

China Construction Bank Corporation

Capital Management Pillar III

First Quarter Report 2025



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1 Introduction

1.1 Report Basis

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

1.2 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 29 April 2025.

2 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 Standardised 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 ratio, leverage ratio, and liquidity risk-related metrics. The overview of the Group's key prudential regulatory indicators is as follows.

Table 1 (KM1): Regulatory Consolidated Key Prudential Regulatory Indicators

(In millions of RMB, except percentages)		a	b	c	d	e
		March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Available capital						
1	Common Equity Tier 1 capital after regulatory adjustments	3,232,913	3,165,549	3,124,043	3,038,387	3,045,754
2	Tier 1 capital after regulatory adjustments	3,391,788	3,324,424	3,322,954	3,237,254	3,245,824
3	Total capital after regulatory adjustments	4,427,994	4,303,263	4,285,564	4,175,087	4,175,290
Risk-weighted assets (RWA)						
4	Total RWA	23,123,253	21,854,590	22,150,555	21,690,492	21,586,165
4a	Total RWA (before the application of capital floor)	23,123,253	21,854,590	22,150,555	21,690,492	21,586,165
Capital adequacy ratio						
5	Common Equity Tier 1 ratio (%)	13.98	14.48	14.10	14.01	14.11
5a	Common Equity Tier 1 ratio (%) (before the application of capital floor)	13.98	14.48	14.10	14.01	14.11
6	Tier 1 ratio (%)	14.67	15.21	15.00	14.92	15.04
6a	Tier 1 ratio (%) (before the application of capital floor)	14.67	15.21	15.00	14.92	15.04
7	Capital adequacy ratio (%)	19.15	19.69	19.35	19.25	19.34
7a	Capital adequacy ratio (%) (before the application of capital floor)	19.15	19.69	19.35	19.25	19.34
Additional CET1 buffer						

(In millions of RMB, except percentages)		a	b	c	d	e
		March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
requirements as a percentage of RWA						
8	Capital conservation buffer requirements (%)	2.50	2.50	2.50	2.50	2.50
9	Countercyclical buffer requirements (%)	0.00	0.00	0.00	0.00	0.00
10	Bank G-SIB and/or D-SIB 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	CET 1 available after meeting the bank's minimum capital requirements (%)	8.67	9.21	9.00	8.92	9.04
Leverage ratio						
13	On and off-balance sheet assets after adjustments	45,123,921	42,755,544	42,815,730	42,314,726	41,837,451
14	Leverage ratio (%)	7.52	7.78	7.76	7.65	7.76
14a	Leverage ratio a (%) ¹	7.52	7.78	7.76	7.65	7.76
14b	Leverage ratio b (%) ²	7.55	7.69	7.75	7.65	7.73
14c	Leverage ratio c (%) ³	7.55	7.69	7.75	7.65	7.73
Liquidity coverage ratio (LCR)⁴						
15	Total high-quality liquid assets (HQLA)	6,311,992	6,237,408	6,148,940	6,115,852	6,059,382
16	Total net cash outflows	5,061,751	4,957,733	5,119,129	4,877,791	4,510,003
17	Liquidity coverage ratio (%)	124.79	125.73	120.29	125.43	134.46
Net stable funding ratio (NSFR)						
18	Total available stable funding	29,382,514	28,158,322	28,350,638	28,236,945	28,350,972
19	Total required stable funding	21,948,714	21,027,700	20,928,125	20,917,739	22,174,688
20	Net stable funding ratio (%)	133.87	133.91	135.47	134.99	127.85

1. The leverage ratio a refers to the leverage ratio calculated without considering the temporary exemption of deposit reserves and using quarter-end value of securities financing transactions. For more detailed information, please refer to the section "4. Leverage Ratio".

2. The leverage ratio b refers to the leverage ratio calculated by considering the temporary exemption of deposit reserves and using the simple arithmetic mean of the daily balance of securities financing transactions within the latest quarter. For more detailed information, please refer to the section "4. Leverage Ratio".

3. The leverage ratio c refers to the leverage ratio calculated without considering the temporary exemption of deposit reserves and using the simple arithmetic mean of the daily balance of securities financing transactions within the latest quarter. For more detailed information, please refer to the section "4. Leverage Ratio".

4. The liquidity coverage ratio data above represent simple arithmetic means of the values for each calendar days in the latest quarter. For more detailed information, please refer to the section "5. Liquidity Risk".

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
		March 31, 2025
1	Total Loss-Absorbing Capacity (TLAC) available	5,056,075
2	Total Risk-weighted Assets (RWA) at the level of the resolution group	23,123,253
3	TLAC as a percentage of RWA (row1/row2, %) ¹	21.87
4	Leverage exposure measure at the level of the resolution group	45,123,921
5	TLAC as a percentage of leverage exposure measure (row1/row4, %)	11.20

1. According to the *Administrative Measures for 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-SIB additional capital requirements (1.5%), totaling 20%.

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
		March 31, 2025	December 31, 2024	March 31, 2025
1	Credit risk	20,950,112	19,814,943	1,676,009
2	Credit risk (exclusive of counterparty credit risk, credit valuation adjustment risk, asset management products in the banking book, and banking book securitisation)	20,587,826	19,433,391	1,647,026
3	of which: Regulatory weighting approach	6,151,900	5,820,738	492,152
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	394,281	363,177	31,542
6	of which: Foundation internal ratings-based (FIRB) approach	12,178,812	11,323,706	974,305
7	of which: Regulatory mapping approach	-	-	-
8	of which: Advanced internal ratings-based (AIRB) approach	2,257,114	2,288,947	180,569
9	Counterparty credit risk	118,992	117,100	9,519
10	of which: Standardised approach	118,992	117,100	9,519
11	of which: Current exposure method	-	-	-
12	of which: Other approaches	-	-	-
13	Credit valuation adjustment risk	26,897	46,944	2,152
14	Asset management products in the banking book	202,239	199,861	16,179
15	of which: Look-through approach	3,325	2,873	266
16	of which: Mandate-based approach	192,417	192,913	15,393
17	of which: A 1250% risk weight applies	6,497	4,075	520
18	Banking book securitisation¹	14,158	17,647	1,133
19	of which: Internal ratings-based approach (IRB) for securitisation	-	-	-
20	of which: External ratings-based approach for securitisation	522	0	42
21	of which: Standardised approach for securitisation	60,712	7,818	4,857
22	Market risk	283,875	250,577	22,710
23	of which: Standardised approach	283,875	250,577	22,710
24	of which: Internal model-based approach (IMA)	-	-	-
25	of which: Simplistically standardised approach	-	-	-
26	Capital charge for switch between trading book and banking book	144,847	44,651	11,587
27	Operational risk	1,744,419	1,744,419	139,554

(In millions of RMB)		a	b	c
		Risk-weighted assets		Minimum capital requirements
		March 31, 2025	December 31, 2024	March 31, 2025
28	Additional adjustments due to the application of capital floor	0	0	
29	Total	23,123,253	21,854,590	1,849,860

1. Besides the items 19, 20, 21, the Group's banking book securitisation risk-weighted assets also includes the item "A 1250% risk weight applies" of RMB 61,153 million, and the item "Adjustment for applying the capital charge cap" of RMB -108,229 million.

3 Indicators for the Assessment of Global Systemically Important Banks

The Group publicly disclosed Global Systemically Important Banks assessment indicators in 2015 annual report for the first time. Please refer to CCB's official website for the indicators of 2023 and previous periods. (website link: <https://en.ccb.com/eng/investor/performance-reports/annual-reports/index.shtml>)

The Group's indicators of 2024 please refer to *China Construction Bank Corporation Capital Management Pillar III Annual Report 2024*.

4 Leverage Ratio

As at 31 March 2025, the Group's leverage ratio was 7.52%, 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 4 (LR1): Difference in Leverage Ratio Regulatory Items and Relevant Accounting Items

(In millions of RMB)		a
		March 31, 2025
1	Total consolidated assets ¹	42,794,715
2	Adjustment for consolidation ²	(321,829)
3	Adjustment for clients' assets	-
4	Adjustment for derivatives	320,831
5	Adjustment for securities financing transactions	55,985
6	Adjustment for off-balance sheet items ³	2,282,644
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	(8,425)
13	On and off-balance sheet assets after adjustments	45,123,921

1. Total consolidated assets is calculated in accordance with financial and 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 mainly comprise regulatory adjustments for Tier 1 capital.

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

Table 5 (LR2): Leverage Ratio

(In millions of RMB, except percentages)		a	b
		March 31, 2025	December 31, 2024
On-balance sheet items			
1	On-balance sheet assets (excluding derivatives and securities financing transactions)	42,512,416	40,382,455
2	Less: Provisions	(878,935)	(838,746)
3	Less: Regulatory adjustments for Tier 1 capital	(8,425)	(9,001)
4	Adjusted on-balance sheet assets (exclusive of derivatives and securities financing transactions)	41,625,056	39,534,708
Derivative items			
5	Replacement costs associated with derivative transactions (deducting eligible margin and considering the impact of the bilateral netting agreement)	109,448	172,714
6	Potential future exposure associated with derivative transactions	284,335	252,750
7	Gross-up for derivatives collateral deducted from the balance sheet	-	-
8	Less: Assets receivable due to the provision of 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	393,783	425,464
Balance of securities financing transactions			
13	Securities financing transactions assets	766,453	607,773
14	Less: Deductible securities financing transactions	-	-
15	Counterparty credit risk exposure for securities financing transactions	55,985	47,997
16	Agent securities financing transactions assets	-	-
17	Balance of securities financing transactions assets	822,438	655,770
Off-balance sheet items			
18	Notional amount of off-balance sheet items	8,248,385	7,922,860
19	Less: Adjustments for conversion to credit equivalent amounts	(5,939,263)	(5,754,628)
20	Less: Provisions	(26,478)	(28,630)
21	Off-balance sheet assets after adjustments	2,282,644	2,139,602
Tier 1 capital after regulatory adjustments and on and off-balance sheet assets after adjustments			
22	Tier 1 capital after regulatory adjustments	3,391,788	3,324,424
23	On and off-balance sheet assets after adjustments	45,123,921	42,755,544
Leverage ratio			
24	Leverage ratio (%)	7.52	7.78
24a	Leverage ratio a (%) ¹	7.52	7.78
25	Minimum leverage ratio requirement (%)	4.00	4.00
26	Additional leverage ratio requirement (%)	0.75	0.75
Disclosure of mean values			

(In millions of RMB, except percentages)		a	b
		March 31, 2025	December 31, 2024
27	Quarter mean value of securities financing transactions	542,443	1,065,723
27a	Quarter-end value of securities financing transactions	766,453	607,773
28	On and off-balance sheet assets after adjustments a ²	44,899,911	43,213,494
28a	On and off-balance sheet assets after adjustments b ³	44,899,911	43,213,494
29	Leverage ratio b (%) ⁴	7.55	7.69
29a	Leverage ratio c (%) ⁵	7.55	7.69

1. The leverage ratio a refers to the leverage ratio calculated without considering 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 considering the temporary exemption of deposit reserves and using the simple arithmetic mean of the daily balance of securities financing transactions within the latest quarter.

3. On and off-balance sheet assets after adjustments b refers to the on and off-balance sheet assets after adjustments calculated without considering 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 considering the temporary exemption of deposit reserves and using the simple arithmetic mean of the daily balance of securities financing transactions within the latest quarter.

5. Leverage ratio c refers to the leverage ratio calculated without considering the temporary exemption of deposit reserves and using the simple arithmetic mean of the daily balance of securities financing transactions within the latest quarter.

5 Liquidity Risk

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

Table 6 (LIQ1): Liquidity Coverage Ratio

(In millions of RMB, except percentages)		a	b
		The First Quarter of 2025	
		The value before conversion	The value after conversion
High-quality liquid assets (HQLA)			
1	Total high-quality liquid assets (HQLA)		6,311,992
Cash outflows			
2	Retail deposits and deposits from small business customers	16,409,432	1,477,843
3	of which: Stable deposits	3,260,816	162,981
4	of which: Less stable deposits	13,148,616	1,314,862
5	Unsecured wholesale funding	12,171,371	4,541,985
6	of which: Operational deposits (excluding those generated from correspondent banking activates)	6,992,235	1,734,340
7	of which: Non-operational deposits (all counterparties)	4,974,976	2,603,485
8	of which: Unsecured debt	204,160	204,160
9	Secured funding		442
10	Additional requirements	2,208,634	286,872
11	of which: Outflows related to derivative exposures and other collateral requirements	85,569	85,569
12	of which: Outflows related to loss of funding on secured debt products	7,090	7,090
13	of which: Credit and liquidity facilities	2,115,975	194,213
14	Other contractual funding obligations	1,397	1,352
15	Other contingent funding obligations	6,000,374	756,062
16	Total cash outflows		7,064,556
Cash inflows			
17	Secured lending (including reverse repos and securities borrowing)	543,180	543,180
18	Inflow from fully performing exposures	2,373,337	1,375,247
19	Other cash inflows	88,438	84,378
20	Total cash inflows	3,004,955	2,002,805
			The value after adjustment
21	Total high-quality liquid assets (HQLA)		6,311,992
22	Total net cash outflows		5,061,751
23	Liquidity coverage ratio (%)¹		124.79

1. All the data above represent simple arithmetic means of the values for 90 calendar days in the latest quarter, calculated in accordance with the current applicable regulatory requirements, definitions and accounting standards.

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