

The following information is disclosed in accordance with the Notice on Issuing Regulatory Documents on Capital Regulation for Commercial Banks Appendix 2 Notice on Enhancing Disclosure Requirements for Composition of Capital.

## CAPITAL COMPOSITION

In RMB millions, except for percentages

S/N	Item	At 31 December 2018	At 31 December 2017	Reference <sup>(1)</sup>
<b>Core tier 1 capital:</b>				
1	Paid-in capital	356,407	356,407	X18
2	Retained earnings	1,746,540	1,594,378	
2a	Surplus reserve	261,636	232,660	X21
2b	General reserve	278,980	264,850	X22
2c	Retained profits	1,205,924	1,096,868	X23
3	Accumulated other comprehensive income (and other public reserves)	140,322	90,889	
3a	Capital reserve	151,968	151,952	X19
3b	Others	(11,646)	(61,063)	X24
4	Valid portion to core tier 1 capital during the transition period (only applicable to non-joint stock companies. Fill in 0 for joint stock banks)	-	-	
5	Valid portion of minority interests	3,752	2,716	X25
<b>6</b>	<b>Core tier 1 capital before regulatory adjustments</b>	<b>2,247,021</b>	<b>2,044,390</b>	
<b>Core tier 1 capital: Regulatory adjustments</b>				
7	Prudential valuation adjustments	-	-	
8	Goodwill (net of deferred tax liabilities)	8,820	8,478	X16
9	Other intangible assets other than land use rights (net of deferred tax liabilities)	1,927	1,532	X14-X15
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of deferred tax liabilities)	-	-	
11	Cash flow hedge reserves that relate to the hedging of items that are not fair valued on the balance sheet	(3,739)	(3,708)	X20
12	Shortfall of provision for loan impairment	-	-	
13	Gain on sale related to asset securitization	-	-	
14	Unrealised gains and losses due to changes in own credit risk on fair valued liabilities	-	-	
15	Defined-benefit pension fund net assets (net of deferred tax liabilities)	-	-	

Note: (1) For mapped components of the balance sheet under regulatory scope of consolidation to capital items, please refer to “Explanations for Detailed Items”.

S/N	Item	At 31 December 2018	At 31 December 2017	Reference
16	Direct or indirect investments in own ordinary shares	-	-	
17	Reciprocal cross-holdings in core tier 1 capital between banks or between banks and other financial institutions	-	-	
18	Deductible amount of non-significant minority investment in core tier 1 capital instruments issued by financial institutions that are not subject to consolidation	-	-	
19	Deductible amount of significant minority investment in core tier 1 capital instruments issued by financial institutions that are not subject to consolidation	-	-	
20	Mortgage servicing rights	N/A	N/A	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of deferred tax liabilities)	-	-	
22	Deductible amount exceeding the 15% threshold for significant minority capital investments in core tier 1 capital instruments issued by financial institutions that are not subject to consolidation and undeducted portion of deferred tax assets arising from temporary differences (net of deferred tax liabilities)	-	-	
23	Including: Deductible amount of significant minority investments in core tier 1 capital instruments issued by financial institutions	-	-	
24	Including: Deductible amount of mortgage servicing rights	N/A	N/A	
25	Including: Deductible amount in deferred tax assets arising from temporary differences	-	-	
26a	Investments in core tier 1 capital instruments issued by financial institutions that are under control but not subject to consolidation	7,980	7,980	X11
26b	Shortfall in core tier 1 capital instruments issued by financial institutions that are under control but not subject to consolidation	-	-	
26c	Others that should be deducted from core tier 1 capital	-	-	
27	Undeducted shortfall that should be deducted from additional tier 1 capital and tier 2 capital	-	-	
<b>28</b>	<b>Total regulatory adjustments to core tier 1 capital</b>	<b>14,988</b>	<b>14,282</b>	
<b>29</b>	<b>Core tier 1 capital</b>	<b>2,232,033</b>	<b>2,030,108</b>	
<b>Additional tier 1 capital:</b>				
30	Additional tier 1 capital instruments and related premium	79,375	79,375	
31	Including: Portion classified as equity	79,375	79,375	X28
32	Including: Portion classified as liabilities	-	-	
33	Invalid instruments to additional tier 1 capital after the transition period	-	-	
34	Valid portion of minority interests	735	577	X26
35	Including: Invalid portion to additional tier 1 capital after the transition period	-	-	
<b>36</b>	<b>Additional tier 1 capital before regulatory adjustments</b>	<b>80,110</b>	<b>79,952</b>	

S/N	Item	At 31 December 2018	At 31 December 2017	Reference
<b>Additional tier 1 capital: Regulatory adjustments</b>				
37	Direct or indirect investments in own additional tier 1 instruments	-	-	
38	Reciprocal cross-holdings in additional tier 1 capital between banks or between banks and other financial institutions	-	-	
39	Deductible amount of non-significant minority investment in additional tier 1 capital instruments issued by financial institutions that are not subject to consolidation	-	-	
40	Significant minority investments in additional tier 1 capital instruments issued by financial institutions that are not subject to consolidation	-	-	
41a	Investments in additional tier 1 capital instruments issued by financial institutions that are under control but not subject to consolidation	-	-	
41b	Shortfall in additional tier 1 capital instruments issued by financial institutions that are under control but not subject to consolidation	-	-	
41c	Others that should be deducted from additional tier 1 capital	-	-	
42	Undeducted shortfall that should be deducted from tier 2 capital	-	-	
<b>43</b>	<b>Total regulatory adjustments to additional tier 1 capital</b>	-	-	
<b>44</b>	<b>Additional tier 1 capital</b>	<b>80,110</b>	<b>79,952</b>	
<b>45</b>	<b>Tier 1 capital (core tier 1 capital + additional tier 1 capital)</b>	<b>2,312,143</b>	<b>2,110,060</b>	
<b>Tier 2 capital:</b>				
46	Tier 2 capital instruments and related premium	202,761	222,321	X17
47	Invalid instruments to tier 2 capital after the transition period	81,140	101,425	
48	Valid portion of minority interests	1,991	3,303	X27
49	Including: Invalid portion to tier 2 capital after the transition period	856	1,051	
50	Valid portion of surplus provision for loan impairment	127,990	71,736	X02+X04
<b>51</b>	<b>Tier 2 capital before regulatory adjustments</b>	<b>332,742</b>	<b>297,360</b>	
<b>Tier 2 capital: Regulatory adjustments</b>				
52	Direct or indirect investments in own tier 2 instruments	-	-	
53	Reciprocal cross-holdings in tier 2 capital between banks or between banks and other financial institutions	-	-	
54	Deductible portion of non-significant minority investment in tier 2 capital instruments issued by financial institutions that are not subject to consolidation	-	-	
55	Significant minority investments in tier 2 capital instruments issued by financial institutions that are not subject to consolidation	-	500	X31
56a	Investments in tier 2 capital instruments issued by financial institutions that are under control but not subject to consolidation	-	-	

S/N	Item	At 31 December 2018	At 31 December 2017	Reference
56b	Shortfall in tier 2 capital instruments issued by financial institutions that are under control but not subject to consolidation	-	-	
56c	Others that should be deducted from tier 2 capital	-	-	
<b>57</b>	<b>Total regulatory adjustments to tier 2 capital</b>	<b>-</b>	<b>500</b>	
<b>58</b>	<b>Tier 2 capital</b>	<b>332,742</b>	<b>296,860</b>	
<b>59</b>	<b>Total capital (tier 1 capital + tier 2 capital)</b>	<b>2,644,885</b>	<b>2,406,920</b>	
<b>60</b>	<b>Total risk-weighted assets</b>	<b>17,190,992</b>	<b>15,902,801</b>	
<b>Requirements for capital adequacy ratio and reserve capital</b>				
61	Core tier 1 capital adequacy ratio	12.98%	12.77%	
62	Tier 1 capital adequacy ratio	13.45%	13.27%	
63	Capital adequacy ratio	15.39%	15.14%	
64	Institution specific buffer requirement	4.0%	3.5%	
65	Including: Capital conservation buffer requirement	2.5%	2.5%	
66	Including: Countercyclical buffer requirement	-	-	
67	Including: G-SIB buffer requirement	1.5%	1.0%	
68	Percentage of core tier 1 capital meeting buffers to risk-weighted assets	7.98%	7.77%	
<b>Domestic minima for regulatory capital</b>				
69	Core tier 1 capital adequacy ratio	5%	5%	
70	Tier 1 capital adequacy ratio	6%	6%	
71	Capital adequacy ratio	8%	8%	
<b>Amounts below the thresholds for deduction</b>				
72	Undeducted portion of non-significant minority investments in capital instruments issued by financial institutions that are not subject to consolidation	64,004	35,059	X05+X07+X08+X09+X12+X29+X30
73	Undeducted portion of significant minority investments in capital instruments issued by financial institutions that are not subject to consolidation	32,215	28,353	X06+X10+X13
74	Mortgage servicing rights (net of deferred tax liabilities)	N/A	N/A	
75	Deferred tax assets arising from temporary differences (net of deferred tax liabilities)	57,073	48,158	
<b>Valid caps of surplus provision for loan impairment in tier 2 capital</b>				
76	Provision for loan impairment under the weighted approach	19,049	17,943	X01
77	Valid cap of surplus provision for loan impairment in tier 2 capital under the weighted approach	7,766	9,937	X02
78	Surplus provision for loan impairment under the internal ratings-based approach	393,682	322,539	X03
79	Valid cap of surplus provision for loan impairment in tier 2 capital under the internal ratings-based approach	120,224	61,799	X04
<b>Capital instruments subject to phase-out arrangements</b>				
80	Valid cap to core tier 1 capital instruments for the current period due to phase-out arrangements	-	-	
81	Excluded from core tier 1 capital due to cap	-	-	
82	Valid cap to additional tier 1 capital instruments for the current period due to phase-out arrangements	-	-	

S/N	Item	At 31 December 2018	At 31 December 2017	Reference
83	Excluded from additional tier 1 capital due to cap	-	-	
84	Valid cap to tier 2 capital instruments for the current period due to phase-out arrangements	81,140	101,425	
85	Excluded from tier 2 capital for the current period due to cap	67,102	46,822	

## BALANCE SHEET AT THE GROUP'S LEVEL

In RMB millions

Item	At 31 December 2018		At 31 December 2017	
	Consolidated balance sheet as in published financial statements	Balance sheet under regulatory scope of consolidation	Consolidated balance sheet as in published financial statements	Balance sheet under regulatory scope of consolidation
<b>Assets</b>				
Cash and balances with central banks	3,372,576	3,372,576	3,613,872	3,613,872
Due from banks and other financial institutions	384,646	374,509	370,074	363,278
Precious metals	181,292	181,292	238,714	238,714
Placements with banks and other financial institutions	577,803	577,803	477,537	477,537
Derivative financial assets	71,335	71,335	89,013	89,013
Reverse repurchase agreements	734,049	733,460	986,631	981,553
Loans and advances to customers	15,046,132	15,045,239	13,892,966	13,892,372
Financial investments:	6,754,692	6,662,605	5,756,704	5,669,906
— Financial investments measured at fair value through profit or loss	805,347	772,191	440,938	440,912
— Financial investments measured at fair value through other comprehensive income	1,430,163	1,408,749		
— Financial investments measured at amortised cost	4,519,182	4,481,665		
— Available-for-sale financial assets			1,496,453	1,465,021
— Held-to-maturity investments			3,542,184	3,536,757
— Receivables			277,129	227,216
Long-term equity investments	29,124	37,104	32,441	40,421
Fixed assets	253,525	253,460	216,156	216,088
Construction in progress	35,081	35,079	29,531	29,531
Deferred income tax assets	58,375	58,097	48,392	48,392
Other assets	200,910	186,769	335,012	318,891
<b>Total assets</b>	<b>27,699,540</b>	<b>27,589,328</b>	<b>26,087,043</b>	<b>25,979,568</b>
<b>Liabilities</b>				
Due to central banks	481	481	456	456
Due to banks and other financial institutions	1,328,246	1,328,246	1,214,601	1,214,601

Item	At 31 December 2018		At 31 December 2017	
	Consolidated balance sheet as in published financial statements	Balance sheet under regulatory scope of consolidation	Consolidated balance sheet as in published financial statements	Balance sheet under regulatory scope of consolidation
Placements from banks and other financial institutions	486,249	486,249	491,948	491,948
Financial liabilities measured at fair value through profit or loss	87,400	87,399	89,361	89,359
Derivative financial liabilities	73,573	73,573	78,556	78,556
Repurchase agreements	514,801	513,495	1,046,338	1,044,481
Certificates of deposit	341,354	341,354	260,274	260,274
Due to customers	21,408,934	21,410,976	19,562,936	19,564,945
Employee benefits payable	33,636	33,351	33,142	32,820
Taxes payable	95,678	95,318	82,550	82,502
Debt securities issued	617,842	617,842	526,940	526,940
Deferred income tax liabilities	1,217	1,024	433	233
Other liabilities	365,246	261,639	558,452	456,349
<b>Total liabilities</b>	<b>25,354,657</b>	<b>25,250,947</b>	<b>23,945,987</b>	<b>23,843,464</b>
<b>Equity</b>				
Share capital	356,407	356,407	356,407	356,407
Other equity instruments	86,051	86,051	86,051	86,051
Capital reserve	151,968	151,968	151,952	151,952
Other comprehensive income	(11,875)	(11,646)	(62,058)	(61,063)
Surplus reserve	261,720	261,636	232,703	232,660
General reserve	279,064	278,980	264,892	264,850
Retained profits	1,206,666	1,205,924	1,097,544	1,096,868
<b>Equity attributable to equity holders of the parent company</b>	<b>2,330,001</b>	<b>2,329,320</b>	<b>2,127,491</b>	<b>2,127,725</b>
Minority interests	14,882	9,061	13,565	8,379
<b>Total equity</b>	<b>2,344,883</b>	<b>2,338,381</b>	<b>2,141,056</b>	<b>2,136,104</b>

Note: Prepared in accordance with PRC GAAP.

## EXPLANATIONS FOR DETAILED ITEMS

Item	In RMB millions	
	At 31 December 2018 Balance sheet under regulatory scope of consolidation	Reference
<b>Loans and advances to customers</b>	<b>15,045,239</b>	
Total loans and advances to customers	15,457,970	
Less: Provision for loan impairment under the weighted approach	19,049	X01
Including: Valid cap of surplus provision for loan impairment in tier 2 capital under the weighted approach	7,766	X02
Less: Provision for loan impairment under the internal ratings-based approach	393,682	X03

<b>Item</b>	<b>At 31 December 2018 Balance sheet under regulatory scope of consolidation</b>	<b>Reference</b>
Including: Valid cap of surplus provision for loan impairment in tier 2 capital under the internal ratings-based approach	120,224	X04
<b>Financial investments:</b>		
<b>Financial investments measured at fair value through profit or loss</b>	<b>772,191</b>	
Including: Non-significant minority investments in core tier 1 capital instruments issued by financial institutions that are not subject to consolidation	89	X05
Including: Significant minority investments in core tier 1 capital instruments issued by financial institutions that are not subject to consolidation	34	X06
Including: Non-significant minority investments in additional tier 1 capital instruments issued by financial institutions that are not subject to consolidation	4,737	X07
Including: Non-significant minority investments in tier 2 capital instruments issued by financial institutions that are not subject to consolidation	45,164	X08
<b>Financial investments measured at fair value through other comprehensive income</b>	<b>1,408,749</b>	
Including: Non-significant minority investments in core tier 1 capital instruments issued by financial institutions that are not subject to consolidation	5,845	X09
Including: Significant minority investments in core tier 1 capital instruments issued by financial institutions that are not subject to consolidation	3,883	X10
Including: Non-significant minority investments in tier 2 capital instruments issued by financial institutions that are not subject to consolidation	5,963	X29
<b>Financial investments measured at amortised cost</b>	<b>4,481,665</b>	
Including: Non-significant minority investments in tier 2 capital instruments issued by financial institutions that are not subject to consolidation	2,108	X30
Including: Significant minority investments in tier 2 capital instruments issued by financial institutions that are not subject to consolidation	-	X31
<b>Long-term equity investments</b>	<b>37,104</b>	
Including: Investment in core tier 1 capital instruments issued by financial institutions that are under control but not subject to consolidation	7,980	X11
Including: Undeducted portion of non-significant minority investments in capital instruments issued by financial institutions that are not subject to consolidation	98	X12
Including: Undeducted portion of significant minority investments in capital instruments issued by financial institutions that are not subject to consolidation	28,298	X13
<b>Other assets</b>	<b>186,769</b>	
Interest receivable	2,624	

<b>Item</b>	<b>At 31 December 2018 Balance sheet under regulatory scope of consolidation</b>	<b>Reference</b>
Intangible assets	19,301	X14
Including: Land use rights	17,374	X15
Other receivables	145,678	
Goodwill	8,820	X16
Long-term deferred expenses	3,484	
Repossessed assets	9,366	
Others	(2,504)	
<b>Debt securities issued</b>	<b>617,842</b>	
Including: Valid portion of tier 2 capital instruments and their premium	202,761	X17
<b>Share capital</b>	<b>356,407</b>	X18
<b>Other equity instruments</b>	<b>86,051</b>	
Including: Preference shares	79,375	X28
<b>Capital reserve</b>	<b>151,968</b>	X19
<b>Other comprehensive income</b>	<b>(11,646)</b>	X24
Reserve for changes in fair value of financial assets	15,823	
Reserve for cash flow hedging	(3,804)	
Including: Cash flow hedge reserves that relate to the hedging of items that are not fair valued on the balance sheet	(3,739)	X20
Changes in share of other owners' equity of associates and joint ventures	(1,150)	
Foreign currency translation reserve	(22,253)	
Others	(262)	
<b>Surplus reserve</b>	<b>261,636</b>	X21
<b>General reserve</b>	<b>278,980</b>	X22
<b>Retained profits</b>	<b>1,205,924</b>	X23
<b>Minority interests</b>	<b>9,061</b>	
Including: Valid portion to core tier 1 capital	3,752	X25
Including: Valid portion to additional tier 1 capital	735	X26
Including: Valid portion to tier 2 capital	1,991	X27



MAIN FEATURES OF ELIGIBLE CAPITAL INSTRUMENTS AT THE END OF 2018

S/N	Main features of regulatory capital instrument	Ordinary Shares (A share)	Ordinary Shares (H share)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Domestic)
1	Issuer	The Bank	The Bank	The Bank	The Bank	The Bank	The Bank
2	Unique identifier	601398	1398	4603	4604	84602	360011
3	Governing law(s) of the instrument	Securities Law of the People's Republic of China/China	Securities and Futures Ordinance of Hong Kong/ Hong Kong, China	The creation and issue of the Offshore Preference Shares and the rights and obligations (including non-contractual rights and obligations) attached to them are governed by, and shall be construed in accordance with, PRC law	The creation and issue of the Offshore Preference Shares and the rights and obligations (including non-contractual rights and obligations) attached to them are governed by, and shall be construed in accordance with, PRC law	The creation and issue of the Offshore Preference Shares and the rights and obligations (including non-contractual rights and obligations) attached to them are governed by, and shall be construed in accordance with, PRC law	Company Law of the People's Republic of China, Securities Law of the People's Republic of China, Guidance of the State Council on Launch of Preference Shares Pilot, Trial Administrative Measures on Preference Shares, Guidance on the Issuance of Preference Shares of Commercial Banks to Replenish Tier 1 Capital /China
	Regulatory treatment						

S/N	Main features of regulatory capital instrument	Ordinary Shares (A share)	Ordinary Shares (H share)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Domestic)
4	Including: Transition arrangement of Regulation Governing Capital of Commercial Banks (Provisional)	Core tier 1 capital	Core tier 1 capital	Additional tier 1 capital	Additional tier 1 capital	Additional tier 1 capital	Additional tier 1 capital
5	Including: Post-transition arrangement of Regulation Governing Capital of Commercial Banks (Provisional)	Core tier 1 capital	Core tier 1 capital	Additional tier 1 capital	Additional tier 1 capital	Additional tier 1 capital	Additional tier 1 capital
6	Including: Eligible to the parent company/group level	Parent company/ Group	Parent company/ Group	Parent company/ Group	Parent company/ Group	Parent company/ Group	Parent company/ Group
7	Instrument type	Core tier 1 capital instrument	Core tier 1 capital instrument	Additional tier 1 capital instrument	Additional tier 1 capital instrument	Additional tier 1 capital instrument	Additional tier 1 capital instrument
8	Amount recognized in regulatory capital (in millions, as at the latest reporting date)	RMB339,126	RMB169,202	RMB equivalent 17,928	RMB equivalent 4,542	RMB11,958	RMB44,947
9	Par value of instrument (in millions)	RMB269,612	RMB86,795	USD2,940	EUR 600	RMB12,000	RMB45,000
10	Accounting treatment	Share capital, Capital reserve	Share capital, Capital reserve	Other equity	Other equity	Other equity	Other equity
11	Original date of issuance	19 October 2006	19 October 2006	10 December 2014	10 December 2014	10 December 2014	18 November 2015
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual
13	Including: Original maturity date	No maturity date	No maturity date	No maturity date	No maturity date	No maturity date	No maturity date
14	Issuer call (subject to prior supervisory approval)	No	No	Yes	Yes	Yes	Yes
15	Including: Optional call date, contingent call dates and redemption amount	N/A	N/A	The First Redemption Date is 10 December 2019, in full or partial amount	The First Redemption Date is 10 December 2021, in full or partial amount	The First Redemption Date is 10 December 2019, in full or partial amount	The First Redemption Date is 18 November 2020, in full or partial amount

S/N	Main features of regulatory capital instrument	Ordinary Shares (A share)	Ordinary Shares (H share)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Domestic)
16	Including: Subsequent call dates, if applicable	N/A	N/A	10 December in each year after the First Redemption Date	10 December in each year after the First Redemption Date	10 December in each year after the First Redemption Date	Commences on the First Redemption Date (18 November 2020) and ends on the completion date of redemption or conversion of all the Domestic Preference Shares
	Coupons/dividends						
17	Including: Fixed or floating dividend/coupon	Floating	Floating	Fixed to floating	Fixed to floating	Fixed to floating	Fixed to floating
18	Including: Coupon rate and any related index	N/A	N/A	6% (dividend rate) before 10 December 2019	6% (dividend rate) before 10 December 2021	6% (dividend rate) before 10 December 2019	4.50% (dividend rate) before 18 November 2020
19	Including: Existence of a dividend stopper	N/A	N/A	Yes	Yes	Yes	Yes
20	Including: Fully discretionary, partially discretionary or mandatory cancellation of coupons/ dividends	Fully discretionary	Fully discretionary	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary
21	Including: Redemption incentive mechanism	No	No	No	No	No	No
22	Including: Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	No	No	Yes	Yes	Yes	Yes
24	Including: If convertible, conversion trigger(s)	N/A	N/A	Additional Tier 1 Capital Trigger Event or Tier 2 Capital Trigger Event	Additional Tier 1 Capital Trigger Event or Tier 2 Capital Trigger Event	Additional Tier 1 Capital Trigger Event or Tier 2 Capital Trigger Event	Additional Tier 1 Capital Trigger Event or Tier 2 Capital Trigger Event

S/N	Main features of regulatory capital instrument	Ordinary Shares (A share)	Ordinary Shares (H share)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Domestic)
25	Including: If convertible, fully or partially	N/A	N/A	Fully or partially convertible when an Additional Tier 1 Capital Trigger Event occurs; fully convertible when a Tier 2 Capital Trigger Event occurs	Fully or partially convertible when an Additional Tier 1 Capital Trigger Event occurs; fully convertible when a Tier 2 Capital Trigger Event occurs	Fully or partially convertible when an Additional Tier 1 Capital Trigger Event occurs; fully convertible when a Tier 2 Capital Trigger Event occurs	Fully or partially convertible when an Additional Tier 1 Capital Trigger Event occurs; fully convertible when a Tier 2 Capital Trigger Event occurs
26	Including: If convertible, conversion trigger(s)	N/A	N/A	The initial conversion price is equal to the average trading price of the H shares of the Bank for the 20 trading days preceding 25 July 2014, the date of publication of the Board resolution in respect of the issuance plan	The initial conversion price is equal to the average trading price of the H shares of the Bank for the 20 trading days preceding 25 July 2014, the date of publication of the Board resolution in respect of the issuance plan	The initial conversion price is equal to the average trading price of the H shares of the Bank for the 20 trading days preceding 25 July 2014, the date of publication of the Board resolution in respect of the issuance plan	The initial conversion price is equal to the average trading price of the A shares of the Bank for the 20 trading days preceding 25 July 2014, the date of publication of the Board resolution in respect of the issuance plan
27	Including: If convertible, mandatory or optional conversion	N/A	N/A	Mandatory	Mandatory	Mandatory	Mandatory
28	Including: If convertible, specify instrument type convertible into	N/A	N/A	Core tier 1 capital	Core tier 1 capital	Core tier 1 capital	Core tier 1 capital
29	Including: If convertible, specify issuer of instrument it converts into	N/A	N/A	The Bank	The Bank	The Bank	The Bank

S/N	Main features of regulatory capital instrument	Ordinary Shares (A share)	Ordinary Shares (H share)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Offshore)	Preference Shares (Domestic)
30	Write-down feature	No	No	No	No	No	No
31	Including: If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
32	Including: If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A
33	Including: If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A
34	Including: If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to depositor, general creditor, creditor of the subordinated debts and preference shareholders	Subordinated to depositor, general creditor, creditor of the subordinated debts and preference shareholders	Subordinated to all liabilities of the Bank and instruments issued or guaranteed by the Bank ranking senior to the Offshore Preference Shares, pari passu with the holders of Parity Obligations	Subordinated to all liabilities of the Bank and instruments issued or guaranteed by the Bank ranking senior to the Offshore Preference Shares, pari passu with the holders of Parity Obligations	Subordinated to all liabilities of the Bank and instruments issued or guaranteed by the Bank ranking senior to the Offshore Preference Shares, pari passu with the holders of Parity Obligations	Subordinated to all liabilities of the Bank and instruments issued or guaranteed by the Bank ranking senior to the Domestic Preference Shares, pari passu with the holders of Parity Obligations
36	Non-compliant transitioned features	No	No	No	No	No	No
	Including: If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A

MAIN FEATURES OF ELIGIBLE CAPITAL INSTRUMENTS AT THE END OF 2018 (CONTINUED)

S/N	Main features of regulatory capital instrument	Tier 2 capital bonds	Tier 2 capital bonds	Tier 2 capital bonds	Tier 2 capital bonds
1	Issuer	The Bank	The Bank	The Bank	The Bank
2	Unique identifier	1428009	Rule 144A ISIN: US455881AD47 Regulation S ISIN: USY39656AC06	1728021	1728022
3	Governing law(s) of the instrument	Securities Law of the People's Republic of China/China	The Notes and the Fiscal Agency Agreement shall be governed by, and shall be construed in accordance with, New York law, except that the provisions of the Notes relating to subordination shall be governed by, and construed in accordance with, PRC law	Governed by the Commercial Banking Law of the People's Republic of China, the Regulation Governing Capital of Commercial Banks (Provisional) and the Measures for Administration of Financial Bond Issuance in China's Inter-bank Bond Market, as well as other applicable laws, regulations and normative documents	Governed by the Commercial Banking Law of the People's Republic of China, the Regulation Governing Capital of Commercial Banks (Provisional) and the Measures for Administration of Financial Bond Issuance in China's Inter-bank Bond Market, as well as other applicable laws, regulations and normative documents
	Regulatory treatment				
4	Including: Transition arrangement of Regulation Governing Capital of Commercial Banks (Provisional)	Tier 2 capital	Tier 2 capital	Tier 2 capital	Tier 2 capital
5	Including: Post-transition arrangement of Regulation Governing Capital of Commercial Banks (Provisional)	Tier 2 capital	Tier 2 capital	Tier 2 capital	Tier 2 capital
6	Including: Eligible to the parent company/group level	Parent company/ Group	Parent company/ Group	Parent company/ Group	Parent company/ Group
7	Instrument type	Tier 2 capital instrument	Tier 2 capital instrument	Tier 2 capital instrument	Tier 2 capital instrument

S/N	Main features of regulatory capital instrument	Tier 2 capital bonds	Tier 2 capital bonds	Tier 2 capital bonds	Tier 2 capital bonds
8	Amount recognized in regulatory capital (in millions, as at the latest reporting date)	RMB19,994	RMB equivalent 13,626	RMB44,000	RMB44,000
9	Par value of instrument (in millions)	RMB20,000	USD2,000	RMB44,000	RMB44,000
10	Accounting treatment	Debt securities issued	Debt securities issued	Debt securities issued	Debt securities issued
11	Original date of issuance	4 August 2014	21 September 2015	6 November 2017	20 November 2017
12	Perpetual or dated	Dated	Dated	Dated	Dated
13	Including: Original maturity date	5 August 2024	21 September 2025	8 November 2027	22 November 2027
14	Issuer call (subject to prior supervisory approval)	Yes	No	Yes	Yes
15	Including: Optional call date, contingent call dates and redemption amount	5 August 2019, in full amount	N/A	8 November 2022, in full amount	22 November 2022, in full amount
16	Including: Subsequent call dates, if applicable	N/A	N/A	N/A	N/A
	Coupons/dividends				
17	Including: Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed
18	Including: Coupon rate and any related index	5.80%	4.875%	4.45%	4.45%
19	Including: Existence of a dividend stopper	No	No	No	No
20	Including: Fully discretionary, partially discretionary or mandatory cancellation of coupons/ dividends	Mandatory	Mandatory	Mandatory	Mandatory
21	Including: Redemption incentive mechanism	No	No	No	No
22	Including: Non-cumulative or cumulative	Cumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	No	No	No	No
24	Including: If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A

S/N	Main features of regulatory capital instrument	Tier 2 capital bonds	Tier 2 capital bonds	Tier 2 capital bonds	Tier 2 capital bonds
25	Including: If convertible, fully or partially	N/A	N/A	N/A	N/A
26	Including: If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A
27	Including: If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A
28	Including: If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A
29	Including: If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A
30	Write-down feature	Yes	Yes	Yes	Yes
31	Including: If write-down, write-down trigger(s)	Non-viability of the Bank	Whichever occurs earlier: (i) CBIRC having decided that a write-down is necessary, without which the Issuer would become nonviable; or (ii) any relevant authority having decided that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable	Whichever occurs earlier: (i) CBIRC having decided that a write-down is necessary, without which the Issuer would become nonviable; or (ii) any relevant authority having decided that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable	Whichever occurs earlier: (i) CBIRC having decided that a write-down is necessary, without which the Issuer would become nonviable; or (ii) any relevant authority having decided that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable
32	Including: If write-down, full or partial	Full write-down	Full write-down	Full write-down	Full write-down
33	Including: If write-down, permanent or temporary	Permanent write-down	Permanent write-down	Permanent write-down	Permanent write-down
34	Including: If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A



<b>S/N</b>	<b>Main features of regulatory capital instrument</b>	<b>Tier 2 capital bonds</b>	<b>Tier 2 capital bonds</b>	<b>Tier 2 capital bonds</b>	<b>Tier 2 capital bonds</b>
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to depositor and general creditor, pari passu with other subordinated debts	Subordinated to depositor and general creditor, pari passu with other subordinated debts	Subordinated to depositor and general creditor, but senior to equity capital, other tier 1 capital instruments and hybrid capital bonds; pari passu with other subordinated debts that have been issued by the Issuer and are pari passu with the present bonds; and pari passu with other tier 2 capital instruments that will possibly be issued in the future and are pari passu with the present bonds	Subordinated to depositor and general creditor, but senior to equity capital, other tier 1 capital instruments and hybrid capital bonds; pari passu with other subordinated debts that have been issued by the Issuer and are pari passu with the present bonds; and pari passu with other tier 2 capital instruments that will possibly be issued in the future and are pari passu with the present bonds
36	Non-compliant transitioned features	No	No	No	No
	Including: If yes, specify non-compliant features	N/A	N/A	N/A	N/A

The following information is disclosed in accordance with Administrative Measures for Leverage Ratio of Commercial Banks (Revised) Appendix 3 Disclosure Templates of Leverage Ratio.

#### COMPARISON OF REGULATORY LEVERAGE RATIO ITEMS AND ACCOUNTING ITEMS

*In RMB millions*

S/N	Item	At 31 December 2018
1	Total consolidated assets as per published financial statements	27,699,540
2	Consolidated adjustments for accounting purposes but outside the scope of regulatory consolidation	(110,212)
3	Adjustments for fiduciary assets	-
4	Adjustments for derivative financial instruments	68,114
5	Adjustment for securities financing transactions	35,125
6	Adjustment for off-balance sheet items	2,002,299
7	Other adjustments	(14,988)
8	Balance of adjusted on- and off-balance sheet assets	29,679,878

#### LEVERAGE RATIO, NET TIER 1 CAPITAL, BALANCE OF ADJUSTED ON- AND OFF-BALANCE SHEET ASSETS AND RELATED INFORMATION

*In RMB millions, except for percentages*

S/N	Item	At 31 December 2018
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	27,120,956
2	Less: Asset amounts deducted in determining Basel III Tier 1 capital	(14,988)
3	Balance of adjusted on-balance sheet assets (excluding derivatives and SFTs)	27,105,968
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	76,179
5	Add-on amounts for PFE associated with all derivatives transactions	63,890
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7	Less: Deductions of receivables assets for cash variation margin provided in derivatives transactions	-
8	Less: Exempted CCP leg of client-cleared trade exposures	(20,180)
9	Effective notional amount of written credit derivatives	44,968
10	Less: Adjusted effective notional deductions for written credit derivatives	(25,408)
11	Total derivative exposures	139,449

12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	397,037
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-
14	CCR exposure for SFT assets	35,125
15	Agent transaction exposures	-
16	Total securities financing transaction exposures	432,162
17	Off-balance sheet exposure at gross notional amount	4,400,110
18	Less: Adjustments for conversion to credit equivalent amounts	(2,397,811)
19	Balance of adjusted off-balance sheet assets	2,002,299
20	Net tier 1 capital	2,312,143
21	Balance of adjusted on- and off-balance sheet assets	29,679,878
22	Leverage ratio	7.79%

The following information is disclosed in accordance with Guidelines on the LCR Disclosure of Commercial Banks Appendix I Quantitative Information Disclosure of Liquidity Coverage Ratio Using Advanced Approaches.

## QUANTITATIVE INFORMATION DISCLOSURE OF LIQUIDITY COVERAGE RATIO USING ADVANCED APPROACHES

*In RMB millions, except for percentages*

S/N	Item	Fourth quarter 2018	
		Total un-weighted value	Total weighted value
<b>HIGH-QUALITY LIQUID ASSETS</b>			
1	Total high-quality liquid assets (HQLA)		4,921,335
<b>CASH OUTFLOWS</b>			
2	Retail deposits and deposits from small business customers, of which:	10,059,024	1,002,806
3	<i>Stable deposits</i>	48,891	1,793
4	<i>Less stable deposits</i>	10,010,133	1,001,013
5	Unsecured wholesale funding, of which:	12,018,257	3,964,817
6	<i>Operational deposits (excluding those generated from correspondent banking activities)</i>	6,881,028	1,669,869
7	<i>Non-operational deposits (all counterparties)</i>	5,061,928	2,219,647
8	<i>Unsecured debt</i>	75,301	75,301
9	Secured funding		25,354
10	Additional requirements, of which:	3,960,547	1,446,607
11	<i>Outflows related to derivative exposures and other collateral requirements</i>	1,223,431	1,223,431
12	<i>Outflows related to loss of funding on debt products</i>	-	-
13	<i>Credit and liquidity facilities</i>	2,737,116	223,176
14	Other contractual funding obligations	59,213	58,837
15	Other contingent funding obligations	3,183,889	127,123
16	<b>TOTAL CASH OUTFLOWS</b>		<b>6,625,544</b>
<b>CASH INFLOWS</b>			
17	Secured lending (including reverse repos and securities borrowing)	958,599	488,036
18	Inflows from fully performing exposures	1,457,392	1,035,013
19	Other cash inflows	1,222,330	1,216,322
20	<b>TOTAL CASH INFLOWS</b>	<b>3,638,321</b>	<b>2,739,371</b>
			<b>Total adjusted value</b>
21	<b>TOTAL HQLA</b>		<b>4,921,335</b>
22	<b>TOTAL NET CASH OUTFLOWS</b>		<b>3,886,173</b>
23	<b>LIQUIDITY COVERAGE RATIO (%)</b>		<b>126.66%</b>

Note: Data of the above table are all the simple arithmetic means of the 92 natural days' figures of the recent quarter.