the Nomination and Remuneration Committee include:

- organising the formulation of standards and procedures for the election of directors and senior management members of the Bank, and submitting the proposed standards and procedures to the Board for decision;
- selecting and reviewing candidates for directors and senior management members as well as their appointment qualifications;
- making suggestions to the Board on the nomination, appointment or removal of directors as well as the appointment or removal of senior management members;
- proposing to the Board on candidates for members of special committees of the Board;
- listening to development plans for the senior management members and fostering plans for the key backup talents;
- reviewing the Bank's remuneration management policy submitted by the president, and submitting it to the Board for decision;
- organising the preparation of performance evaluation methods and remuneration plans for directors, and submitting them to the Board for review;
- organising the preparation of performance evaluation methods and remuneration plans for the senior management members, and submitting them to the Board for decision;
- organising performance evaluation on directors, making proposals on the distribution of remuneration of directors, and submitting it to the Board for review;
- organising performance evaluation for the senior management members, making suggestions on remuneration distribution for the senior management members of the Bank, and submitting it to the Board for decision;
- supervising the implementation of the Bank's performance evaluation policy and remuneration policy;

- other duties and powers stipulated by laws, regulations, regulatory provisions and the Articles of Association of the Bank.

In 2025, the Nomination and Remuneration Committee convened a total of ten meetings.

The remuneration of members of the Nomination and Remuneration Committee is disclosed in the chapter *Remuneration of Directors and Senior Management* in the *China Construction Bank Corporation 2025 Annual Report*.

Senior management and key personnel are individuals identified by the Bank based on factors such as its organizational structure and characteristics, market scale, and risk control capabilities, who have a direct or significant impact on operational risk.

Remuneration Policy

The Bank continues to improve its remuneration policy in accordance with regulatory requirements and regularly reviews and revises as appropriate in line with the management requirements of superior departments and the internal management system, to fully utilise the incentive and restraint functions of performance-based remuneration. The Bank establishes the principle of assessment and assignment that encourages value creation, allocates the salary resources to operation institutions, front office departments and positions that directly create value, strictly implements incentive and guarantee policies and strengthens income guarantee for frontline employees, to enhance the sense of gain of staff. The Bank strengthens remuneration management over overseas operations and subsidiaries, and optimises income distribution structures, and improve incentive protection mechanisms. Additionally, the Bank further refines its performance management system and incentive-constraint mechanisms to enhance the Group's management standards and operational efficiency. The Bank continues to improve the deferred payment and claw back management mechanisms for performance-based salary, and senior management and key personnel strictly implement the deferred payment and claw back policy for performance-based salary. For employees who have received disciplinary action or other penalties due to violation of regulations or dereliction of duty, their salary shall be deducted in accordance with relevant methods.

The remuneration management policy applies to all types of operations and employees across the bank. The remuneration for staff engaging in risk and compliance management is independent from the business sectors they supervised and has nothing to do with the performance evaluation of the business lines they supervise. Their performance objective is consistent with the risk control responsibilities they undertake.

Remuneration and Risks

Risk measurement factors are reflected in allocation of gross staff cost, allocation linked with staff cost in grass-roots institutions and business lines and staff salary distribution. The Bank supports risk control behaviours, as well as other behaviours that are consistent with the risk framework system and long-term financial indicator and focuses on the ratio of fixed to flexible remuneration, in order to achieve an appropriate balance. The fixed salary portion can attract and keep skilled staff, while flexible remuneration can stimulate staff that have remarkable performance but prohibit excessive risk-taking, both of which support the Bank in realising its business strategies and targets within the controllable risk goals and risk management framework.

Remuneration and Performances

Staff remuneration of the Bank includes fixed salary and performance-based salary. Fixed salary mainly relates to staff's years of working and job level, representing the fundamental guarantee and overall balance. Performance-based salary reflects the completion status of

objective and performance assessment result and mainly relates to economic value added ("EVA"), pre-provision operating profit, completion of strategic business indicators, and KPI results.

The Bank consistently pays high attention to maintaining the balance between long-term and short-term development where remuneration distribution is concerned, and through performance-based remuneration, seeks to identify the optimal synergies between the balanced development of existing businesses and long-term stable and sustainable development. In this regard, the policies and methods currently adopted mainly include: 1) adopting a performance-based compensation allocation method based on EVA, which not only reflects the realisation of revenue for current period, but also takes into account the pre-provision operating profit, asset quality and economic capital constraints, and pays attention to stability, coordination and sustainability; 2) establishing a deferred balance mechanism and a pool of performance-based bonuses to reduce significant volatilities between different years, and support the continuous and steady development; and 3) allocating strategic performance-based remunerations specifically for bank-wide strategic business initiatives and customer acquisition, promoting long-term sustainable development and enhancing value creation capabilities.

Flexible Remuneration Payment Tools

Pursuant to relevant government policies, the Bank's payment tools of flexible remuneration include cash and equity. After the implementation of the first employee stock incentive plan of the Bank in July 2007, the Bank did not add new participants or implement any new round of stock incentive plan in subsequent years. In the future, the Bank will pay close attention to regulatory policies and peer dynamics, and timely explore and innovate incentive methods.

6 Credit Risk

6.1 Credit Risk Management

Credit Risk Management Framework

The Bank maintains a steady and prudent risk appetite, and adheres to the basic principle that business development should be subject to risk prevention and control capabilities. Risk management covers all business segments of the Group, including domestic branches, as well as overseas operations, and subsidiaries. Guided by a unified credit policy, the Bank focuses on serving the real economy and prioritized business to support key national strategies, areas and weak links for long-term sustainable development. The Bank strikes the balance between development and security, reinforces the collaboration of the "three lines of defence" in risk control, and effectively carries out tasks related to supporting the real economy while preventing and resolving financial risks.

Credit Risk Management Policy

Based on its development strategy and risk appetite, the Bank has formulated credit risk management policies, which include:

Industry policies: strictly implementing macroeconomic policies and industrial policy, complying with the trend of national economic restructuring, implementing major national strategies, actively supporting the upgrading of traditional industries and technological innovation of enterprises, comprehensively promoting the development of technology finance, green finance, inclusive finance, pension finance and digital finance, and guiding the whole Bank to actively optimize credit allocation across industries; effectively preventing systemic risks and concentration risks across industries by refining industry classification and enhancing differentiated policies.

Customer policies: establishing a tiered management framework that integrates national industrial policies with the Bank's risk appetite and sectoral risk profiles. It defines minimum entry thresholds and multi-dimensional classification criteria to optimize client selection. Segment-specific credit policies are implemented based on in-depth needs analysis, driving enhanced integrated financial service delivery capabilities.

Regional policies: implementing differentiated regional policy arrangements for key industries, which are based on national regional development strategy, major regional development strategy, and regional economic characteristics, fully considering the resource endowments, market environment, growth potential, and management foundation across different branch locations.

Credit Risk Limit

The Bank has established a customer-centric comprehensive financing approval system for corporate customers, integrating the credit and non-credit investment and financing businesses of the same customer across CCB Group into unified approval management, which effectively strengthened the integrated and collaborative risk control.

The Bank formulates industry limit management plan on an annual basis, determines the upper limit of each industry's annual new business volume through optimisation allocation model, guides the whole Bank to conduct various businesses in a safe and orderly manner under the unified risk appetite of the Group, and prioritises the limited resources to key strategic areas and capital-intensive areas, to promote balanced development of returns, risks and capital.

Credit Risk Management and Internal Control Structure

The Bank implements unified credit risk management, in accordance with the principle of "full penetration", the Credit Management Department is the leading department responsible for overall management of the Group's credit risk. The Risk Management Department takes the lead in the development and implementation of the credit risk measurement tools including customers rating and facilities grading. The Special Assets Resolution Department is responsible for the special assets resolutions. The Credit Approval Department is responsible for specific credit management work such as comprehensive credit limits and credit approval of various credit businesses for the Group's customers. With the Credit Management Department taking the lead, collaborated and supported by the Credit Approval Department and the Risk Management Department and coordinate with other departments such as the Corporate Banking Department, the Inclusive Finance Department, the Rural Revitalisation Finance Department, the Institutional Banking Department, the International Business Department, the Strategic Clients Department, the Housing Finance & Personal Lending Department, the Credit Card Centre, and the Legal Department to implement credit risk management policies and procedures.

The objective of the Bank's internal control is to reasonably ensure the compliance of operation and management with laws and regulations, the safety of assets, the authenticity and integrity of financial reports and relevant information, improve operational efficiency and effectiveness, and promote the implementation of development strategies. The Board of Directors is responsible for establishing, improving and effectively implementing internal controls, evaluating their effectiveness, and supervising the effective operation of the internal control system in accordance with the requirements regarding the standardised system of enterprise internal control. Considering that the purpose of the above risk management and internal control system is to manage rather than eliminate the risk of failing to achieve business objectives, the Board can only reasonably but not absolutely guarantee that the relevant rules can prevent any major misrepresentation or loss. The Bank's senior management is responsible for organising and leading the daily operation of internal control. The Bank has established an internal control organisational structure consisting of internal control management department, business department and audit department with reasonable division of functions, definite responsibilities and clear reporting relationship. Among them, the internal control management department is the functional department leading the internal control management, leading the overall planning, organisation, implementation, inspection and evaluation of the internal control system. The business department is responsible for the construction and implementation as well as effectiveness of its own internal control. The audit department performs the function of supervision.

In 2025, the Bank continued to improve the digital monitoring mechanism, and strengthened the support of internal control management tools, and leveraged the internal control evaluation system and business compliance platform to enhance the effectiveness of the Bank's internal control management with high-quality and efficient internal control evaluation. The Board and its Audit Committee assess the effectiveness of internal control and review the internal control assessment report annually. The assessment concluded that there was no material deficiency in the internal control over financial reporting of the Bank, and no material deficiency was detected in the internal control over non-financial reporting. The Board believed that the Bank conducted effective internal control over financial reporting in all major aspects in compliance with the requirements regarding the standardised system of enterprise internal control and other relevant regulations.

Credit Risk Prevention and Control System

The Bank implements the comprehensive risk management requirements of "full coverage,

whole processes, all participation, systemic knowledge, global vision and enterprise-wide governance", and focuses on the overall situation based on overall considerations. According to the risk management requirements of "three lines of defence", the first line of defence (business operation and management departments) is responsible for comprehensively, accurately, and timely understanding customer situations, implementing risk control requirements throughout business processes, timely identifying, reporting, and responding to risk. The second line of defence (credit risk management departments) is responsible for overseeing and supervising risk control and internal control processes, and maintaining scientific and rational risk judgment. It continues to enhance professional capabilities, provides more scientific and effective policies, systems, models, and tools to support front-line operations, and delivers agile and professional services. The third line of defence (internal audit department) maintains highly independence, professionalism, and authority, and promptly identifies and issues risk alerts.

Credit Risk Reporting

The Bank has integrated credit risk management into its comprehensive risk management system, incorporating key aspects of credit risk management, including asset quality management, financial asset risk classification, collateral management, and the operation of its internal credit risk rating system as integral components of its comprehensive risk management report. These are regularly reported to the Board of Directors and senior management.

6.2 Credit Risk Measurement

This chapter shows the banking book credit risk exposure under different measurement methods, excluding counterparty credit risk, credit valuation adjustment risk, asset management products and securitisations.

6.2.1 Regulatory Weighting Approach

The following table shows the credit risk exposure uncovered by IRB approach grouped by risk weight.

Table 9 (CR5-2): Credit Risk Exposure and Credit Conversion Factor (By Risk Weight)

(In millions of RMB, except percentages)		a	b	c	d
		31 December 2025			
Risk weight		On-balance sheet assets ¹	Off-balance sheet assets before conversion ¹	Average CCF	On/off-balance sheet risk exposure (after conversion, and risk mitigation) ²
1	Lower than 40%	15,952,353	213,624	11.82%	16,499,844
2	40-70%	502,753	95,129	38.14%	525,729
3	75%	2,920,882	1,084,058	10.78%	3,030,482
4	85%	34,317	16,331	50.84%	36,737
5	90-100%	1,476,976	545,490	46.28%	1,234,453
6	105-130%	7,037	3,242	39.02%	8,053
7	150%	23,124	475	22.27%	21,285
8	250%	268,627	-	-	268,627
9	400%	127	-	-	127
10	1250%	21,840	-	-	21,840
11	Total	21,208,036	1,958,349	22.49%	21,647,177

1. On-balance sheet assets and off-balance sheet assets before conversion refer to asset balance without considering credit risk mitigation.

2. On/off-balance sheet risk exposure (after conversion and risk mitigation) cannot be directly calculated with columns a, b and c due to the consideration of risk mitigation.

6.2.2 Internal Ratings-based Approach

Internal Ratings-based Model Management

The Bank's Internal Ratings-based Model is developed by the Measurement Model Development Division of Risk Management Department and validated by the Validation Management Division of Risk Management Department, and the Audit Department conducts audit work on the model development and validation. Model development, validation and audit are independent.

The Internal Ratings-based Model is approved by senior management. The Risk Management Department promptly updates models based on post-implementation monitoring results. The Bank's validation reports comprehensively cover model methodology, data samples, model performance, and support systems in compliance with regulatory requirements.

Internal Ratings-based Model Main Features

For non-retail business, the primary Internal Ratings-based approach has been implemented after being approved by regulator, including risk exposures of corporates and financial institutions. The scope of institutions covers the Bank and CCB Asia. The customer rating methods and parameters meet the relevant requirements of advanced capital measurement methods. The non-retail internal rating system includes more than 20 corporate risk exposure models and nearly 10 financial institution risk exposure models. Under the similar risk exposures, the differentiated design of the evaluation index system reflects the differentiated risk law and evaluation logic of different types of customers and sets differentiated evaluation parameters according to the historical risk levels. Default probability refers to the likelihood of customers defaulting within the next year. The Bank primarily constructs non-retail customer rating models using statistical methods based on its internally accumulated historical data. For low-default portfolios, default probability estimates are determined by referencing obtainable external data. The bank strictly adheres to the regulatory bottom line for default probability in terms of non-retail business.

For retail business, the pooling model is applied, for which the advanced internal ratings-based approach is approved to be used, to address retail risk exposures, including risk exposures to individual residential mortgage, qualified revolving retail and other retails, and the institutions cover domestic legal entities. The retail internal rating system consists of 13 retail pooling models. The default probability and credit conversion factor pools under similar risk exposures are divided based on product types, overdue status, and other conditions. The loss given default pools are divided based on product types, default status, and other conditions. The Bank's retail pools set the bottom-line default probability parameters in accordance with the *Rules on Capital Management of Commercial Banks*. The discounted cash flow method is used to calculate the loss given default, and the settlement period is determined according to the settlement curve, and the recession period is adjusted. Retail poolings use the 12-month fixed term method to estimate the credit conversion factors, which represents that, for each observation sample in the data set, the default result is associated with the debtor and debt characteristics 12 months before the default.

The proportion of default risk exposure covered by the internal rating-based approach in the total default risk exposure is 54.71%, and the proportion of risk-weighted assets covered by the internal rating-based approach in the total risk weighted assets is 69.51%.

The following table shows the credit risk exposure covered by IRB approach under different categories of risk exposure and PD ranges.

Table 10 (CR6): Credit Risk Exposure under the F-IRB Approach (By Category of Risk Exposure and PD Range)

Credit Risk Exposure under the F-IRB Approach

(In millions of RMB, except percentages and the number of obligors)		a	b	c	d	e	f	g	h	i	j	k	l	
		31 December 2025												
Category of risk exposure	PD ranges (%)	On-balance sheet assets ¹	Off-balance sheet assets before conversion ¹	Average CCF	EAD (after risk mitigation and conversion) ²	Average PD (weighted EAD) ²	Number of obligors	Average LGD ²	Average maturity (year) ²	Risk-weighted assets ²	Risk weight	Expected loss ²	Provisions	
Financial institutions	[0.00,0.15)	2,941,079	253,616	28.13%	3,013,394	0.10%	108	44.91%	2.42	1,140,987	38%	1,313		
	[0.15,0.25)	754,094	72,729	23.87%	773,526	0.19%	144	40.09%	2.27	366,558	47%	589		
	[0.25,0.50)	468,114	38,646	27.75%	476,765	0.25%	99	41.96%	2.35	281,763	59%	500		
	[0.50,0.75)	244,353	13,030	47.16%	249,521	0.63%	238	29.45%	1.81	139,422	56%	459		
	[0.75,2.50)	96,225	771	52.45%	96,629	1.12%	150	15.50%	1.20	33,030	34%	157		
	[2.50,10.00)	1,001	-	-	1,001	4.34%	6	2.70%	0.62	93	9%	1		
	[10.00,100.00)	-	-	-	-	-	-	-	-	-	-	-	-	
	100 (Default)	-	-	-	-	-	-	-	-	-	-	-	-	
	Subtotal	4,504,866	378,792	27.98%	4,610,836	0.18%	745	42.33%	2.33	1,961,853	43%	3,019	963	
Corporate ³	[0.00,0.15)	715,937	122,923	16.67%	741,203	0.11%	165	40.00%	2.50	201,868	27%	329		
	[0.15,0.25)	274,785	55,958	24.06%	310,668	0.19%	187	40.00%	2.50	117,853	38%	236		
	[0.25,0.50)	374,190	70,360	40.17%	414,897	0.25%	225	39.50%	2.50	179,570	43%	410		
	[0.50,0.75)	3,004,864	1,878,299	43.05%	4,114,415	0.65%	6,996	39.16%	2.50	2,759,932	67%	10,511		
	[0.75,2.50)	7,569,550	3,035,595	21.54%	8,061,244	1.40%	40,472	38.04%	2.50	6,577,434	82%	42,785		
	[2.50,10.00)	741,231	227,919	56.22%	728,557	3.77%	11,092	31.78%	2.50	630,297	87%	8,485		
	[10.00,100.00)	152,818	21,679	68.70%	154,233	32.21%	2,504	34.18%	2.50	207,652	135%	17,532		
	100 (Default)	199,223	2,989	38.07%	188,758	100.00%	2,917	38.75%	2.50	12,700	7%	148,334		
	Subtotal	13,032,598	5,415,722	31.05%	14,713,975	2.78%	64,558	38.20%	2.50	10,687,306	73%	228,622	474,714	
Of which: Corporate -	[0.00,0.15)	33,575	8,530	13.07%	37,006	0.14%	11	40.00%	2.50	11,839	32%	21		
	[0.15,0.25)	7,901	2,940	12.67%	10,219	0.19%	7	40.00%	2.50	3,877	38%	8		

(In millions of RMB, except percentages and the number of obligors)		a	b	c	d	e	f	g	h	i	j	k	l
		31 December 2025											
Category of risk exposure	PD ranges (%)	On-balance sheet assets ¹	Off-balance sheet assets before conversion ¹	Average CCF	EAD (after risk mitigation and conversion) ²	Average PD (weighted EAD) ²	Number of obligors	Average LGD ²	Average maturity (year) ²	Risk-weighted assets ²	Risk weight	Expected loss ²	Provisions
Specialised lending	[0.25,0.50)	17,054	1,605	14.59%	20,411	0.25%	8	40.00%	2.50	8,976	44%	20	
	[0.50,0.75)	81,737	35,249	6.82%	126,477	0.68%	116	40.00%	2.50	88,625	70%	344	
	[0.75,2.50)	1,060,555	763,381	5.13%	1,066,811	1.41%	3,635	39.88%	2.50	960,587	90%	6,009	
	[2.50,10.00)	65,558	28,166	3.60%	50,848	3.31%	296	39.88%	2.50	59,140	116%	671	
	[10.00,100.00)	9,564	504	5.66%	9,198	47.65%	28	39.66%	2.50	11,002	120%	1,748	
	100 (Default)	102	-	-	102	100.00%	1	40.00%	2.50	0	0%	47	
	Subtotal	1,276,046	840,375	5.36%	1,321,072	1.68%	4,102	39.90%	2.50	1,144,046	87%	8,868	27,765
Total F-IRB approach (all risk exposure)		17,537,464	5,794,514	30.85%	19,324,811	2.16%	65,303	39.19%	2.46	12,649,159	65%	231,641	475,677

1. On-balance sheet assets, off-balance sheet assets before conversion are both without considering the risk mitigation.

2. The result of EAD, average PD, average LGD, average maturity, risk-weighted assets, expected loss have considered risk mitigation.

3. The corporate risk exposure includes general corporate, SME treated as corporate, and specialised lending. This table shows corporate risk exposure and specialised lending as one composition of it.

Credit Risk Exposure under the A-IRB Approach

(In millions of RMB, except percentages and the number of obligors)		a	b	c	d	e	f	g	h	i	j	k	l
31 December 2025													
Category of risk exposure	PD ranges (%)	On-balance sheet assets ¹	Off-balance sheet assets before conversion ¹	Average CCF	EAD (after risk mitigation and conversion) ²	Average PD (weighted EAD) ²	Number of obligors ³	Average LGD ²	Average maturity (year) ²	Risk-weighted assets ²	Risk weight	Expected loss ²	Provisions
Retail - Individual residential mortgage	[0.00,0.15)	-	-	-	-	-	-	-	-	-	-	-	-
	[0.15,0.25)	309,397	-	-	309,397	0.21%	1,119,706	25.44%	-	36,149	12%	182	-
	[0.25,0.50)	3,879,425	-	-	3,879,425	0.43%	10,075,987	24.67%	-	746,545	19%	4,581	-
	[0.50,0.75)	1,071,967	-	-	1,071,967	0.66%	1,833,741	26.46%	-	298,807	28%	2,085	-
	[0.75,2.50)	342,640	-	-	342,640	1.60%	754,179	25.57%	-	162,327	47%	1,552	-
	[2.50,10.00)	179,716	-	-	179,716	5.69%	411,267	25.54%	-	178,157	99%	2,917	-
	[10.00,100.00)	165,201	-	-	165,201	20.24%	409,938	25.50%	-	232,816	141%	9,529	-
	100 (Default)	57,248	-	-	57,248	100.00%	134,981	55.95%	-	54,243	95%	34,765	-
Subtotal	6,005,594	-	-	6,005,594	2.18%	14,739,799	25.43%	-	1,709,044	28%	55,611	97,072	
Retail - Qualified revolving retail	[0.00,0.15)	63,575	807,485	52.00%	483,485	0.11%	30,764,776	64.22%	-	19,533	4%	327	-
	[0.15,0.25)	-	-	-	-	-	-	-	-	-	-	-	-
	[0.25,0.50)	39,057	166,899	57.17%	134,471	0.34%	8,829,387	68.19%	-	14,977	11%	310	-
	[0.50,0.75)	35	149	57.92%	122	0.50%	173,176	64.38%	-	17	14%	0	-
	[0.75,2.50)	136,542	148,441	66.21%	234,819	1.50%	12,543,446	76.97%	-	93,123	40%	2,779	-
	[2.50,10.00)	73,512	11,522	83.73%	83,159	5.26%	3,956,147	84.67%	-	87,666	105%	3,700	-
	[10.00,100.00)	27,249	1,919	78.53%	28,756	30.09%	1,612,701	84.20%	-	53,428	186%	7,294	-
	100 (Default)	9,452	-	-	9,452	100.00%	505,245	76.95%	-	1,176	12%	9,098	-
Subtotal	349,422	1,136,415	54.98%	974,264	2.77%	58,384,878	70.30%	-	269,920	28%	23,508	29,831	

(In millions of RMB, except percentages and the number of obligors)		a	b	c	d	e	f	g	h	i	j	k	l
		31 December 2025											
Category of risk exposure	PD ranges (%)	On-balance sheet assets ¹	Off-balance sheet assets before conversion ¹	Average CCF	EAD (after risk mitigation and conversion) ²	Average PD (weighted EAD) ²	Number of obligors ³	Average LGD ²	Average maturity (year) ²	Risk-weighted assets ²	Risk weight	Expected loss ²	Provisions
Retail - Other retails lending	[0.00,0.15)	-	-	-	-	-	-	-	-	-	-	-	
	[0.15,0.25)	-	-	-	-	-	-	-	-	-	-	-	
	[0.25,0.50)	20	-	-	20	0.47%	30	15.00%	-	2	10%	0	
	[0.50,0.75)	40,987	-	-	40,987	0.52%	238,637	32.17%	-	9,741	24%	69	
	[0.75,2.50)	88,958	0	10.00%	88,958	1.88%	141,838	45.46%	-	51,138	57%	764	
	[2.50,10.00)	51,652	1	10.00%	51,652	3.79%	69,250	47.53%	-	35,018	68%	914	
	[10.00,100.00)	3,416	-	-	3,416	40.81%	13,083	36.79%	-	2,509	73%	553	
	100 (Default)	7,797	0	10.00%	7,797	100.00%	24,810	65.22%	-	2,004	26%	6,463	
Subtotal	192,830	1	10.00%	192,830	6.76%	487,648	43.83%	-	100,412	52%	8,763	9,613	
Total A-IRB approach (all risk exposure)		6,547,846	1,136,416	54.98%	7,172,688	2.38%	73,612,325	32.02%	-	2,079,376	29%	87,882	136,516

1. On-balance sheet assets, off-balance sheet assets before conversion are both without considering the risk mitigation.

2. The result of EAD, average PD, average LGD, average maturity, risk-weighted assets, expected loss have considered risk mitigation.

3. In accordance with regulatory requirements, the number of obligors on retail exposures shows the number of debts under respective risk exposure category.

7 Counterparty Credit Risk

7.1 Counterparty Credit Risk Management

The Group incorporates the counterparty credit risk ("CCR") in measurement and management of economic capital, and establishes and monitors the limit of counterparty credit risk capital.

For agency derivatives transactions, the Group enters into agreements with customers to conduct mark-to-market margin calls based on the transaction portfolios under the agreements, and mitigate counterparty credit risks. For derivatives transactions in the interbank market, the Group signs International Swaps and Derivatives Association agreements (ISDA agreements) or National Association of Financial Market Institutional Investors agreements (NAFMII agreements) with counterparties. Under the ISDA framework, the Group collects and pays initial and variable margins for the transaction portfolios to minimise the exposure to counterparty credit risk. Going forward, the Group will further manage the margins for non-centrally cleared derivatives transactions with financial institutions according to regulatory requirements, to prevent from counterparty credit risks.

The Group measures the counterparty credit risk in accordance with the *Rules on Capital Management of Commercial Banks*, using the standardised approach to measure exposure at default of counterparty credit risk and the transaction exposure of central counterparty credit risk. The Group measures counterparty credit risk-weighted assets using regulatory weighting approach, and measures credit valuation adjustment risk-weighted assets using the simplified approach.

In the event of a credit rating downgrade, the Credit Support Annex (CSA) agreements signed by the Bank with a limited number of counterparties stipulate changes to the threshold amount, minimum transfer amount, and independent amount for margin calculations, requiring the payment of additional margin according to the agreements. For centrally cleared transactions, where the Bank's counterparty is replaced by a Central Counterparty (CCP) upon entering into central clearing, a unilateral credit rating downgrade will not directly impact the Bank's margin requirements.

7.2 Counterparty Credit Risk Measurement

The following table shows the Group's exposure at default, risk-weighted assets, and their calculation parameters under the counterparty credit risk framework.

Table 11 (CCR1): Counterparty Credit Risk Exposure (By Measurement Method)

		a	b	c	d	e	f
		31 December 2025					
(In millions of RMB, except coefficient)		Replacement costs (RC)	Potential future exposure (PFE)	Add-on factors for potential future exposure	α (used to measure regulatory risk exposure)	EAD after credit risk mitigation	Risk-weighted assets ¹
1	Standardised approach (derivatives)	37,196	100,541		1.4	192,833	79,947
2	Current exposure method (derivatives)	-		-	1	-	-
3	Securities financing transactions					1,459,803	723
4	Total					1,652,636	80,670

1. The RWA of counterparty credit risk excludes the risk-weighted assets of central counterparty (CCP) risk exposure of RMB20,302 million.

8 Securitisation

8.1 Objectives and Policies for Securitisation

As originator, the Group issues credit securitisation products primarily to revitalise existing portfolios, optimise credit structure, and enhance the quality of assets. The main risks assumed by the Group include: 1) possible future losses of senior and subordinated securities retained by the Group as per regulatory requirements; and 2) reputational risk arising from failure to pay the principal or interest of senior securities on time due to overdue or default of a large amount of underlying assets. The credit risk of whether securitised assets are transferred by the Group to other entities and the degree of the transfer of such assets are determined by external third-party independent accountants considering the transaction structures of each securitisation project and the testing results of the risk-reward transfer model.

The Group securitises certain loans, which generally involves the sale of these assets to structured entities, which in turn issue securities to investors. Interests in the securitised financial assets may be retained in the form of credit enhancement, subordinated tranches or other residual interests ("retained interests"). Gains or losses on securitisation are the difference between the carrying amount of the derecognised financial assets and the consideration received (including retained interest) which is recognised in profit or loss.

As investor, the Group purchases and holds asset-backed securities to obtain returns on investments in accordance with its investment strategy, and assumes corresponding credit risk, market risk and liquidity risk.

In 2025, the credit securitisation products issued and invested by the bank were primarily rated by China Bond Rating Co., Ltd., Golden Credit Rating International Co., Ltd. and DaGong Global Credit Rating Co., Ltd. In accordance with the provisions of the *Rules on Capital Management of Commercial Banks*, and based on due diligence, the Group prudently utilised external credit rating agencies and their credit ratings in its capital measurement.

8.2 Securitisation Risk Exposure

The following table shows the carrying amount of securitisation exposure in the Group's banking book, excluding the securitisation exposure under asset management products. On 31 December 2025, there is no securitisation exposure in the Group's trading book.

Table 12 (SEC1): Banking Book Securitisation

(In millions of RMB)		a	b	c	d	e	f	g	h	i	j	k	l
		31 December 2025											
		The Bank acts as originator				The Bank acts as sponsor				The Bank acts as investor			
		Traditional	of which: STC	Synthetic	Subtotal	Traditional	of which: STC	Synthetic	Subtotal	Traditional	of which: STC	Synthetic	Subtotal
1	Total retail securitisation	1,630	-	-	1,630	-	-	-	-	540	-	-	540
2	of which: Residential mortgages	1,556	-	-	1,556	-	-	-	-	360	-	-	360
3	of which: Credit cards	52	-	-	52	-	-	-	-	-	-	-	-
4	of which: Other retail exposures	22	-	-	22	-	-	-	-	180	-	-	180
5	of which: Re-securitisation	-		-	-	-		-	-	-		-	-
6	Total wholesale securitisation	179	-	-	179	-	-	-	-	1,981	-	-	1,981
7	of which: Corporate loans	179	-	-	179	-	-	-	-	-	-	-	-
8	of which: Commercial mortgages	-	-	-	-	-	-	-	-	-	-	-	-
9	of which: Lease and receivables	-	-	-	-	-	-	-	-	1,981	-	-	1,981
10	of which: Other wholesale exposures	-	-	-	-	-	-	-	-	-	-	-	-
11	of which: Re-securitisation	-		-	-	-		-	-	-		-	-

9 Market Risk

9.1 Market Risk Management

Market risk is the risk of loss in respect of the Group's on and off-balance sheet activities, caused by adverse movements in market rates, including interest rates, foreign exchange rates, commodity prices and stock prices, etc. Market risk arises from both the Group's trading and banking book. A trading book consists of financial instruments, foreign exchange and commodity positions held either with trading intent or to hedge other risks of the trading book. A banking book records other instruments which are not included in the trading book.

The market risk management of the Group aims at building a group-wide comprehensive management system of market risk and investment and trading business, effectively identifying, measuring, monitoring, controlling and reporting market risk; maintaining a competitive net interest spread and return on investment portfolio through effective market risk operation and management; balancing risk and return to further improve market competitiveness of the Bank.

The Group formulates market risk management policies, constantly enhances its market risk governance structure and management capabilities, develops market risk measurement tools and systems, and carries out market risk monitoring and reporting. The Group clarifies market risk appetite every year, formulates annual investment transaction business risk policy limits, clarifies the boundary and bottom line of market risk bearing, integrates market risk management into operational processes, and implements market risk management normative requirements of the "six transaction" dimension (transaction business, transaction process, transaction system, transaction counterparty, transaction product, and transaction personnel).

The Bank clearly defines limit indicators for portfolios involving hedging transactions and derivatives trading in its risk limit plan for investment and trading business. These limits are regularly monitored and reported.

The Group formulates risk management policies for book division, clarifies the definition of transaction purpose activities and criteria for book division, and standardises the management process for book division of specific matters. The current book division results of the Group meet the general presumption requirements, and there are no relevant instruments to be disclosed. In 2025, the reclassification of banking and trading book only involved the conversion of bond trading business, mainly providing bond trading services for entities within the Group through "Northbound Bond Connect", "Southbound Bond Connect", and CIBM, so as to enrich assets allocation channels and diversify investment risks. The total fair value of the instruments involved was about RMB122.7 billion.

Internal risk transfer activities of the Group may occur within the banking book, between the banking book and the trading book, or within the trading book (between different trading desks). Among them, the risk transfer arising from internal derivatives transactions is mainly in the form of general interest rate risk from the banking book to the trading book. The business categories include foreign exchange swaps, foreign exchange forwards, non-deliverable forwards, interest rate swaps, and currency interest rate swaps.

The Group has formed a market risk management structure consisting of the Board of Directors, senior management, relevant departments of the Head Office and domestic and overseas branches, and formed a "three lines of defence" market risk management system consisting of business operation departments, market risk management departments and internal audit departments. The risk management departments are independent of business operation departments.

The Group's market risk reporting system consists of regular reports and irregular reports. Regular reports include market risk daily reports, monthly reports, quarterly reports, and annual reports, and irregular reports include market risk flash reports, special reports, risk alerts, and major market risk emergency reports. The market risk measurement system covers all on and off-balance sheet businesses involved in market risk throughout the Group. Relying on the outcome of the "Blue Chip" project, the investment and trading business risk management and control platform, CCB self-developed an information system that meets the requirements of internal market risk management and supports risk measurement.

9.2 Market Risk Measurement

The following table shows the Group's composition of capital requirements under the standardised approach for market risk.

Table 13 (MR1): Market Risk Capital Requirements under the Standardised Approach

(In millions of RMB)		a
		31 December 2025
		Capital requirements under the standardised approach
1	General interest rate risk	2,268
2	Equity risk	1,071
3	Commodity risk	8,735
4	Foreign exchange risk	6,716
5	Credit spread risk - Non-securitisation products	2,819
6	Credit spread risk - Securitisation (non-correlation trading portfolio)	-
7	Credit spread risk - Securitisation (correlation trading portfolio)	-
8	Default risk - Non-securitisation products	5,114
9	Default risk - Securitisation (non-correlation trading portfolio)	-
10	Default risk - Securitisation (correlation trading portfolio)	-
11	Residual risk add-on	846
12	Total	27,569

10 Operational Risk

10.1 Operational Risk Management

The Group has formulated basic policies for operational risk management, and established an operational risk management system tailored to its business nature, size, complexity, and risk profile. This system reinforces the coordinated control of "three lines of defence", and is guided by the Group's operational risk appetite and its transmission. It is supported by a range of operational risk management tools, while being underpinned by operational risk culture, workforce, incentives and restraint mechanisms, and IT systems. The system ensures the continuous identification and assessment, control and mitigation, monitoring and reporting, and capital measurement of operational risks across business products and management activities. It also includes periodic reviews and optimisation of the operational risk management system, effectively controlling operational risk, minimising losses, enhancing the organisation's resilience to both internal and external incidents, and keeping operational risk exposure within control.

The Board of Directors of the Bank assumes ultimate responsibility for operational risk management. Senior management is responsible for the implementation of operational risk management, with key duties including organising the formulation of the basic policies and rules on the operational risk management. An operational risk organisational structure is established, comprising Business and Management Department, Operational Risk Management Department, and Audit Department, with clear division of responsibilities and well-established reporting relationships. Specifically, Business and Management Department is the first line of defence in operational risk management. It is the direct bearer and manager of operational risk, responsible for identifying and assessing, controlling and mitigating, monitoring, and reporting operational risk within its own domain. Operational Risk Management Department serves as the second line of defence, responsible for guiding and overseeing the operational risk management activities in the first line of defence. Audit department, as the third line of defence, is responsible for supervising and evaluating the effectiveness and performance of both the first and second lines of defence.

The Group upholds a steady, prudent, comprehensive and proactive risk culture, and advocates risk management to be started at the senior level and be communicated throughout the organisation, promotes the concept of all participation, full coverage, whole processes and proactive. Under the overall framework based on its risk appetite, the Group effectively sets operational risk appetite and drives its transmission, and continues to strengthen risk monitoring to ensure that operational risk remains at an acceptable level. The Group emphasises the regular reporting of the overall status of operational risk management and major operational risk incidents to the Board of Directors and senior management, providing effective support for decision-making.

The Group views strengthening internal control as effective means of managing operational risk. Based on the results of risk identification and assessment, internal control requirements are fully considered and mitigation measures are implemented in policies, business processes, and IT systems. For different levels of operational risk, the Group adopts differentiated management strategies such as acceptance, reduction, transfer, and avoidance. For businesses with higher operational risks, measures such as purchasing insurance and outsourcing are taken to mitigate risks. For those that cannot be effectively mitigated, an avoidance strategy is adopted, strictly controlling product and business access. In terms of outsourcing management, the Group establishes management systems, improves mechanisms, clarifies requirements, and continues to strengthen risk control in key areas such as information technology outsourcing.

In 2025, the Group actively benchmarked itself against the *Rules on Operational Risk Management of Banking and Insurance Institutions*, improving management mechanisms such as the

transmission of operational risk appetite, risk reporting and new product risk assessment to cement the foundation for operational risk management. It strictly implemented regulatory requirements, continued to improve the system of operational risk management and measurement, and promoted regulatory assessment and validation pursuant to new standardised approach for operational risk in an orderly manner. The Group carried out a new round of business impact analysis, established a linkage mechanism integrating periodical and regular analyses, iterated its business continuity management strategies, identified important business operations, and prepared for operational risk exposures. Additionally, it conducted drills on important business operations with a focus on its management priorities, to improve emergency awareness and response capabilities among relevant institutions and personnel, thus enhancing the effectiveness of such drills.

The bank has continued to refine its operational risk capital measurement system by incorporating internal loss data from the operational risk management system and financial data from the financial reporting and monitoring analysis system, thereby automating the calculation of operational risk capital.

10.2 Operational Risk Measurement

The following table shows the Group's minimum required operational risk capital.

Table 14 (OR3): Minimum Required Operational Risk Capital

(In millions of RMB, except ILM)		a
		31 December 2025
1	Business indicator component (BIC)	133,221
2	Internal loss multiplier (ILM)	1
3	Minimum required operational risk capital (ORC)	133,221
4	Operational risk-weighted assets (RWA)	1,665,259

11 Interest Rate Risk of Banking Book

11.1 Risk Management Objectives and Policies for Interest Rate Risk of Banking Book

Interest rate risk in the banking book (IRRBB) refers to the risk of loss in the economic value and overall earnings of a banking book as a result of adverse movements in interest rates, term structure and other interest-related factors, mainly including gap risk, basis risk and option risk.

The Bank has incorporated interest rate risk in the banking book into its comprehensive risk management framework and established a banking book interest rate risk management system that aligns with the Bank's systemic importance, risk profile and business complexity, developing an effective governance framework for interest rate risk in the banking book. It enhanced identification, measurement, monitoring, and control over interest rate risks in the banking book, maintaining the risks within acceptable limits, so as to facilitate the appropriate growth of profits and the continued stability of capital structure.

The Bank paid close attention to changes in economic landscape, macro policies and financial markets, adhered to prudent risk appetite concerning interest rate risks in the banking book, and implemented limit management practices for such risks. On a quarterly basis, the Bank utilised repricing gap analysis, sensitivity indicators like maximum percentage change in economic value and fluctuations in net interest income, stress testing methods, among others, comprehensively assessing and reporting direction, degree, and sensitivity of interest rate risks. It continued to optimise the risk exposure through volume and pricing tools, term structure adjustments, and derivatives hedging. For qualifying hedging transactions, the Bank applied hedge accounting in its accounting treatment, with the aim of having the financial statements present the outcomes of risk management.

The Bank employs multiple interest rate shock scenarios for stress testing. These include the six regulatory-prescribed scenarios: parallel upward shift, parallel downward shift, steepening, flattening, upward shift in short-term rates, and downward shift in short-term rates of the yield curve. Additionally, scenarios are set based on historical data, forward-looking perspectives, and internal management requirements, as well as differentiated interest rate shock scenarios of varying intensities stipulated for the Internal Capital Adequacy Assessment Process (ICAAP) and Recovery and Resolution Plan (RRP).

Assumptions used by the Bank's internal measurement system (IMS) are consistent with those used for disclosing data in form IRRBB1. These include incorporating commercial margins when calculating cash flows, and discounting using the risk-free yield curve as required by regulators; using a core deposit ratio model to identify core deposits and a core deposit cash flow model to determine the distribution of cash flows across different tenors when calculating the repricing maturity of non-maturity deposits. The Bank uses the data of the past 10 years to measure the repricing maturity of non-maturity deposits, resulting in an average repricing period of the retail trading account not exceeding 4.5 years, the retail non-trading account not exceeding 3.15 years, and the wholesale account not exceeding 2 years. In addition, the Bank also calculates the cash flow of fixed-rate loans and time deposits through the average of historical early prepayment rate and early withdrawal rate to reflect the impact of customer behaviour, and separately measured each currency according to regulatory requirements, fully reflecting the characteristics of risks.

11.2 Quantitative Information on IRRBB

The following table shows information on the Group's changes in economic value of equity and net interest income under the following six standard interest rate shock scenarios.

Table 15 (IRRBB1): Quantitative Information on IRRBB¹

(In millions of RMB)	a		b	
	ΔEVE^2		ΔNII^3	
Period	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Parallel up	(496,831)	(454,022)	47,752	115,645
Parallel down	697,361	578,108	(363,741)	(453,152)
Steepener	(360,698)	(383,405)		
Flattener	291,950	308,310		
Short rate up	43,909	71,319		
Short rate down	(63,180)	(74,988)		
Maximum	(496,831)	(454,022)	(363,741)	(453,152)
Period	31 December 2025		31 December 2024	
Tier 1 Capital	3,413,327		3,081,596	

1. IRRBB1 is calculated on the basis of the Bank, with negative value representing the loss, and the maximum value representing the maximum loss value in the listed scenarios.
2. When measuring changes in economic value, cash flow includes commercial interest margin, and the discount curve adopts the risk-free yield curve, that is, the spot yield curve of treasury bonds. The scenarios are six standardised interest rate shock scenarios in the standardised measurement framework given by the regulator.
3. The change in net interest income is the difference in future interest income for 12 consecutive months. The parallel up scenario is that the interest rate of all interest-bearing assets and interest-bearing liabilities moves up 250BPS in parallel, and the parallel down scenario is that the deposit interest rate remains unchanged, and the interest rates of other interest-bearing assets and interest-bearing liabilities move down 250BPS in parallel.
4. Since the end of the last reporting period, there has been no significant change in the Bank's risk level.

12 Macro Prudential Regulatory Measures

12.1 Indicators for the Assessment of Global Systemically Important Banks

Since 2015, the Group publicly disclosed Global Systemically Important Banks assessment indicators in its annual reports.

(website link: https://en.ccb.com/eng/investor/performancereports/annual_reports/index.shtml).

Since 2024, in accordance with regulatory requirements, the above-mentioned indicators were disclosed in Capital Management Pillar III Annual Report.

(website link: <https://en.ccb.com/eng/investor/announcement/monitorcapital/index.shtml>).

The following table shows the Group's G-SIBs indicators of the end of 2025.

Table 16 (GSIB1): Disclosure of G-SIBs indicators

(In millions of RMB)			Year 2025
No.	Category	Indicator	Amount ¹
1	Size	Total exposures	48,456,690
2	Interconnectedness	Intra-financial system assets	2,563,173
3		Intra-financial system liabilities	5,049,777
4		Securities outstanding	4,659,940
5		Payment activity	858,107,848
6	Substitutability/Financial institution infrastructure	Assets under custody	27,646,757
7		Underwritten transactions in debt and equity markets	4,198,785
8a		Trading volume fixed income	14,501,820
8b		Trading volume equities and other securities	1,929,304
9	Complexity	Notional amount of over-the-counter (OTC) derivatives	9,472,346
10		Trading and available-for-sale securities ²	1,640,347
11		Level 3 assets	168,744
12	Cross-jurisdictional activity	Cross-jurisdictional claims	1,387,025
13		Cross-jurisdictional liabilities	1,372,066

1. The Group's Global Systemically Important Banks assessment indicators are calculated in accordance with consolidation scope required by the Basel Committee of Banking Supervision, which is different from both accounting consolidation and regulatory consolidation.

2. "Trading and available-for-sale securities" refers to the balance of securities at fair value through profit or loss and securities at fair value through other comprehensive income calculated by netting off the level 1 and level 2 assets. Level 1 and Level 2 assets are defined in the *Measures for Liquidity Risk Management of Commercial Banks*.

12.2 Indicators for the Assessment of Domestic Systemically Important Banks

According to regulatory requirements, the following table shows the Group's D-SIBs indicators of the end of 2024.

Table 17 (DSIB1): Disclosure of D-SIBs indicators

(In millions of RMB unless otherwise specified)		Year 2024
Category	Indicator ¹	Amount
Size	Total exposures	42,755,544
	Intra-financial system assets	3,387,332
Interconnectedness	Intra-financial system liabilities	4,753,649
	Securities outstanding	2,823,319
	Payment activity	765,475,035
Substitutability/Financial institution infrastructure	Assets under custody	24,162,163
	Agency and underwriting business	5,375,619
	Number of corporate customers (in 10 thousands)	1,168
	Number of personal customers (in 10 thousands)	77,142
	Number of domestic business organisations (unit)	14,166
	Derivatives	6,876,155
Complexity	Securities at fair value	1,002,779
	Asset of non-bank subsidiaries	787,708
	Total non-principal guaranteed WMPs issued by the Bank	42,288
	Total WMPs issued by the wealth management subsidiary	1,598,725
	Cross-jurisdictional claims and liabilities	2,587,723

1. Due to different regulatory requirements followed, there are certain differences between the assessment indicators of D-SIBs and G-SIBs.

13 Leverage Ratio

As of 31 December 2025, the Group's leverage ratio was 7.62%, meeting regulatory requirements.

The following table shows the difference between the on and off-balance sheet assets after adjustments used for calculating the Group's leverage ratio and the total assets of the Group's balance sheet.

Table 18 (LR1): Difference in Leverage Ratio Regulatory Items and Relevant Accounting Items

(In millions of RMB)		a
		31 December 2025
1	Total consolidated assets ¹	45,631,818
2	Adjustment for consolidation ²	(337,695)
3	Adjustment for clients' assets	-
4	Adjustment for derivatives	303,941
5	Adjustment for securities financing transactions	69,895
6	Adjustment for off-balance sheet items ³	2,434,816
7	Adjustment for securitisation transactions	-
8	Adjustment for unsettled financial assets	-
9	Adjustment for cash pool	-
10	Adjustment for deposit reserves (if applicable) ⁴	-
11	Adjustment for prudent valuation and provisions	-
12	Other adjustments ⁵	(9,042)
13	On and off-balance sheet assets after adjustments	48,093,733

1. Total Consolidated assets refer to the total assets calculated in accordance with financial accounting standards.

2. Adjustment for consolidation refers to the difference between regulatory consolidated total assets and accounting consolidated total assets.

3. Adjustment for off-balance sheet items refers to the off-balance sheet asset after conversion in accordance with the *Rules on Capital Management of Commercial Banks*.

4. Adjustment for deposit reserves refers to the balance of reserves that the Bank has deposited to the People's Bank of China, which could be temporarily exempted from on-balance asset, in accordance with the *Rules on Capital Management of Commercial Banks*.

5. Other adjustments are regulatory adjustments to Tier 1 capital.

The following table shows the Group's composition of the leverage ratio calculation items, actual leverage ratio, leverage ratio requirements and other relevant information.

Table 19 (LR2): Leverage Ratio

(In millions of RMB, except percentages)		a	b
		31 December 2025	30 September 2025
On-balance sheet items			
1	On-balance sheet assets (excluding derivatives and securities financing transactions)	45,283,292	44,686,791
2	Less: Provisions	(876,688)	(888,431)
3	Less: Regulatory adjustments to Tier 1 capital	(9,042)	(7,562)
4	Adjusted on-balance sheet assets (exclusive of derivatives and securities financing transactions)	44,397,562	43,790,798
Derivative items			
5	Replacement costs associated with derivative transactions (deducting eligible margin and considering the impact of the bilateral netting agreement)	76,167	59,674
6	Potential future exposure associated with derivative transactions	269,897	308,649
7	Gross-up for derivatives collateral deducted from the balance sheet	-	-
8	Less: Assets receivable due to eligible margin	-	-
9	Less: Derivative assets with CCPs from client-cleared service	-	-
10	The notional principal of written credit derivatives	-	-
11	Less: Deductions for written credit derivatives	-	-
12	Balance of derivatives	346,064	368,323
Balance of securities financing transactions			
13	Securities financing transactions assets	845,396	1,192,228
14	Less: Deductible securities financing transactions	-	-
15	Counterparty credit risk exposure for securities financing transactions	69,895	66,353
16	Agent securities financing transactions assets	-	-
17	Balance of securities financing transactions assets	915,291	1,258,581
Off-balance sheet items			
18	Gross notional amount of off-balance sheet items	8,894,079	8,483,995
19	Less: Adjustments to conversion to credit equivalent amounts	(6,435,804)	(6,244,068)
20	Less: Provisions	(23,459)	(26,884)
21	Off-balance sheet assets after adjustments	2,434,816	2,213,043
Tier 1 capital and on and off-balance sheet assets after adjustments			
22	Tier 1 capital	3,663,783	3,636,619
23	On and off-balance sheet assets after adjustments	48,093,733	47,630,745
Leverage ratio			
24	Leverage ratio (%)	7.62	7.64
24a	Leverage ratio a (%) ¹	7.62	7.64
25	Minimum leverage ratio requirement (%)	4.00	4.00
26	Additional leverage ratio requirement (%)	0.75	0.75
Disclosure of mean values			
27	Quarter mean value of securities financing transactions	1,194,227	1,402,665

(In millions of RMB, except percentages)		a	b
		31 December 2025	30 September 2025
27a	Quarter-end value of securities financing transactions	845,396	1,192,228
28	On and off-balance sheet assets after adjustments a ²	48,442,564	47,841,182
28a	On and off-balance sheet assets after adjustments b ³	48,442,564	47,841,182
29	Leverage ratio b (%) ⁴	7.56	7.60
29a	Leverage ratio c (%) ⁵	7.56	7.60

1. The leverage ratio a refers to the leverage ratio calculated by excluding the temporary exemption of deposit reserves and using quarter-end value of securities financing transactions.

2. On and off-balance sheet assets after adjustments a refers to the on and off-balance sheet assets after adjustments calculated by the simple arithmetic mean of the daily balance of securities financing transactions within the latest quarter, without deducting the temporary exemption of deposit reserves.

3. On and off-balance sheet assets after adjustments b refers to the on and off-balance sheet assets after adjustments calculated by excluding the temporary exemption of deposit reserves and using the simple arithmetic mean of the daily balance of securities financing transactions within the latest quarter.

4. Leverage ratio b refers to the leverage ratio calculated by the simple arithmetic mean of the daily balance of securities financing transactions within the latest quarter, without deducting the temporary exemption of deposit reserves.

5. Leverage ratio c refers to the leverage ratio calculated by excluding the temporary exemption of deposit reserves and using the simple arithmetic mean of the daily balance of securities financing transactions within the latest quarter.

14 Liquidity Risk

14.1 Liquidity Risk Management

The Board of Directors reviews and approves liquidity risk strategy and risk appetite, and assumes the ultimate responsibility for liquidity risk management. Senior management carries out liquidity risk strategy set by the Board of Directors and organises the implementation of liquidity risk management activities. Asset & Liability Management Department leads the Group's liquidity risk management and performs various duties in liquidity risk management together with business management departments and branches. Each subsidiary assumes the primary responsibility for its own liquidity risk management.

The Group adheres to a liquidity risk management strategy featuring prudence, decentralisation, coordination and diversification. The objective for liquidity risk management is to establish and improve a liquidity risk management system that can fully identify, accurately measure, continuously monitor, and effectively control liquidity risk, effectively balance the return on and security of funds, and safeguard the steady operation across the bank. In light of regulatory requirements, external macro environment, and its business development, the Group formulates approaches for liquidity risk identification, measurement and monitoring, sets out risk limit management criteria, carries out daily liquidity management, periodically conducts stress testing at the Group level, and reviews and assesses contingency plans.

In 2025, the Group adhered to the principle of robustness and prudence, responded to changes in internal and external fund situation in a forward-looking manner, appropriately managed the total amount and structure of funding sources and utilisation, ensuring safe and sound liquidity across the Group. It gave full play to the buffering role of liquidity reserve, improved its financing strategies to maintain a sound balance between safety, liquidity and profitability. The Group optimised its multi-dimensional liquidity monitoring and early warning systems, driving iterative upgrades of its information systems. It proactively fulfilled its obligations as a major state-owned bank, and played its roles as a market "stabiliser" and a policy "transmitter".

The Group conducts quarterly liquidity risk stress testing in order to gauge its risk tolerance in different stress scenarios. The key factors and events set by the stress testing as having an impact on liquidity risk include significant decline in the ability to liquidate current assets, significant loss of wholesale and retail deposits, reduction of the availability of wholesale and retail financing, and significant adverse changes in market liquidity conditions. The results of stress testing show that under different stress scenarios, the Group's liquidity risk is under control.

14.2 Liquidity Coverage Ratio and Net Stable Funding Ratio

In accordance with the requirements of the *Rules on Liquidity Risk Management of Commercial Banks*, the liquidity coverage ratio equals to high-quality liquid assets divided by net cash outflows in future 30 days. High-quality liquid assets of the Group mainly include cash, excess reserve deposits with the central bank that are available under stressed conditions, and debt securities that meet the definitions of Level 1 and Level 2 assets under the requirements of the *Rules on Liquidity Risk Management of Commercial Banks*. The average daily liquidity coverage ratio of the Group in the fourth quarter of 2025 was 135.47%, meeting the regulatory requirements. It increased by 3.07 percentage points over the previous quarter, mainly due to the increase in high-quality liquid assets.

The following table shows the composition of the Group's cash outflows and cash inflows as well as high-quality liquid assets.

Table 20 (LIQ1): Liquidity Coverage Ratio

(In millions of RMB, except percentages)		a		b	
		The Fourth Quarter of 2025			
		The value before conversion		The value after conversion	
High-quality liquid assets (HQLA)					
1	Total high-quality liquid assets (HQLA)				6,875,591
Cash outflows					
2	Retail deposits and deposits from small business customers		16,880,529		1,525,665
3	of which: Stable deposits		3,246,964		162,308
4	of which: Less stable deposits		13,633,565		1,363,357
5	Unsecured wholesale funding		13,965,226		5,434,497
6	of which: Operational deposits (excluding those generated from correspondent banking activates)		8,041,687		1,996,098
7	of which: Non-operational deposits (all counterparties)		5,696,076		3,210,936
8	of which: Unsecured debt		227,463		227,463
9	Secured funding				608
10	Additional requirements		2,315,809		317,342
11	of which: Outflows related to derivative exposures and other collateral requirements		90,130		90,130
12	of which: Outflows related to loss of funding on secured debt products		4,018		4,018
13	of which: Credit and liquidity facilities		2,221,661		223,194
14	Other contractual funding obligations		2,494		2,487
15	Other contingent funding obligations		6,666,294		676,550
16	Total cash outflows				7,957,149
Cash inflows					
17	Secured lending (including reverse repos and securities borrowing)		1,194,889		1,192,929
18	Inflow from fully performing exposures		2,702,332		1,628,111
19	Other cash inflows		36,506		36,421
20	Total cash inflows		3,933,727		2,857,461
					The value after adjustment
21	Total high-quality liquid assets (HQLA)				6,875,591

(In millions of RMB, except percentages)		a	b
		The Fourth Quarter of 2025	
		The value before conversion	The value after conversion
22	Total net cash outflows		5,099,688
23	Liquidity coverage ratio (%)¹		135.47

1. All the data above represent simple arithmetic means of the values for 92 calendar days in the latest quarter, calculated in accordance with the current applicable regulatory requirements, definitions and accounting standards.

Net stable funding ratio equals to available stable funding divided by required stable funding. This metric assesses whether a commercial bank maintains sufficient stable funding sources to meet the stable funding needs associated with its assets and off-balance sheet exposures. As of 31 December 2025, The net stable funding ratio of the Group was 132.10%. This comprised available stable funding of RMB30,556,990 million and required stable funding of RMB23,131,933 million, meeting the regulatory requirements. It increased by 0.54 percentage points compared to the end of September, mainly due to the increase in available stable funding.

The following table shows the Group's net stable funding ratio and composition information for each item.

Table 21 (LIQ2): Net Stable Funding Ratio

(In millions of RMB, except percentages)		The Fourth Quarter of 2025					The Third Quarter of 2025				
		The value before conversion				The value after conversion	The value before conversion				The value after conversion
		No maturity	<6 months	6 to 12 months	≥1 year		No maturity	<6 months	6 to 12 months	≥1 year	
		a	b	c	d	e	a	b	c	d	e
Available stable funding											
1	Capital	-	-	-	4,311,958	4,311,958	-	-	-	4,243,564	4,243,564
2	Regulatory capital	-	-	-	4,311,958	4,311,958	-	-	-	4,243,564	4,243,564
3	Other capital instruments	-	-	-	-	-	-	-	-	-	-
4	Retail deposits and deposits from small business customers	7,650,880	11,006,224	441,268	661,871	18,026,798	7,638,263	10,725,675	604,688	648,593	17,894,333
5	Stable deposits	3,500,729	19,230	7,882	9,547	3,360,997	3,451,203	20,737	7,586	8,795	3,314,345
6	Less stable deposits	4,150,151	10,986,994	433,386	652,324	14,665,801	4,187,060	10,704,938	597,102	639,798	14,579,988
7	Wholesale funding	7,714,562	10,237,709	1,422,881	684,267	7,837,985	7,638,086	10,158,046	1,804,701	645,255	7,985,552
8	Operational deposits	7,570,796	248,965	51,319	4	3,935,544	7,481,029	292,040	81,295	4	3,927,186
9	Other wholesale funding	143,766	9,988,744	1,371,562	684,263	3,902,441	157,057	9,866,006	1,723,406	645,251	4,058,366
10	Liabilities with matching interdependent assets	-	-	-	-	-	-	-	-	-	-
11	Other liabilities	-	561,048	263,201	338,253	380,249	-	376,025	258,926	287,695	332,467
12	NSFR derivative liabilities				89,605					84,691	
13	All other liabilities and equity not included in the above categories	-	561,048	263,201	248,648	380,249	-	376,025	258,926	203,004	332,467
14	Total available stable funding					30,556,990					30,455,916
Required stable funding											

(In millions of RMB, except percentages)		a	b	c	d	e	a	b	c	d	e										
		The Fourth Quarter of 2025						The Third Quarter of 2025													
		The value before conversion					The value after conversion	The value before conversion				The value after conversion									
		No maturity	<6 months	6 to 12 months	≥1 year	No maturity		<6 months	6 to 12 months	≥1 year											
15	Total NSFR high-quality liquid assets (HQLA)										2,942,743										2,963,708
16	Deposits held at other financial institutions for operational purposes	75,302	17,195	76	915	47,389	63,509	22,845	3,055	1,029	45,875	1,117,432	9,000,704	3,748,914	16,947,179	19,282,638					
17	Performing loans and securities	1,174,415	8,352,926	3,835,308	17,063,002	19,307,778	-	1,120,505	-	-	168,076	-	1,797,578	353,977	144,131	590,756					
18	Performing loans to financial institutions secured by Level 1 Assets	-	819,009	200	-	122,951	-	1,797,578	353,977	144,131	590,756	1,002,527	5,429,452	3,033,940	10,689,551	13,724,058					
19	Performing loans to financial institutions secured by non-Level 1 Assets and unsecured performing loans to financial institutions	-	1,649,863	329,079	158,432	574,297	-	478,967	148,563	486,758	632,094	-	195,012	211,265	5,687,833	4,076,086					
20	Performing loans issued to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs	993,070	5,190,073	3,187,674	10,874,827	13,832,404	-	172,906	186,055	4,808,558	3,305,043	114,905	458,157	149,732	425,664	723,662					
21	of which: with a risk weight of less than or equal to 35%	-	463,199	163,181	507,137	644,885	-	195,012	211,265	5,687,833	4,076,086	-	172,906	186,055	4,808,558	3,305,043					
22	Performing residential mortgages	-	190,111	195,098	5,611,720	4,018,222	-	172,906	186,055	4,808,558	3,305,043	-	172,906	186,055	4,808,558	3,305,043					
23	of which: with a risk weight of less than or equal to 35%	-	168,472	171,507	4,721,722	3,239,109	-	172,906	186,055	4,808,558	3,305,043	-	172,906	186,055	4,808,558	3,305,043					
24	Securities that are not in default and do not qualify as	181,345	503,870	123,257	418,023	759,904	114,905	458,157	149,732	425,664	723,662	114,905	458,157	149,732	425,664	723,662					

(In millions of RMB, except percentages)		a	b	c	d	e	a	b	c	d	e	
		The Fourth Quarter of 2025						The Third Quarter of 2025				
		The value before conversion					The value after conversation	The value before conversion				The value after conversation
		No maturity	<6 months	6 to 12 months	≥1 year	No maturity		<6 months	6 to 12 months	≥1 year		
	HQLA, including exchange-traded equities											
25	Assets with matching interdependent liabilities	-	-	-	-	-	-	-	-	-	-	
26	Other assets	158,359	203,750	108,192	191,377	607,428	123,643	238,424	127,001	190,525	643,638	
27	Physical traded commodities (including gold)	158,359				134,605	123,643				105,097	
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs				731	621				740	629	
29	NSFR derivative assets				47,605	0				33,395	-	
30	Additional requirements for derivatives ¹				90,130	18,026				84,996	16,999	
31	All other assets not included in the above categories	-	203,750	108,192	143,041	454,176	-	238,424	127,001	156,390	520,913	
32	Off-balance sheet items				8,455,382	226,595				8,091,966	213,559	
33	Total required stable funding					23,131,933					23,149,418	
34	Net stable funding ratio (%)					132.10					131.56	

1. The value before conversion refers to the amount of negative fair value of NSFR derivatives, before netting the variation margin, without distinguishing terms. The value before conversion of additional requirements for derivatives is not included in the subtotal of item 26 "Other assets".

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