Bank of China Limited

2026 Q1 Pillar 3 Disclosure Report

Content

1 Introduction

1.1 Basis of Disclosure

The Report is prepared and disclosed in accordance with the *Capital Rules for Commercial Banks (J.J.Z.J.L [2023] No. 4)* issued by the National Financial Regulatory Administration ("NFRA").

The Group has been approved to implement the advanced capital measurement approaches in April 2014. For the Bank's Head Office, domestic branches and BOCHK, Foundation Internal Rating-Based (FIRB) approach is adopted for general corporates and small or medium-sized entities (SMEs) credit risk exposures, while Advanced Internal Rating-Based (AIRB) approach is adopted for retail residential mortgages, qualifying revolving retail exposures (QRRE) as well as other retail risk exposures. Standardised approach is adopted for other types of credit risk exposures and all credit risk exposures of other consolidated institutions. Standardised approach is adopted for market risk and operational risk.

1.2 Disclosure Statement

The Report is prepared in accordance with the *Capital Rules for Commercial Banks*, rather than financial accounting standards. Therefore, some information in the Report may not be directly comparable to the financial information in the financial reports from the same period.

The Group has established a robust governance structure for pillar 3 regulatory capital disclosure, which is approved by the Board of Directors and implemented by the Senior Management through effective internal control processes. This ensures a thorough review of information disclosure content and the authenticity and reliability of disclosed information.

2 Overview of risk management, key prudential metrics and Risk-Weighted Assets (RWA)

2.1 KM1: Key metrics (at consolidated group level)

Amounts in millions of Renminbi (except percentages)

		a	b	c	d	e
		As at 31 March 2026	As at 31 December 2025	As at 30 September 2025	As at 30 June 2025	As at 31 March 2025
Available capital (amounts)						
1	Net common equity Tier 1 capital	2,664,179	2,622,071	2,603,692	2,572,202	2,370,551
2	Net Tier 1 capital	3,044,074	3,002,708	3,034,150	2,930,923	2,768,867
3	Net capital	3,986,395	3,945,867	3,861,955	3,822,237	3,607,173
RWA (amounts)						
4	Total RWA	21,865,748	20,932,851	20,694,578	20,470,598	20,061,040
4a	Total RWA (pre-floor[1])	21,865,748	20,932,851	20,694,578	20,470,598	20,061,040
Capital adequacy ratio						
5	Common equity Tier 1 capital adequacy ratio (%)	12.18%	12.53%	12.58%	12.57%	11.82%
5a	Common equity Tier 1 capital adequacy ratio (%) (pre-floor)	12.18%	12.53%	12.58%	12.57%	11.82%
6	Tier 1 capital adequacy ratio (%)	13.92%	14.34%	14.66%	14.32%	13.80%
6a	Tier 1 capital adequacy ratio (%) (pre-floor)	13.92%	14.34%	14.66%	14.32%	13.80%
7	Capital adequacy ratio (%)	18.23%	18.85%	18.66%	18.67%	17.98%
7a	Capital adequacy ratio (%) (pre-floor)	18.23%	18.85%	18.66%	18.67%	17.98%
Additional capital requirements						
8	Capital conservation buffer requirement (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	G-SIB and/or D-SIB additional requirements[2] (%)	1.50%	1.50%	1.50%	1.50%	1.50%
11	Total additional capital requirements (%) (8 + 9 + 10)	4.00%	4.00%	4.00%	4.00%	4.00%
12	Ratio of net common equity Tier 1 capital available after meeting the bank's minimum capital requirements[3] (%)	7.18%	7.53%	7.58%	7.57%	6.82%
Leverage ratio						
13	Adjusted on- and off-balance sheet exposures	41,578,304	40,339,678	39,304,166	38,550,087	37,794,252
14	Leverage ratio (%)	7.32%	7.44%	7.72%	7.60%	7.33%
14a	Leverage ratio a[4] (%)	7.32%	7.44%	7.72%	7.60%	7.33%
14b	Leverage ratio b[5] (%)	7.32%	7.42%	7.71%	7.62%	7.34%
14c	Leverage ratio c[6] (%)	7.32%	7.42%	7.71%	7.62%	7.34%

		a As at 31 March 2026	b As at 31 December 2025	c As at 30 September 2025	d As at 30 June 2025	e As at 31 March 2025
Liquidity Coverage Ratio (LCR)						
15	Total high-quality liquid assets (HQLA)	6,682,490	6,598,910	6,346,154	6,358,110	6,365,684
16	Total net cash outflow	4,621,762	4,382,948	4,591,592	4,753,397	4,456,888
17	LCR[7] (%)	144.67%	150.60%	138.29%	134.04%	143.00%
Net Stable Funding Ratio (NSFR)						
18	Total available stable funding	25,673,825	24,929,016	24,584,294	23,941,144	23,508,307
19	Total required stable funding	20,121,689	19,513,298	19,222,377	18,783,362	18,436,588
20	NSFR[8] (%)	127.59%	127.75%	127.89%	127.46%	127.51%

Supplementary description:

1. In Line 4a, "Total RWA (pre-floor)" means that a commercial bank's partial or all risk-weighted assets calculated by the advanced approach for capital measurement shall be no less than 72.5% of the total RWA calculated by other approaches. As at March 31, 2026, the Group's RWA did not touch the capital floor;

2. In Line 10, "G-SIB and/or D-SIB additional requirements" means that as at the end of the reporting period, the Group is classified as a D-SIB in bucket 4, subject to a 1% additional capital requirement; simultaneously, it is classified under bucket 2 among G-SIBs, subject to a 1.5% additional capital requirement. The additional capital requirement for the Group is determined to be 1.5% based on the higher of the two;

3. In Line 12, "Ratio of net common equity Tier 1 capital available after meeting the bank's minimum capital requirements (%)" refers to the difference between Line 5 and the minimum requirement of 5% for common equity Tier 1 capital adequacy ratio;

4. In Line 14a, "Leverage ratio a" refers to the leverage ratio without considering the temporary exemption from required reserves (if applicable);

5. In Line 14b, "Leverage ratio b" refers to the leverage ratio calculated by considering the temporary exemption from required reserves (if applicable) and using the simple arithmetic average of the daily balance of securities financing transactions in last quarter;

6. In Line 14c, "Leverage ratio c" refers to the leverage ratio calculated without considering the temporary exemption from required reserves (if applicable) but using the simple arithmetic average of the daily balance of securities financing transactions in last quarter;

7. In Line 17, "LCR" are the daily average ratio of current quarter;

8. In Line 20, "NSFR" are the ending values of each quarter.

2.2 KM2: Key metrics – Total loss-absorbing capacity (TLAC) requirements (at resolution group level)

Amounts in millions of Renminbi (except percentages)

		a	b	c	d	e
		As at 31 March 2026	As at 31 December 2025	As at 30 September 2025	As at 30 June 2025	As at 31 March 2025
1	TLAC available	4,683,022	4,619,168	4,529,301	4,383,996	4,158,693
2	Total RWA at resolution group level	21,865,748	20,932,851	20,694,578	20,470,598	20,061,040
3	TLAC risk-weighted ratio[1] (1/2)	21.42%	22.07%	21.89%	21.42%	20.73%
4	Adjusted on- and off-balance sheet exposures at resolution group level	41,578,304	40,339,678	39,304,166	38,550,087	37,794,252
5	TLAC leverage ratio (1/4)	11.26%	11.45%	11.52%	11.37%	11.00%

Supplementary description:

1. In line 3, according to "the *Administrative Measures for the Total Loss-absorbing Capacity of Global Systemically Important Banks*", the bank shall meet both external TLAC ratio requirements (16%) and capital buffer requirements (4%), including conservation buffer (2.5%) and capital surcharge for global systemically important banks (1.5%), totaling 20%.

2.3 OV1: Overview of RWA

Amounts in millions of Renminbi

		a	b	c
		RWA		Minimum capital requirements
		As at 31 March 2026	As at 31 December 2025	As at 31 March 2026
1	Credit risk	20,265,870	19,353,490	1,621,269
2	Credit risk (excluding counterparty credit risk, credit valuation adjustment risk, equity investments in funds in banking book and securitisation exposures in banking book), of which:	19,898,498	19,004,591	1,591,880
3	Standardised approach (SA), of which:	7,797,785	7,642,834	623,823
4	Unsettled securities, commodities, and foreign exchange transactions	–	2	–
5	Amounts below the threshold deductions	275,242	276,548	22,019
6	Foundation internal ratings-based (FIRB) approach	10,339,911	9,574,373	827,193
7	Supervisory slotting approach	2,709	1,989	217
8	Advanced internal ratings-based (AIRB) approach	1,758,093	1,785,395	140,647
9	Counterparty credit risk, of which:	130,745	120,071	10,459
10	Standardised approach for counterparty credit risk	130,745	120,071	10,459
11	CEM	–	–	–
12	Other CCR	–	–	–
13	Credit valuation adjustment (CVA)	33,111	34,010	2,649
14	Equity investments in funds in banking book, of which:	181,450	166,216	14,516
15	Look-through approach	50,164	49,086	4,013
16	Mandate-based approach	123,400	113,638	9,872
17	1250% Risk weight	7,886	3,492	631
18	Securitisation exposures in banking book, of which:	22,066	28,602	1,765
19	Securitisation IRB approach (SEC-IRBA)	–	–	–
20	Securitisation external ratings-based approach (SEC-ERBA)[1]	22,066	28,602	1,765
21	Securitisation standardised approach (SEC-SA)	–	–	–

		a	b	c
		RWA		Minimum capital requirements
		As at 31 March 2026	As at 31 December 2025	As at 31 March 2026
22	Market risk, of which:	288,032	273,778	23,043
23	Standardised approach (SA)	288,032	273,778	23,043
24	Internal model approach (IMA)	–	–	–
25	Simplified standard approach	–	–	–
26	Capital charge for switch between trading book and banking book	17,676	11,413	1,414
27	Operational risk	1,294,170	1,294,170	103,534
28	Floor adjustment	–	–	
29	**Total**	**21,865,748**	**20,932,851**	**1,749,260**

Supplementary description:

1. In Line 20, securitisation exposures applied 1250% risk weight are included.

3 Macro-Prudential Supervision Measures

For information on our global systemically important banks (G-SIBs) indicators, please visit Bank of China's official website (www.boc.cn) and navigate to Investor Relations > Financial Reports.

4 Leverage ratio

4.1 LR1: Summary comparison of accounting assets vs leverage ratio exposure measure

Amounts in millions of Renminbi

		a	b
		As at 31 March 2026	**As at 31 December 2025**
1	Total consolidated assets	39,594,197	38,358,076
2	Adjustments that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(649,944)	(637,945)
3	Adjustment for fiduciary assets	–	–
4	Adjustment for derivative financial instruments	102,204	114,721
5	Adjustment for securities financing transactions	39,459	78,530
6	Adjustment for off-balance sheet exposures	2,519,730	2,453,803
7	Adjustment for securitised exposures	–	–
8	Adjustment for regular-way purchases and sales of financial assets	–	–
9	Adjustment for eligible cash pooling transactions	–	–
10	Adjustment for temporary exemption of central bank reserves (if applicable)	–	–
11	Adjustments for prudent valuation adjustments and provisions	–	–
12	Other adjustments	(27,342)	(27,507)
13	**Adjusted on- and off-balance sheet exposures**	**41,578,304**	**40,339,678**

4.2 LR2: Leverage ratio

Amounts in millions of Renminbi (except percentages)

		a As at 31 March 2026	b As at 31 December 2025
On-balance sheet exposures			
1	On-balance sheet assets (excluding derivatives and securities financing transactions (SFTs))	38,933,641	37,659,131
2	Less: Provisions associated with on-balance sheet exposures	(617,600)	(590,060)
3	Less: Tier 1 capital regulatory adjustments	(27,342)	(27,507)
4	**Adjusted on-balance sheet exposures (excluding derivatives and SFTs)**	**38,288,699**	**37,041,564**
Derivative exposures			
5	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin and/or with bilateral netting)	75,583	71,265
6	Add-on amounts for potential future exposure associated with all derivatives transactions	173,497	177,344
7	Gross-up for derivatives collateral provided where deducted from the balance sheet assets	–	–
8	Less: Deductions of receivable assets for cash variation margin provided in derivatives transactions	(1,458)	(975)
9	Less: Exempted CCP leg of client-cleared trade exposures	–	–
10	Effective notional amount of written credit derivatives	–	–
11	Less: Deductible amounts for written credit derivatives	–	–
12	**Total derivative exposures**	**247,622**	**247,634**
SFT exposures			
13	Accounting balance for SFT exposures	482,794	518,147
14	Less: Deducted amounts for SFT assets	–	–
15	Counterparty credit risk exposure for SFT exposures	39,459	78,530
16	Agent transaction exposures	–	–
17	**Total securities financing transaction exposures**	**522,253**	**596,677**
Off-balance sheet exposures			
18	Off-balance sheet exposures	8,636,041	8,675,113
19	Less: Adjustments for conversion to credit equivalent amounts	(6,101,606)	(6,205,348)
20	Less: Provisions associated with off-balance sheet exposures	(14,705)	(15,962)
21	**Adjusted off-balance sheet exposures**	**2,519,730**	**2,453,803**

		a	b
		As at 31 March 2026	**As at 31 December 2025**
Net Tier 1 capital and adjusted on- and off-balance sheet exposures			
22	Net Tier 1 capital	3,044,074	3,002,708
23	**Adjusted on- and off-balance sheet exposures**	**41,578,304**	**40,339,678**
Leverage ratio			
24	Leverage ratio	7.32%	7.44%
24a	Leverage ratio a	7.32%	7.44%
25	Minimum leverage ratio requirement	4.00%	4.00%
26	Applicable leverage ratio buffers	0.75%	0.75%
Disclosure of mean values			
27	Quarterly mean daily value of gross SFT assets	497,070	659,438
27a	Quarter-end value of gross SFT assets	482,794	518,147
28	Adjusted on- and off-balance sheet exposures a[1]	41,592,580	40,480,969
28a	Adjusted on- and off-balance sheet exposures b[2]	41,592,580	40,480,969
29	Leverage ratio b	7.32%	7.42%
29a	Leverage ratio c	7.32%	7.42%

Supplementary description:

1. In Line 28, "Adjusted on- and off-balance sheet exposures a" refers to the balance of adjusted on- and off-balance sheet assets calculated by considering the temporary exemption from required reserves (if applicable) and using the simple arithmetic average of the daily balance of SFTs;

2. In Line 28a, "Adjusted on- and off-balance sheet exposures b" refers to the balance of adjusted on- and off-balance sheet assets calculated without considering the temporary exemption from required reserves (if applicable) but using the simple arithmetic average of the daily balance of SFTs.

5 Liquidity

5.1 LIQ1: Liquidity Coverage Ratio (LCR)

According to the *Disclosure Rules on Liquidity Coverage Ratio of Commercial Banks*, the Group disclosed the information of liquidity coverage ratio ("LCR")[1] as follows.

Regulatory requirements of liquidity coverage ratio

As stipulated by the *Rules on Liquidity Risk Management of Commercial Banks* issued by the NFRA, the minimum regulatory requirement of LCR is 100%.

The Group's liquidity coverage ratio

Since 2017, the Group measured the LCR on a day-to-day consolidated basis. In the first quarter of 2026, the Group measured a total of 90-days of LCR on this basis, with average ratio[2] standing at 144.67%, representing an decrease of 5.93 percentage points over the previous quarter, which was primarily due to the increase in the net cash outflows.

	2026	2025		
	Quarter ended 31 March	Quarter ended 31 December	Quarter ended 30 September	Quarter ended 30 June
Average value of LCR	144.67%	150.60%	138.29%	134.04%

The Group's average values of consolidated LCR individual line items in the first quarter of 2026 are as follows:

Amounts in millions of Renminbi (except percentages)

		a	b
		The first quarter of 2026	
		Total unweighted value	Total weighted value
High-quality liquid assets			
1	Total high-quality liquid assets (HQLA)		6,682,490
Cash outflows			
2	Retail deposits and deposits from small business customers, of which:	13,635,873	972,343
3	Stable deposits	7,629,570	371,713
4	Less stable deposits	6,006,303	600,630
5	Unsecured wholesale funding, of which:	14,093,574	5,338,107
6	Operational deposits (excluding those generated from correspondent banking activities)	6,764,560	1,669,264
7	Non-operational deposits (all counterparties)	7,321,567	3,661,396
8	Unsecured debts	7,447	7,447
9	Secured funding		1,558
10	Additional requirements, of which:	4,567,385	3,443,450
11	Outflows related to derivative exposures and other collateral requirements	3,358,124	3,358,124
12	Outflows related to loss of funding on debt products	–	–
13	Credit and liquidity facilities	1,209,261	85,326
14	Other contractual funding obligations	119,258	119,258
15	Other contingent funding obligations	4,043,772	127,297
16	**Total cash outflows**		**10,002,013**
Cash inflows			
17	Secured lending (Including reverse repos and securities borrowing)	569,934	435,923
18	Inflows from fully performing exposures	2,072,798	1,482,053
19	Other cash inflows	3,557,688	3,462,275
20	**Total cash inflows**	**6,200,420**	**5,380,251**
			Adjusted value
21	Total HQLA		6,682,490
22	Total net cash outflows		4,621,762
23	Liquidity Coverage Ratio (%)		144.67%

Supplementary description:

1. The LCR aims to ensure that commercial banks have sufficient HQLA that can be converted into cash to meet the liquidity requirements for at least thirty days under stress scenarios determined by the NFRA;

2. The average of LCR and the averages of all related individual items are the day-end simple arithmetic averages of figures over each quarter.