China Construction Bank Corporation

Capital Adequacy Ratio Report 2015

CONTENTS

IMPORTANT NOTICE

China Construction Bank Corporation (the "Bank" or "CCB" or the "Group") warrants the authenticity, accuracy and completeness of all contents contained and information disclosed herein.

In accordance with the *Capital Rules for Commercial Banks (Provisional)* issued by the China Banking Regulatory Commission (the "CBRC"), the Group is required to disclose information relevant to capital adequacy ratios on a quarterly, semi-annual and annual basis; however, the disclosed contents might vary based on different disclosure frequencies. The Group is scheduled to release a detailed annual capital adequacy ratio report and quarterly highlights starting from March 2013. The *Capital Adequacy Ratio Report 2015 of China Construction Bank Corporation* (the "Report") is prepared in accordance with the definition and rules of the capital adequacy ratios promulgated by the CBRC other than *Accounting Standards,* thus part of the information disclosed herein cannot be directly compared with the financial information as disclosed in the *Annual Report 2015 of China Construction Bank,* of which the disclosure of credit exposures are especially obvious.

China Construction Bank Corporation

March 2016

We have included in this report certain forward-looking statements with respect to our financial position, operating results and business development. We use words such as "will", "may", "expect", "try", "strive" and similar expressions to identify forward-looking statements. These statements are based on current plans, estimates and projections. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we can give no assurance that those expectations will prove to have been correct, and you are cautioned not to place undue reliance on such statements. Readers are cautioned that a number of factors could cause actual results to differ, in some instances materially, from those anticipated or implied in any forward-looking statements. These factors include, among others: changes in general economic conditions in the markets in which the Group operates, changes in the government's adjustments and control policies and in laws and regulations, and factors specific to the Group.

1 BACKGROUND

1.1 Profile

China Construction Bank Corporation, established in October 1954 and headquartered in Beijing, is a leading large-scale joint stock commercial bank in Mainland China with world-renowned reputation. The Bank was listed on Hong Kong Stock Exchange in October 2005 (stock code: 939) and listed on the Shanghai Stock Exchange in September 2007 (stock code: 601939). At the end of 2015, the Bank's market capitalisation reached USD173.3 billion, ranking 5th among listed banks in the world.

With 14,917 branches and sub-branches in Mainland China, the Bank provides services to 3,925.6 thousand corporate customers and 341 million personal customers, and maintains close cooperation with the numerous premium enterprises that play the supporting and leading role in the Chinese economy and a large number of high-end customers. The Bank maintains overseas branches in Hong Kong, Macao, Singapore, Frankfurt, Johannesburg, Tokyo, Osaka, Seoul, New York, Ho Chi Minh City, Sydney, Melbourne, Taipei, Luxembourg, Brisbane and Toronto, and owns various subsidiaries, such as CCB Asia, CCB International, CCB London, CCB Russia, CCB Dubai, CCB Europe, CCB New Zealand, CCB Principal Asset Management, CCB Financial Leasing, CCB Trust, CCB Life, CCB Futures, and Sino-German Bausparkasse.

The Bank upholds its "customer-centric, market-oriented" business philosophy, adheres to its development strategy of "integration, multifunction and intensiveness", and strives to provide customers with comprehensive and premium financial services by accelerating innovation of products, channels and service modes, thus being a market leader of a number of core business indicators. The Bank vigorously promotes the development of emerging businesses including investment banking, credit cards, electronic banking, private banking and consumer finance, while maintaining its traditional business advantages in infrastructure and housing finance. The Bank constantly optimises business and management processes, and increases investments in infrastructure like information systems, aiming to enhance its capability of risk prevention and control and market competitiveness.

The Bank advocates the fulfilment of citizen responsibilities as its corporate mission and proactively combines business development with undertaking of social responsibilities, dedicated to building a bank with sustainable development that serves the general public, improves people's livelihood, and promotes low carbon consumption and environmental protection.

1.2 Objectives

The Report is prepared in accordance with the *Capital Rules for Commercial Banks (Provisional)* issued by the CBRC, the Circular of the China Banking Regulatory Commission on Printing and Distributing the Supporting Policy Documents for the Capital Regulation and Administration of Commercial Banks and other relevant regulations. This report provides relevant qualitative and quantitative information, such as the calculation scope of the capital adequacy ratios, composition of capital, risk management framework, measurement and management of credit risk, market risk, operational risk and other risks, and remuneration, helping the investors and the public fully understand the Group's capital, risk and remuneration management conditions.

2 CAPITAL ADEQUACY RATIOS

2.1 Consolidation Scope

The Group commenced to calculate the capital adequacy ratios in accordance with the *Capital Rules for Commercial Banks (Provisional)* promulgated by the CBRC in June 2012. The scope for calculating capital adequacy ratios includes both the Bank's domestic and overseas branches and sub-branches, and subsidiaries of the financial institution type (insurance company excluded).

2.1.1 Differences Between Regulatory and Accounting Consolidation

According to the regulatory requirements, the Group includes neither the industrial and commercial enterprises, nor the subsidiaries of the insurance type to the consolidated calculation scope of the capital adequacy ratios, resulting in certain differences between the regulatory and financial consolidation scopes. As at 31 December 2015, the differences between the Group's regulatory and accounting consolidation scopes are outlined in the table below.

Table 1: Differences between regulatory and accounting consolidation

No.	Company Name	Type of Business	Place of incorporation	Under the accounting scope of consolidation	Under the regulatory scope of consolidation
1	CCB Life Insurance Company Limited	Insurance	Shanghai, China	Yes	No

1. Except the differences of consolidation resulting from the above subsidiaries, in accordance with the regulatory requirements, certain sub-subsidiaries of industrial and commercial types were also not within the regulatory scope of consolidation.

2.1.2 General Information of the Invested Institutions

According to the regulatory requirements, different types of the invested institutions are given different treatments while calculating the consolidated capital adequacy ratios.

- With respect to the financial institution type of subsidiaries that are included in both the regulatory and accounting scopes of consolidation, the Group includes their capital and risk-weighted assets to the calculation scope of consolidated capital adequacy ratios.
- With respect to the insurance subsidiary that are outside the scope of regulatory consolidation but within the scope of accounting consolidation, the Group deducts the investment in such subsidiary from the capital while calculating the consolidated capital adequacy ratios.
- With respect to the industrial and commercial enterprise type of subsidiaries that are outside the scope of regulatory consolidation but within the scope of accounting consolidation, while calculating the consolidated capital adequacy ratios, the Group calculates the risk-weighted assets for the investment in such subsidiaries based on the regulatory risk weights.
- With respect to other financial institutions outside both the regulatory and accounting scopes of consolidations, the Group follows the threshold deduction method for the

investment in such type of financial institution. The portion of the investment exceeding the materiality level is deducted from the capital, while the amounts that are not deducted from the capital will receive the corresponding regulatory risk weights.

- With respect to other industrial and commercial enterprises outside the scopes of both regulatory and accounting consolidations, the Group calculates their risk-weighted assets based on the regulatory risk weights.

Table 2: Particulars of the top 10 invested institutions under the scope of regulatory consolidation

No.	Name of the invested institutions	Equity investment balance (In millions of RMB	Direct shareholding percentage (%)	Indirect shareholding percentage (%)	Place of incorporation
1	China Construction Bank (Asia) Corporation Limited	32,878	-	100%	Hong Kong, China
2	CCB Financial Leasing Corporation Limited	8,163	100%	-	Beijing, China
3	China Construction Bank (Brasil) Banco Múltiplo S/A (“CCB Brasil”)	5,495	-	99.05%	Sao Paulo, Brasil
4	CCB International (Holdings) Limited	4,320	-	100%	Hong Kong, China
5	CCB TRUST Co., Limited	3,409	67%	-	Anhui, China
6	China Construction Bank (London) Limited	2,861	100%	-	London, England
7	CCB Pension Management Co., Ltd.	1,955	85%	-	Beijing, China
8	China Construction Bank (Europe) S.A.	1,629	100%	-	Luxembourg
9	Sino-German Bausparkasse Co., Ltd.	1,502	75.1%	-	Tianjin, China
10	China Construction Bank (Russia) Limited Liability Company	851	100%	-	Moscow, Russia
Total		**63,063**			

1. The table is listed by equity investment balance in descending order.

Table 3: Particulars of the top 10 invested institutions subject to deduction treatment

No.	Name of the invested institutions	Equity investment balance (In millions of RMB)	Direct shareholding percentage (%)	Place of incorporation	Nature of industry
1	CCB Life Insurance Company Limited	3,902	51%	Shanghai, China	Insurance
Total		**3,902**			

1. Invested institutions subject to deduction treatment refer to capital investment which shall be fully deducted or meet the threshold deductions while calculating the eligible capitals.

2.2 Capital Adequacy Ratios

The Group calculated the capital adequacy ratios in accordance with the *Capital Rules for Commercial Banks (Provisional)* promulgated by the CBRC in June 2012, and was approved to implement the advanced approach of capital management since 2 April 2014. As at 31 December 2015, considering relevant rules in the transition period, the Group’s total capital ratio, tier 1 ratio and common equity tier 1 ratio, which were calculated in accordance with the *Capital Rules for Commercial Banks (Provisional)*, were 15.39%, 13.32% and 13.13%, respectively, and were in compliance with the regulatory requirements. The total capital ratio, tier 1 ratio and common equity tier 1 ratio increased by 0.53, 1.21 and 1.02 percentage points respectively compared with those as at 31 December 2014.

The increases in the Group's capital adequacy ratios were mainly due to the following factors. Firstly, the Group realised good operating results, with increased retained profits. Secondly, the Group was actively engaged in capital instruments innovations and successfully issued different classes of qualified capital instruments in both domestic and overseas markets to help reinforce its capital base. Thirdly, the Group continued to push forward the optimisation of business structure, enhanced the delicacy capital management, while properly controlling the growth rate of risk-weighted assets.

Table 4: Capital adequacy ratios

(In millions of RMB, except percentages)	**As at 31 December 2015**		**As at 31 December 2014 (Restated)**[4]	
	The Group	**The Bank**	**The Group**	**The Bank**
Capital adequacy ratios calculated in accordance with the *Capital Rules for Commercial Banks (Provisional)*[1]				
Capital after deductions:				
Common Equity Tier 1 capital after deductions	1,408,127	1,328,994	1,236,112	1,166,760
Tier 1 capital after deductions	1,427,847	1,348,654	1,236,149	1,166,760
Total capital after deductions	1,650,173	1,567,187	1,516,310	1,445,219
Capital adequacy ratios:				
Common Equity Tier 1 ratio[2]	13.13%	12.94%	12.11%	11.78%
Tier 1 ratio[2]	13.32%	13.13%	12.11%	11.78%
Total capital ratio[2]	15.39%	15.26%	14.86%	14.59%
Capital adequacy ratios calculated in accordance with the Measures for the Management of Capital Adequacy Ratios of Commercial Banks				
Core capital adequacy ratio[3]	12.35%	12.32%	12.09%	12.02%
Capital adequacy ratio[3]	15.43%	15.19%	14.71%	14.39%

1. Since the second quarter of 2014, the Group has adopted advanced approaches and other approaches simultaneously to calculate the capital adequacy ratios, subject to relevant requirements for the capital bottom line.
2. Common Equity Tier 1 ratio, Tier 1 ratio and total adequacy ratio are the ratios of Common Equity Tier 1 capital after deductions, Tier 1 capital after deductions and total capital after deductions to the risk-weighted assets, respectively.
3. Core capital adequacy ratio and capital adequacy ratio are the ratios of the common equity capital after deductions and total capital after deductions to the risk-weighted assets, respectively.
4. The Group has restated the Group Level figures as at 31 December 2014. The restating amount if not significant. For detailed reasons please refer to Note 23(2) of China Construction Bank Corporation Annual Report 2015.

2.3 Regulatory Capital Gap of Consolidated Subsidiaries

As at the end of December 2015, financial institutions, of which the Bank holds majority of the equity or owns the control rights, had no regulatory capital gap in accordance with the *Capital Rules for Commercial Banks (Provisional).*

2.4 Restrictions on Intragroup Transfer of Capital

In 2015, none of the Group's subsidiaries experienced significant restrictions on transfer of regulatory capital such as payment of dividends.

3 CAPITAL MANAGEMENT

3.1 Approaches and Procedure of Internal Capital Adequacy Assessment

The bank's internal capital adequacy assessment procedure including governance framework, risk identification and assessment, stress test, capital assessment, capital planning and emergency management, etc. which covers the main processes of the risk management and capital management. Based on the comprehensive consideration and evaluation of major risks faced by the Bank and the matching between capital and risk, the Bank ensured the capital level is adapted to the risk statues throughout all activities under various environments by establishing the management system considering both risk and capital. The bank's internal capital adequacy assessment is conducted annually and the assessment methodology is optimizing. At present, the Bank has established relatively standardized governance framework, thorough policy system, complete evaluation process, periodic monitoring and reporting mechanism and internal audit system, which promoting the adaption between capital and strategy, operating conditions and risk level, and the system can meet requirements of the external supervision and internal management needs. Currently, the bank's capital levels adapt to the main risk level and risk management ability, capital planning match with the operating conditions, tendency of risk changes and long-term development strategy. The Bank fully covered risks and maintained appropriate capital buffers, which laid a solid foundation for stable operation and sustainable business development.

3.2 Capital Planning and Capital Adequacy Ratio Management Plan

In 2014, the Bank formulated China Construction Bank Capital Planning 2015-2017 that was deliberated and approved by the Board of Directors and the shareholders' general meeting. In accordance with the *Capital Rules for Commercial Banks (Provisional)*, China Construction Bank Capital Planning 2015-2017 had comprehensively considered the regulatory requirements, strategic transformation plans, risk appetite, risk level and risk management capabilities, funding capabilities, uncertainties of operational environment, etc. By adopting the latest regulatory rules, the Bank predicted the capital supplies and demands and gave considerations to the short-term and long-term capital demands, to ensure that both the regulatory requirements and internal capital management objectives were constantly met.

Based on the annual management target of capital adequacy ratios determined by the medium-and-long-term capital planning, the Bank made the capital adequacy ratio management plan on an annual basis, and incorporated it to the annual integrated business plan, ensuring that the annual capital management plan fits in with various business plans, and also ensuring the capital level would be higher than the internal management objectives of the capital adequacy ratios. The Bank adopted various measures such as setting proper asset growth target, adjusting risk assets structure, accumulating internal capital and raising capital through external channels, to ensure that various capital adequacy ratios of the Group and the Bank were in full compliance with regulatory requirements and met internal management requirements. This helped to mitigate potential risks as well as support healthy business developments.

3.3 Overview of Capital Composition

3.3.1 Composition of Capital

The following table shows the information related to the Group's composition of capital.

Table 5: Composition of capital

(In millions of RMB)	**As at 31 December 2015**	**As at 31 December 2014 (Restated)**
Common Equity Tier 1 capital:		
Qualifying common share capital	250,011	250,011
Capital reserve [1]	157,613	139,265
Surplus reserve	153,032	130,515
General reserve	186,383	169,478
Undistributed profits	669,802	556,756
Minority interest given recognition in Common Equity Tier 1 capital	4,121	4,456
Others[2]	(5,330)	(6,435)
Deductions from Common Equity Tier 1 capital		
Goodwill[3]	1,946	2,058
Other intangible assets (excluding land use right)[3]	1,657	1,984
Cash-flow hedge reserve	-	(10)
Investments in common equity of financial institutions being controlled but outside the scope of regulatory consolidation	3,902	3,902
Additional Tier 1 capital		
Directly issued qualifying Additional Tier 1 capital instruments including related stock surplus	19,659	-
Minority interest given recognition in Tier 2 capital	61	37
Tier 2 capital		
Directly issued qualifying Tier 2 instruments plus stock surplus	170,147	149,839
Provisions in Tier 2	50,014	127,878
Minority interest given recognition in Tier 2 capital	2,165	2,444
Common Equity Tier 1 capital after deductions [4]	**1,408,127**	**1,236,112**
Tier 1 capital after deductions [4]	**1,427,847**	**1,236,149**
Total capital after deductions [4]	**1,650,173**	**1,516,310**

1. The investment revaluation reserve is included in capital reserve.
2. Others mainly contain foreign exchange reserve.
3. Both balances of goodwill and other intangible assets (excluding land use right) are the net amounts after deducting relevant deferred tax liabilities.
4. Common Equity Tier 1 capital after deductions is calculated by netting off the corresponding deduction items from the Common Equity Tier 1 capital. Tier 1 capital after deductions is calculated by netting off the corresponding deduction items from the Tier 1 capital. Total capital after deductions is calculated by netting off the corresponding deduction items from the total capital.

3.3.2 Threshold Deductions and Limit of Provisions in Tier 2 Capital

As at 31 December 2015, neither the Group's relevant capital investment, nor net deferred tax assets exceeded the thresholds; both of them were therefore not required to be deducted from the corresponding capital. The following table shows relevant information of threshold deductions.

Table 6: Threshold deduction limits

(In millions of RMB)				As at 31 December 2015
Items applicable to threshold deduction method	**Amount**	**Capital deduction limits**		**Amount below thresholds for deduction**
		Item	**Amount**	
Non-significant investments in the capitals of financial institutions outside the scope of regulatory consolidation	39,731	10% of Common Equity Tier 1 capital after deductions[1]	140,813	101,082
Common Equity Tier 1 capital	3,189			
Additional Tier 1 capital	-			
Tier 2 capital	36,542			
Significant investments in the Common Equity Tier 1 capital of financial institutions outside the scope of regulatory consolidation	230	10% of Common Equity Tier 1 capital after deductions[2]	140,813	140,583
Other deferred tax assets that rely on the Bank's future profitability (net of related tax liability)	25,229		140,813	115,584
Amounts of significant investments in the Common Equity Tier 1 capital of financial institutions outside the scope of regulatory consolidation and other deferred tax assets that rely on the Bank's future profitability below the above thresholds for deduction	25,459	15% of Common Equity Tier 1 capital after deductions[3]	211,219	185,760

1. Common Equity Tier 1 capital after deductions is calculated by netting off the full deduction items from the Common Equity Tier 1 capital.
2. Common Equity Tier 1 capital after deductions is calculated by netting off the full deduction items and the amounts exceeding the 10% recognition cap of the non-significant investments in financial institutions outside the scope of regulatory consolidation in Common Equity Tier 1.
3. Common Equity Tier 1 capital after deductions is calculated by netting off the full deduction items and the amounts exceeding the 10% recognition caps of the non-significant and significant investments in the common equity Tier 1 of financial institutions outside the scope of regulatory consolidation and other deferred tax assets relying on the Bank's future profitability.

The Group always adhered to the prudent principle by making full provisions for impairment losses on loans and advances to customers. As at 31 December 2015, the Group's provisions eligible for inclusion in Tier 2 were RMB50,014 million in total. The following table shows the information relating to the limit of capital provisions eligible for inclusion in Tier 2 capital.

Table 7: Limit of provisions eligible for inclusion in Tier 2 capital

(In millions of RMB)		As at 31 December 2015
Measurement approach	**Item**	**Balance**
Uncovered by internal rating-based approach	Provisions	3,551
	Caps on the inclusion of provisions in Tier 2 capital	29,294
	Gaps with the upper limit if not reach the upper limit	25,743
	Provisions eligible for inclusion in Tier 2 capital	3,551
Covered by internal rating-based approach	Provisions	107,044
	Caps on the inclusion of provisions in Tier 2 capital	46,463
	Gaps with the upper limit if not reach the upper limit	-
	Provisions eligible for inclusion in Tier 2 capital[1]	46,463

1. Provisions eligible for inclusion in Tier 2 capital considers the parallel period adjustment factors.

3.3.3 Changes in Qualifying Common Share Capital

During the reporting period, the Group experienced no change in qualifying common share capital, and separation or consolidation event.

3.3.4 Significant Capital Investments

In August 2015, according to related laws and regulatory requirements, the Bank initiated tender offer procedures to CCB Brasil (formerly known as Banco Industrial e Comercial S.A. ("BIC Bank") and injected USD160 million into CCB Brasil Financial Holding (SPV) for the purpose of paying consideration of the intended shares in the tender offer. As at 28 December 2015, the tender offer procedures in the stage were completed and a consideration of BRL536 million was paid in total, which enabled the Bank to possess 99.05% shares of CCB Brasil. The Bank withdrew its listing and was formally renamed as China Construction Bank (Brasil) Banco Múltiplo S/A.

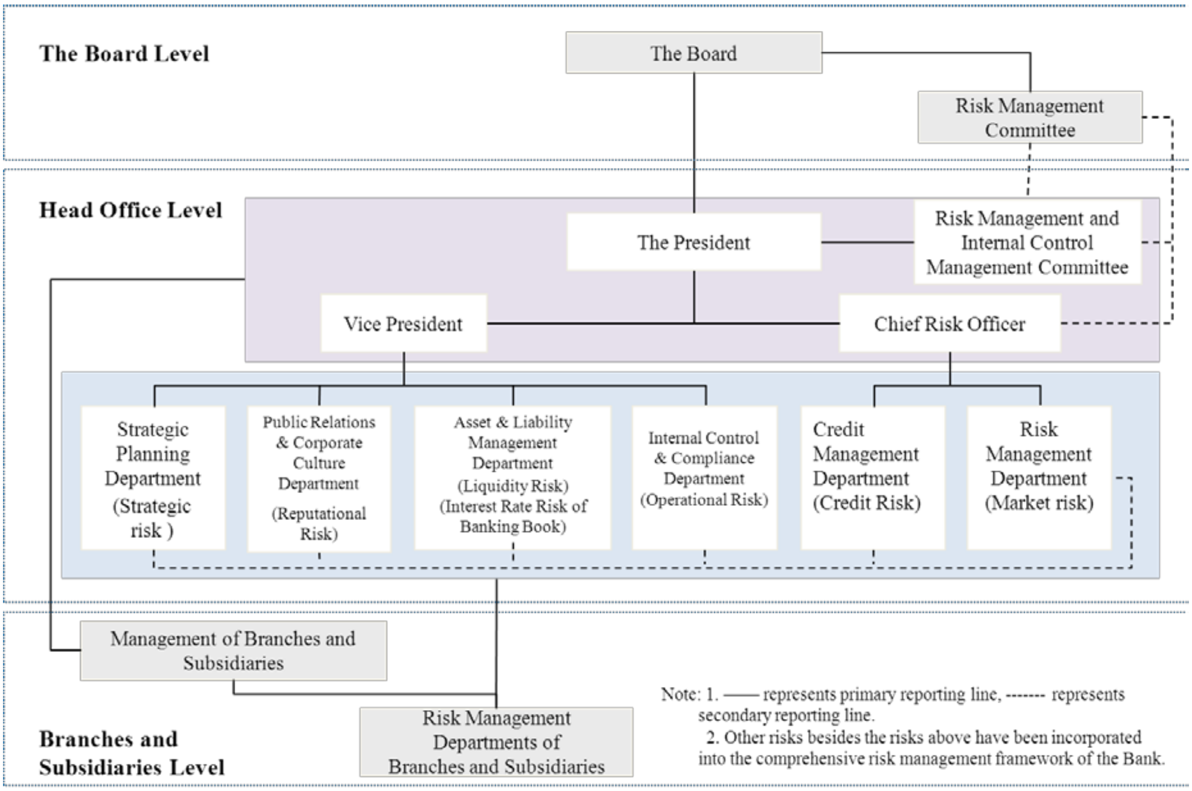
In February 2015, the Bank increased the capital of CCB Financial Leasing Corporation Limited by RMB3,500 million to maintain the same shareholding ratio.

In November 2015, as approved and agreed by the State Council and the CBRC, the Bank proposed and introduced the National Council for Social Security Fund as a strategic investor to collectively establish CCB Pension Management Co., Ltd., With a registered capital of RMB2,300 million and the registered location in Beijing, the company is shared by the Bank (85% in equity) and the National Council for Social Security Fund (15% in equity).

4 RISK MANAGEMENT

4.1 Risk Management Framework

The Bank's risk management framework was consisted of the Board of Directors and its special committee, senior management and its special committee and risk management departments, etc. The following picture shows the framework of the Bank's risk management.



The Board of Directors of the Group carries out the risk management responsibility pursuant to the Articles of Association of the Group and other related regulatory requirements. The Board of Directors has established Risk Management Committee, which is responsible for formulating risk management strategies, monitoring the implementation, and evaluating the overall risk profile on a regular basis. The Board of Directors regularly deliberates and approves the Group's risk appetite statement, and plays the core part to the risk management framework to ensure that the Bank's business activities were in line with the risk appetite, reflected and communicated through related capital management policies, risk management policies and business policies. The Board of Supervisors oversights the establishment of the overall risk management system as well as the performance of the Board of Directors and the senior management in assuming their comprehensive risk management responsibilities. The senior management of the Group is responsible for carrying out the risk strategy set up by the Board of Directors and the implementation of the comprehensive risk management of the Group. The senior management appoints Chief Risk Officer who assists the president with the corresponding risk management work.

Risk Management Department is responsible for the overall business risk management of the Bank. Credit Management Department is responsible for the overall credit risk management. Credit Approval Department is responsible for the Bank's credit granting and approval. Asset and liability management department is responsible for the comprehensive liquidity risk management and interest rate risk management of banking book. Internal Control and Compliance Department is the coordinating department responsible for internal control management, compliance risk and operational risk management. Other specialised departments are responsible for various corresponding risks.

The Bank exercised consolidation management over the risk of the subsidiaries, in accordance with regulatory guidelines, the Group's risk appetite, management policies and relevant risk indicators, standards and threshold. Subsidiaries implemented risk management via governance mechanism as required by the head office, established comprehensive internal risk appetite, risk management system and risk policies. The Bank established a risk "firewall" covering all members within the Group, preventing the risks spreading across department and across business within the Group.

4.2 Risk-Weighted Assets

On 2 April 2014, the CBRC officially approved the Group to implement the advanced measurement approach for capital management. Therefore, since the second quarter of 2014, the Group commenced to adopt the advanced approaches to calculate capital adequacy ratios. The capital requirements of corporate credit risk that meet regulatory requirements are calculated with the foundation internal rating-based (FIRB) approach, the capital requirements of retail credit risk exposures are calculated with the internal rating-based (IRB) approach, the capital requirements of market risk are calculated with the internal models approach, and the capital requirements of operational risk are calculated with the standardised approach. Pursuant to the regulatory requirements, from this reporting period on, the Bank calculates capital adequacy ratios simultaneously with advanced capital measurement approach and other methods, and complies with the relevant capital floors.

Table 8: Capital requirements and risk-weighted assets

(In millions of RMB)	As at 31 December 2015		As at 31 December 2014 (Restated)	
	Capital requirements	**Risk-weighted assets**	**Capital requirements**	**Risk-weighted assets**
Credit risk-weighted assets	**770,639**	**9,632,990**	**699,174**	**8,739,677**
Covered by the internal rating-based approach	582,876	7,285,947	561,675	7,020,935
Uncovered by the internal rating-based approach	187,763	2,347,043	137,499	1,718,742
Market risk-weighted assets	**5,730**	**71,624**	**4,344**	**54,302**
Covered by the internal model approach	2,933	36,663	2,811	35,137
Uncovered by the internal model approach	2,797	34,961	1,533	19,165
Operational risk-weighted assets	**78,952**	**986,906**	**73,258**	**915,727**
Additional risk-weighted assets due to the application of capital bottom line	**2,446**	**30,562**	**39,524**	**494,048**
Total	**857,767**	**10,722,082**	**816,300**	**10,203,754**

5 CREDIT RISK

5.1 Credit Risk Management

Credit risk represents the potential loss that may arise from the failure of a debtor or counterparty to meet its obligation or commitment to the Bank.

The Bank's credit risk management aimed at establishing credit risk management processes that were aligned with the nature, scale and complexity of businesses, effectively identifying, measuring, controlling, monitoring and reporting the credit risk, keeping the credit risk within the limits that the Bank could bear, and realising revenue maximisation after risk adjustment.

The Bank developed the management policies for credit risk based on the development strategies and risk appetites, including:

- Industry policies: strictly implement the macroeconomic and industry policies, comply with the national trend of economic structure adjustment, keep pace with implementation of major national strategies, support traditional industry upgrading and enterprise technological innovation, strengthen green credit management, guide the whole Bank to proactively adjust the industry structure, optimise and improve the orientation of industry policies and credit arrangement through refining the industry classification management, and effectively guard against the systematic and concentric risk of industry.
- Customer policies: based on the national industry policies, the risk appetite of the Bank, as well as different customer risk characteristics of industry, specify the acceptance baseline and classification standards for customers from different industries and enhance the customer selections; adopt differentiated credit policies for financial service needs of different customer bases to improve comprehensive contribution by customers.
- Regional policies: according to the state regional development strategy, the development strategy of important regions and the economic characteristics of various regions, and fully taking into account the resource availability, market environment, market potentials and management foundation of the regions where the branches are located, specify the development orientation and the differentiated credit policies of credit businesses in various branches.
- Product policies: collect customers' needs, focus on capital saving, consolidate traditional advantageous products, improve the proportions of products occupied with low capital and self-liquidating products; strengthen product innovation and develop differentiated management processes, management requirements and acceptance conditions based on the characteristics of different product risks and key risk points.
- Limit policies: based on the Bank's current asset portfolios, and taking into account the credit risk, income, macro-policies, market development potential and other factors, set multi-dimensional limit indicators covering the country, region, industry, customer and CCB's institutions at all levels, to realise the optimised allocations of credit resources.

The Bank's credit risk management process comprised a series of comprehensive and timely risk management activities, such as risk identification, risk measurement, risk monitoring, risk mitigation and control and risk report, capable of implementing the specified risk appetites and strategic targets, and effectively maintaining the sound operation and sustainable development of the Bank. This process was aligned with the risk management culture of the Bank.

- Risk identification: identify the credit risk in the products and businesses, and give attentions to the relevance between the credit risk and other risks to prevent other risks from resulting in credit risk loss events.
- Risk measurement: measure and evaluate the credit risk at individual and portfolio levels. The measurement and evaluation subjects of individual credit risk comprise borrowers or transaction counterparties as well as specific loans or transactions; the measurement and evaluation subjects of portfolio credit risk comprise the Bank's overall institutions at all levels, countries, regions and industries, etc.
- Risk monitoring: monitor the contract implementation of individual debtors or counterparties; and oversee the investment portfolio on an overall basis to prevent the excessive risk concentration by country, industry, region, product and other dimensions.
- Risk mitigation & control: comprehensively balance the cost and returns, finalise corresponding risk control strategies targeted at different risk characteristics, and take measures, such as risk avoidance, risk diversification, risk hedging, risk transfer, risk compensation and risk mitigation, to effectively mitigate the credit risk the Bank was exposed to and reduce the occupation of the Bank's regulatory capital.
- Risk report: establish and optimise the credit risk reporting system, explicitly specify the reporting scope, process and frequency that the credit risk report shall comply with, and prepare the credit risk report at various levels and of various types, to meet the needs of different risk levels and functional departments for understanding credit risk conditions.

In 2015, in face of complex and changing economic environment and increasingly fierce market competition, the Group adhered to the risk bottom line, focused on the long-run and steady development, as well as consolidated and further strengthened credit risk management capability. The Group improved the credit policy system and enhanced the effectiveness of credit policies. The Group completed the establishment of the lending centre, intensified risk control over credit lending, improved professional operation, and released intensive management effect. The Group strengthened its efforts to identify and screen out credit risks, to prevent potential crises, and facilitated the active identification and timely elimination of risks.

5.2 Credit Risk Exposures

5.2.1 Overview of Credit Exposures

The following table shows the information related to the credit exposures of the Group in accordance with the *Capital Rules for Commercial Banks (Provisional).*

Table9: Credit exposures

(In millions of RMB)	As at 31 December 2015	As at 31 December 2014 (Restated)
	Exposure at default	**Exposure at default**
Covered by the internal rating-based approach	**10,369,940**	**9,751,490**
Corporate exposures	6,893,902	6,869,764
Retail exposures	3,476,038	2,881,726
	Risk exposures	**Risk exposures**
Uncovered by the internal rating-based approach	**9,795,464**	**8,564,074**
On-balance sheet credit exposures	9,453,959	8,347,309
Of which: securitisation exposures	3,521	5,304
Off-balance sheet credit exposures	283,871	188,639
Counterparty credit exposures	57,634	28,126

5.2.2 Overdue and Non-Performing Loans

Overdue loans

Overdue loans represent loans of which the whole or part of the principal or interest are overdue by 1 or more days. As at the end of 2015, the Group's overdue loans (under the accounting scope of consolidation) were RMB173,181 million, an increase of RMB39,965 million compared to the beginning of the year.

Non-performing loans (NPLs)

The Group adopts a loan risk classification approach to monitor the loan portfolio risk. Loans are generally classified as normal, special mention, substandard, doubtful and loss according to their risk level. Substandard, doubtful and loss loans are considered as NPLs and advances.

Since the beginning of the year, the Group has continued to promote the adjustment of its credit portfolio structure, comprehensively enhanced post-lending management, strengthened risk prevention and mitigation, and expedited NPLs disposal. As a result, credit asset quality continued to be stable. As at the end of December 2015, the Group's NPLs (under the accounting scope of consolidation) were RMB165,980 million, an increase of RMB52,809 million compared to the beginning of the year.

5.2.3 Allowances for Impaired Loans

The Group's method to assess the allowances for impaired loans consists of individual and collective assessments.

Loans and advances with amounts that are individually significant are subject to individual impairment assessment. If there exists objective evidence that the loans and advances are impaired, the carrying amount of such loans are reduced to present values of the expected future cash flow, which are determined based on discounting such loans with the original effective interest rate. The impaired amount is recognised as the impairment losses on such loans and recorded in the profits or losses of the current period.

As for loans and advances of the same nature with amounts that are not individually significant, the Group assesses the impairment losses of portfolios using migration model. The method calculates the impairment losses based on the probability of default and historical loss experience, and adjusts the output based on the observable data that reflect the current economic conditions.

With respect to loans and advances that are not impaired through an individual assessment method, the Group includes them in the loan portfolios with the similar credit risk characteristics, and assesses their impairment losses on a collective basis. The assessment on a collective basis takes into account the following factors: (i) historical loss experience on portfolios with similar characteristics; (ii) time required from emergence of losses to recognition of such losses; and (iii) current economic and credit environment, as well as the Group's judgment on losses under the current environment based on historical experience.

The Group always adhered to the prudent principle by fully considering the impact of changes in the external environment including macro economy and government control policies on credit asset quality, and made full allowances for impairment losses on loans and advances to customers. As at the end of 2015, the Group's allowances for impairment losses (under the accounting scope of consolidation) were RMB250,617 million, a decrease of RMB996 million compared to the beginning of the year.

5.3 Credit Risk Measurement

5.3.1 Internal Rating-Based Approach

Having performed pre-evaluation, on-site evaluation and assessment and acceptance for the Group's IRB approach implementation from 2010 to 2012, the CBRC approved the Group to implement IRB approach in April 2014. The CBRC considered that the Group had established a relatively complete management structure of internal rating system, and its policies covered risk identification, risk measurement, risk mitigation, model verification, internal audit, capital management, etc. With a standardised rating process, the Group's model development methodology and parameter estimations were basically in compliance with the regulatory requirements. With the establishment of data quality control system and continuously intensified control of data recording system, the Group steadily improved its data quality, and set up a relatively sound model with the support of the IT system. Internal rating-based results were thoroughly applied in risk management policy making, credit approval, credit limit monitoring, reporting, economic capital, risk-adjusted return on capital (RAROC), etc., and used as an important reference and source of risk appetite and performance assessment.

In accordance with the approval of the CBRC, exposures of the Group's IRB approach and relevant measurement method are as follows: the FIRB approach for general corporate exposures, exposures to small- and medium-sized entities (SME) and specialised lending; the IRB approach for individual residential mortgage exposures, eligible revolving retail exposures and other retail exposures; and the regulatory weighting approach for other exposures to sovereign and financial institutions.

Governance structure

The Group defined clear roles for implementation and governance structure of internal rating system to ensure effective implementation and complete development of internal rating system under the structure of comprehensive risk management.

Risk Management Committee of the Board of Directors is responsible for overall management of internal rating system to monitor and ensure that the senior management develops and carries out necessary internal rating policies and procedures. The senior management is responsible for overall execution of the internal rating system management. Risk Management Department is responsible for overall structure design of internal rating system, organising development, selcetion and promotion of internal rating model, monitoring and continuously optimising the model, and taking the lead in formulating regulations on internal rating system. Credit Management Department participates in the establishment and implementation of internal rating system and is in charge of internal rating approval. Business Management Department participates in the establishment of internal rating system and is in charge of initiating internal rating. Audit Department is in charge of auditing internal rating system and risk parameter valuation. Information Management Department is in-charge of information management of internal rating system to ensure data accuracy and appropriateness of internal rating IT system. Information Technology Department is in charge of establishment of internal rating IT system to support effective operation of internal rating system and risk parameter quantification.

Internal rating system

Based on the features of different customers within the scope of non-retail exposures, the Group established refined rating models suitable for large and medium sized corporate customers, small corporate customers, public institution customers, specialised lending customers, etc. to measure customers' probability of default (PD). Combination of qualitative and quantitative methods is used for the modelling approach and the modelling data meets the requirements of "no less than 5 years" formulated by the *Capital Rules for Commercial Banks (Provisional)* based on the Group's adequate historical data. At present, internal rating system of non-retail customer has basically covered all non-retail customers.

The Group's retail exposures are divided into three categories, i.e. individual residential mortgage exposures, qualified revolving retail exposures and other retail exposures. Each category of exposures is subject to pool assignments of risks by using internal rating model, to measure risk parameters such as probability of default (PD), loss given default (LGD) and exposure at default (EAD) and to monitor capital. Meanwhile, the Group has established retail scorecard models, covering the whole life cycle including retail customer admission, credit approval, risk monitoring and business management, and realising the measurement of risk profiles of retail individual loans and asset portfolios.

Definitions of key risk parameters

The definitions of key risk parameters such as probability of default (PD), loss given default (LGD) and exposure at default (EAD) are in accordance with those in the *Capital Rules for Commercial Banks (Provisional).* PD refers to the default possibility of an individual loan/a debtor in future one year. LGD refers to the ratio of loss amount due to default to exposure at default, i.e. the percentage of loss to total exposure. The LGD is measured based on economic loss, both direct and indirect, taking into account factors such as time value of recovered amount. EAD refers to the total exposures expected on and off-balance sheet at default of a debtor, including used credit balance, overdue interest, expected withdrawal of unused credit limit and possible expenses.

Currently, the Group's non-retail exposures are calculated with the FIRB approach. Under the FIRB approach, PD relies on the internal estimates, and other parameters (LGD and EAD) rely on the regulatory parameters. The Group's retail exposures are calculated with the IRB approach, where PD, LGD and EAD all rely on the internal estimates.

Application of internal rating

As the basis for the Group's management and control over customers' credit risks, credit rating for customers plays an important role in improving the Group's refined management capabilities through its application in making credit policies, selecting customers, making policy bottom lines, credit approval guidance, determination and adjustment of customers' credit limits, setting industrial lending limits, product pricing, 12-category risk classification of credit asset risks, provisions for losses, risk warning, economic capital allocation, performance assessment, etc.

In 2015, the Group continued to strengthen the depth and breadth of the application of internal rating. With respect to non-retail risks, the Group optimised and developed rating models for customers from small enterprises, commenced to optimise rating models for customers from manufacturing and wholesale and retail industries, strengthened computer-controlled rating of customers, deepened the application of internal rating results in customers' comprehensive pricing and in innovation of comprehensive financial service solutions, and pushed forward the establishment of central measurement engines and overall risk monitoring and early warning system in order to improve accuracy of rating models and enhance monitoring, validation and early warning functions of the models. In terms of retail risks, the Group pushed forward R&D and deployment of measurement tools such as scorecards and risk pooling models for loans to small and micro retail enterprises and scorecards and risk pooling models for credit card instalment, thus both continuously helping retail business achieve in-depth growth and providing support for the Group's Internet financial services.

The following table shows the corporate exposures and retail exposures under the IRB approach of the Group.

Table 10: Corporate exposures under the internal rating-based approach

(In millions of RMB)					As at 31 December 2015
PD grade	**EAD**	**Average PD**	**Weighted average LGD**	**Risk-weighted assets**	**Average risk weight**
Grade 1	1,169	0.04%	45.00%	185	15.85%
Grade 2	23,324	0.14%	45.00%	8,395	35.99%
Grade 3	93,824	0.19%	44.99%	39,872	42.50%
Grade 4	136,616	0.25%	44.75%	67,165	49.16%
Grade 5	1,104,267	0.59%	44.05%	805,146	72.91%
Grade 6	1,226,301	0.70%	41.85%	896,009	73.07%
Grade 7	1,299,810	0.93%	41.38%	1,037,161	79.79%
Grade 8	1,358,240	1.23%	41.25%	1,169,640	86.11%
Grade 9	559,233	1.63%	37.68%	473,445	84.66%
Grade 10	397,924	2.15%	39.17%	377,995	94.99%
Grade 11	129,974	2.85%	37.69%	125,267	96.38%
Grade 12	99,410	4.29%	40.05%	116,443	117.13%
Grade 13	94,940	5.69%	36.90%	114,401	120.50%
Grade 14	73,435	7.49%	38.02%	100,392	136.71%
Grade 15	106,371	12.99%	39.33%	181,738	170.85%
Grade 16	57,677	22.99%	38.39%	109,668	190.14%
Grade 17	4,611	41.99%	37.60%	8,452	183.31%
Grade 18	9,136	99.99%	42.32%	5	0.05%
Grade 19	117,640	100.00%	42.44%	124,904	106.18%
Total	**6,893,902**			**5,756,283**	

(In millions of RMB)					As at 31 December 2014
PD grade	**EAD**	**Average PD**	**Weighted average LGD**	**Risk-weighted assets**	**Average risk weight**
Grade 1	4,780	0.04%	45.00%	758	15.85%
Grade 2	17,842	0.14%	45.00%	6,422	35.99%
Grade 3	132,634	0.19%	44.67%	56,063	42.27%
Grade 4	268,719	0.25%	44.54%	131,495	48.93%
Grade 5	1,065,475	0.59%	44.12%	780,556	73.26%
Grade 6	1,305,544	0.70%	40.94%	940,039	72.00%
Grade 7	1,294,953	0.93%	41.79%	1,049,700	81.06%
Grade 8	1,252,950	1.23%	41.23%	1,089,038	86.92%
Grade 9	519,093	1.63%	39.24%	456,380	87.92%
Grade 10	321,898	2.15%	39.60%	308,813	95.94%
Grade 11	131,396	2.85%	37.34%	126,824	96.52%
Grade 12	101,256	4.29%	37.80%	111,394	110.01%
Grade 13	90,448	5.69%	38.46%	113,435	125.41%
Grade 14	98,506	7.49%	38.16%	134,182	136.22%
Grade 15	70,104	9.99%	38.69%	108,108	154.21%
Grade 16	39,901	12.99%	37.39%	63,337	158.74%
Grade 17	65,749	16.99%	36.88%	109,738	166.90%
Grade 18	2,799	99.99%	41.18%	1	0.05%
Grade 19	85,717	100.00%	41.00%	53,768	62.73%
Total	**6,869,764**			**5,640,051**	

Table11: Retail exposures under the internal rating-based approach

(In millions of RMB)					As at 31 December 2015
Category of retail assets	**EAD**	**Average PD**	**Weighted average LGD**	**Risk-weighted assets**	**Average risk weight**
Individual residential mortgage	2,780,561	1.53%	23.98%	772,018	27.76%
Qualified revolving retail	396,884	1.91%	38.39%	46,585	11.74%
Other retails	298,593	3.97%	27.27%	88,146	29.52%
Total	**3,476,038**			**906,749**	

(In millions of RMB)					As at 31 December 2014
Category of retail assets	**EAD**	**Average PD**	**Weighted average LGD**	**Risk-weighted assets**	**Average risk weight**
Individual residential mortgage	2,259,784	1.35%	23.73%	591,492	26.17%
Qualified revolving retail	319,068	1.85%	38.00%	38,147	11.96%
Other retails	302,874	3.20%	27.51%	87,794	28.99%
Total	**2,881,726**			**717,433**	

5.3.2 Regulatory Weighting Approach

In terms of exposures not covered by the IRB approach, the Group determines related applicable risk weight and calculates credit risk-weighted assets in accordance with regulations related to regulatory weighting approach in the *Capital Rules for Commercial Banks (Provisional)*. The following table shows the information related to exposures by entities and weights covered by regulatory weighting approach as at 31 December 2015.

Table 12: Credit exposures by entities covered by regulatory weighting approach

(In millions of RMB)	As at 31 December 2015		As at 31 December 2014 (Restated)	
	Exposure	Unmitigated exposure	Exposure	Unmitigated exposure
On-balance sheet credit risk items	**9,453,959**	**8,683,440**	**8,347,309**	**7,702,913**
Cash and cash equivalents	2,285,506	2,285,506	2,611,579	2,611,580
Claims on central governments and central banks	1,380,787	1,380,787	1,311,993	1,311,993
Claims on public sector entities	1,030,785	871,350	345,173	170,724
Claims on domestic financial institutions	2,881,140	2,760,014	2,576,503	2,486,417
Claims on financial institutions registered in other countries/regions	101,318	101,147	95,422	89,235
Claims on ordinary enterprises and public institutions	1,216,877	728,766	917,130	545,546
Claims on qualified micro and small enterprises	58,059	56,613	48,945	47,257
Claims on individual customers	191,663	191,433	165,629	165,226
Equity investments	11,812	11,812	13,650	13,650
Securitisation	3,521	3,521	5,304	5,304
Other on-balance sheet items	292,491	292,491	255,981	255,981
Off-balance sheet credit risk items	**283,871**	**207,884**	**188,639**	**151,503**
Counterparty credit risk	**57,634**	**57,634**	**28,126**	**28,126**
Total	**9,795,464**	**8,948,958**	**8,564,074**	**7,882,542**

Table 13: Credit exposures by risk weights covered by regulatory weighting approach

(In millions of RMB)	As at 31 December 2015		As at 31 December 2014 (Restated)	
Risk weights	**Exposure**	**Unmitigated exposure**	**Exposure**	**Unmitigated exposure**
0%	5,001,012	5,001,012	5,345,674	5,345,674
20%	1,362,539	1,160,832	734,573	512,786
25%	1,053,556	1,052,813	711,586	710,719
50%	31,582	31,581	59,755	59,754
75%	235,067	230,687	204,837	200,261
100%	2,072,764	1,433,089	1,453,657	999,356
250%	28,645	28,645	43,049	43,049
400%	2,632	2,632	3,767	3,767
1250%	7,667	7,667	7,176	7,176
Total	**9,795,464**	**8,948,958**	**8,564,074**	**7,882,542**

Table 14: Credit exposures of investments in capital instruments issued by other commercial banks, investments in equity of industrial and commercial enterprises, and non-self-use real estate

(In millions of RMB)	As at 31 December 2015	As at 31 December 2014
	Exposure	Exposure
Investments in capital instruments issued by other commercial banks	9,051	13,759
Common Equity Tier 1 Capital	2,562	2,749
Other Tier 1 Capital	-	-
Tier 2 Capital	6,489	11,010
Investments in equity of industrial and commercial enterprises	8,396	10,049
Non-self-use real estate	1,490	1,395

5.3.3 Risk Mitigation Management

Management policies and processes

In accordance with the requirements under the *Capital Rules for Commercial Banks (Provisional)* and through the active formulation and improvement of relevant policies and systems, the Bank has developed an improved and integral policy system, and defined the baselines for the risk mitigation management. It specifies the Bank's basic management requirements and policy baselines for standardising the collaterals, such as requirements for eligible collaterals, classification, pledge and mortgage rate, receipt and examination, value assessment, establishment and modification, warrant management, monitoring, return and disposal, information input and data maintenance.

The risk mitigation system sets the management processes as the main line, mainly covering the processes of acceptance and examination, value assessment, receipt and changes, warrant management, monitoring, return and disposal, etc., characterised by being closely combined with business processes, and managed by front, middle and back offices. Except for that personnel involved in the processes belong to different departments, the collateral management processes are basically throughout the entire credit process including pre-lending evaluations, credit approval and post-lending monitoring, and achieved in the full life cycle management of the collaterals to a great extent.

Categories of major collaterals

In terms of the categories of collaterals, the collaterals accepted by the Bank are mainly classified into four types, namely financial collaterals, receivables, commercial and residential properties, and other collaterals. Financial collaterals include cash and cash equivalents, precious metals, debt securities, discounted bills, stocks/funds, insurance policy, etc.; receivables include receivables held for trading, road tolling rights, rent receivables, etc.; commercial and residential properties include commercial properties, residential properties, commercial and residential land use rights, etc.; while other collaterals comprise current assets, transportation equipment, resources, construction in progress, etc. In addition to traditional collaterals, principal-guaranteed wealth management products, mining rights, intellectual property right and forest ownership are included as acceptable collaterals, marking progress in the business.

Collaterals' valuation policies and processes

With respect to the valuation method of collaterals, the Bank adopts external valuations and internal valuations. Some special collaterals, such as licensed operation of projects, need to be assessed with both internal and external valuation methods.

External valuations are mostly adopted for collaterals' initial valuation, and professional appraisal institutions will be entrusted to assess the values of collaterals during the disposal phase. The Bank clearly defines access standards for appraisal institutions, establishes their exit mechanism, and performs regular and dynamic name list management through regular and ad-hoc checking of the external appraisal institutions. As per the regulations, the valuation results from the external appraisal institutions are subject to the Bank's internal examination. All branches are required to designate internal assessors and heads of department to perform preliminary examination and re-examination on the valuation results acquired from the external appraisal institutions.

The internal assessors are mainly responsible for the post-lending re-valuations. This also includes valuations of some collaterals, whose values can be directly assessed during the initial valuations. The Bank requires the internal assessors to perform dynamic valuations and monitor the collaterals with varied frequencies based on collaterals' categories and value fluctuation characteristics. The post-lending examination and 12-level risk classification should be carried out on a quarterly basis to examine and verify the collaterals. In case of any forms change of collaterals or any deterioration in collaterals' market prices or other adverse circumstances, re-valuations are required to be duly performed to reflect collaterals' fair values.

Guarantors

According to the characteristics of guarantors, the Bank classifies the acceptable guarantors into general corporate and institutions, cooperative guarantee institutions and natural persons. The general corporate and institution guarantor comprises sovereigns, public sector entities, multilateral Development Banks (MDBs), other banks and other legal persons and organisations. The cooperative guarantee institution guarantor specially refers to professional guarantee institutions approved by the Bank, as well as real estate developers, automobile dealers, housing brokerage companies and other intermediary organisations which provide guarantee for personal loans. The natural person guarantors refer to those having full capacity for civil conduct and certain debt repaying capacity as a guarantor. Natural persons are only considered as supplementary guarantors unless they are exclusively designated as the only guarantors bond by specific business rules.

Regulatory measurement

When measuring credit risk-weighted assets covered by the IRB approach, the Group finalises eligible collaterals and qualified guarantee strictly pursuant to risk mitigation management requirement of the IRB approach in the *Capital Rules for Commercial Banks (Provisional)*. Risk mitigation instruments of net settlement and credit derivatives are temporarily not available for credit exposures covered by the IRB approach of the Group at the moment.

The following table shows the information related to the credit risk mitigation covered by the FIRB.

Table 15: Particulars on credit risk mitigation of credit exposures covered by the FIRB approach

(In millions of RMB)	As at 31 December 2015			As at 31 December 2014		
Exposure category	**Exposure covered by financial collaterals**	**Exposure covered by other eligible collaterals**	**Exposure covered by guarantee**	**Exposure covered by financial collaterals**	**Exposure covered by other eligible collaterals**	**Exposure covered by guarantee**
Corporate exposures	359,591	904,241	462,027	326,563	994,792	581,113
Total	**359,591**	**904,241**	**462,027**	**326,563**	**994,792**	**581,113**

When calculating credit risk-weighted assets covered by the regulatory weighting approach, the Group only took risk mitigation, which was permitted by the *Capital Rules for Commercial Banks (Provisional),* of the eligible collaterals and guarantors covered by regulatory weighting approach in consideration. The following table shows the information related to the risk mitigation distribution of credit exposures covered by the regulatory weighting approach.

Table 16: Particulars on credit risk mitigation of credit exposures covered by the regulatory weighting approach

(In millions of RMB)	As at 31 December 2015						
	Cash and cash equivalents	**Domestic central government, PBOC, Chinese policy banks**	**Domestic public sector entities**	**Domestic commercial banks**	**National or regional governments and Central Banks in other countries or regions**	**Commercial banks and public sector entities in other countries or regions**	**MDBs, Bank for International Settlements and IMF**
On-balance sheet credit risk items	302,558	292,661	-	175,212	51	37	-
off-balance sheet credit risk items	73,305	198	-	2,484	-	-	-
Counterparty credit risk	-	-	-	-	-	-	-
Total	**375,863**	**292,859**	**-**	**177,696**	**51**	**37**	**-**

(In millions of RMB)	As at 31 December 2014						
	Cash and cash equivalents	**Domestic central government, PBOC, Chinese policy banks**	**Domestic public sector entities**	**Domestic commercial banks**	**National or regional governments and Central Banks in other countries or regions**	**Commercial banks and public sector entities in other countries or regions**	**MDBs, Bank for International Settlements and IMF**
On-balance sheet credit risk items	215,504	277,613	-	147,058	4,218	3	-
off-balance sheet credit risk items	36,549	171	-	416	-	-	-
Counterparty credit risk	-	-	-	-	-	-	-
Total	**252,053**	**277,784**	**-**	**147,474**	**4,218**	**3**	**-**

5.4 Securitisation

5.4.1 Overview of securitisation activity

The Group involved in the securitisation activity mainly as originator, investor, loan servicer and other roles.

As originator and loan servicer

In order to optimise assets portfolios, improve asset and liability structure, increase scale, raise capital adequacy ratios to transfer credit risk, etc., the Group is involved in the securitisation activity as originator, and proactively explores new instruments for liquidity management, risk management and capital management instrument through securitisation. The level of credit risk of securitisation assets transferred to other entities by the Group and risk level undertaken by the Bank relies on factors such as the amount of securities ultimately held by the Bank including the subordinated debt securities. Such amount should be calculated and judged by accountants in accordance with output from return on risk transfer model of securitisation project.

As at 31 December 2015, the Group's securitisation within validity period includes four residual mortgage backed securitisation projects as “Jianyuan 2005-1” and “Jianyuan 2007-1”, “Jianyuan 2015-1”, and “Jianyuan 2015-2”. The underlying assets of these projects are the personal housing mortgage loans held by the Bank. “Jianyuan 2015-1” and “Jianyuan 2015-2” are new securitisation projects issued in 2015.

As the originator of the above four projects, the Bank was involved in the projects' overall design, coordination, underlying assets screening, due diligence, transaction structure design, security ratings, submission for approval and subsequent issuance, information disclosures, etc., and provided services, such as asset pool's subsequent management, collection, transfer and recovery of the principals and interests of loans throughout the process as loan servicer.

The external appraisal institutions for the two residual mortgage backed securitisation projects of “Jianyuan 2005-1” and “Jianyuan 2007-1” were China Cheng Xin International Credit Rating Co., Ltd. (CCXI) and China Lianhe Credit Rating Co., Ltd., respectively; and that for both "Jianyuan 2015-1" and "Jianyuan 2015-2" were China Credit Rating Co., Ltd. and China Lianhe Credit Rating Co., Ltd.

As investor

As the major investor in the asset-backed securities market, the Group obtained returns on investments through purchasing and holding asset-backed securities, and bore corresponding credit risk, market risk and liquidity risk. The Group determined the investment amount based on the annual investment strategy, as well as the risk and returns of securities.

5.4.2 Accounting policies

A financial asset is derecognised when the Group transfers substantially all (95% and above, same hereinafter) the risks and rewards of ownership of the financial asset to the transferee, namely that the financial assets is written off from the Group's accounts and balance sheets; while a financial asset continued to be recognised when substantially all the risks and rewards of ownership of the financial asset are reserved.

The transfer of financial assets meeting the derecognisation conditions is measured using the following methods. Where the overall transfer meets the derecognisation conditions, the difference of the following two items is recognised in the profit and loss of the current period: (i) the carrying amount of the transferred financial asset; (ii) the sum of the transfer consideration received and the accumulated changes in fair values that are initially recorded in the owner's equity directly (the financial asset transferred is the available-for-sale financial asset); where part of the transfer meets the derecognisation conditions, the overall carrying amount of the financial asset transferred is amortised over the deregoconised and recognised portions (the reserved service assets are deemed as a part of the recognised financial assets) according to respective fair value, and the difference between the following items is recognised in the profit and loss of the current period: (i) the carrying amount of the deregoconised portion; (ii) the sum of the consideration of the deregoconised portion and the accumulated changes in fair values that are initially recorded in the owner's equity directly (including the circumstance that the financial asset transferred is the available-for-sale financial asset).

Where the Group still reserves substantially all the risks and rewards of ownership of the financial asset transferred, the overall financial asset transferred is continued to be recognised, and the consideration received is recognised as a financial liability. The financial asset and the recognised financial liability are not allowed to be offset. The Group continues recognising the income arising from such financial asset, as well as the expenses arising from such financial liability in subsequent accounting periods. Where the transferred financial asset is measured at amortised cost, the recognised financial liability is not allowed to be designated as the financial liability at fair value through profit and loss.

5.4.3 Securitisation exposures

As at 31 December 2015, the Group's total securitisation exposures were RMB3,521 million, more details and the distribution of underlying assets are as shown in the following tables:

Table 17: Securitisation exposures

(In millions of RMB)	**As at 31 December 2015**		**As at 31 December 2014**	
	Traditional securitisation exposure	**Synthetic securitisation exposure**	**Traditional securitisation exposure**	**Synthetic securitisation exposure**
As originator[1]	1,138	-	230	-
As investor	2,383	-	5,074	-
Total	**3,521**	-	**5,304**	-

1. As originator refers to the exposures arising from the substandard portions of the securitisation held by the Bank where the Bank also acts as originator, other than the total securitisation amount issued by the Bank as originator.

Table 18: Securitisation underlying assets as originator: non-performing assets, overdue and loss information

(In millions of RMB)	**As at 31 December 2015**			
Type of underlying assets	**Balance of underlying assets[2]**	**Total non-performing assets[3]**	**Total overdue assets**	**Losses recognised during the reporting period[4]**
Claims on individual customers	9,696	8	57	-
Total	**9,696**	**8**	**57**	**-**

(In millions of RMB)				As at 31 December 2014
Type of underlying assets	**Balance of underlying assets[2]**	**Total non-performing assets[3]**	**Total overdue assets**	**Losses recognised during the reporting period[4]**
Claims on individual customers	866	9	25	-
Total	**866**	**9**	**25**	**-**

1. This table provides the information with reference to the Group's unsettled securitisation at the end of reporting period as both originator and servicer.
2. The balance of underlying assets refers to the carrying amount of securitisation assets at the end of reporting period.
3. Losses recognised during the reporting period refers to the provisions for impairment and writing off aimed at the securitisation assets held by the Bank during the reporting period.

5.4.4 Measurement of securitisation risk

The Group's securitisation exposures are measured with the standardised approach, of which the risk weights are finalised based on the credit ratings assessed by eligible external credit assessment institutions approved by the Bank, as well as the type of securitisation assets. As at 31 December 2015, the Group's capital requirements of the securitisation assets were RMB426 million.

5.5 Counterparty credit risk

In recent years, the Group has constantly improved management system of CCR, specified the Names List management and concentration management policies over counterparties in the financial markets, and optimised specific management processes and requirements for CCR management. In 2015, the Bank launched credit risk management system of derivative products, with realised measurement and monitoring of risk exposure of agent derivative product trading, management of security deposits, and automation of risk report, offering the Bank robust support and guarantee for responding to rapid changes of market and businesses.

The Group adopt the current exposure approach to measure the counterparty credit exposures and the regulatory weighting approach to measure the counterparty credit risk-weighted assets. The following table shows the information of CCR exposures by product classifications of the Group as at 31 December 2015.

Table 19: Counterparty Credit exposures by product classifications

(In millions of RMB)	As at 31 December 2015	As at 31 December 2014
	Exposure	**Exposure**
Interest rate contracts	1,923	1,738
Exchange rate and gold contracts	54,703	25,641
Equity contracts	548	720
Precious metals and other commodities contracts (excluding gold)	460	27
Total	**57,634**	**28,126**

6 MARKET RISK

6.1 Market risk management

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

The market risk management of the Group aims at building a comprehensive risk management system of market risk management and transaction business throughout the Group, effectively identifying, measuring, controlling, monitoring and reporting market risk. By effectively operating and managing various market risks, the Group keeps competitive net interest spread and return on investment portfolio, and balances risk and return, further improving market competitiveness of the Bank.

The Group has constantly improved market risk management system. The Market Risk Management Department plays the leading role in formulating overall market risk management policies and rules, developing market risk measurement instruments, monitoring and reporting trading market risks and doing other daily management works. The Asset and Liability Management Department is responsible for the management of banking book market risk, and for the management of the total volume and structure of assets and liabilities, for the purpose of addressing structural market risks. The Financial Market Department is responsible for the overall management of RMB and foreign currency investment portfolios, conducting proprietary and customer-driven transactions, as well as implementing market risk management policies and rules. The Audit Department is responsible for regularly performing independent audits of the reliability and effectiveness of the processes constituting the risk management system.

In 2015, the Group further refined market risk management system with expanded coverage of management policies and optimised risk management instruments, for the purpose of improving market risk management. First, the Group formulated and refined policy system of market risk management aiming at improving ability of overall risk management; second, the Group proactively carried forward self-development and innovation of technology instruments related to risk management, and enhanced system control with risk management integrated in process, thus improving effectiveness of risk management; third, the Group timely tracked changes in market and analysed significant market events, to which the Group organised effective respond, improving timeliness of risk management over transactions; forth, the Group took the launch of credit risk management system of derivative product as the opportunity so as to improve the management ability of counterparty risk; fifth, the Group took the further development of risk management project of financial market as the opportunity so as to optimise transaction process; sixth, in order to effectively control risk and support business development, the Group performed risk assessment and business inspection of new products in full swing; seventh, the Group strengthened research on risk analysis to provide robust support for adapting to market, capturing market opportunities and avoiding market risk.

6.2 Market risk measurement

In 2014, the CBRC approved the Group to implement the advanced approaches of capital management and the capital requirements of market risk are calculated with the internal model approach. The following table shows the market risk capital requirements of the Group as at 31 December 2015.

Table 20: Market risk capital requirements

	As at 31 December 2015	As at 31 December 2014
(In millions of RMB)	Capital requirement	Capital requirement
Covered by the internal model approach	2,933	2,811
Uncovered by the internal model approach	2,797	1,533
Interest rate risk	725	1,052
Equity position risk	87	142
Foreign exchange risk	1,985	339
Commodity risk	-	-
Option risk	-	-
Total	**5,730**	**4,344**

The Group measures market risk by using Value-at-risk (VaR) model. The VaR model is an approach to estimate potential losses that could occur on risk positions taken, due to movements in market interest rates, foreign exchange rates and other market prices within a specific timeframe and a fixed confidence interval. The Group calculates VaR and stressed VaR and conducts back-testing in compliance with the regulatory requirements. As of the reporting period, the number of back-testing breakthroughs occurred within the green zone according to the requirements of the CBRC, and no abnormal model was identified. The following table shows the VaR and stressed VaR of the Group covered by the internal model approach.

Table 21: VaR and stressed VaR of the Group covered by the internal model approach

	For the year ended 31 December 2015			
	Amount			
(In millions of RMB)	Average	Maximum	Minimum	Period end
VaR	276	1,432	115	364
Stressed VaR	660	1,432	245	625

	For the year ended 31 December 2014			
(In millions of RMB)	Amount			
	Average	Maximum	Minimum	Period end
VaR	230	1,424	48	1,406
Stressed VaR	309	1,424	113	1,406

7 OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failed internal processes, staff and IT systems, and external events. The definition includes legal risk, but excludes strategic risk and reputation risk.

Operational risk management is a critical part of the Group's comprehensive risk management. The aims of the Group's operational risk management are as follows:

(1) Reduce the uncertainties of operational risk and control the risk within a reasonable range that is acceptable to the Bank;

(2) Improve service efficiency, realise process optimisation and advance sound businesses development of the Bank;

(3) Reduce management cost and increase income level;

(4) Lower the impact of emergencies and ensure the normal and consistent operation of businesses.

The Group has established an operational risk management system with a cascaded protection named "Three Lines of Defence" as the core, among which each business department is the first defence line for guarding against operational risk. The business departments are the direct bearers and managers of operational risk and take important responsibility for identifying, assessing, monitoring and managing operational risk. Internal Control and Compliance Department, Risk Management Department and Legal Affairs Department are the second defence line, taking charge of coordinating, guiding, evaluating and monitoring activities of operational risk management in the first defence line. Audit Department and Disciplinary and Supervisory Department are the third defence line for guarding against operational risk, taking charge of auditing, monitoring and evaluating the formation and implementation of operational risk management framework.

The process of the Group's operational risk management includes risk identification, assessment, control/mitigation, monitoring and reporting. Apart from identification and monitoring with risk management tools such as risk self-assessment and keyl risk indicators, the Group transfers, disperses, reduces and avoids operational risk through a series of control/mitigation methods such as system control, process control, behaviour monitoring, electronisation and insurance so as to adjust the risk to acceptable levels. Meanwhile, the Group has established a business continuity management system and enhanced the establishment and drill of emergency plans to ensure the safe and consistent operation of businesses.

The Group adopts the standardised approach to measure the capital requirements of operational risk as approved by the CBRC. As at 31 December 2015, the Group's capital requirements of operational risk were RMB78,952 million.

8 OTHER RISKS

8.1 Equity exposures of banking book

The Group's equity exposures of banking book mainly relate to investment in equity of associates and joint ventures, available-for-sale equity investments, etc. The investment in equity of associates and joint ventures is the equity investment by which the Bank, together with other associates and joint ventures, intends to exercise significant impact on or joint control over investees. Available-for-sale equity investment mainly refers to equity investment with uncertain profits and proposed holding period.

Please refer to the relevant contents in the 'Significant Accounting Policies and Accounting Estimates under the notes to the financial statement in 'Annual Report 2015 of China Construction Bank Corporation' for the critical policies on valuation and accounting treatment of banking book equity.

According to the regulatory requirements, the Group adopted different handling methods based on investment nature and proportion while calculating regulatory capital for equity exposures of banking book.

- With respect to the subsidiaries of the industrial and commercial enterprise type that are outside the scope of regulatory consolidation but within the scope of accounting consolidation, the Group calculates the risk-weighted assets for the investment in such subsidiaries based on the regulatory risk weights while calculating the consolidated capital adequacy ratios.
- With respect to other financial institutions outside the scopes of both the regulatory and accounting consolidations, the Group follows the threshold deduction method for the investment in such financial institutions. The portion of the investment exceeding the materiality level is deducted from the capital, while the amounts that are not deducted from the capital receive the corresponding regulatory risk weights.
- With respect to other industrial and commercial enterprises outside the scopes of both regulatory and accounting consolidations, the Group calculates their risk-weighted assets based on the regulatory risk weights.

Table 22: Equity exposures of banking book

(In millions of RMB)			As at 31 December 2015
Invested institution categories	**Publicly traded equity exposure[1]**	**Non-publicly traded equity exposure[1]**	**Unrealised potential risk gains and losses[2]**
Financial institutions	1,887	1,529	807
Non-financial institutions	2,161	6,235	841
Total	**4,048**	**7,764**	**1,648**

(In millions of RMB)			As at 31 December 2014
Invested institution categories	**Publicly traded equity exposure[1]**	**Non-publicly traded equity exposure[1]**	**Unrealised potential risk gains and losses[2]**
Financial institutions	2,036	1,566	1,030
Non-financial institutions	4,583	5,466	2,071
Total	**6,619**	**7,032**	**3,101**

1. Publicly traded equity exposure is the equity exposure of invested institutions that are listed companies. Non-publicly traded equity exposure is the equity exposure of invested institutions that are unlisted companies.
2. Unrealised potential risk gains or losses are the portion of gains or losses that have been recognised in the balance sheet but not in the income statement.

8.2 Interest Rate Risk

Interest rate risk is the risk of loss in the overall income and economic value of the banking book as a result of adverse movements in interest rates, term structure and other interest-related factors. Re-pricing risk and basis risk arising from mismatch of term structure and pricing basis of assets and liabilities are the primary sources of interest rate risk for the Bank, while yield curve risk and option risk have relatively less impact on interest rate risk. The overall objective of the Bank's interest rate risk management is to minimise the decrease of net interest income due to interest rate movement, while keeping interest rate risk within a tolerable range in accordance with the risk appetite and risk management capability.

In 2015, the Bank proactively responded to the adverse impacts and challenges arising from the reduction of interest and interest rate liberalisation. It studied and formulated the reform plan for interest rate liberalisation, and confirmed the nominal rate by calculating interest rate floating range and optimising interest rate structure. The flexible pricing ability of adaptation to market competition changes and customer differentiation was gained through completing pricing management mechanism, pushing forward differentiated pricing strategies and timely adjusting sub-branches' authorisation. The Bank enhanced interest rate monitoring and significant product management and focused on the balanced development of quantity and price while promoting the improvement of self-pricing capability.

9 REMUNERATION

9.1 Nomination and Remuneration Committee of the Board of Directors

The Bank's Nomination and Remuneration Committee consists of six directors. Mr. Wim Kok, independent non-executive director of the Bank, currently serves as chairperson of the Nomination and Remuneration Committee. Members include Mr. Chung Shui Ming Timpson, Mr. Murray Horn, Mr. Guo Yanpeng, Ms. Margaret LEUNG KO May Yee and Mr. Dong Shi. Among them, two are non-executive directors, and four are independent non-executive directors.

The primary responsibilities of the Nomination and Remuneration Committee include:

- formulating criteria and procedures for the selection and appointment of directors and senior management;
- proposing candidates for directors, presidents, chief audit officer, secretary to the Board and board committee members to the Board of Directors;
- evaluating the structure, number of members and formation of the Board (including terms of expertise, knowledge and experience), and proposing suggestions on the adjustment of the Board to implement the corporate strategies;
- examining the performance of members of the Board;
- evaluating candidates for senior management nominated by the president;
- formulating development plans for senior management and back-up personnel for key positions;
- reviewing the remuneration management system submitted by the president;
- formulating performance evaluation measures for directors and senior management and submitting the measures to the Board of Directors for deliberation;
- organising performance evaluation of directors and senior management, proposing advice to the remuneration plan for directors and senior management in accordance with the performance evaluation results and the diligence evaluation made by the Board of Supervisors and submitting to the Board of Directors for deliberation;
- proposing advice to the remuneration plan for supervisors in accordance with the performance evaluation of the supervisors made by the Board of Supervisors and submitting the plan to the Board of Directors for deliberation;
- monitoring the implementation of the Bank's performance evaluation and remuneration systems; and
- other matters authorised by the Board of Directors.

In 2015, the Nomination and Remuneration Committee convened six meetings in total.

The remuneration of members of the Nomination and Remuneration Committee is disclosed in Remunerations for Directors, Supervisors and Senior Management in the 'Annual Report 2015 of China Construction Bank Corporation'.

9.2 Remuneration Policy

The Bank upholds its philosophy of standardising distribution order and building a harmonious distribution relationship and constantly improves intensive management in developing remuneration policy and payment, making due contribution to strategic development of the Bank.

The Bank's major allocation rules and other significant matters relating to remuneration management need to be proposed to the Nomination and Remuneration Committee of the Board for review and approval. Important proposals relating to remuneration allocation are required to be voted and approved by the shareholders' general meeting, or reported to the state competent authorities for approval and filing.

Remuneration and risks

In accordance with relevant policies concerning remuneration reform of state-owned enterprise principles, since 2015, the annual remuneration of state-owned enterprise principles includes basic annual salary, performance salary and tenure incentive income. The Bank may retroactively deduct partial or full of the paid performance salary and tenure incentive income for those who make serious mistakes and cause great losses for the enterprise during the tenure.

The Bank brings performance remuneration's function of intensive and restraint into full play. It persists to favour frontline posts, sub-branch level and the posts which directly create value when determining remuneration distribution, strengthens remuneration management over overseas institutions and controlling subsidiaries and adheres to strategy of comprehensive operation of the Bank and overseas development. The Bank further consolidated performance assessment orientation, making remuneration match the performance. The Bank also established relevant remuneration reduction measures for staff that were facing disciplinary actions or other penalties due to violation of rules or dereliction of duty.

The remuneration for staff engaging in risk and compliance management is independent from the business areas they supervise, and has nothing to do with the performance evaluation of the business areas they supervise. Their performance objective is consistent with the risk control responsibilities they undertake.

Remuneration and performances

Staff remuneration of the Bank includes fixed salary and performance bonus. Fixed salary is divided into basic salary and post salary. Basic salary mainly relates to staff's years of working and job level, representing the fundamental guarantee and overall balance, while post salary mainly represents post difference and post value. Performance bonus is the reflection of the completion status of current year's objective and performance assessment result, and relates to economic value added ("EVA") realised in current year, last year's KPI result and the completion status of current year's strategic business indicators, which are distributed according to linkage coefficients set at the beginning of the year or calculated in accordance with the assessment result.

The Bank consistently focuses on the balance between long-term and short-term development in the distribution of remuneration. It makes relevant adjustments to performance bonus, and the current policy methods mainly include: 1. Establish performance bonus pool to balance the great volatility of each year's performance bonus, make up for possible shortages with surpluses and encourage the continuous and steady development; 2. Set up reasonable credit cost rate range for loans. The performance bonus of credit costs which are above the upper limit and lower than the lower limit in the current year may enter the cash pool to reduce the impacts of asset quality on current year's performance and encourage the focus on the quality of long-term assets.

Flexible remuneration

Risk measurement factors are reflected in allocation of gross staff cost, allocation linked with staff cost in line of business and staff salary distribution. The Bank supports risk control behaviours, as well as the 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.

Pursuant to relevant government restriction policies, the Bank's payment tools of flexible remuneration include cash and equity; however, Bank's Employee Stock Incentive Plan implemented in 2007 is frozen in compliance with relevant government policies.

9.3 Remuneration of Senior Management

The annual remuneration standard of the Bank's directors, supervisors and senior executives needs to be in compliance with relevant government review and approval policies, and risk adjustment factors, according to the approval method, are directly reflected in individual performance evaluation results which match with the distribution of performance remuneration.

The remuneration of directors, supervisors and senior management is disclosed in Remunerations for Directors, Supervisors and Senior Management in the 'Annual Report 2015 of China Construction Bank Corporation'.

APPENDIX: INFORMATION RELATED TO COMPOSITION OF CAPITAL

In accordance with the *regulatory requirements for the disclosure of information on capital composition of commercial banks* issued by CBRC, the following table shows the Group's composition of capital, minimum regulatory capital requirements, as well as their connections with the balance sheets under the scope of regulatory consolidation.

(In millions of RMB, except percentages)		Code	As at 31 December 2015	As at 31 December 2014 (Restated)
Common Equity Tier 1 capital:				
1	Qualifying common share capital	o	250,011	250,011
2	Retained earnings		1,009,217	856,749
2a	Surplus reserve	t	153,032	130,515
2b	General reserve	u	186,383	169,478
2c	Undistributed profits	v	669,802	556,756
3	Accumulated other comprehensive income and disclosed reserves		152,283	132,830
3a	Capital reserve	q+s	157,613	139,265
3b	Others	w	(5,330)	(6,435)
4	Amount given recognition in Common Equity Tier 1 capital (Only applicable to unlisted companies, while banks of joint-stock companies to be completed with "0")		-	-
5	Minority interest given recognition in Common Equity Tier 1 capital	x	4,121	4,456
6	**Common Equity Tier 1 capital before regulatory adjustment**		**1,415,632**	**1,244,046**
Common Equity Tier 1 capital: Regulatory adjustment				
7	Prudent valuation adjustment		-	-
8	Goodwill (excluding deferred tax liabilities)	l	1,946	2,058
9	Other intangible assets (excluding land use rights) (excluding deferred tax liabilities)	k	1,657	1,984
10	Net deferred tax assets relying on future profits and arising from operating losses		-	-
11	Cash-flow hedge reserves	r	-	(10)
12	Gaps of loan loss provisions		-	-
13	Gains from sales of asset securitisation		-	-
14	Unrealised profit/loss arising from the changes in own credit risk on fair values of liability		-	-
15	Net defined-benefit pension assets (excluding deferred tax liabilities)		-	-
16	Directly or indirectly investments in own shares		-	-
17	Reciprocal cross-holdings in common equity		-	-
18	Non-significant investments in capital of financial institutions outside the scope of regulatory consolidation(amount above 10% threshold)		-	-
19	Significant investments in capital of financial institutions outside the scope of regulatory consolidation(amount above 10% threshold)		-	-

20	Mortgage-servicing rights		NA	NA
21	Other deferred tax assets relying on the Bank’s future profitability(amount above 10% threshold)		-	-
22	Significant investments in the capital of financial institutions outside the scope of regulatory consolidation and other deferred tax assets that rely on the Bank’s future profitability after all regulatory adjustment (amount exceeding the 15% threshold)		-	-
23	of which: significant investments in the capital of financial institutions		-	-
24	of which: Mortgage-servicing rights		NA	NA
25	of which: Other deferred tax assets that rely on the Bank’s future profitability		-	-
26a	Investments in common equity of financial institutions being controlled but outside the scope of regulatory consolidation	i	3,902	3,902
26b	Gaps of common equity of financial institutions being controlled but outside the scope of regulatory consolidation		-	-
26c	Total regulatory adjustments to Common Equity Tier 1 capital		-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions		-	-
28	**Total regulatory adjustment in Common Equity Tier 1 capital**		**7,505**	**7,934**
29	**Common Equity Tier 1 capital after regulatory adjustment**		**1,408,127**	**1,236,112**
Additional Tier 1 capital:				
30	Directly issued qualifying Additional Tier 1 capital instruments including related stock surplus	p	19,659	-
31	of which: classified as equity	p	19,659	-
32	of which: classified as liabilities		-	-
33	of which: Instruments not given recognition in Additional Tier 1 capital after the transition period		-	-
34	Minority interest given recognition in Additional Tier 1 capital	y	61	37
35	of which: Portions not given recognition in Additional Tier 1 capital after the transition period		-	-
36	**Additional Tier 1 capital before regulatory adjustment**		**19,720**	**37**
Additional Tier 1 capital: regulatory adjustments				
37	Direct or indirect investments in own Additional Tier 1 instruments		-	-
38	Reciprocal cross-holdings in Additional Tier 1 instruments		-	-
39	Non-significant investments in the capital of financial institutions outside the scope of regulatory consolidation(amount above 10% threshold)		-	-
40	Significant investments in the Additional Tier 1 capital of financial institutions outside the scope of regulatory consolidation		-	-
41a	Investments in Additional Tier 1 capital of financial institutions being controlled but outside the scope of regulatory consolidation		-	-
41b	Gaps of Additional Tier 1 capital of financial institutions being controlled but outside the scope of regulatory consolidation		-	-
41c	Other deductions from Additional Tier 1 capital		-	-
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		-	-
43	**Total regulatory adjustments to Additional Tier 1 capital**		-	-
44	**Additional Tier 1 capital after regulatory adjustment**		**19,720**	**37**
45	**Tier 1 capital after regulatory adjustment (Common Equity Tier 1 capital after regulatory adjustment + Additional Tier 1 capital after regulatory adjustment)**		**1,427,847**	**1,236,149**
Tier 2 capital:				

46	Directly issued qualifying Tier 2 instruments plus stock surplus	n	170,147	149,839
47	of which: Portions not given recognition in Tier 2 capital after the transition period		111,884	127,868
48	Minority interest given recognition in Tier 2 capital	z	2,165	2,444
49	of which: Portions not given recognition after the transition period		271	-
50	Provisions in Tier 2	-(c+e)	50,014	127,878
51	**Tier 2 capital before regulatory adjustments**		**222,326**	**280,161**
Tier 2 capital: regulatory adjustments				
52	Direct or indirect investments in the Bank's Tier 2 instruments		-	-
53	Reciprocal cross-holdings in Tier 2 instruments		-	-
54	Non-significant investments in capital of financial institutions outside the scope of regulatory consolidation (amount above 10% threshold)		-	-
55	Significant investments in the Tier 2 capital of financial institutions outside the scope of regulatory consolidation		-	-
56a	Investments in Tier 2 capital of financial institutions being controlled but outside the scope of regulatory consolidation		-	-
56b	Gaps of Tier 2 capital of financial institutions being controlled but outside the scope of regulatory consolidation		-	-
56c	Other deductions from Tier 2 capital		-	-
57	**Total regulatory adjustments in Tier 2 capital**		-	-
58	**Tier 2 capital after regulatory adjustment**		**222,326**	**280,161**
59	**Total capital after regulatory adjustment (Tier 1 capital after regulatory adjustment +Tier 2 capital after regulatory adjustment)**		**1,650,173**	**1,516,310**
60	**Total risk-weighted assets**		**10,722,082**	**10,203,754**
Capital adequacy ratio and reserve capital requirements				
61	**Common Equity Tier 1 ratio**		13.13%	12.11%
62	**Tier 1 ratio**		13.32%	12.11%
63	**Total Capital ratio**		15.39%	14.86%
64	Specific buffer requirements of regulators		2.30%	0.90%
65	of which: capital conservation buffer requirements		1.30%	0.90%
66	of which: countercyclical buffer requirements		0.00%	0.00%
67	of which: Additional buffer requirements of Global Systemically Important Banks		1.00%	0.00%
68	Common Equity Tier 1 capital available to meet buffers as a percentage of risk-weighted assets		8.13%	7.11%
Domestic minimum regulatory capital requirements				
69	Common Equity Tier 1 ratio		5.00%	5.00%
70	Tier 1 ratio		6.00%	6.00%
71	Total Capital ratio		8.00%	8.00%
Amounts below the threshold deductions				
72	Non-significant investments in the capital of other financial institutions outside of the scope of regulatory consolidation	a+f+g+h	39,731	42,881
73	Significant investments in the capital of other financial institutions outside of the scope of regulatory consolidation	j	230	190
74	Mortgage-servicing rights (net of deferred tax liabilities)		NA	NA
75	Other deferred tax assets relying on the Bank's future profitability (net of deferred tax liabilities)	m	25,229	39,447
Limit of provisions in Tier 2 capital				

76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to regulatory weighting approach (prior to the application of cap)	-b	3,551	1,186
77	Provisions eligible for inclusion in Tier 2 capital under regulatory weighting approach	-c	3,551	1,186
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal rating-based approach (prior to the application of cap)	-d	107,044	131,526
79	Provisions eligible for inclusion in Tier 2 capital under internal rating-based approach	-e	46,463	126,692
Capital instruments subject to phase-out arrangements				
80	Amount given recognition in current-period Common Equity Tier 1 capital due to transitional arrangements		-	-
81	Amount not given recognition in current-period Common Equity Tier 1 capital due to transitional arrangements		-	-
82	Amount given recognition in current-period Additional Tier 1 capital due to transitional arrangements		-	-
83	Amount not given recognition in current-period Additional Tier 1 capital due to transitional arrangements		-	-
84	Amount given recognition in current-period Tier 2 capital due to transitional arrangements		111,884	127,868
85	Amount not given recognition in current-period Tier 2 capital due to transitional arrangements		26,013	10,010

The following table shows the balance sheet of the accounting and regulatory consolidation.

(In millions of RMB)	As at 31 December 2015	
	Balance sheet of the accounting consolidation	**Balance sheet of the regulatory consolidation**
Assets		
Cash and deposits with central banks	2,401,544	2,401,499
Deposits with banks and non-bank financial institutions	352,966	349,587
Precious metals	86,549	86,549
Placements with banks and non-bank financial institutions	310,779	314,344
Financial assets at fair value through profit or loss	271,173	268,187
Positive fair value of derivatives	31,499	30,948
Financial assets held under resale agreements	310,727	309,548
Interest receivable	96,612	95,720
Loans and advances to customers	10,234,523	10,232,132
Available-for-sale financial assets	1,066,752	1,033,554
Held-to-maturity investments	2,563,980	2,559,130
Investments classified as receivables	369,501	350,966
Investments to subsidiaries	-	4,873
Interests in associates and jointly controlled entities	4,986	3,102
Fixed assets	159,531	158,371
Land use rights	15,231	15,231
Intangible assets	2,103	1,657
Goodwill	2,140	1,946
Deferred tax assets	25,379	25,229
Other assets	43,514	43,445

Total assets	**18,349,489**	**18,286,018**
Liabilities		
Borrowings from central banks	42,048	42,048
Deposits from banks and non-bank financial institutions	1,439,395	1,442,899
Placements from banks and non-bank financial institutions	321,712	323,565
Financial liabilities at fair value through profit or loss	302,649	302,999
Negative fair value of derivatives	27,942	27,921
Financial assets sold under repurchase agreements	268,012	267,096
Deposits from customers	13,668,533	13,668,558
Accrued staff costs	33,190	32,967
Taxes payable	49,411	49,354
Interest payable	205,684	206,088
Provisions	7,108	7,103
Debt securities issued	415,544	410,943
Deferred tax liabilities	624	507
Other liabilities	122,554	66,655
Total liabilities	**16,904,406**	**16,848,703**
Equity		
Share capital	250,011	250,011
Equity instrument - preference shares	19,659	19,659
Capital reserve	135,249	135,223
Investment revaluation reserve	23,058	22,390
Surplus reserve	153,032	153,032
General reserve	186,422	186,383
Retained earnings	672,154	669,802
Foreign exchange reserve	(5,565)	(5,330)
Total equity attributable to equity shareholders of the Bank	1,434,020	1,431,170
Minority interests	11,063	6,145
Total equity	**1,445,083**	**1,437,315**

The following table shows the information related to the expanded balance sheet under regulatory scope of consolidation.

(In millions of RMB)	**As at 31 December 2015**	
	Balance sheet of the regulatory consolidation	**Code**
Assets		
Cash and deposits with central banks	2,401,499	
Deposits with banks and non-bank financial institutions	349,587	
Precious metals	86,549	
Placements with banks and non-bank financial institutions	314,344	
Financial assets at fair value through profit or loss	268,187	

of which: non-significant investments in the capitals of other financial institutions outside of the scope of regulatory consolidation	3	a
Positive fair value of derivatives	30,948	
Financial assets held under resale agreements	309,548	
Interest receivable	95,720	
Loans and advances to customers	10,232,132	
of which: Provisions eligible actual accrued subject to the regulatory weighting approach	(3,551)	b
of which: Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the regulatory weighting approach	(3,551)	c
of which: Provisions eligible actual accrued subject to subject to the IRB approach	(107,044)	d
of which: Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the IRB approach	(46,463)	e
Available-for-sale financial assets	1,033,554	
of which: non-significant investments in the capitals of other financial institutions outside of the scope of regulatory consolidation	6,598	f
Held-to-maturity investments	2,559,130	
of which: non-significant investments in the capitals of other financial institutions outside of the scope of regulatory consolidation	973	g
Debt securities classified as receivables	350,966	
of which: non-significant investments in the capitals of other financial institutions outside of the scope of regulatory consolidation	32,157	h
Investments to subsidiaries	4,873	
of which: investments in common equity of financial institutions being controlled but outside the scope of regulatory consolidation	3,902	i
Interests in associates and jointly controlled entities	3,102	
of which: significant investments in the Common Equity Tier 1 capital of other financial institutions outside of the scope of regulatory consolidation	230	j
Fixed assets	158,371	
Land use rights	15,231	
Intangible assets	1,657	k
Goodwill	1,946	l
Deferred tax assets	25,229	m
Other assets	43,445	
Total assets	**18,286,018**	
Liabilities		
Borrowings from central banks	42,048	
Deposits from banks and non-bank financial institutions	1,442,899	
Placements from banks and non-bank financial institutions	323,565	
Financial liabilities at fair value through profit or loss	302,999	
Negative fair value of derivatives	27,921	
Financial assets sold under repurchase agreements	267,096	
Deposits from customers	13,668,558	
Accrued staff costs	32,967	
Taxes payable	49,354	
Interest payable	206,088	
Provisions	7,103	

Debt securities issued	410,943	
of which: Subordinated bonds issued	170,147	n
Deferred tax liabilities	507	
Other liabilities	66,655	
Total liabilities	**16,848,703**	
Equity		
Share capital	250,011	o
Equity instrument - preference shares	19,659	p
Capital reserve	135,223	q
of which: deferred hedging reserves	-	r
Investment revaluation reserve	22,390	s
Surplus reserve	153,032	t
General reserve	186,383	u
Retained earnings	669,802	v
Foreign exchange reserve	(5,330)	w
Total equity attributable to equity shareholders of the Bank	1,431,170	
Minority interests	6,145	
of which: minority interest given recognition in common equity tier 1 capital	4,121	x
of which: minority interest given recognition in other equity tier 1 capital	61	y
of which: minority interest given recognition in tier 2 capital[1]	2,165	z
Total equity	**1,437,315**	

1. According to regulatory requirements, the issuance of eligible secondary capital tool by the wholly owned subsidiary does not include in the secondary capital tool and its premium, but it includes in the interests of minority shareholders. The treatment is different with the accounting policy,

Main features of eligible regulatory capital instruments

The following table shows the information related to main features of various kinds of eligible regulatory capital instruments issued by the Group.

No.	Main features of eligible regulatory capital instruments	H Share	A Share	Rights issues	Tier 2 capital instrument	Tier 2 capital instrument	Tier 2 capital instrument
1	Issuer	CCB	CCB	CCB	CCB	CCB	CCB
2	Identifier code	0939.HK	601939.SH	0939.HK、601939.SH	ISIN: CND100007Z10	ISIN: HK0000223849	ISIN: XS1227820187
3	Governing law(s)	Hong Kong SAR law	Chinese law	Chinese/Hong Kong SAR law	Chinese law	Hong Kong SAR law	British law
	Regulatory treatment						
4	of which: transitional rules under *the Capital Rules for Commercial Banks (Provisional)*	Common Equity Tier 1 capital	Common Equity Tier 1 capital	Common Equity Tier 1 capital	Tier 2 capital	Tier 2 capital	Tier 2 capital
5	of which: post-transitional rules under the *Capital Rules for Commercial Banks (Provisional)*	Common Equity Tier 1 capital	Common Equity Tier 1 capital	Common Equity Tier 1 capital	Tier 2 capital	Tier 2 capital	Tier 2 capital
6	of which: eligible at the Bank/ Group level	the Bank and Group level	the Bank and Group level	the Bank and Group level	the Bank and Group level	the Bank and Group level	the Bank and Group level
7	Instrument type	Equity instrument	Equity instrument	Equity instrument	Tier 2 capital instrument	Tier 2 capital instrument	Tier 2 capital instrument
8	Amount recognised in regulatory capital (In millions of RMB, as at the latest reporting date)	72,550	57,119	61,159	19,980	1,994	12,313
9	Par value of instrument	RMB 30,459 million	RMB 9,000 million	RMB 16,322 million	RMB 20,000 million	RMB 2,000 million	USD 2,000 million
10	Accounting classification	Share capital and capital reserve	Share capital and capital reserve	Share capital and capital reserve	Debt securities issued	Debt securities issued	Debt securities issued
11	Original date of issuance	27 October 2005	25 September 2007	19 November 2010, 16 December 2010	15 August 2014	12 November 2014	13 May 2015
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Dated	Dated	Dated
13	of which: original maturity date	No maturity	No maturity	No maturity	18 August 2029	12 November 2024	13 May 2025
14	Issuer call subject to regulatory approval	No	No	No	Yes	Yes	Yes

15	of which: optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	18 August 2024, all redeemed	12 November 2019, all redeemed	13 May 2020, all redeemed
16	of which: subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A	N/A
	Coupons / dividends						
17	of which: fixed or floating dividend/coupon	Floating	Floating	Floating	Fixed	Fixed for the first five years while floating for the rest five years	The interest rate is fixed for the first five years, and is based on the interest rate at the coupon rate reset date for the consecutive five years.
18	of which: coupon rate and any related index	N/A	N/A	N/A	5.98%	Fixed rate of 4.90% for the first five years while resetting (plus 1.538% on the CNHHibor) for the rest five years.	The interest rate is fixed at 3.875% for the first five years, and is reset based on the five-year U.S. government bond benchmark rate plus the initial interest spread (2.425%) at the coupon rate reset date for the consecutive five years.
19	of which: existence of a dividend brake mechanism	N/A	N/A	N/A	No	No	No
20	of which: fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory	Mandatory	Mandatory
21	of which: existence of redemption incentive mechanism	No	No	No	No	No	No
22	of which: noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	N/A	N/A	N/A	No	No	No
24	of which: if convertible, specify conversion trigger (s)	N/A	N/A	N/A	N/A	N/A	N/A
25	of which: if convertible,	N/A	N/A	N/A	N/A	N/A	N/A

	specify if it is fully or partially						
26	of which: if convertible, specify conversion rate	N/A	N/A	N/A	N/A	N/A	N/A
27	of which: if convertible, specify if it is mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A
28	of which: if convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A
29	of which: if convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down feature	N/A	N/A	N/A	Yes	Yes	Yes
31	of which: if write-down, specify write-down trigger(s)	N/A	N/A	N/A	Write-down is triggered at the earlier of followings: (1) CBRC determines issuer cannot survive if no write-down is conducted; (2) related authorities confirm that issuer cannot survive if public capital injection or equivalent support will not be offered.	Write-down is triggered at the earlier of followings: (1) CBRC determines issuer cannot survive if no write-down is conducted; (2) related authorities confirm that issuer cannot survive if public capital injection or equivalent support will not be offered.	Write-down is triggered at the earlier of followings: (1) CBRC determines issuer cannot survive if no write-down is conducted; (2) related authorities confirm that issuer cannot survive if public capital injection or equivalent support will not be offered.
32	of which: if write-down, specify if it is full or partial	N/A	N/A	N/A	Full	Full	Full
33	of which: if write-down, specify if it is permanent or temporary	N/A	N/A	N/A	Permanent	Permanent	Permanent
34	of which: if temporary write-down, specify the description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A
35	Hierarchy of claims in liquidation (specify instrument type immediately senior to instrument)	The lowest priority of all claims	The lowest priority of all claims	The lowest priority of all claims	The lower priority behind the depositor and general creditor, the same priority with other tier 2 debt	The lower priority behind the depositor and general creditor, the same priority with other tier 2 debt	The lower priority behind the depositor and general creditor, the same priority with other tier 2 debt

36	Non-eligible transitioned features	No	No	No	No	No	No
37	of which: if yes, specify non-eligible features	N/A	N/A	N/A	N/A	N/A	N/A

No.	Main features of eligible regulatory capital instruments	Preference shares	Tier 2 capital instrument
1	Issuer	CCB	CCB
2	Identifier code	4606.HK	ISIN: CND1000099M8
3	Governing law(s)	Overseas preference shares and rights and obligations attached apply to the Chinese law and are interpreted according to the Chinese law	Chinese law
	Regulatory treatment		
4	of which: transitional rules under *the Capital Rules for Commercial Banks (Provisional)*	Additional Tier 1 capital	Tier 2 capital
5	of which: post-transitional rules under the *Capital Rules for Commercial Banks (Provisional)*	Additional Tier 1 capital	Tier 2 capital
6	of which: eligible at the Bank/ Group level	The Bank and the Group level	The Bank and the Group level
7	Instrument type	Additional Tier 1 capital instruments	Tier 2 capital instrument
8	Amount recognised in regulatory capital (In millions of RMB, as at the latest reporting date)	19,659	23,976
9	Par value of instrument	RMB 15,252 million	RMB 24,000 million
10	Accounting classification	Other equity instruments	Debt securities issued
11	Original date of issuance	16 December 2015	21 December 2015
12	Perpetual or dated	Perpetual	Dated
13	of which: original maturity date	No maturity	20 December 2025
14	Issuer call subject to regulatory approval	Yes	Yes
15	of which: optional call date, contingent call dates and redemption amount	The first call date is 16 December 2020, all or partial redeemed	20 December 2020, all redeemed
16	of which: subsequent call dates, if applicable	Every 16 December after the first call date	N/A
	Coupons / dividends		
17	of which: fixed or floating dividend/coupon	Adjustable dividend yield (benchmark rate plus the fixed interest spread) by stages is adopted, benchmark rate is adjustable every five years, and the dividend yield during each adjusting period remains unchanged.	Fixed
18	of which: coupon rate and any related index	The dividend yield fixed at 4.65% for the first five years, is reset based on the five-year U.S. government bond rate plus the fixed interest spread (2.974%) at the dividend reset date for the consecutive five years, and the dividend yield during each reset	4%

		period remains unchanged (the first dividend yield reset date is 16 December 2020 and the subsequent reset date is 16 December of every 5 years thereafter).	
19	of which: existence of a dividend brake mechanism	Yes	No
20	of which: fully discretionary, partially discretionary or mandatory	Fully discretionary	Mandatory
21	of which: existence of redemption incentive mechanism	No	No
22	of which: noncumulative or cumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Yes	No
24	of which: if convertible, specify conversion trigger (s)	Additional Tier 1 capital instruments triggers or additional Tier 2 capital instruments triggers	N/A
25	of which: if convertible, specify if it is fully or partially	Fully or partially convertible for additional Tier 1 capital instruments triggers, and fully convertible for additional Tier 2 capital instruments triggers	N/A
26	of which: if convertible, specify conversion rate	The initial conversion price is the transaction price of H-share ordinary shares (namely HKD 5.98 per share) at the date 20 trading days before the resolution of the Board of Directors is released regarding evaluating the issuance of the preference shares. Since the date when the Board of Directors passed the resolution to issue the preference shares, the Bank makes accumulative adjustments to the mandatory conversion price in proper order, when H-share ordinary shares are distributed as bonus shares, transferred to share capital, used to issue new shares at the price lower than the market price (excluding the additional shares due to the conversion of financing instruments which is issued by the Bank and can be converted into ordinary shares), and used as rights issues. When the Bank's share type, number and/or equity changes due to the cancellation of the repurchased shares, company combination, split-up, etc., and it may affect the preference shareholders' equity, the Bank has the right to adjust the conversion price based on the principle of equity, justice and fairness, and fully protecting and balancing the equities of shareholders of preference shares and ordinary shares as appropriate.	N/A
27	of which: if convertible, specify if it is mandatory or optional conversion	Yes	N/A
28	of which: if convertible, specify instrument type convertible into	Common Equity Tier 1 capital	N/A
29	of which: if convertible, specify issuer of instrument it converts into	CCB	N/A
30	Write-down feature	No	Yes

31	of which: if write-down, specify write-down trigger(s)	N/A	Write-down is triggered at the earlier of followings: (1) CBRC determines issuer cannot survive if no write-down is conducted; (2) related authorities confirm that issuer cannot survive if public capital injection or equivalent support will not be offered.
32	of which: if write-down, specify if it is full or partial	N/A	Full
33	of which: if write-down, specify if it is permanent or temporary	N/A	Permanent
34	of which: if temporary write-down, specify the description of write-up mechanism	N/A	N/A
35	Hierarchy of claims in liquidation (specify instrument type immediately senior to instrument)	The lower priority behind all debts, and the capital instruments issued or guaranteed by the Bank and prior to overseas preference shares, the same priority with capital instruments with the same priority	The lower priority behind the depositor and general creditor, the same priority with other tier 2 debt
36	Non-eligible transitioned features	No	No
37	of which: if yes, specify non-eligible features	N/A	N/A