

ARTICLES OF ASSOCIATION OF CHINA BOHAI BANK CO., LTD.

(Adopted at the inauguration meeting of CHINA BOHAI BANK CO., LTD. on December 22, 2005 and approved by the China Banking and Regulatory Commission on December 29, 2005; revised at the 14th Shareholders' general meeting of CHINA BOHAI BANK CO., LTD. on December 16, 2009 and approved by the China Banking and Regulatory Commission on March 22, 2010; revised at the 26th Shareholders' general meeting of CHINA BOHAI BANK CO., LTD. on September 5, 2014 and approved by the China Banking and Regulatory Commission on January 8, 2015; revised respectively at the 37th, 43rd and 44th Shareholders' general meeting of CHINA BOHAI BANK CO., LTD. on April 21, 2016, June 29, 2017 and February 9, 2018 and approved by the China Banking and Insurance Regulatory Commission on August 20, 2018; revised respectively at the 50th, 54th and 56th Shareholders' general meeting of CHINA BOHAI BANK CO., LTD. on December 21, 2018, September 10, 2019 and November 14, 2019 and approved by the China Banking and Insurance Regulatory Commission on January 23, 2020; revised at the 2021 annual general meeting, the first domestic Shareholders' class meeting of 2022 and the first H Shareholders' class meeting of 2022 of CHINA BOHAI BANK CO., LTD. on May 16, 2022; revised at the 2025 second extraordinary general meeting of CHINA BOHAI BANK CO., LTD. on August 18, 2025 and approved by the National Financial Regulatory Administration on December 19, 2025)

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Chapter I General Provisions

Article 1 To protect the legitimate rights and interests of CHINA BOHAI BANK CO., LTD. (hereinafter referred to as the “Bank”), shareholders, employees and creditors and regulate the organization and acts of the Bank, these Articles are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Commercial Banking Law of the PRC (hereinafter referred to as the “Commercial Banking Law”), the Interim Measures for the Equity Management of Commercial Banks, the Code of Corporate Governance of Banking and Insurance Institutions, the Provisional Rules on Major Shareholders’ Conduct of Banking and Insurance Institutions, Interim Measures for the Administration of Overseas Securities Offering and Listing by Domestic Enterprises and other PRC laws as well as relevant regulations of the securities regulatory authorities of the place where the Bank’s shares are listed, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”) (hereinafter collectively referred to as “laws and regulations”).

The “PRC laws” referred to in these Articles refer to laws, regulations, rules, judicial interpretations and notices officially issued by legislatures, administrative authorities and legal authorities of the PRC at all levels (including any amendments, revisions, reformulations or combinations of such PRC laws and any regulations, rules, judicial interpretations or notices issued in accordance with such PRC laws, but excluding laws, regulations and judicial precedents of the Hong Kong Special Administrative Region (hereinafter referred to as “Hong Kong”), the Macau Special Administrative Region and Taiwan).

Article 2 The Bank is a joint stock limited company incorporated in accordance with the Company Law and other PRC laws. The Bank was approved for establishment by China Banking and Regulatory Commission with Document Yin Jian Fu [2005] No. 337 and obtained the Financial License. The Bank was registered with the State Administration for Industry and Commerce of the PRC on December 30, 2005. The unified social credit code of the Business License of the Bank is 911200007109339563.

The Bank is a national joint-stock commercial bank jointly established by the following promoters: TEDA Investment Holding Co., Ltd., Standard Chartered Bank (Hong Kong) Limited, China Ocean Shipping (Group) Company, State Development & Investment Corporation, Shanghai Baosteel Group Corporation, Tianjin Shanghai Investment Holding Company Limited and Tianjin Trust Co., Ltd.

- Article 3** Name of the Bank:
- Name in Chinese: 渤海銀行股份有限公司
- Abbreviation in Chinese: 渤海銀行
- Name in English: CHINA BOHAI BANK CO., LTD.
- Abbreviation in English: CBHB
- Article 4** Domicile of the Bank: 218 Haihe East Road, Hedong District, Tianjin; postcode: 300012; tel.: 86-22-58316666; fax: 86-22-58316529.
- Article 5** Registered capital of the Bank: RMB17,762,000,000.
- Article 6** The Bank is a joint stock company with limited liabilities in perpetual existence.
- Article 7** The chairman of the Board is the legal representative of the Bank. Where the chairman of the Board resigns, he/she shall be deemed to have resigned from the position of the legal representative at the same time. The Bank shall appoint a new legal representative in accordance with the laws and regulations and these Articles.
- Article 8** The assets of the Bank are divided into shares of equal par value. The shareholders are responsible for the Bank to the extent of the shares they have subscribed for. The Bank is responsible for its debts with all of its property.
- Article 9** From the date on which these Articles become effective, these Articles shall constitute a legally binding document that regulates the organization and acts of the Bank and the rights and obligations between the Bank and its shareholders and between shareholders inter se. These Articles shall be binding upon the Bank and its Party organizations, shareholders, directors and senior management members, who shall have the right to make any claims and propositions regarding the Bank's affairs based on these Articles.
- Pursuant to these Articles, the Bank may pursue actions against shareholders, directors and senior management members, and shareholders may pursue actions against other shareholders, the Bank and its directors and senior management members.
- The actions, as referred to in the preceding paragraph, include the instituting of legal proceedings with a court or filing with an arbitration tribunal for arbitration.
- Article 10** "Directors" as referred to in these Articles, unless the context indicates otherwise or there are special instructions, include all members of the Board who hold the positions of executive director and non-executive director (including independent director).

“Senior management members” as referred to in these Articles, unless the context indicates otherwise or there are special instructions, include the president, vice president, secretary to the Board, Chief Financial Officer, Chief Risk Officer, Chief Compliance Officer and Chief Information Officer of the Bank, General Counsel and other members determined by the Board.

The aforesaid directors and senior management members shall have the job qualifications specified by the regulatory authorities and have the qualifications approved by or filed with the regulatory authorities.

Article 11 The business activities of the Bank are subject to the supervision and management of the banking regulatory authorities of the State Council and local offices thereof as well as of the People’s Bank of China and local offices thereof. The Bank, as an independent legal entity, conducts financial business according to law without interference from any organization or individual.

Article 12 The Bank implements the management system of operation authorized by first-grade legal person. With the approval of the banking regulatory authorities of the State Council, the Bank may establish branches within and outside the territory of PRC in accordance with PRC laws and the laws and regulations of relevant countries or regions. The branches and sub-branches set by the Bank outside the territory of PRC conduct all banking businesses or other businesses permitted by laws and decrees in their localities. The domestic and foreign branches and sub-branches of the Bank do not have the status of legal person. The establishment and business operations of the branches and sub-branches shall be in compliance with the requirements of laws and regulations and be within the scope authorized by the Headquarters. The civil liability of the branches and sub-branches shall be borne by the Headquarters. The Headquarters shall exercise unified leadership and management over the main personnel appointment and removal, business policies, comprehensive plans, basic rules and regulations as well as foreign affairs of the branches and sub-branches, and carry out a financial system of unified accounting, unified dispatch of funds and graded management for the branches and sub-branches. The Bank, within the scope permitted by laws and regulations, actively adopts the advanced management modes and operation procedures adopted by international commercial banks.

Article 13 The Bank may invest in other enterprises in accordance with laws and regulations. Where the provision of laws specifies that the Bank shall not be an investor bearing joint liability for its invested enterprises, such provision shall prevail.

Article 14 In accordance with the Constitution of Communist Party of China and relevant provisions of laws and regulations, the Bank establishes organizations of the Communist Party of China at all levels and of all sectors all across the PRC. Under the leadership of the Party, the Party committee plays the leading role in taking the direction, managing the overall situation and ensuring the implementation, and discusses and decides major matters of the Bank in accordance with the provisions. The Bank establishes a work body of the Party, allocates a sufficient number of staff members responsible for party affairs, and appropriate funds for the overhead expenses of the Party organizations.

Chapter II Objectives and Scope of Business

Article 15 The Bank's objectives: in response to the requirements of the development of China's socialist market economy, voluntarily abide by laws and regulations, take security, liquidity, efficiency and sociality as the operational principles, observe the order of fair, safe and orderly industry competition, improve the level of professional operation, constantly improve financial services, protect the legitimate rights and interests of financial consumers, operate independently, take risks on its own, assume sole responsibility for its own profits or losses and work on self-discipline, continue to create value for shareholders, employees, customers and the public while pursuing maximum economic benefits, strive to promote economic and social development, and build the Bank into a modern joint-stock commercial bank with international competitiveness.

Article 16 With the approval of the banking regulatory authorities of the State Council and SAFE, the Bank's scope of business includes:

- (I) taking deposits from the general public;
- (II) granting short, medium and long-term loans;
- (III) handling domestic and foreign settlement;
- (IV) handling bill acceptance and discounting;
- (V) issuing financial securities;
- (VI) issuing, cashing and undertaking government bonds as agent;
- (VII) trading government bonds and financial bonds;
- (VIII) engaging in inter-bank borrowing and lending;
- (IX) trading or agency trading of foreign exchange;
- (X) settlement and sales of foreign exchange;
- (XI) bank card business;
- (XII) provision of letters of credit services and guarantee;
- (XIII) agency collection and payments and part-time insurance agency;
- (XIV) provision of safe-box service;
- (XV) engaging in derivatives trading business;
- (XVI) securities investment fund custody and insurance fund custody service;
- (XVII) sale of securities investment funds; and
- (XVIII) other businesses approved by the banking regulatory authorities of the State Council and other regulatory authorities.

The scope of business as referred to in the preceding paragraph shall be approved by the registration authority of the Bank. The Bank may adjust its scope of business and complete relevant change of registration procedures according to domestic and foreign market changes, business development and its own abilities.

Chapter III Shares

Section I Issue of Shares

Article 17 The Bank shall have ordinary shares at any time. If necessary, the Bank may issue classified shares with priority or inferior rights to profit or residual distribution of profits or other classified shares as provided for by the State Council.

Article 18 The Bank shall issue shares in an open, fair and just manner, and each share of the same class shall have the same right. Shares of the same class issued at the same time shall be issued under the same conditions and at the same price; subscribers shall pay the same price for each share subscribed.

Article 19 As approved by the banking regulatory authorities of the State Council, and registered or filed with the securities regulatory authorities of the State Council, the Bank may offer its shares to both domestic and overseas investors.

Overseas investors as referred to in the preceding paragraph shall mean those investors in foreign countries and Hong Kong, Macau Special Administrative Region or Taiwan who subscribe for shares of the Bank. Domestic investors shall mean those investors in the PRC, excluding the aforementioned regions, who subscribe for shares of the Bank.

Article 20 At the time of its establishment, the Bank issued 5,000,000,000 shares to the promoters, accounting for 100% of all ordinary shares that can be issued by the Bank at that time.

Upon approval by the approval authority authorized by the State Council, the Bank has issued a total number of 17,762,000,000 ordinary shares.

The equity structure of the Bank: 17,762,000,000 ordinary shares, including 11,561,445,000 domestic unlisted shares, accounting for 65.09% of the total ordinary shares that have been issued by the Bank; and 6,200,555,000 shares listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”) (hereinafter referred to as “H Shares”), accounting for 34.91% of the total ordinary shares that have been issued by the Bank.

The domestic unlisted shares referred to in the preceding paragraph refer to non-H shares issued by the Bank but not listed or traded on domestic stock exchanges. The Bank’s domestic unlisted shares are centrally registered and deposited with China Securities Depository and Clearing Corporation Limited. The registration and clearing arrangements for overseas listed shares are subject to the regulations of the overseas listing place.

Article 21 The Bank shall not provide gifts, loans, guarantees or other financial assistance to others for the purpose of acquiring shares of the Bank or its parent company, except for the implementation of the Bank's employee shareholding schemes.

The Bank may, for the sake of its own benefits, provide financial assistance to others for the purpose of acquiring shares of the Bank or its parent company upon approval by a resolution of the Shareholders' general meeting or a resolution of the Board in accordance with these Articles or the authorization of the Shareholders' general meeting, provided that the aggregate amount of financial assistance shall not exceed 10% of the total issued share capital. Resolutions of the Board shall be passed by more than two-thirds of all Directors.

Section II Increase, Decrease and Repurchase of Shares

Article 22 In light of the demands of operation and business development and based on laws and regulations, after obtaining the consent of shareholders through resolutions at the Shareholders' general meeting, the Bank may increase its capital by the following means:

- (I) public offering of shares;
- (II) private offering of shares;
- (III) distributing bonus shares to existing shareholders;
- (IV) converting funds in the capital reserve into share capital; and
- (V) other means stipulated by laws and regulations and approved by relevant authorities of the State.

The Bank's increase of capital by issuing new shares shall be conducted in accordance with the procedures provided in the laws and regulations, after being approved according to these Articles.

Article 23 The Bank may decrease its registered capital according to these Articles and upon approval by the relevant authorities of the State. The Bank shall decrease its registered capital pursuant to the procedures stipulated in the Company Law, the Commercial Banking Law and other laws and regulations, and these Articles.

Article 24 The Bank shall prepare a balance sheet and a list of its property when decreasing its registered capital.

The Bank's registered capital shall not, after decrease of capital, be less than the statutory minimum limit.

Article 25 The Bank may, in accordance with the provisions under the Articles and with the approval by the state regulatory authorities, repurchase its issued shares in the following circumstances:

- (I) cancellation of shares to reduce the registered capital of the Bank;
- (II) merger with other companies holding shares of the Bank;

- (III) use of shares for employee shareholding schemes or equity incentive schemes;
- (IV) Shareholders who object to resolutions of the Shareholders' general meeting on merger or division of the Bank requesting the Bank to repurchase their shares;
- (V) use of shares for converting corporate bonds convertible into shares issued by the Bank;
- (VI) the repurchase is necessary for maintaining the Bank's value and protecting Shareholders' rights and interests; and
- (VII) other circumstances as permitted by the laws and regulations.

Except for the circumstances set out above, the Bank shall not be engaged in any activities of buying and selling its Shares. The Bank purchasing its own shares under any of the circumstances set forth in (I) and (II) of the preceding paragraph shall be subject to a resolution of the Shareholders' general meeting; and the Bank purchasing its own shares under any of the circumstances set forth in (III), (V) and (VI) of the preceding paragraph may, be subject to resolution at a Board meeting attended by more than two-thirds of the directors in accordance with the provisions of these Articles or the authorization of the Shareholders' general meeting.

After purchasing its own shares pursuant to the provisions of as specified in paragraph 1 of this article, the Bank shall, under the circumstance set forth in item (I), cancel them within 10 days after the purchase; while under the circumstance set forth in either item (II) or (IV), transfer or cancel them within six months; and while under the circumstance set forth in item (III), (V) or (VI), aggregately hold not more than 10% of the total shares that have been issued by the Bank, and transfer or cancel them within three years.

If relevant laws and regulations have other provisions on the matters involved in the aforesaid repurchase of shares, such provisions shall prevail.

Article 26 The Bank may acquire its shares through public centralized trading or other means permitted by laws and regulations and the securities regulatory authorities of the State Council.

Where the Bank acquires its shares in accordance with (III), (V) and (VI) of Paragraph 1 of Article 25 of these Articles, the acquisition shall be made through public centralized trading.

Article 27 After repurchasing its shares according to law, the Bank shall cancel the part of shares that should be cancelled before the deadline specified by laws and regulations, and register such change with the company registration authority.

The aggregate par value of the shares so canceled shall be deducted from the Bank's registered capital.

Section III Transfer of Shares

Article 28 Unless otherwise provided by laws and regulations and these Articles, the shares of the Bank may be transferred according to law. The transferee shall have the qualifications to invest in the Bank as stipulated by the laws and regulations. Where the acquisition or holding of the Bank's shares is subject to relevant examination and approval or filing procedures according to law, such procedures shall be implemented in accordance with the provisions of laws and regulations.

Article 29 Shares issued prior to the public offering of shares by the Bank cannot be transferred within one year from the date on which the shares of the Bank are listed and traded on the stock exchange. Where the laws and regulations have other provisions in respect of the transfer of the shares of the Bank held by shareholders and de facto controllers of the Bank, such provisions shall prevail.

The directors and senior management members of the Bank shall declare their shareholdings in the Bank and any changes thereof; shares transferred by them each year during their term of office as determined when they take office shall not exceed 25% of their total respective shareholdings in the Bank; the shares that the aforementioned persons hold in the Bank cannot be transferred within one year from the date on which the shares of the Bank are listed and traded on, nor within half a year after they leave their positions in the Bank. The aforementioned persons shall abide by the requirements of the securities regulatory authorities of the place where the Bank's shares are listed when buying, selling or holding the Bank's shares.

If the Bank's shares are pledged within the lock-up period prescribed by laws and regulations, the pledgee shall not exercise the pledge right within the lock-up period.

The substantial shareholders of the Bank shall not transfer their shares in the Bank within five years from the date of acquiring such shares.

Such special circumstances are excluded as adoption of risk control measures with the approval of the banking regulatory authorities, order of the banking regulatory authorities on transfer of shares, judicial enforcement or transfer of shares between different entities under the control of the same investor.

Substantial shareholders who plan to transfer the shares of the Bank shall inform the Board of the Bank in advance. Any entity's or individual's purchase of more than 5% of the total shares of the Bank shall be subject to prior approval of the banking regulatory authorities. Where relevant provisions of the securities regulatory authorities of the place where the Bank's shares are listed have any other provisions in respect of restrictions on transfer of overseas listed shares, such provisions shall prevail. "Substantial shareholders" in these Articles refer to the shareholders who hold or control 5% or more shares or voting rights of the Bank or whose total capital or shareholding is less than 5% but have a major impact on the business operations of the Bank. Shareholdings of shareholders and their related parties and persons acting in concert are calculated in a consolidated way.

The “major impact” as mentioned in the preceding paragraph includes, but is not limited to, the nomination or despatch of directors or senior management members to the Bank, affecting the financial and operational management decision-making of the Bank through agreement or otherwise, and any other circumstances recognized by the banking regulatory authorities or their local offices.

Article 30

Transfer of H Shares shall be registered with the share registry designated by the Bank.

All H Shares for which full payment has been paid may be transferred freely in accordance with these Articles; however, the Board may refuse to recognize any instrument of transfer without stating any reason unless the following conditions are satisfied:

- (I) the instrument of transfer and other documents relating to or likely affecting the ownership of any registered securities shall be registered, and the payment for registration shall be made to the Bank according to the amount (which shall not exceed the ceiling specified in the Hong Kong Listing Rules) specified by the Hong Kong Stock Exchange in the Hong Kong Listing Rules to register the instrument of transfer of the shares and other documents relating to or likely affecting the ownership of the shares;
- (II) the instrument of transfer only involves H Shares;
- (III) stamp tax as required by Hong Kong laws has been paid for the instrument of transfer;
- (IV) relevant share certificates and evidence reasonably required by the Board to prove that the transferor has the right to transfer the said shares shall be provided;
- (V) If the shares are transferred to joint holders, the number of joint holders shall not exceed four; and
- (VI) The relevant shares are not subject to lien of any company.

Where the Board refuses to register the share transfer, the Bank shall deliver a notice to the transferor and transferee, informing them of such refusal of registration of the share transfer, within two months from the date on which the application for the share transfer is officially filed.

Article 31

All transfers of H Shares shall be executed with a written instrument of transfer in an general or ordinary format or other format accepted by the Board (including the standard transfer format or form of transfer that Hong Kong Stock Exchange may provide from time to time); the said written instrument of transfer may be signed by hand, or be stamped with the valid seal of the Bank (if the Bank is the transferor or the transferee). Where the transferor or transferee is a recognized clearing house as defined by relevant regulations in the Hong Kong laws effective from time to time, or any of its agents, the written instrument of transfer may be signed by hand or by print.

Chapter IV Party Organization (Party Committee)

Article 32 The Bank has established the Party Committee of CHINA BOHAI BANK CO., LTD. (hereinafter referred to as the “Party committee”). The Party Committee of the Bank shall be elected from the Party member congress; each term of office is five (5) years. Regular re-election shall be conducted upon the expiration of its term of office. The numbers of secretaries, deputy secretaries and members of the Party committee shall be determined according to the reply of higher Party organizations, and shall be elected or appointed in accordance with the relevant provisions of the Constitution of the Communist Party of China. In principle, the Party committee shall consist of 1 secretary, 2 deputy secretaries and several other members. The posts of the chairman and secretary of the Party committee shall be held by the same person, and the Party member president normally serves as the deputy secretary, and a deputy secretary of the Party committee shall assist the secretary of the Party committee in Party construction. Qualified members of the Party committee may enter the Board and senior management according to legal procedures, and qualified Party members in the Board and senior management members may enter the Party committee according to relevant provisions and procedures. Tianjin Discipline Inspection Committee of the Communist Party of China and Tianjin Municipal Supervisory Commission shall despatch discipline inspection and supervision organizations to the Party committee of the Bank.

Article 33 The Party committee shall perform the following duties according to the Constitution of the Communist Party of China and other Party regulations:

- (I) to enhance the political construction of the Party in the Bank, adhere to and implement the fundamental system, basic system and important system of socialism with Chinese characteristics as well as educate and guide all Party members to maintain a high degree of consistency with the Party Central Committee with Comrade Xi Jinping as the core in the political stance, political direction, political principles and political path;
- (II) to thoroughly study and implement Xi Jinping’s Socialism Ideology with Chinese characteristics for the new era, learn and propagate the Party’s theory, thoroughly implement the Party’s lines, guidelines and policies as well as supervise and guarantee the implementation of major strategy deployments of the Party Central Committee as well as the resolutions of the Party organizations at a higher level in the Bank;
- (III) to investigate and discuss the significant operation and management matters of the Bank and support the Board of Directors and the senior management to exercise their rights and perform their duties in accordance with the laws;
- (IV) to strengthen the leadership and gatekeeping role in the process of selection and appointment of personnel of the Bank, and the building of the leading team, cadre and talents team;

- (V) to undertake the main responsibility of the Bank in improving Party conduct and upholding integrity, lead and support discipline inspection institutions to fulfil their supervisory and disciplining responsibilities as well as exercise strict administrative disciplines and political rules and promote Party self-governance in every aspect and with rigor into the primary-level;
- (VI) to strengthen the building of primary-level Party organizations and their Party members, unite and lead officials and employees to devote themselves into the reform and development of the Bank;
- (VII) to lead the Bank's ideological and political work, the spirit and civilization progress and the united front work, and lead mass organization such as the labor union, Communist Youth League and Women's Organization of the Bank.

Article 34

Major operation and management issues shall be determined by the Board in accordance with its powers and functions and prescribed procedures upon study and discussion by the Party committee. The matters to be studied and discussed mainly include:

- (I) the implementation of the major initiatives of the Party Central Committee and the national development strategies;
- (II) the Bank's development strategies, medium and long-term development plans, and important reform program;
- (III) principle and direction issues in respect of Bank's assets reorganization, transfer of property rights, capital operation and large investment;
- (IV) the establishment and adjustment of the organizational structure of the Bank and the formulation and amendment of important rules and regulations;
- (V) major issues involving the Bank's production safety, stability maintenance, rights and interests of employees, social responsibilities, etc.;
- (VI) other important issues that should be studied and discussed by the Party committee.

The Bank shall formulate a list of matters to be studied and discussed by the Party committee and clarify the rights and responsibilities of the Party committee, the Board of Directors, senior management and other governance bodies.

- Article 35** The Party committee shall scrutinize major operation and management issues to be studied and discussed, with a focus on whether the decisions are in line with the Party's theories, guidelines, principles and policies, whether they implement the decisions and deployments of the Party Central Committee and the national development strategy, whether they are conducive to promoting the Bank's high-quality development, enhancing the Bank's competitive strength, realizing the preservation and appreciation of state-owned assets, and whether they are conducive to safeguarding the public interest and the legitimate rights and interests of the employees.
- Article 36** The Party committee shall insist on consistency in the quality and efficiency of decision making when studying and discussing major operation and management issues, and shall generally go through the procedures of proposing motions, formulating proposals, study and discussion by the Party committee, communication before the Board meetings, and expressing opinions in accordance with the decisions of the Party committee by the members of the Party committee and other Party members of the Bank at the meeting of the Board at which such proposals are considered.
- Article 37** In accordance with the principles of strengthening the work of the Party and lean and efficient coordination, the Party committee of the Bank has set up working organizations including the office, organization, publicity, discipline inspection and united front. The leadership management and the grass-root Party organizations construction are generally in the charge of one department, and those belonging to two departments shall be in the charge of the same leading group members. A certain proportion of full-time and part-time staff shall be allocated to handle Party affairs, who shall enjoy the same rank and remuneration as business management staff.
- Article 38** Through including into management expenses and retention of Party fees, the working funds for the Bank's Party organizations are guaranteed and inclined to the front line of production and operation. The fee included in the management expenses is generally arranged according to the proportion of 1% of the total salaries of employees of the Bank in the previous year, and will be included in the Bank's annual budget. The Bank will integrate and utilize various resources to form and fully leverage the Party organizations' operating space.

Chapter V Shareholders and Shareholders' General Meetings

Section I Share Certificates and Share Register

- Article 39** The share certificates of the Bank shall be in registered form. Share certificates may be in paper form or in other forms prescribed by the securities regulatory authorities of the State Council. Where the share certificates are in paper form, they shall specify the following major items:
- (I) name of the Bank;
 - (II) date of establishment of the Bank or the time when share certificates are issued;

- (III) type of share certificates, par value and number of shares represented;
- (IV) stock number;
- (V) in the case of promoter shares, they shall be marked with the words of promoter shares; and
- (VI) other matters specified under laws and regulations.

If share certificates are in paper form, they shall be signed by the legal representative and affixed with the seal of the Bank.

The Bank may issue H Shares in the form of overseas depositary receipts or in other derivation form of share certificates pursuant to the laws of the place where the Bank's shares are listed and practices of securities registration and custody.

If the share capital of the Bank includes shares without voting rights, such shares shall be specified as "Without Voting Right". If the share capital includes shares with different voting rights, each class of shares (except those with most preferential voting rights) shall be specified as "Restricted Voting Right" or "Limited Voting Right".

Article 40

During the period when H Shares are listed on the Hong Kong Stock Exchange, the Bank shall ensure all ownership certificates of all its securities listed on the Hong Kong Stock Exchange (including H Shares) shall include the following statements, and shall instruct and promote its share registrar to refuse any subscription, purchase or transfer of the shares registered in the name of any individual holder, unless and until the said individual holder has submitted to the said share registrar signed form relating to the said shares, which form shall include the following statements:

- (I) The acquirer of shares agrees with the Bank and each shareholder, and the Bank agrees with each shareholder, to observe and comply with the Company Law, other relevant laws and regulations and these Articles;
- (II) The acquirer of shares agrees with the Bank and each shareholder, director and senior management member of the Bank, and the Bank (acting both for the Bank and for each director and senior management member) also agrees with each shareholder, to refer all disputes or claims arising from these Articles or any rights and obligations specified by the Company Law or other relevant laws and regulations and with respect to the affairs of the Bank, to arbitration according to these Articles. Any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct hearings in open session and to publish its award. Such arbitration shall be final and conclusive;
- (III) The acquirer of shares agrees with the Bank and each shareholder that shares of the Bank are freely transferable by the holder thereof; and
- (IV) The acquirer of shares authorizes the Bank to enter into a contract on his/her behalf with each director and senior management member whereby such directors and senior management members undertake to observe and fulfill their obligations to shareholders as stipulated in these Articles.

- Article 41** All share certificates issued by the Bank shall have par values denominated in RMB, with each share having a par value of RMB1.
- Article 42** The Bank shall maintain a share register and record the following matters:
- (I) names or titles and domiciles of the shareholders;
 - (II) type and number of shares subscribed by the shareholders;
 - (III) where share certificates are in paper form, the serial numbers of the share certificates;
 - (IV) the date on which the shareholders obtained their shares;
 - (V) share pledge related information; and
 - (VI) other matters required to be recorded by laws and regulations.
- The share register shall be kept by the secretary to the Board.
- The share register is a sufficient evidence of the shareholders' shareholdings in the Bank unless there is evidence to the contrary.
- Article 43** The Bank may keep overseas the register of holders of H Shares and entrust it to the care of an overseas agency in accordance with the understanding and agreement reached between the securities regulatory authority of the State Council and the overseas securities regulatory authority. The original of the Bank's register of holders of H Shares shall be kept in Hong Kong.
- The Bank shall keep at its domicile a copy of the register of holders of H Shares; the entrusted overseas agency shall ensure at any time the consistency between the original and copies of the register of holders of H Shares.
- Where the original and copies of the register of holders of H Shares are inconsistent, the original shall prevail.
- Article 44** Changes to the share register arising from share transfer registered before convening of a Shareholders' general meeting or prior to the benchmark date on which the Bank decides to distribute dividends shall be subject to laws and regulations, and the relevant regulations of the securities regulatory authorities of the place where the Bank's shares are listed.
- Article 45** If the Bank convenes a Shareholders' general meeting, distributes dividends, conducts liquidation or executes any other act requiring recognition of the identity of a shareholder, the Board or the convener of the Shareholders' general meeting shall designate a certain date as equity registration date, and the registered shareholders after market closing on the equity registration date shall be the Bank's shareholders entitled to relevant rights and interests.

Article 46 If any person objects to the share register and asks to have his/her name recorded in or deleted from the share register, the said person may apply to the court with jurisdiction to correct the share register.

Article 47 If any shareholder in the share register or any person requesting to have his/her name recorded in the share register has lost his/her share certificates (i.e. “the original share certificates”), the said shareholder or person may apply to the Bank to reissue new share certificates for the said shares (i.e. “the relevant shares”).

In the event that a holder of domestic unlisted shares loses his/her share certificates and applies for reissue, it shall be handled in accordance with the relevant requirements of the Company Law and other PRC laws.

Application for reissue of lost share certificates by holders of H Shares may be handled pursuant to the laws, regulations of the stock exchange or other relevant regulations of the place where the original of the register of H Shares is kept.

Application for reissue of lost share certificates by holders of H Shares of the Bank shall meet the following requirements:

- (I) The applicant shall submit an application in the standard format designated by the Bank and attach a notarial deed or statutory statement. The notarial deed or statutory statement shall state the reason for the application, the circumstances and evidence of the loss of the share certificates and a statement that no other person may request registration as a shareholder in respect of the relevant shares;
- (II) Before deciding to reissue new share certificates, the Bank has not received any statement that anyone other than the applicant requests to be registered as shareholder for the said shares;
- (III) After deciding to reissue new share certificates to the applicant, the Bank shall publish announcement of new share certificates to be reissued on the newspapers designated by the Board; the announcement period is 90 days, with at least one announcement every 30 days;
- (IV) The Bank shall, prior to publishing the announcement of its intention to reissue new share certificates, deliver a duplicate of the announcement to be published to the stock exchange on which its shares are listed, and may proceed with the publication after having received a reply from the stock exchange confirming that the announcement has been displayed on the stock exchange. The announcement shall be displayed in the stock exchange for a period of 90 days;
- (V) Where the consent of the registered shareholder of the relevant shares is not obtained for the application for reissuing new share certificates, the Bank shall mail to such shareholder a copy of the announcement to be published;

- (VI) If, upon expiration of the 90-day period referred to in (III) and (IV) of this article, the Bank has not received any objection to the reissue of share certificates from any person, it may reissue new share certificates in accordance with the application of the applicant;
- (VII) When the Bank reissues new share certificates pursuant to this article, it shall immediately deregister the original share certificates and record such deregistration and reissue of new share certificates in the share register; and
- (VIII) All expenses of the Bank for deregistration of the original share certificates and reissue of new share certificates shall be borne by the applicant. The Bank has the right to refuse to take any action before the applicant provides any reasonable guarantee.

In case the Bank is granted the right to issue warrants to unregistered holders, no new warrants may be issued in place of the lost ones unless the Bank confirms, beyond all reasonable doubts, the original warrants have been destroyed.

Article 48 After the Bank reissues new share certificates pursuant to these Articles, the name of a bona fide purchaser of the aforesaid new share certificates, or the name of any shareholder who is subsequently registered as the owner of the relevant shares (if he/she is a bona fide purchaser) shall not be removed from the share register.

Article 49 The Bank shall have no obligation to compensate any person for any loss arising from deregistration of the original share certificates or reissue of new share certificates, unless the said person can prove that the Bank has committed any fraud.

Section II Rights and Obligations of Shareholders

Article 50 Shareholders of the Bank are persons lawfully holding shares of the Bank, with names (titles) recorded in the share register.

A shareholder shall enjoy rights and bear obligations according to the class of his/her shares. Holders of the same class shall enjoy the same rights and bear the same obligations.

Article 51 Regarding H Shares, where two or more persons are registered as joint shareholders of any shares, they shall be deemed as co-owners of such shares, and shall be subject to the following restrictions:

- (I) The Bank shall not register more than four persons as joint shareholders of any shares;
- (II) The joint shareholders of any shares shall assume joint liability for all payables for relevant shares;

- (III) If any of the joint shareholders deceases, only the surviving joint shareholders shall be deemed by the Bank as owners of the relevant shares, but the Board may, for the purpose of modifying the share register, require the provision of a death certificate as it deems appropriate; and
- (IV) In relation to the joint shareholders of any shares, only the joint shareholder listed first on the share register shall have the right to receive from the Bank the share certificate for the relevant shares and receive any notice of the Bank; any notice served to the said joint shareholder shall be deemed as having been served to all joint shareholders of the relevant shares. Any joint shareholder may sign the form of proxy. If there are more than one joint shareholder present in person or by proxy, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint shareholder(s). For this purpose, seniority of the shareholders will be determined by the order in which the names of the joint shareholders of the relevant shares stand in the share register.

In relation to the joint shareholders of any shares, if the Bank pays any of the joint shareholders for the allocation or distribution of any dividend, bonus or capital return payable to such joint shareholders, such payment shall be deemed as having paid all of the joint shareholders for the foregoing allocation or distribution.

Article 52

The shareholders of ordinary shares of the Bank shall enjoy the following rights:

- (I) to receive dividends and other kinds of distributions as determined by the number of shares held by them;
- (II) to lawfully require, convene, preside over or attend Shareholders' general meetings either in person or by proxy and exercise the right of speech and the voting right;
- (III) to supervise the operations of the Bank, and to make suggestions and enquiries accordingly;
- (IV) to transfer, bestow or pledge shares held by them in accordance with laws and regulations and these Articles;
- (V) to inspect and copy these Articles, the share register, minutes of the Shareholders' general meetings, the resolutions of Board meetings, financial and accounting reports; the shareholder(s) severally or jointly holding more than 3% of the shares of the Bank for over 180 consecutive days are entitled to inspect the Bank's account books and account documents in accordance with the Company Law;
- (VI) to subscribe for new shares of the Bank according to these Articles;
- (VII) to participate in the distribution of the remaining assets of the Bank based on the number of shares held in the event of the Bank's dissolution or liquidation;

- (VIII) for shareholders who object to the resolution of the Shareholders' general meeting on the merger or division of the Bank, to require the Bank to acquire their shares;
- (IX) to have other rights conferred in accordance with the laws and regulations and these Articles.

Article 53 Shareholders shall have the right to protect their legal rights and interests through civil litigation or other legal means in accordance with the laws and regulations, and may report the relevant information to the regulatory authorities.

Where the resolutions adopted at Shareholders' general meetings and Board meetings violate the laws and regulations and infringe upon the legal rights of the shareholders, the shareholders shall have the right to lodge a legal action to stop the aforesaid violations and infringements.

Any director or senior management member who violates the laws and regulations or these Articles in fulfilling his/her duties and thereby causes damages to the Bank shall be liable for compensation. Shareholders who meet the requirements shall have the right to require the Bank to file a lawsuit for compensation according to law.

Article 54 Shareholders of the Bank shall observe the laws and regulations and these Articles and exercise shareholder's rights according to laws. They shall not to abuse shareholder's rights to damage the interests of the Bank or other shareholders, or abuse the Bank's position as an independent legal person or shareholder's limited liability to damage the interests of the creditors of the Bank.

Shareholders who shall be approved, but have not been approved by the regulatory authorities or have not reported to the regulatory authorities shall not exercise such rights as the right to request convening the Shareholders' general meeting, voting right, right of nomination, proposal right and right of disposition.

Shareholders of the Bank who abuse their shareholders' rights and cause damages to the Bank or other shareholders shall bear compensation liability in accordance with the law.

Shareholders of the Bank who abuse the Bank's position as an independent legal person or shareholder's limited liability to evade debts and seriously damage the interests of the creditors of the Bank shall bear joint liability for the Bank's debts.

Article 55 The shareholders of ordinary shares of the Bank shall have the following obligations:

- (I) to abide by the laws and regulations and these Articles;
- (II) to contribute to the share capital as determined by the number of shares subscribed by them and the method of subscription;

- (III) not to withdraw their contributed share capital except in the circumstances allowed by the laws and regulations;
- (IV) any related party transaction conducted by them with their related parties and the Bank shall comply with the laws and regulations and these Articles, and shall follow market principles; and
- (V) to assume other obligations required by the laws and regulations and these Articles.

Article 56

In addition to fulfilling the obligations of shareholders in accordance with the Company Law and other laws and regulations, the Bank's shareholders shall also assume the following obligations:

- (I) Shareholders shall buy shares of the Bank with their own funds rather than entrusted funds, debt funds and other non-self-owned funds, and shall ensure that the funds are from legal sources, save as otherwise provided by the laws and regulations;
- (II) The shareholding ratio and the number of shareholding institutions complying with the regulatory provisions, shareholders shall not entrust others or accept the entrustment of others to hold the shares of the Bank;
- (III) In accordance with laws and regulations, shareholders shall truthfully inform the Bank of financial information, shareholding structure, sources of equity capital, controlling shareholders, de facto controllers, related parties, parties acting in concert, ultimate beneficiaries, investment in other financial institutions and other information;
- (IV) In case of any change in their controlling shareholders, de facto controllers, related parties, parties acting in concert or ultimate beneficiaries of the shareholders, the relevant shareholders shall promptly inform the Bank of the change in writing in accordance with laws and regulations;
- (V) A Shareholder shall promptly inform the Bank in writing in accordance with laws and regulations the relevant information of any occurrence of merger, division, order to suspend business for rectification, appointment of an escrow agent, takeover, revocation or entering into dissolution, liquidation, bankruptcy procedures, or any change in its legal representative, company name, business place, business scope and other major matters;
- (VI) Where the shares of the Bank held by a shareholder are involved in litigation, arbitration, compulsory legal measures taken by judicial authorities, pledge or release of pledge, the shareholder shall promptly inform the Bank of the relevant information in writing in accordance with laws and regulations;

- (VII) Where shareholders transfer or pledge the shares of the Bank held by them, or conduct related party transactions with the Bank, they shall abide by laws and regulations and shall not harm the interests of other shareholders and the Bank;
- (VIII) Shareholders and their controlling shareholders and de facto controllers shall not abuse their shareholders' rights or take advantage of the affiliated relationship to damage the legitimate rights and interests of the Bank, other shareholders and stakeholders, shall not interfere with the decision-making and management rights enjoyed by the Board of Directors and senior management in accordance with the Articles of Association, and shall not directly interfere with the operation and management of the Bank by bypassing the Board of Directors and senior management;
- (IX) In the event of occurrence of any risk event or major violation of regulations by the Bank, shareholders shall cooperate with the regulatory authorities to carry out investigation and risk disposal;
- (X) Other obligations to be assumed by shareholders as stipulated by laws, regulations and the Articles of Association.

When a major risk event occurs to the Bank, the Bank will adopt an appropriate loss absorption and risk resistance mechanism in accordance with the provisions of relevant laws and regulations and the recovery and disposal plan formulated by the Bank, and shareholders shall actively support it.

Article 57 Substantial shareholders shall make a written undertaking that they will abide by the laws and regulations, regulatory provisions and these Articles and will explain the purpose of buying shares of the Bank when they buy shares of the Bank.

Article 58 In the event that a shareholder of the Bank transfers its equity in the Bank, he/she shall inform the transferees that they need to abide by laws and regulations and conditions stipulated by banking regulatory authorities.

Article 59 The substantial shareholders of the Bank and their Controlling Shareholders and de facto controllers shall not:

- (I) be classified as a dishonesty object subject to joint punishment;
- (II) commit any acts in relation to serious evasion of bank debts;
- (III) provide false information or make false statement;
- (IV) bear major liabilities in the business failure or serious violations of laws and regulations of commercial banks;
- (V) reject or intervene with the supervision implemented by the banking regulatory authorities according to laws;

- (VI) be investigated by financial regulatory departments or relevant government departments due to violations of laws and regulations and thereby cause adverse impact; and
- (VII) have other circumstances which may adversely affect the Bank's operation and management.

Article 60 Major shareholders shall properly exercise their shareholders' rights through corporate governance procedures, safeguard the independent operation of the Bank, and are strictly prohibited from improperly interfering with or restricting the Bank in the following ways in violation of regulations, except as otherwise provided by laws and regulations or recognized by the banking regulatory authorities of the State Council:

- (I) Setting up pre-approval procedures for the resolutions of the Shareholders' general meeting and the Board;
- (II) Interfering with the normal election and appointment process of the Bank's staff members, or directly appointing and dismissing the staff members by bypassing the Shareholders' general meeting and the Board;
- (III) Interfering with the performance evaluation of the directors and other staff members of the Bank;
- (IV) Interfering with the Bank's normal business decision-making procedures;
- (V) Interfering with the Bank's financial and accounting activities such as financial accounting, fund mobilization, asset management and expense management;
- (VI) Issuing business plans or instructions to the Bank;
- (VII) Requiring the Bank to provide loans or guarantees;
- (VIII) Interfering with the independent operation of the Bank in other forms.

Article 61 Shareholders, especially substantial shareholders, shall support the reasonable capital plans formulated by the Board of the Bank, so that the capital of the Bank can meet the regulatory requirements on an on-going basis. Substantial shareholders shall, if necessary, replenish the capital of the Bank according to regulatory provisions, and shall make a long-term undertaking that they shall, if necessary, replenish the capital of the Bank in written form to the Bank. Meanwhile, they shall report their ability to replenish capital to banking regulatory authorities on an annual basis via the Bank.

Article 62 If the capital of the Bank fails to meet the regulatory requirements, a capital replenishment plan shall be formulated to increase capital adequacy ratio to meet the regulatory requirements within a specified period of time, and its capital is required to be replenished by means of increasing core capital.

Article 63 Shareholders of the Bank shall observe the provisions in relation to the related party transactions specified by laws and regulations and banking regulatory authorities. They shall not have any improper related party transactions with the Bank or seek illegal gains through their influence on the Bank's operation and management.

Article 64 The Bank shall not extend the same class of credit to its shareholders under more favorable conditions than those for other customers.

When the credit extended by the Bank to a substantial shareholder is overdue, the voting right of such shareholder at the Shareholders' general meetings and the voting right of director(s) nominated or despatched by such shareholder at Board meetings shall be subject to restriction. When the credit extended by the Bank to other shareholders is overdue, the Bank shall restrict their related rights based on the Bank's actual condition.

Article 65 Shareholders shall protect the interests of the Bank. Where any shareholder takes advantage of his/her capacity as a shareholder to maliciously intervene with the Bank's normal operations or damage the Bank's legitimate rights and interests, the Bank shall have the right to lodge a legal action to stop the aforesaid violations and infringements and request compensation for relevant losses.

Shareholders shall fulfill their fiduciary duties to the Bank to ensure that the shareholder qualification information provided is true, complete and valid.

Shareholders, especially substantial shareholders, shall exercise their rights and perform their duties as investors in strict accordance with the laws and regulations, regulatory provisions and these Articles, and shall not abuse shareholders' rights or exert influence to intervene with the decision-making and management rights which the Board and senior management are entitled to under these Articles; nor shall they intervene with or by exerting influence on the operation and management of the Bank directly bypassing the Board and senior management, transfer benefit, or damage the legal rights and interests of depositors, the Bank and other shareholders' by any other means.

For any shareholder who has made any false statement, abuses shareholder's rights or has other acts that harm the interests of the Bank, the banking regulatory authorities or their local offices may restrict or prohibit any related party transactions with the Bank and restrict the quota of the Bank's equity held by the said shareholder and equity pledge ratio as well as his/her rights including the right to request convening the Shareholders' general meeting, voting right, right of nomination, proposal right and right of disposition.

Article 66 The Bank shall not provide funds to any related party directly or by breaking the proportion limit or violating regulations through inter-bank, wealth management, off-balance sheet and other businesses.

The Bank shall not provide guarantee (including contingencies equivalent to a guarantee) for related parties' financing activities, unless the related parties provide full counter-guarantee by bank certificates of deposits and treasury bonds.

If any loss occurs in the extension of credit to any related party, the Bank shall not extend credit to such related party within two years from the date of discovery of loss, save with approval of the Board to reduce loss of such credit extension.

The balance of credit extended by the Bank to a single related party shall not exceed 10% of the net capital of the Bank at the end of the preceding quarter. The total balance of credit extended by the Bank to group customers, to whom a single related legal person or unincorporated organization is subordinated, shall not exceed 15% of the net capital of the Bank at the end of the preceding quarter.

The balance of credit extended by the Bank to all related parties shall not exceed 50% of the net capital of the Bank at the end of the preceding quarter.

The balance of security deposits provided and the bank deposits and treasury bonds pledged by related parties in credit extension may be deducted during the calculation of the balance of credit.

Article 67 Any shareholder of the Bank pledging his/her equity in the Bank shall comply with laws, regulations and relevant provisions of the banking regulatory authorities on pledge of equity in commercial banks and shall not impair the interests of other shareholders and the Bank.

Article 68 Before obtaining the approval of qualifications as shareholders, relevant shareholders shall undertake in writing that their pledging equity must comply with regulatory policies and requirements of these Articles and relevant equity management system.

Shareholders shall not pledge the Bank's shares if the outstanding balance of the loans they have borrowed from the Bank exceeds the audited net book value of the Bank's shares held by them in the previous year.

The Bank shall not accept its own shares as pledges to extend the credits. If the Shareholders pledge their shares in the Bank to provide guarantees for themselves or others, they shall comply strictly with the laws, regulations and the requirements of regulatory authorities, and inform the Board of the Bank in advance.

If shareholders who have the right to appoint Directors of the Bank or Shareholders who directly or indirectly, or jointly hold or control above 2% of the shares or voting rights of the Bank pledge the shares of the Bank, they shall make an application to the Board of the Bank for filing in advance to state basic information such as the reason for pledge, the number of shares involved, duration of the pledge and the pledgee. Filing shall not be made if the Board determines that it has material adverse effect on the stability of the Bank's shareholding, corporate governance, control on risk and related party transactions. The Director(s) nominated by a shareholder proposing to pledge his/her shares in the Bank shall abstain from voting at the meeting of the Board at which such proposal is considered.

Upon completion of shares pledge registration, the shareholders shall in a timely manner provide the Bank with relevant information regarding the pledge of shares in line with the Bank's risk management and information disclosure requirement.

If a shareholder pledges 50% or more of his/her equity in the Bank, the voting rights of such shareholder at the Shareholders' general meetings and of director(s) despatched by such shareholder at Board meetings shall be subject to restriction. If the Bank's major shareholders pledge more than 50% of their equity in the Bank, the major shareholders and their nominated directors shall not exercise their voting rights at the Shareholders' general meetings and Board meetings.

Article 69

The Controlling Shareholders of the Bank owe a fiduciary duty to the Bank and other shareholders, and shall exercise rights and assume corresponding obligations as shareholders in strict accordance with laws, regulations and these Articles.

- (I) Controlling Shareholders shall strictly comply with laws and regulations and conditions and procedures specified in these Articles in nominating candidates for directors of the Bank, and shall not establish approval formalities concerning the personnel election resolutions of Shareholders' general meetings and the personnel appointment resolutions of the Board, or directly appoint or dismiss any senior management members of the Bank not through Shareholders' general meetings and the Board;
- (II) Controlling Shareholder shall not directly or indirectly intervene in the decision making and lawful business operations of the Bank to damage the interests of the Bank and other shareholders;
- (III) Controlling Shareholders shall respect the financial independence of the Bank, and shall not intervene in the financial and accounting activities of the Bank; and
- (IV) Controlling Shareholders and the subordinate institutions thereof shall not issue any business plan or directive to the Bank or affect the independent business operation and management of the Bank in any other form.

Article 70

Substantial shareholders of the Bank shall establish an effective risk isolation mechanism to prevent risk contagion and transfer among shareholders, the Bank and other affiliates.

- Article 71** Substantial shareholders of the Bank shall effectively manage their cross-holding of positions between its Board and senior management members and those of the Bank or other affiliates to prevent conflicts of interest.
- Article 72** If the substantial shareholders of the Bank violate the relevant commitments to the Bank, the corresponding restrictive measures shall be taken. The performance of the commitments for substantial shareholders of the Bank shall be determined by the Board of Directors, and measures to be taken against shareholders who violate the commitments shall be proposed by the Board of Directors, which shall be implemented upon the consideration by the Shareholders' general meeting, and relevant shareholders or shareholders' representatives shall abstain from voting.
- Article 73** Where the Bank experiences a major risk incident or commits a serious violation of laws or regulations and is subsequently subject to risk disposal or takeover or other measures by the banking regulatory authority, the shareholders shall actively cooperate with the banking regulatory authority in conducting such risk disposal and other necessary work.

Section III Shareholders' General Meetings

- Article 74** The Shareholders' general meeting shall be the organ of power of the Bank. It shall exercise the following powers in accordance with the laws:
- (I) to review and approve the rules of procedure for Shareholders' general meetings and the Board of the Bank;
 - (II) to elect and remove Directors, and to determine the remuneration of the relevant Directors;
 - (III) to review and approve the reports of the Board of Directors;
 - (IV) to amend these Articles;
 - (V) to resolve on the listing or other fundraising arrangements of the Bank;
 - (VI) to review and approve matters concerning changes of the use of funds raised by the Bank;
 - (VII) to resolve on an increase or reduction in the share capital and the issuance of any class of shares, warrants and other similar securities of the Bank;
 - (VIII) to resolve on the purchases of the Bank's shares in accordance with the laws;
 - (IX) to review and approve the equity incentive plans of the Bank;
 - (X) to resolve on matters such as merger, division, dissolution and, liquidation or alteration on the corporate form of the Bank;
 - (XI) to resolve on the issuance of bonds of the Bank;

- (XII) to review and approve annual financial budget plans of the Bank;
- (XIII) to review and approve profit distribution plans and loss recovery plans of the Bank;
- (XIV) to examine and approve important guarantees beyond the business scope of the Bank stipulated in Article 75 of these Articles;
- (XV) to examine and approve any major investment matters by the Bank beyond its business scope with the amount exceeding 20% of the latest audited net assets of the Bank;
- (XVI) to examine and approve any purchase or disposal of major assets beyond the business scope of the Bank with the amount exceeding 20% of the latest audited net assets of the Bank (the purchases or disposal of the same or relevant assets in consecutive 12 months shall be calculated on a cumulative basis);
- (XVII) to listen to the special reports of the Board on the overall situation of related party transactions;
- (XVIII) to decide on the engagement, dismissal or discontinuation of the appointment of the accounting firm responsible for the regular statutory auditing of the Bank's financial reports;
- (XIX) to examine other matters which should be decided by the Shareholders' general meeting as stipulated by the laws, regulations and these Articles.

The Shareholders' general meeting may authorize the Board to resolve the issuance of corporate bonds.

The Board of Directors, other institutions or individuals shall not be delegated to exercise other functions and powers of the Shareholders' general meeting stipulated in the Company Law and the Code of Corporate Governance of Banking and Insurance Institutions.

Article 75

The following important external guarantees not falling within the business scope of the Bank shall be examined and approved by the Shareholders' general meeting of the Bank:

- (I) any external guarantee to be given by the Bank and subsidiaries in which the Bank has controlling interest, the total amount of which reaches or exceeds 50% of the latest audited net assets of the Bank;
- (II) any external guarantee to be given by the Bank, the total amount of which reaches or exceeds 30% of the latest audited total assets of the Bank;
- (III) any guarantee to be provided by the Bank to a guaranteed party whose liability-asset ratio exceeds 70%;

- (IV) a single guarantee whose amount exceeds 10% of the latest audited net assets of the Bank;
- (V) provided that the laws and regulations and the provisions of these Articles are observed, guarantees to be provided to shareholders and de facto controllers of the Bank and related parties thereof.

Article 76 There are two types of Shareholders' general meetings: annual general meetings and extraordinary general meetings. The annual general meeting shall be held once a year within six months after the previous financial year end.

Article 77 An extraordinary general meeting shall be convened within two months from the date of occurrence of any of the following events:

- (I) the number of Directors is less than the minimum number required by the Company Law or less than two-thirds of the number stipulated in these Articles;
- (II) the outstanding loss of the Bank is at least one-third of the total share capital;
- (III) shareholder(s) severally or jointly holding above 10% of the total voting shares issued by the Bank (hereinafter referred to as "proposing shareholders", with the number of shares held by them to be calculated according to their shareholdings as of the date of request made by them in writing) have requested to convene the extraordinary general meeting in writing;
- (IV) the Board deems it necessary to convene the meeting;
- (V) more than half and not less than two of the independent Directors require to convene the meeting;
- (VI) the Audit and Consumer Rights Protection Committee proposes to convene the meeting;
- (VII) other circumstances as stipulated by the laws, regulations and these Articles.

Where the number of directors of the Board falls short of the quorum required by the Company Law, or is less than two-thirds of the number specified in these Articles, or the unrecovered losses of the Bank amount to one-third of the total share capital, or the Board fails to convene an extraordinary general meeting in the prescribed period, the Audit and Consumer Rights Protection Committee or shareholders may convene an extraordinary general meeting by themselves following the relevant procedure specified in these Articles.

Article 78 If the annual general meeting or an extraordinary general meeting was not convened within the period prescribed in the Company Law and the Code of Corporate Governance of Banking and Insurance Institutions, a report in writing shall be submitted to the regulatory authority and the reasons shall be explained.

Article 79 Shareholders' general meetings shall be convened by the Board according to laws, regulations and these Articles and presided over by the chairman of the Board. If the chairman is unable to perform his/her duties or fails to perform his/her duties, the vice chairman shall preside over the meeting. If the vice chairman is unable to perform his/her duties or fails to perform his/her duties, the director jointly elected by more than half of the directors shall preside over the meeting.

If the Board is unable or fails to fulfill the obligation of convening Shareholders' general meetings, the Audit and Consumer Rights Protection Committee shall duly convene and preside over such meetings. If the Audit and Consumer Rights Protection Committee does not convene or preside over such meetings, the shareholder(s) severally or jointly holding more than 10% of the shares of the Bank for over 90 days in a row may convene and preside over such meetings on their own initiative.

If the shareholder(s) severally or jointly holding more than 10% of the shares of the Bank propose to convene an extraordinary general meeting, the Board and the Audit and Consumer Rights Protection Committee shall decide whether to convene the extraordinary general meeting or not within 10 days after receipt of such request, and reply in writing to the shareholder(s).

If for any reason the shareholders cannot elect a person to preside over the meeting, the shareholder (including proxy thereof) holding the most voting shares among the attending shareholders shall preside over the meeting.

Article 80 Any proposing shareholder or the Audit and Consumer Rights Protection Committee proposing to convene an extraordinary general meeting shall submit to the Board in writing the meeting topic and the proposal with complete contents. The proposing shareholder or the Audit and Consumer Rights Protection Committee shall ensure the contents of the proposal comply with laws, regulations and these Articles.

Article 81 The Board shall issue a notice of convening the Shareholders' general meeting within 15 days from the date of receiving a written proposal from the Audit and Consumer Rights Protection Committee, and the convening procedures shall comply with these Articles.

Article 82 If proposing shareholders require convening an extraordinary general meeting or class meeting, the following procedures shall be followed:

- (I) The proposing shareholders may sign one or several written requests with the same format and contents to propose to the Board to convene an extraordinary general meeting or class meeting and specify the meeting topics. The Board shall, pursuant to laws, regulations and these Articles, give a written reply on whether to convene the extraordinary general meeting or class meeting within 10 days after receipt of the request.

- (II) Where the Board agrees to convene the extraordinary general meeting or class meeting, it shall serve a notice of convening such meeting within five days after the resolution is made by the Board. Any change to the original request set forth in the notice shall be subject to approval by the proposing shareholders.
- (III) Where the Board does not agree to convene the extraordinary general meeting or class meeting, or fails to give any reply within 10 days after receipt of the request, the proposing shareholders shall have the right to request the Audit and Consumer Rights Protection Committee in writing to convene an extraordinary general meeting or class meeting.
- (IV) Where the Audit and Consumer Rights Protection Committee agrees to convene the extraordinary general meeting or class meeting, it shall serve a notice of convening such meeting within five days after receipt of the request. Any change to the original proposal set forth in the notice shall be subject to approval by the proposing shareholders.
- (V) Where the Audit and Consumer Rights Protection Committee fails to serve the notice of Shareholders' general meeting or class meeting within the specified period, it shall be deemed to have failed to convene and preside over the Shareholders' general meeting or class meeting, and the shareholder(s) severally or jointly holding more than 10% of the shares of the Bank for over 90 days in a row may convene and preside over such meeting on their own initiative.
- (VI) Where the Board or the Audit and Consumer Rights Protection Committee fails to convene an extraordinary general meeting or class meeting according to the aforesaid arrangement or decides not to convene such meeting, the proposing shareholders may convene such meeting on their own initiative within four months after the Board receives the request of convening such meeting, and the convening procedures shall to the extent possible be the same as the procedures by which the Board convenes a Shareholders' general meeting.

Article 83

Where the Audit and Consumer Rights Protection Committee or the proposing shareholders decide to convene an extraordinary general meeting or class meeting on its/their own initiative, it/they shall notify the Board in writing, file with the banking regulatory authorities of the State Council, and file with the securities regulatory authorities of the place where the Bank's shares are listed in accordance with the relevant provisions thereof. After that, it/they shall give a notice of convening an extraordinary general meeting or class meeting, contents of which shall meet the following requirements:

- (I) no new contents shall be added to a proposal; otherwise, the Audit and Consumer Rights Protection Committee or the proposing shareholders shall re-request to the Board to convene a Shareholders' general meeting or class meeting in accordance with the procedures above; and
- (II) the meeting shall be held at the domicile of the Bank.

Article 84 With regard to a Shareholders' general meeting or class meeting convened by the Audit and Consumer Rights Protection Committee or the shareholders on its/their own initiative, the Board and its secretary shall offer cooperation. Where the Audit and Consumer Rights Protection Committee or the proposing shareholders convene and hold an extraordinary general meeting or class meeting because the Board fails to convene such meeting pursuant to the aforesaid request, the reasonable expenses incurred shall be borne by the Bank.

Article 85 When the Bank is to convene an annual general meeting, a written notice shall be issued 20 days prior to the convening of the meeting. When the Bank is to convene an extraordinary general meeting, a written notice shall be issued 15 days prior to the convening of the meeting to all shareholders whose names appear on the share register, stating the matters to be considered at the meeting and the date and venue of the meeting. If the regulations of the securities regulatory authorities in the place where the Shares of the Bank are listed provide a longer notice period for the Shareholders' general meeting, such provisions shall apply.

Article 86 The Shareholders' general meeting shall only resolve on matters set out in the notice, and shall not decide on matters not specified in the notice.

Article 87 The notice of a Shareholders' general meeting shall include the following contents:

- (I) the time, venue and duration of the meeting;
- (II) the matters and proposals to be submitted to the meeting for consideration;
- (III) states clearly that all ordinary shareholders (including holders of preference shares with restored voting right) are entitled to attend the meeting and appoint proxy(ies) in writing to attend and vote at the meeting, and such proxy(ies) need not be a shareholder of the Bank;
- (IV) the equity registration date of the shareholders who are entitled to attend the Shareholders' general meeting;
- (V) the name and phone number of the contact person of the meeting;
- (VI) specifies the time and voting procedures for online voting or other voting methods; and
- (VII) other contents as provided by the laws and regulations and these Articles.

The meeting notice is served in Chinese or in English, and if there is any inconsistency between the two versions, the Chinese version shall prevail.

Article 88 Unless otherwise specified by the laws and regulations and these Articles, the notice of a Shareholders' general meeting shall be delivered by hand or prepaid mail to the shareholders (regardless of whether they have voting rights at the Shareholders' general meeting). The addresses of the recipients shall be the addresses registered in the register of Shareholders.

The notice of a Shareholders' general meeting (including the notice of class meetings) may be in the form of an announcement. The announcement referred to herein refers to the announcement published on the website of the Bank, one or more newspaper(s) specified by the securities regulatory authority under the State Council, the website of the Hong Kong Stock Exchange and other websites specified by the Hong Kong Listing Rules from time to time subject to the laws and regulations. Such notices of Shareholders' general meeting are deemed to be received by shareholders once they have been published.

The simply accidental omission to give a meeting notice to, or the failure to receive the meeting notice by, any person entitled to receive such notice, shall not invalidate the Shareholders' general meeting and the resolutions adopted thereat.

Article 89 The shareholders may attend Shareholders' general meetings in person and appoint their proxies to attend and vote on their behalf.

Article 90 Any shareholder entitled to attend and having voting rights at a Shareholders' general meeting shall be entitled to appoint one or more persons (these persons need not be shareholders) as proxies to attend and vote on their behalf. A proxy may exercise the corresponding right to speak and vote of the shareholder at the Shareholders' general meeting according to the entrustment of the Shareholder.

The Bank's major shareholders may appoint proxy(ies) to attend the Shareholders' general meeting. However, such proxy(ies) shall not be person other than the shareholders themselves and their related parties, parties acting in concert or their appointed director. The Bank's major shareholders shall not act as proxies as appointed by non-related parties or non-parties acting in concert to attend the Shareholders' general meeting.

Article 91 A shareholder shall entrust the proxy in writing. The written power of attorney shall be signed by the principal or by the proxy entrusted thereby in writing; if the principal is a legal person or other institution, the power of attorney shall be signed under the seal of the legal person or under the hand of its legal representative or other representative duly authorized.

Article 92 Any legal person shareholder shall assign its legal representative or other representative duly authorized to attend the Shareholders' general meeting. The legal representative attending the meeting shall present his/her identity card or valid certificate bearing evidence of his/her qualifications as legal representative; a proxy attending the meeting shall present his/her identity card, and the qualification certificate, written power of attorney of the legal representative of the legal person shareholder.

Article 93

The power of attorney for voting issued by a shareholder to appoint other persons to attend the Shareholders' general meeting shall contain the following information:

- (I) the name of the principal and the class and number of shares of the Bank held;
- (II) the name of the proxy;
- (III) whether or not the proxy has any voting right;
- (IV) instructions to vote for or against or abstain from voting on each and every matter under consideration included in the agenda of the Shareholders' general meeting;
- (V) whether or not the proxy has any voting right(s) in respect of temporary proposals which may possibly be included in the agenda of the Shareholders' general meeting, and, if the proxy has such voting right(s), specific instructions as to the exercise of those voting rights;
- (VI) the date of issue and validity period of the power of attorney;
- (VII) the signature (seal) of the principal. If the principal is an institutional shareholder, the corporate seal shall be affixed; and
- (VIII) the power of attorney shall specify whether the proxy may vote as he/she thinks fit if the shareholder does not make specific instructions.

Article 94

The power of attorney for voting shall be placed at the domicile of the Bank or at any other place designated in the notice of the meeting at least 24 hours prior to either the convening of the relevant meeting at which the proxy is authorized to vote or the designated voting time. Where the power of attorney is signed by a person authorized by the principal, the authorization letter authorizing signature or other authorization documents shall be notarized. The notarized authorization letter or other authorization documents shall, together with the power of attorney for voting, be placed at the domicile of the Bank or at any other place designated in the notice of the meeting.

Where the shareholder is a recognized clearing house or its agent as defined in Securities and Futures Ordinance (Cap. 571), the shareholder may authorize one or more persons as he/she deems appropriate as his/her proxy(ies) at any Shareholders' general meeting or class meeting and creditors' meeting (if applicable); however, where two or more than two persons are thus authorized, the power of attorney shall specify the numbers and classes of shares of each of such authorized proxies. The power of attorney shall be signed by the persons authorized by the recognized clearing house. Any person so authorized may represent the recognized clearing house or its agent to attend any meeting (without being required to present shareholding certificate, notarized authorization and/or further evidence of due authorization) and exercise its rights at such meeting (without being required to present shareholding certificate, notarized authorization and/or further evidence of due authorization), including the right to speak and vote, as if that person is a natural person shareholder of the Bank.

A corporate shareholder shall be represented by its legal representative or proxies authorized by the resolutions of the Board and other decision-making bodies to attend the Shareholders' general meeting of the Bank.

Article 95 Any form of the power of attorney issued to a shareholder by the Board for appointing a shareholder proxy shall provide the shareholder with the flexibility to instruct the proxy to vote for or against and enable the shareholder to give directives on each of the resolutions to be decided at the meeting.

Article 96 If the principal has passed away, lost his/her ability to act, revoked the entrustment or withdrawn the authorization for signing the entrustment or has transferred relevant shares prior to voting, as long as the Bank has not received any written notice regarding these matters before the commencement of the relevant meeting, the vote cast by the proxy in accordance with the proxy form shall remain valid.

Article 97 Attendees' register shall be prepared by the Bank. The attendees' register shall, amongst other matters, contain the names (or corporate names) of the attendees, their identity card numbers or passport numbers, their residential addresses, the number of voting shares held or represented by them, and the names (or corporate names) of the proxies.

Section IV Proposals of Shareholders' General Meetings

Article 98 Where the Bank convenes a Shareholders' general meeting, proposals of the Shareholders' general meeting shall be proposed by the Board normally. The Audit and Consumer Rights Protection Committee and shareholder(s) severally or jointly holding more than 1% of the total voting shares issued by the Bank may put forward a proposal.

Shareholder(s) severally or jointly holding more than 1% of the total voting shares issued by the Bank may put forward an interim proposal and submit it to the Board in writing within 10 days before the Shareholders' general meeting is convened; the Board shall, within two days after receipt of the interim proposal, issue a supplementary notice of the Shareholders' general meeting and submit the interim proposal to the Shareholder's general meeting for consideration, unless such interim proposal violates the laws and regulations or these Articles, or does not fall within the terms of reference of the Shareholders' general meeting.

The contents of the interim proposal shall be within the terms of reference of the Shareholders' general meeting and have definite topics for discussion and specific issues for resolution. Proposals at a Shareholders' general meeting shall meet the following requirements:

- (I) the contents shall not run counter to provisions of the laws, regulations and these Articles and shall fall within the business scope of the Bank and terms of reference of the Shareholders' general meeting;
- (II) the proposals shall have definite topics for discussion and specific issues for resolution; and
- (III) the proposals shall be submitted or delivered to the Board in written form.

Article 99 The Board of the Bank shall consider the proposals of the Shareholders' general meeting in accordance with these Articles in the best interest of the Bank and shareholders thereof.

Article 100 Where the Board decides not to include the proposals into the agenda of a Shareholders' general meeting, explanations and comments shall be made at the Shareholders' general meeting. The contents of the proposals and explanations of the Board shall be recorded in the meeting minutes together with the resolutions after conclusion of the Shareholders' general meeting.

Article 101 Any proposing shareholder who disagrees to the Board's decisions on excluding his/her proposal from the agenda of the Shareholders' general meeting may, according to the relevant provisions of these Articles, request the convening of an extraordinary general meeting.

Article 102 The list of director candidates is submitted by way of proposal for consideration at Shareholders' general meetings. The director candidates shall be voted on separately at the Shareholders' general meeting.

The method and procedure for nominating directors are:

- (I) A list of candidates for non-independent directors may be proposed by the Nomination and Remuneration Committee of the Board as per the number of directors to be elected to the extent of the number of members of the Board specified in these Articles; shareholder(s) severally or jointly holding more than 3% of the total voting shares issued by the Bank may propose candidates for non-independent directors to the Board.

Generally, the number of director candidates nominated by a shareholder and his/her related party shall not exceed one-third of the number of the members of the Board, except as otherwise prescribed by laws and regulations.

- (II) The Nomination and Remuneration Committee of the Board of the Bank, shareholder(s) severally or jointly holding more than 1% of the total voting shares issued by the Bank may propose candidates for independent directors to the Board, and shareholders or his/her related party who have nominated candidates for non-independent directors shall not nominate any candidates for independent directors. In principle, the same shareholder can propose one candidate for independent director only. The selection and appointment of independent directors shall be primarily market-based.
- (III) The Nomination and Remuneration Committee of the Board shall make preliminary examination on the qualifications and conditions of the director candidates and submit the qualified candidates to the Board for consideration; and, upon consideration and approval by the Board, propose director candidates to the Shareholders' general meeting through written resolutions.
- (IV) The director candidates shall, prior to the Shareholders' general meeting, make written undertakings that they accept the nominations, that the information announced publicly about them is true, accurate and adequate, and that they will diligently fulfill the duties and obligations as director if elected.
- (V) The Board of Directors shall, prior to the Shareholders' general meeting, disclose detailed information relating to the director candidates to the Shareholders in accordance with laws and regulations and these Articles, so that the shareholders will have sufficient understanding of the candidates in voting.
- (VI) In the event of a temporary vacancy of director, the Nomination and Remuneration Committee of the Board or shareholders qualified for nomination shall propose and submit to the Board for consideration the candidates, who shall be elected or replaced at the Shareholders' general meeting. Employee directors shall be elected or replaced at the employee representative meeting.

Section V Resolutions of Shareholders' General Meetings

Article 103 Shareholders (including proxies thereof) who vote at a Shareholders' general meeting shall exercise their voting rights in relation to the amount of voting shares they represent. Each share shall have one vote, except for class shareholders. However, the shares held by the Bank have no voting rights and will not counted into the total number of shares with voting rights held by shareholders attending the Shareholders' general meeting.

If any laws and regulations require that any shareholder shall abstain from voting on a certain proposal or limit any shareholder to cast affirmative or negative votes on a certain proposal, any votes cast by the shareholder or proxy thereof in violation of the aforesaid requirement or restriction shall not be counted to the results of the voting.

Article 104 A Shareholders' general meeting shall be held on-site. The Bank may also provide video, online and other electronic communication to facilitate shareholders in attending the meeting. Where the Bank provides the above-mentioned methods for the convenience of shareholders to attend the meeting, it shall ensure the shareholders attending the meeting are able to communicate and discuss simultaneously, and vote through modern information technology means such as online voting platforms. Shareholders attending a Shareholders' general meeting via the above-mentioned methods shall be deemed as having attended the meeting.

Article 105 The resolutions of a Shareholders' general meeting shall either be classified as ordinary resolutions or special resolutions.

Ordinary resolutions shall be approved by a simple majority of voting rights held by the Shareholders (including their proxies) attending the Shareholders' general meeting.

Special resolutions shall be approved by above two-thirds of voting rights held by the shareholders (including their proxies) attending the Shareholders' general meeting.

Article 106 The following matters shall be approved by ordinary resolutions at a Shareholders' general meeting:

- (I) examination and approval of the rules of procedure for Shareholders' general meetings and the Board of the Bank;
- (II) appointment and dismissal of directors and remuneration of the relevant directors;
- (III) reports made by the Board;
- (IV) annual financial budgets of the Bank;
- (V) profit distribution plans and loss recovery plans of the Bank;
- (VI) resolutions on the engagement, dismissal or discontinuation of the appointment of the accounting firm responsible for the regular statutory auditing of the Bank's financial reports;
- (VII) other matters than those that should be passed by special resolutions or be subject to unanimous approval pursuant to the laws and regulations or these Articles.

- Article 107** The following matters shall be approved by special resolutions at a Shareholders' general meeting:
- (I) amendments to these Articles;
 - (II) the Bank's listing or other fundraising arrangements;
 - (III) any change of uses of the funds raised by the Bank;
 - (IV) an increase or reduction in the registered capital, the issuance of shares of any class, warrants, securities convertible to shares and other similar securities, and options or warrants to subscribe for any shares or the aforesaid convertible securities or similar rights of the Bank;
 - (V) resolution on purchase of the Bank's shares in accordance with laws;
 - (VI) examination and approval of the Bank's equity incentive plans;
 - (VII) merger, division, dissolution, liquidation or alteration on the corporate form of the Bank;
 - (VIII) issuance of bonds of the Bank;
 - (IX) removal of independent directors;
 - (X) examination and approval of important guarantees not falling within the business scope of the Bank stipulated in Article 75 of these Articles;
 - (XI) examination and approval of any important investment beyond the business scope of the Bank with the amount exceeding 20% of the latest audited net assets of the Bank;
 - (XII) examination and approval of any purchase or disposal of major assets beyond the business scope of the Bank with the amount exceeding 20% of the latest audited net assets of the Bank (the purchases or disposal of the same or relevant assets in the consecutive 12 months shall be calculated on a cumulative basis); and
 - (XIII) matters specified in laws and regulations or these Articles that shall be passed by special resolutions, and any other matter confirmed by an ordinary resolution at a Shareholders' general meeting that it may have material impact on the Bank and accordingly shall be approved by special resolutions.
- Article 108** Save as mandatorily specified in laws, while the Bank is validly subsisting, any resolution on the relocation of the Bank's head office to other regions than Tianjin shall be subject to unanimous approval of the shareholders attending the Shareholders' general meeting.

- Article 109** A Shareholders' general meeting shall be convened and conducted in accordance with the laws and regulations and these Articles.
- Resolutions of a Shareholders' general meeting that run counter to laws and administrative regulations shall be void.
- If the convening procedure or voting method of the Shareholders' general meeting violates the laws, administrative regulations or these Articles or the contents of any resolution run counter to these Articles, the shareholders may request the people's court to cancel the said resolution within 60 days after adoption of the resolution, unless there is only a minor defect in the convening procedure or voting method of the Shareholders' general meeting, which has no substantive impact on the resolution. Shareholders who have not been notified to attend the Shareholders' general meeting may request the people's court to cancel the said resolution within 60 days from the date when they became aware of or should have known of adoption of the resolution of the Shareholders' general meeting; if the right to cancel is not exercised within one year after adoption of the resolution, the right to cancel shall be extinguished.
- A resolution of the Shareholders' general meeting of the Bank shall not be valid if any of the following circumstances applies:
- (I) failure to convene the Shareholders' general meeting to form the resolution;
 - (II) failure to vote on the resolution at the Shareholders' general meeting;
 - (III) the number of persons or the number of voting rights held attending the meeting failing to reach the number of persons or the number of voting rights held specified in the laws and regulation or the Articles of Association;
 - (IV) the number of persons or the number of voting rights held in favor of the resolution failing to reach the number of persons or the number of voting rights held specified in the laws and regulation or the Articles of Association.
- Article 110** The Bank shall not enter into any contract with anyone other than a director or senior management member to have all or significant part of the Bank's business in the care of such person, unless otherwise approved in advance by the shareholders at a Shareholders' general meeting by way of special resolution.
- Article 111** Unless otherwise agreed by all the shareholders attending the relevant Shareholders' general meeting, the Shareholders' general meeting shall be held in Chinese (with translation service available).

Article 112 Any voting by shareholders at a Shareholders' general meeting shall be taken by way of registered poll, except where the presider of the meeting, in good faith, decides to allow a proposal which relates purely to a procedural or administrative matter to be voted on by a show of hands. The votes on each matter under consideration shall be counted by two shareholders' representatives and the voting results shall be announced on the spot by the representative of the persons who have counted the votes. The Bank shall appoint an accounting firm, share registrar or external accountant qualified to serve as auditor as the monitor of the vote count. Shareholders of the Bank or their proxies who vote online or by any other means shall be entitled to check their voting results via the relevant voting system.

Article 113 The close of a Shareholders' general meeting held on-site shall not be earlier than that held online or by other means. Relevant parties including the Company, vote counters, scrutineers, shareholders, and network service providers involved in on-site, online or other voting methods of the Shareholders' general meeting shall be subject to the confidentiality obligation towards the voting before the voting results are announced formally. The presider of the meeting shall announce the voting result at the meeting, and determine whether a resolution of the Shareholders' general meeting has been passed pursuant to the voting result. His/her decision shall be final and conclusive. The voting result shall be recorded in the minutes of the meeting. If the presider of the meeting has any doubt as to the result of a resolution which has been put to vote, he/she may have the votes counted. If the presider of the meeting has not counted the votes, any shareholder who is present in person or by proxy and who objects to the result announced by the presider of the meeting may, immediately after the declaration of the voting result, demand that the votes be counted and the presider of the meeting shall have the votes counted immediately.

If votes are counted at a Shareholders' general meeting, the counting result shall be recorded in the meeting minutes. The minutes together with the attendance book of shareholders, the powers of attorney for attendance by proxy, and valid information relating to the voting online or by other means shall be kept at the domicile of the Bank.

Article 114 Shareholders severally or jointly holding more than 5% of the total issued and outstanding voting shares of the Bank shall be entitled to make inquiries to the Shareholders' general meeting, the Board shall, as required by shareholders, designate relevant members of the Board or senior management to answer inquiries. The Board shall answer or explain inquiries made by shareholders except that the business secrets of the Bank are involved and cannot be disclosed at the Shareholders' general meeting.

Article 115 Minutes of the Shareholders' general meeting shall specify:

- (I) the number of shareholders and proxies attending the Shareholders' general meeting, their number of voting shares held and the percentage of such shares in the total number of shares of the Bank;

- (II) the date and venue of the meeting;
- (III) the name of the presider of the meeting, the agenda of the meeting, and the name of the directors and senior management members present at the meeting;
- (IV) the process of consideration in respect of each matter under consideration, and the highlights of each speech on each matter under consideration;
- (V) the voting result of each matter voted on;
- (VI) the questions and suggestions proposed by shareholders and answers and explanations, etc. of directors or senior management members on these questions;
- (VII) name of the convener, the reasons for and process of convening and holding an extraordinary general meeting, if it is held by the Audit and Consumer Rights Protection Committee or shareholders in accordance with these Articles;
- (VIII) name of the lawyer, vote counters and scrutineers; and
- (IX) other contents that shall be recorded in the meeting minutes in accordance with opinions of the Shareholders' general meeting or provisions of these Articles.

Article 116 The minutes of the Shareholders' general meeting shall be prepared in Chinese by the secretary to the Board, circulated to shareholders, signed by directors attending or present at the meeting, the secretary to the Board, the convener or his/her representative and the presider of the meeting for confirmation, and kept perpetually by the secretary to the Board as the Bank's file together with the attendance book of shareholders and powers of attorney for attendance by proxy and valid information relating to the voting online or by other means.

Article 117 Resolutions of the Shareholders' general meeting shall be announced in due time in accordance with laws and regulations. The announcement shall specify the number of attending shareholders, the total number of shares they represent and the proportion of these shares to the total number of the voting shares of the Bank, and the voting method and voting results for every proposal. In resolving on any proposal made by shareholders, the names and shareholdings of the shareholders and contents of the proposal shall be specified.

Article 118 The Board of the Bank shall submit in time the minutes and the resolutions of the Shareholders' general meeting and other documents to the banking regulatory authorities.

- Article 119** The Board of the Bank shall engage a qualified lawyer to attend the Shareholders' general meeting and provide opinions on the following issues:
- (I) whether the procedures for convening and holding the Shareholders' general meeting comply with the laws and regulations and these Articles;
 - (II) whether the qualifications of the attendees and the convener are lawful and valid;
 - (III) whether the shareholders making new proposals at the Shareholders' general meeting are eligible to do so;
 - (IV) whether the voting procedures and the voting results of the Shareholders' general meeting are legal and valid;
 - (V) whether the resolutions of the Shareholders' general meeting are legal; and
 - (VI) legal opinions on other issues upon request by the Bank.

The Board of the Bank may also engage a notary to attend the Shareholders' general meeting.

Section VI Special Voting Procedures for Class Shareholders

Article 120 Holders of different classes of shares are class Shareholders.

Class Shareholders shall enjoy rights and assume obligations pursuant to the laws and regulations, and these Articles.

Article 121 Any proposed change or annulment by the Bank to the rights of class Shareholders shall not come into effect unless approved by special resolutions at a Shareholders' general meeting and a separate Shareholders' general meeting convened by the class Shareholders so affected in accordance with Articles 123 to 127 of these Articles.

Article 122 The rights of a certain class Shareholders shall be deemed to be changed or nullified in the following circumstances:

- (I) to increase or reduce in the quantity of the shares of that class, or increase or reduce the quantity of the shares of other class which enjoy the same or more voting rights, distribution rights or other privileges;
- (II) to convert all or part of the shares of that class into other class(es), convert all or part of the shares of other class(es) into that class, or grant such conversion rights;
- (III) to nullify or reduce the rights of that class of shares to receive payable dividends or cumulative dividends;

- (IV) to reduce or nullify the privileged rights of that class of shares to acquire dividends or obtain distribution of assets during liquidation of the Bank;
- (V) to increase, nullify or reduce the conversion, option, voting, transfer or privileged allotment rights of that class of shares or the rights of such class of shares to obtain securities issued by the Bank;
- (VI) to nullify or reduce the rights of that class of shares to receive amounts payable by the Bank in a particular currency;
- (VII) to establish new class(es) of shares which enjoy the same or more voting rights, distribution rights or other privileges as compared with that class of shares;
- (VIII) to restrict the transfer and ownership of that class of shares, or increase the restrictions;
- (IX) to grant the share subscription options or share conversion options of that or another class of shares;
- (X) to increase the rights or privileges of other class(es) of shares;
- (XI) any restructuring scheme of the Bank that may result in the assumption of disproportionate responsibilities by different classes of shareholders during the restructuring; and
- (XII) to revise or nullify the provisions of this section.

Article 123

Where issues specified in (II) to (VIII), (XI) to (XII) of Article 122 are involved, the affected class Shareholders, whether or not they are entitled to vote at Shareholders' general meetings originally, shall have the right to vote at class meetings. However, shareholders with conflicts of interests shall not be entitled to vote at such class meetings.

Shareholders with conflicts of interests as specified in the preceding paragraph refer to:

- (I) if the Bank has made a repurchase offer to all shareholders in the same proportion in accordance with Article 26 of these Articles or has repurchased its own shares through public transaction on a stock exchange, "Shareholders with conflicts of interests" shall mean the Controlling Shareholders defined in these Articles;
- (II) if the Bank has repurchased its own shares under an off-market agreement in accordance with Article 26 of these Articles, "Shareholders with conflicts of interests" shall mean Shareholders who are connected with the aforementioned agreement; and

- (III) under a restructuring scheme of the Bank, “Shareholders with conflicts of interests” shall mean Shareholders who assume liability in a lower proportion than other Shareholders of the same class, or those who own different interests as compared with other Shareholders of the same class.

Article 124 A resolution of the class meeting shall be adopted by above two-thirds of the voting shares represented by Shareholders of that class present at the meeting in accordance with Article 123.

Article 125 The written notice of class meeting of the Bank shall be sent at the same time as that of non-class meeting proposed to be convened together, to inform all the registered shareholders of that class of the matters to be examined at the meeting as well as the date and venue of the meeting.

Article 126 The notice of a class meeting only needs to be delivered to the Shareholders entitled to vote at that meeting.

The procedures for convening a class meeting shall be the same as the procedures for the Shareholders’ general meeting to the extent practical, and the provisions in these Articles relating to the procedure to convene a Shareholders’ general meeting shall apply to the class meeting.

Article 127 Apart from other classes of Shareholders, the Shareholders holding domestic unlisted shares of the Bank and holders of H Shares are deemed to be Shareholders of different classes.

The special procedures for voting by a class Shareholder shall not apply in the following circumstances:

- (I) upon the approval by way of a special resolution passed by a Shareholders’ general meeting, the Bank independently or simultaneously issues domestic unlisted shares and H Shares every 12 months, provided that the amount of each class of shares intended to be issued is not more than 20% of the outstanding shares of the respective class;
- (II) the Bank’s plan on issuing domestic unlisted shares and H Shares at the time of incorporation, which is completed within 15 months upon the date of approval from the securities regulatory authorities of the State Council; and
- (III) upon filing with the relevant authorities such as the securities regulatory authorities of the State Council, Shareholders of domestic unlisted shares will transfer the unlisted shares into overseas listed shares and to be listed and traded in overseas stock exchanges.

Chapter VI Directors and Board of Directors

Section I Directors

Article 128 Directors shall be elected or replaced at the Shareholders' general meeting. Employee directors shall be democratically elected or replaced by the Bank's employees at the employee representative meeting.

Directors shall each serve a term of three years, and may seek re-election upon expiry of the said term. Directors shall obtain approval from the banking regulatory authorities of the State Council or report in accordance with the laws and regulations, as specified in the relevant provisions of the banking regulatory authorities of the State Council. The term of directors shall be calculated from the date of the approval of the banking regulatory authorities of the State Council. For directors whose qualifications do not require approval according to relevant regulations and directors who are re-elected upon expiry of their term, their term shall be calculated from the date of election.

Article 129 Directors shall devote sufficient time to performing their duties. A director who is unable to attend the meeting in person due to certain reasons, may authorize in writing another director to attend Board meetings on his/her behalf, but he/she shall attend at least 2/3 of the on-site Board meetings in person every year. An independent director shall not entrust a non-independent director to attend on his/her behalf. A director failing to attend the Board meetings in person or by proxy shall bear relevant legal liabilities for the resolutions of the Board.

Article 130 A director nominated by a major shareholder shall perform his/her duties independently based on professional judgment, treat all shareholders fairly, make independent, professional and objective decisions on the principle of safeguarding the maximization of the overall interests of the Bank, bear responsibility for the decisions he/she made in accordance with the law, and shall not damage the legitimate rights and interests of the Bank and other stakeholders.

Article 131 The Board shall propose to the Shareholders' general meeting to remove any director involved in any of the following circumstances:

- (I) he/she is no longer qualified to be a director of the Bank in accordance with relevant laws and regulations or these Articles, in the light of change of conditions;
- (II) he/she fails to attend Board meetings in person or by proxy for two consecutive times; and
- (III) other circumstances under which he/she is prohibited from continuing or unfit to continue to serve as director of the Bank in accordance with laws and regulations or these Articles.

When the Board or Shareholders' general meeting considers any proposal on removing any director, the relevant director shall be entitled to attend the meeting and make statements and explanations, and the proposal shall not be resolved on at the Shareholders' general meeting before the statements of the directors.

- Article 132** A director may resign before his/her term of office expires. In resigning his/her duties, a director shall tender a written resignation to the Board.
- If no re-election is carried out in time upon the expiration of the term of office of a director, or the director resigns during his/her term of office resulting in the number of the Board members lower than the minimum number specified in the Company Law or two-thirds of the number specified in the Articles of Association, the said director shall continue fulfilling the duties as a director until a new director takes office.
- Save as provided in the preceding paragraph, a director's resignation shall be effective when his/her resignation report is served to the Board.
- When the number of the Board members falls short of the minimum number specified in the Company Law or the minimum number required for voting by the Board due to the removal by the Shareholders' general meeting or death of directors, resignation of independent directors due to the loss of independence, or other circumstances where they cannot perform their duties as directors, the powers and functions of the Board shall be exercised by the Shareholders' general meeting until the number of directors meets the requirements.
- Article 133** The Shareholders' general meeting may resolve to remove a director, and such removal shall take effect on the date of resolution. Where a director is removed before the expiration of his/her term of office without a valid reason, such director may request compensation from the Bank. Such removal shall also be without prejudice to any claim which such director may have under any contract.
- Article 134** When the term of office of a director expires, or the number of the Board members falls short of the minimum number specified in the Company Law or two-thirds of the number specified in the Articles of Association, the Bank shall promptly initiate the director election procedure and convene a Shareholders' general meeting to elect directors.
- Article 135** If any vacancy in the Board is caused by the retirement, removal, resignation, disease, disability or death of any director or expiry of his/her term of office or any other reason, shareholders entitled to nomination or the Nomination and Remuneration Committee of the Board of the Bank shall nominate a succeeding director within 60 days.
- Article 136** The duties of a director towards the Bank and the shareholders do not necessarily cease when he/she tenders his/her resignation or upon the expiry of his/her term of office. Such director shall continue to observe his/her duties at any time before the resignation becomes effective or for a reasonable period thereafter or upon the expiry of his/her term of office. The duty of confidentiality in respect of business secrets of the Bank survives the termination of his/her term of office until such business secrets become publicly known.
- Article 137** Any director who has left his/her office without authorization before his/her term of office expires and thereby caused the Bank to incur a loss shall be liable for compensation.

Article 138 The Bank may buy liability insurance for directors during their term of office against liability for damages incurred during the performance of their duties.

After the purchase or renewal of directors' liability insurance by the Bank, the Board shall report the amount, the scope of coverage and the insurance premium rate of liability insurance to the Shareholders' general meeting.

Article 139 The directors of the Bank shall not concurrently serve as director at any financial institution in conflict of interests with the Bank.

Section II Independent Directors

Article 140 Independent directors of the Bank are directors who do not hold any positions in the Bank other than directorship and do not maintain with the Bank and its shareholders or de facto controllers a connection which may possibly hamper their independent and objective judgments of the Bank's affairs. There shall be no less than three independent directors, who shall account for at least one third of members of the Board of Directors. At least one of independent directors shall have appropriate professional qualifications under the Hong Kong Listing Rules or appropriate accounting or related financial management expertise, and at least one of independent directors shall reside in Hong Kong.

Article 141 Independent directors owe the Bank and all the shareholders thereof the obligation of honesty and diligence. Independent directors shall fulfil their duties with good faith, independence and diligence to the Bank and earnestly safeguard the legitimate rights and interests of the Bank, minority shareholders and financial consumers, without any interference by shareholders, de facto controllers and senior management of the Bank, or other entities or individuals who are in relationships of material interest with the Bank.

Article 142 The provisions of these Articles on qualifications of directors shall apply to independent directors. In addition, an independent director shall not be involved in the following circumstances:

- (I) The person and his/her close relatives jointly hold more than 1% of the shares or equity of the Bank;
- (II) The person or his/her close relatives work(s) for any shareholder entity holding more than 1% of the shares or equity of the Bank;
- (III) The person or his/her close relatives work(s) for any institution under or actually controlled by the Bank or in which the Bank holds shares;
- (IV) The person or his/her close relatives work(s) for any institution unable to repay the loans of the Bank in due time;

- (V) The entities in which a person or his/her close relatives hold positions have business connections or debtor-creditor relationship with the Bank in such aspects as legal, accounting, auditing and management consulting and guarantee cooperation, thereby affecting the independence of his/her performance of duties;
- (VI) A person or his/her close relatives may be controlled or materially influenced by the Bank's substantial shareholders or senior management, thereby affecting the independence of his/her performance of duties; and
- (VII) Other circumstances stipulated by laws and regulations.

Article 143 An independent director of the Bank shall ensure that he/she has sufficient time and energy to perform his/her duties effectively and serve as an independent director in at most five domestic and foreign enterprises at the same time. If an independent director is also an independent director of a banking or insurance institution, the relevant institution shall have no affiliation and no conflict of interest.

An independent director of the Bank shall not serve as an independent director in more than two commercial banks at the same time.

Article 144 An independent director shall work in the Bank for at least 15 workdays every year. An independent director serving as principal member of the audit and consumer rights protection committee, risk management and green finance committee and related party transactions control committee of the Board shall work in the Bank for at least 20 workdays every year. An independent director may authorize another independent director to attend the Board meeting on his/her behalf, but shall attend at least two-thirds of the on-site Board meetings in person every year.

Article 145 If any independent director fails to attend in person for three consecutive Board meetings, which will be regarded as failure to perform his/her duties, the Bank shall convene a Shareholders' general meeting within three months to remove him/her and elect a new independent director.

Article 146 If the number of independent directors is less than one-third of the Board as a result of resignation of any independent director, such independent director shall continue to perform his/her duties, other than the resignation or removal caused by the loss of independence.

Article 147 An independent director shall be nominated, elected and replaced in accordance with laws, regulations, these Articles and the following provisions:

- (I) Independent directors of the Bank shall be nominated by the nomination and remuneration committee of the Board, shareholders individually or jointly holding more than 1% of the Bank's issued shares with voting rights and shall be elected by the Shareholders' general meeting.

- (II) The nominator of an independent director candidate shall obtain the nominee's consent prior to the nomination, and shall be fully aware of such particulars of the nominee in terms of his/her occupation, academic qualification, professional title, detailed work experience and all information regarding his/her positions held concurrently and provide opinions on the nominee's qualification as an independent director and independence. The nominee shall make an announcement stating that there exists no relationship between the Bank and him/her that affects his/her independent and objective judgment. The nomination and remuneration committee of the Board shall conduct qualification examination on the nominated independent directors, with examination focused on independence, professional knowledge, experience and ability. Before taking office, independent directors shall make a statement to the Board to ensure that they have sufficient time and energy to perform their duties and undertake to perform duties diligently. Before the Shareholders' general meeting is convened for election of independent Directors, the Board of the Bank shall disclose the above information to the shareholders.
- (III) After the Shareholders' general meeting is convened and adopts the proposal on election of independent directors, the Bank shall submit the relevant information of all candidates to the banking regulatory authorities of the State Council and other relevant regulatory authorities. If the Board of the Bank has any dissenting opinions on the particulars of the nominees, the written opinions of the Board shall also be submitted.
- If the relevant regulatory authorities have dissenting opinions on the nomination or qualification of any nominee, the said nominee shall not be included as independent director candidate.
- (IV) The term of office of independent directors is the same as that of other directors. An independent director shall serve a term of at most six years in the Bank.

Article 148 Any independent director whose qualifications are cancelled by relevant regulatory authorities due to serious dereliction of duty shall not serve as independent director any more, and shall be removed from office automatically on the date when his/her qualifications are cancelled.

If any independent director has his/her qualifications cancelled or is dismissed, or does not meet the conditions for independence or is involved in any other circumstance disqualifying him/her as independent director, so that the number or percentage of independent directors of the Board of the Bank falls short of the minimum number specified or percentage required in relevant laws, regulations or these Articles, the Bank shall immediately hold a Shareholders' general meeting for election to make up for the vacancy.

- Article 149** In any of the following circumstances, an independent director shall be deemed as having conducted “serious dereliction of duty”:
- (I) Divulgence of the business secrets of the Bank and impairment of the commercial interests of the Bank;
 - (II) Acceptance of illicit benefits in the performance of duties, or seeking of private benefits by taking advantage of the capacity of an independent director;
 - (III) Failure to raise dissenting opinions despite being fully aware that a Board resolution violates the laws, regulations or these Articles;
 - (IV) Failure to exercise the veto power in respect of related party transactions which have caused material losses to the Bank; and
 - (V) Other serious dereliction of duty as prescribed by the relevant regulatory authorities.
- Article 150** An independent director may resign before his/her term of office expires. In resigning his/her duties, an independent director shall submit a written resignation to the Board and submit a written statement to the most recent Shareholders’ general meeting to specify any circumstances related to the resignation or any fact that he/she believes necessary to draw the attention of the shareholders and creditors of the Bank.
- Article 151** Independent directors shall give objective and fair independent opinions on the matters considered by the Shareholders’ general meeting or the Board. Especially, they shall give opinions to the Shareholders’ general meeting or the Board in relation to the following issues:
- (I) Material related party transactions;
 - (II) Profit distribution plans;
 - (III) Nomination, appointment and removal of directors and appointment and dismissal of senior management members;
 - (IV) Remuneration of directors and senior management members;
 - (V) Engagement or dismissal of the accounting firm responsible for the regular statutory auditing of the Bank’s financial reports;
 - (VI) Other matters that may have a significant impact on the legitimate rights and interests of the Bank, its minority shareholders and financial consumers;
 - (VII) Other matters specified by relevant laws, regulations and these Articles.

Independent directors shall express one of the following types of opinions on the aforesaid issues: agreement; qualified opinions and reasons therefor; objection and reasons therefor; inability to express opinions and reasons therefor.

The independent directors shall express written opinions on the fairness and compliance of material related party transactions and the implementation of internal approval procedures on a case-by-case basis. If the independent directors consider it necessary, they may engage an independent third party such as an intermediary to provide an opinion at the Bank's expense.

Article 152 If, during performance of duties, an independent director finds the Board, any director and senior management member and any institution and personnel of the Bank violate laws, regulations and these Articles, he/she shall promptly ask the said persons to make corrections and report to the relevant regulatory authorities.

Article 153 If there are major defects in the corporate governance mechanism or the corporate governance mechanism fails in the Bank, independent directors shall report relevant information to the regulatory authorities in a timely manner. In addition to reporting relevant information to the regulatory authorities as required, independent directors shall keep the Bank's secrets confidential. If any Board resolution runs counter to the laws, regulations or these Articles, thereby incurring serious losses to the Bank, the independent directors who do not raise any objection shall bear liability for compensation according to laws.

Article 154 To ensure the effective performance of duties by independent directors, the Bank shall provide independent directors with the following necessary working conditions:

- (I) The Bank shall ensure that independent directors have the same right to know as other directors. For any matters to be decided on by the Board, the Bank shall notify the independent directors in advance as per the stipulated time and provide sufficient information. If the independent directors think that the information is insufficient, they may require supplement. Where two or more independent directors are of the opinion that the information provided is insufficient or unclear, they may make a joint written proposal to the Board to postpone the Board meeting or postpone consideration of the issues, and the Board shall adopt such a proposal;
- (II) The Bank shall provide necessary working conditions for independent directors to perform duties. The secretary to the Board shall actively provide assistance for the independent directors in performing duties, such as introduction and provision of information. If the independent opinions, proposals and written statements made by the independent directors shall be announced, the secretary to the Board shall promptly make an announcement;

- (III) When the independent directors exercise their functions and powers, the relevant personnel of the Bank shall actively cooperate and shall not refuse, hinder or hide anything or interfere in their independent exercise of functions and powers;
- (IV) The expenses incurred from engaging intermediaries or other reasonable expenses required for exercise of functions and powers by independent directors shall be borne by the Bank; and
- (V) The Bank shall provide appropriate allowances to independent directors. The payment standards shall be worked out by the Board and considered and approved by the Shareholders' general meeting. Other than that, independent directors shall not obtain any other additional interests which are not disclosed from the Bank and its substantial shareholders or other interested institutions and persons.

Article 155 Independent directors of the Bank may elect one independent director, who is responsible for convening special meetings attended by independent directors to study issues related to the performance of their duties.

Article 156 Corporate governance information disclosed by the Bank shall include number of Board meetings attended by the independent directors in person, main information about past attendance at Board meetings, dissenting opinions raised by independent directors and information about handling by the Board.

Article 157 Except for special provisions on independent directors in this section, the general provisions on directors in these Articles shall also apply to independent directors. In case of inconsistency between general provisions and special provisions, the special provisions shall apply.

Section III Board of Directors

Article 158 The Bank shall have a Board, which shall be accountable to the Shareholders' general meeting.

Article 159 The Board of the Bank consists of 21 directors, including executive directors and non-executive directors (including independent directors): three executive directors and 18 non-executive directors (including seven independent directors). The Board shall include one employee director, who shall not concurrently serve as a senior management member. The total number of executive directors and employee director shall not exceed one-half of the total number of members of the Board.

The Bank shall have one chairman and one vice chairman. The chairman and vice chairmen shall be elected and dismissed by more than half of all the directors. The vice chairman shall assist the chairman in performing his/her duties.

- Article 160** The Board shall undertake final responsibility of operation and management of the Bank. The Board shall exercise the following functions and powers:
- (I) to convene Shareholders' general meetings and report on its work to the Shareholders' general meetings;
 - (II) to implement resolutions of the Shareholders' general meetings;
 - (III) to formulate the Bank's operation and development strategies and medium-term and long-term development plans and supervise implementation of the strategies;
 - (IV) to appoint or dismiss the president and the secretary to the Board of Directors of the Bank in accordance with regulatory provisions; to appoint or dismiss senior management members such as the vice president, the chief financial officer, the chief risk officer, chief compliance officer, chief information officer and general counsel of the Bank as proposed by the president; and to determine remunerations, rewards and punishments of the aforesaid persons;
 - (V) to formulate proposals for any amendment to the Articles and formulate the rules of procedure of the Shareholders' general meeting and the rules of procedure of the Board, and approve the working rules of the special committees of the Board of Directors;
 - (VI) to evaluate and improve the corporate governance of the Bank on a regular basis;
 - (VII) to formulate the capital planning of the Bank, and take ultimate responsibility for capital management;
 - (VIII) to formulate the listing or other fund raising and capital supplement plans of the Bank;
 - (IX) to formulate plans for the use of funds raised by the Bank;
 - (X) to formulate proposals concerning an increase or reduction in the registered capital and the issuance of any class of shares, warrants and other similar securities of the Bank;
 - (XI) to formulate proposals for material acquisitions of the Bank, and the repurchase of shares of the Bank;
 - (XII) to formulate the equity incentive plans of the Bank;
 - (XIII) to formulate proposals for merger, division, and dissolution and alteration on the corporate form of the Bank;
 - (XIV) to formulate proposals for the issuance of bonds of the Bank;

- (XV) to decide on operational plans and investment proposals of the Bank;
- (XVI) to formulate annual financial budget plans of the Bank;
- (XVII) to formulate profit distribution plans and loss recovery plans of the Bank;
- (XVIII) to formulate the major investment and major asset disposal plans of the Bank;
- (XIX) to approve external investments, acquisition of assets, asset disposal and write-off, asset mortgage, external guarantees, related party transactions, data governance, etc. within the scope of business of the Bank;
- (XX) to approve external investments, purchase and disposal of assets, and external guarantees beyond the scope of business of the Bank and not requiring approval at the Shareholders' general meeting;
- (XXI) to review and approve material related party transactions of the Bank as approved by the Related Party Transactions Control Committee of the Board in advance, as well as related party transactions between directors, senior management members, and their related parties and the Bank;
- (XXII) to propose to the Shareholders' general meeting to engage or dismiss the accounting firm responsible for the regular statutory auditing of the Bank's financial reports;
- (XXIII) to be responsible for the Bank's information disclosure, consider the Bank's annual reports, and bear the ultimate responsibility for the truthfulness, accuracy, integrity and timeliness of the Bank's accounting and financial reports;
- (XXIV) to work out professional norms and value criteria for the Board and the senior management to observe and the Bank's basic management system;
- (XXV) to formulate the risk tolerance, risk management and internal control policies and capital management policies, and take the ultimate responsibility for overall risk management of the Bank;
- (XXVI) to determine the overall plan of remuneration for employees of the Bank;
- (XXVII) to determine the operating performance evaluation indicators and performance evaluation policies of the Bank;
- (XXVIII) to decide on the setup of internal management institutions, domestic tier-one branches and overseas branches (offices) of the Bank;
- (XXIX) to listen to the work reports of senior management, supervise the duty performance of senior management members and ensure the senior management members' effective performance of management duties;

- (XXX) to report the regulatory opinions of the banking regulatory authorities of the State Council on the Bank and information about rectification made by the Bank;
- (XXXI) to safeguard the legitimate rights and interests of financial consumers and other stakeholders;
- (XXXII) to establish an identification, review and management mechanism for the conflict of interests between the Bank and the Shareholders, especially substantial shareholders;
- (XXXIII) to undertake the management responsibility of shareholders' affairs; and
- (XXXIV) to exercise other functions and powers stipulated by laws, regulations and these Articles, and granted by the Shareholders' general meetings.

The functions and powers of the Board are collectively performed by the Board. In principle, the functions and powers of the Board of Directors stipulated in the Company Law shall not be delegated to the chairman of the Board, directors, other institutions or individuals to perform. If it is indeed necessary to authorize certain specific matters to be decided on, it shall be carried out in accordance with the law through resolutions of the Board of Directors. Authorization shall be granted on a case-by-case basis, and the functions and powers of the Board of Directors shall not be generally or permanently delegated to other institutions or individuals to perform.

- Article 161** The Board of Directors of the Bank shall establish and practice high standards of code of professional ethics. The code of professional ethics should be in line with the long-term interests of the Bank, help to enhance the Bank's credibility and social reputation, and provide criteria for judging when conflicts of interest exist among various governance entities.
- Article 162** The Board of the Bank shall make explanations to the Shareholders' general meeting in relation to the qualified audit reports produced by the accounting firm on the financial reports of the Bank.
- Article 163** The Board shall determine the authority for external investments, purchase and disposal of assets, external guarantees beyond the scope of business of the Bank and within the terms of reference of the Board, and set strict examination and decision-making procedures.

The president shall be responsible for purchase and disposal of the fixed assets involved in daily operation activities according to the items and quota approved in the annual budget. Any item which is beyond the approved budget and is subject to quota provisions without detailed contents shall be dealt with as follows:

- (I) any single amount below RMB40 million (inclusive) shall be approved by the president and reported to the Board for filing.

- (II) any single amount above RMB40 million (exclusive) and below RMB100 million (inclusive) shall be reported to the chairman for approval and to the Board for filing after auditing by the Audit and Consumer Rights Protection Committee authorized by the Board.
- (III) any single amount above RMB100 million (exclusive) and below 20% (inclusive) of the latest audited net asset value of the Bank shall be approved by the Board upon resolution.
- (IV) any single amount above 20% (exclusive) of the latest audited net asset value of the Bank shall be approved by the Shareholders' general meeting.

Purchase or disposal of the same or relevant assets by the Bank by batches in 12 consecutive months shall be calculated on a cumulative basis.

Article 164 The Board shall diligently fulfil its duties under the relevant laws, regulations and these Articles, ensure that the Bank complies with the relevant laws, regulations and these Articles, treat all shareholders impartially, and pay attention to the interests of other stakeholders.

Article 165 The positions of the chairman and the president of the Bank shall be separated.

Article 166 The chairman shall exercise the following functions and powers:

- (I) to preside over Shareholders' general meetings, and to convene and preside over Board meetings;
- (II) to supervise and examine the implementation of the Board resolutions;
- (III) to exercise the functions and powers as legal representative;
- (IV) to sign share certificates, bonds and other securities of the Bank;
- (V) to nominate to the Board the president of the Bank and secretary to the Board;
- (VI) to sign important documents of the Board and other documents which shall be signed by the legal representative of the Bank;
- (VII) to lead the formulation or drafting of various plans that shall be submitted by the Board to the Shareholders' general meeting;
- (VIII) to lead the drafting or preparation of various reports that shall be submitted by the Board to the Shareholders' general meeting;
- (IX) to manage the Bank's information disclosure matters;
- (X) to listen to the work report of the president and examine the work of the president and other senior management members, and ensure the senior management members' effective performance of management duties;

- (XI) in the event of any severe natural disaster or any other force majeure event, to exercise his/her special power of disposition in relation to the Bank's affairs in the Bank's interests and in compliance with the relevant laws and regulations, subsequently report such disposition to the Board and the Shareholders' general meeting of the Bank, and pursue the responsibility according to procedures if such disposition falls within the functions and powers of the Board or the Shareholders' general meeting; and
- (XII) to exercise other functions and powers conferred by the Board.

Article 167 Where the chairman cannot or fails to fulfil the duty thereof, the vice chairman shall fulfil the said duty; where the vice chairman cannot or fails to fulfil the said duty, the director jointly elected by more than half of the directors may fulfil the said duty.

If the position of chairman is temporarily vacant due to pending approval for qualifications of the new chairman or other reasons, the Bank shall designate a person with relevant qualifications to act on behalf of the chairman and report to the qualification examination and decision authority within three days after the designation. The period for acting on behalf of the chairman shall not exceed six months.

Article 168 The Board meetings are divided into regular meetings and provisional meetings. Regular meetings shall be held at least four times a year and the chairman shall convene the meeting. All the Directors shall be notified in writing to attend the meeting 14 days before the meeting. The meeting agenda and relevant documents shall be served seven days before the meeting.

Article 169 In any of the following circumstances, the chairman shall convene a provisional Board meeting within five workdays:

- (I) It is deemed necessary by the chairman;
- (II) Shareholders who individually or jointly hold more than 10% of the Bank's shares with voting rights make a proposal in writing;
- (III) It is jointly proposed by more than one third of the directors;
- (IV) It is proposed by more than two of the independent directors;
- (V) It is proposed by the Audit and Consumer Rights Protection Committee;
- (VI) It is proposed by the president of the Bank; and
- (VII) Other circumstances stipulated by the relevant laws and regulations and these Articles.

- Article 170** The notice for convening a provisional Board meeting by the Board shall be served to all the Directors four workdays before the meeting.
- Article 171** The notice of a Board meeting shall contain the following contents:
- (I) time, venue and duration of the meeting;
 - (II) reason for holding the meeting and topics for discussion;
 - (III) name and telephone number of the coordinator of the meeting; and
 - (IV) date on which the notice is sent.
- Article 172** No meeting of the Board shall be held unless more than half of the Directors are present. The Board may vote by way of ballot or by show of hands. Each Director shall have one vote.
- Article 173** Any decision made by the Board of the Bank on the following matters shall be subject to consideration and approval by more than two thirds of all the directors:
- (I) appointment or dismissal of the Bank's president and secretary to the Board, and appointment or dismissal of the Bank's senior management members such as vice president, chief financial officer, chief risk officer, chief compliance officer, chief information officer and general counsel as nominated by the president, and determination of remunerations, rewards and punishments for the aforesaid persons;
 - (II) plan for amendment to these Articles;
 - (III) plan for listing of the Bank on any stock exchange or other fund raising and capital supplement plans;
 - (IV) plans for use of funds raised by the Bank;
 - (V) plans for increase or decrease of the registered capital of the Bank and issuance of shares of any class, warrants and other similar securities;
 - (VI) plans for issuance of bonds of the Bank;
 - (VII) plans for material acquisitions, repurchase of shares of the Bank;
 - (VIII) equity incentive plans of the Bank;
 - (IX) plans for merger, division, dissolution and alteration on the corporate form of the Bank;
 - (X) profit distribution plans, loss recovery plans and remuneration plans of the Bank;

- (XI) major investment and major asset disposal plans of the Bank;
- (XII) external investments, purchase and disposal of assets and external guarantees not subject to examination and approval from the Shareholders' general meeting and beyond the Bank's operations; and
- (XIII) examination and approval for material related party transactions as examined and approved by the related party transactions control committee of the Board and related party transactions between the directors, senior management members and their related parties and the Bank.

Important matters such as profit distribution plans, remunerations plans, major investment and major asset disposal plans, appointment or dismissal of senior management members, capital supplement plans of the Bank shall not be voted by written resolutions.

Material related party transactions and related party transactions between the directors, senior management members and their related parties and the Bank must be approved by more than two-thirds of the non-related directors, and if the number of non-related directors attending Board meetings is less than three, it shall be submitted to the Shareholders' general meetings for consideration.

Save as otherwise specified in these Articles, the matters other than those in Paragraph 1 of this article shall be approved by more than half of the directors upon consideration.

Article 174

If any director or any of his/her close associates (as defined under the Hong Kong Listing Rules) has material interests in the matters to be resolved on by the Board, the said director shall abstain when the Board considers the matters and shall neither exercise the right to vote on the said resolution, or exercise the right to vote on behalf of another director, nor be included in the quorum of the meeting. The Board meeting may be held only when more than half of the directors without material interests attend the meeting. In calculation of the number of directors for the Board to make a resolution on approving the aforesaid matters, the aforesaid director with material interests shall not be included in the quorum of the meeting, save as otherwise specified by laws and regulations.

If the number of attending directors without material interests is less than three, the Board shall promptly submit the proposal to the Shareholders' general meeting for consideration. When submitting the proposal to the Shareholders' general meeting for consideration, the Board shall state the information of consideration by the Board on the proposal and record the opinions of the directors without material interests on the proposal.

Article 175 After the Board adopts the resolution with the minimum voting rights required for making the relevant resolution, it may authorize the president of the Bank to exercise the right of decision-making over the implementation of relevant matters. Such authorization may be cancelled by the Board by the same resolution, or cancelled according to relevant laws and regulations or the contract on employment of president.

Article 176 The resolutions of the Board may be voted through on-site meeting and by written resolutions.

If a Board meeting is held on site, telephone, video or other instant communication methods may be used to facilitate the directors in attending the Board meeting. Any director who attends the Board meeting via the abovementioned methods shall be deemed as having attended the onsite meeting.

Where any director is unable to immediately sign a resolution of the meeting held by telephone, video or other instant communication, an oral vote shall be taken. A director's oral vote shall have the same effect as a written signature, provided that the subsequent written signature shall be consistent with the oral vote at the meeting. If there is a discrepancy between the two, the oral vote shall prevail. An oral vote shall take effect from the date on which it is made, but the director shall sign the written documents as soon as possible.

Article 177 Where a Board meeting is held by written resolutions, if the Board has sent the proposal to all the directors, and the directors who have signed the proposal have reached the quorum required to make the resolution, the contents of the proposal shall be deemed to be the resolution of the Board after a written document signed and approved by such directors is served on to the secretary to the Board.

Article 178 Unless otherwise agreed by all the directors present at the meeting, the Board meetings shall be held in Chinese (with translation service available).

Article 179 Directors shall attend Board meetings in person. Directors shall attend Board meetings in a serious and responsible manner and express clear opinions on the matters under discussion. If any director cannot attend the Board meeting in person for any reason, he/she may entrust in writing other directors to attend and vote on his/her behalf according to his/her wishes, and the principal shall bear the legal liability independently. An independent director shall not entrust any non-independent director to attend the meeting on his/her behalf.

In principle, a director shall be entrusted by no more than two directors not attending the meeting in person. A non-related director shall not entrust any related directors to attend the meeting on his/her behalf when considering matters of related party transactions.

The power of attorney shall specify the proxy's name, proxy matters, scope and term of authorization, and the director's personal opinions and voting intentions on the proposal, and shall be signed or sealed by the principal.

The directors attending the meeting on behalf of other directors shall exercise rights of directors within the scope of authorization. A director who fails to attend a Board meeting or entrust any other director to attend the meeting shall be deemed to have waived his/her voting right at the meeting.

Article 180 The Board shall keep minutes to record the decisions on matters discussed at the on-site meetings. The minutes of the Board meeting shall be prepared in Chinese by the secretary to the Board, and the directors present at the meeting shall have the right to request explanatory records of their statements made at the meeting. The minutes of the Board meeting shall be circulated to the directors and shall be signed and confirmed jointly by the directors attending the meeting in person or by proxy and the person who made the minutes. Any director who has different views on the minutes may append explanation when signing the minutes. The minutes shall be kept perpetually. The minutes of the Board meeting shall be submitted to the banking regulatory authorities for a record in a timely manner.

The Bank shall record the on-site meetings of the Board by means of audio and video recording.

Article 181 The minutes of a Board meeting shall specify:

- (I) the notice, date, venue and name of the convener of the meeting;
- (II) the names of the attending directors and the directors (as proxies) attending the Board meeting on behalf of others;
- (III) the agenda of the meeting;
- (IV) proponents of various proposals;
- (V) highlights of the speeches of directors; and
- (VI) the voting method and result for each resolution (the voting result shall set out the numbers of pros, cons and abstentions).

Article 182 The directors shall sign and be responsible for the resolutions passed at Board meetings. If any resolution of the Board runs counter to the laws, regulations, these Articles or resolution of the Shareholders' general meeting, thereby incurring serious losses to the Bank, the directors participating in the resolution shall be liable for compensation to the Bank. However, if a director has been proved as having expressed dissenting opinions on the resolution during the voting and such opinions are recorded in the meeting minutes, the said director may be exempt from liability. The resolutions of the Board meeting shall be submitted to the banking regulatory authorities for a record in a timely manner.

Article 183 Resolutions of a Board meeting that run counter to laws and administrative regulations shall be null and void.

If the convening procedure or voting method of Board meetings violates the laws, administrative regulations or these Articles or the contents of a resolution run counter to these Articles, the shareholders shall have the right to request the people's court to cancel such resolution within 60 days after adoption of the resolution, unless there is only a minor defect in the convening procedure or voting method of Board meetings, which has no substantive impact on the resolution.

A resolution of a Board meeting of the Bank shall not be valid in any of the following circumstances:

- (I) failure to convene a Board meeting to form the resolution;
- (II) failure to vote on the resolution at the Board meeting;
- (III) the number of persons or the number of voting rights held attending the meeting failing to reach the number of persons or the number of voting rights held specified in the laws and regulations or these Articles; and
- (IV) the number of persons or the number of voting rights held in favor of the resolution failing to reach the number of persons or the number of voting rights held as required under the laws and regulations or these Articles.

Article 184 The reasonable travel and accommodation expenses incurred by directors attending the Board meeting shall be borne by the Bank.

Section IV Special Committees of the Board

Article 185 The Board shall set up such special committees as Risk Management and Green Finance Committee (and the affiliated Related Party Transactions Control Committee), Audit and Consumer Rights Protection Committee, Nomination and Remuneration Committee, Development Strategy and Inclusive Finance Committee. The Board may set up other special committees where necessary or make adjustments to the aforesaid special committees. Unless otherwise provided by laws and regulations and these Articles, the special committees shall, either expressly authorized by the Board or as required by laws and regulations, provide professional advice to the Board or make decisions on professional matters under the authority of the Board. The relevant special committees shall communicate regularly with senior management about the operation and risk profile of the Bank and make suggestions and recommendations. The Bank will not set up a board of supervisors. The functions and powers of such board will be taken over by the Audit and Consumer Rights Protection Committee of the Board according to laws.

Each special committee shall have not less than 3 members, and the same director may serve on several special committees at the same time. Members of the special committees shall be directors with expertise and experience commensurate with the functions of the special committees. Among them, the members of the Audit and Consumer Rights Protection Committee shall be all non-executive directors with expertise and experience in such aspects as finance, audit, accounting or law, most of whom shall be independent directors, and at least one of whom shall be an independent director with the appropriate professional qualifications required by the Hong Kong Listing Rules or with the appropriate accounting or related financial management expertise, and the employee director may become a member of the Audit and Consumer Rights Protection Committee; and the majority of the Nomination and Remuneration Committee members shall be independent directors; the proportion of independent directors in the Risk Management and Green Finance Committee and Related Party Transactions Control Committee shall be not less than one-third in principle, and the chairmen of these committees shall have experience in judging and managing all kinds of risks.

Each special committee shall have one chairman who shall be responsible for convening the activities of its respective special committees. The chairmen of the Risk Management and Green Finance Committee (and the affiliated Related Party Transactions Control Committee), Audit and Consumer Rights Protection Committee, Nomination and Remuneration Committee are all independent directors.

Article 186 The Bank shall provide necessary working conditions for the special committees to perform their functions. The Board shall, in accordance with laws and regulations, these Articles and the rules of procedure of the Board, formulate working rules of special committees, and clearly define their respective objectives, authorities, responsibilities and terms of office.

Article 187 Except as authorized by the Board according to laws, the deliberations of the special committee cannot be substituted for the voting opinions of the Board. The special committees may engage intermediary agencies to provide professional advice, with costs to be borne by the Bank.

Article 188 Risk Management and Green Finance Committee shall perform the following duties:

- (I) assisting the Board in performing its responsibilities in risk management of the Bank;
- (II) setting the basis and methods of the risk-taking level of the Bank;
- (III) reviewing the risk appetite of the Bank, including the level of the credit risk, market risk (including interest rate risk in banking book), liquidity risk, operational risk, compliance risk and reputation risk that the Bank can bear;

- (IV) reviewing the risk management systems and fundamental principles of the Bank, including the organizational and policy framework for risk management;
- (V) scrutinizing the Bank's disposal of assets and provision of external guarantees outside its ordinary course of business;
- (VI) considering and/or approving various risk management policies of the Bank which shall be considered and approved by the Board;
- (VII) supervising the senior management on the control of all kinds of risks, and putting forward suggestions to improve the risk management and internal control of the Bank;
- (VIII) hearing regularly (once every six months) senior management's reports on the risk and risk management profile of the Bank (including the due diligence of the Chief Risk Officer); analyzing the deviation between the actual level of risk and the predetermined acceptable risk of the Bank; evaluating the consistency between the risk-return ratio and the overall strategy of the Bank and the implementation of the Bank's risk management policies by senior management; studying the bad debts, expected losses, trading losses and transaction risks of the Bank and all other major risk issues based on reports from senior management; putting forward suggestions on improving the risk management and internal control of the Bank in a timely manner and taking appropriate risk mitigation measures; where necessary, hearing the Chief Risk Officer's reports separately and making suggestions and recommendations on the above-mentioned issues; reporting to the Board, as well as the senior management, so as to ensure that all risks of the Bank are controlled within the risk appetite of the Bank;
- (IX) where necessary, hearing the senior management's report on compliance with relevant laws and regulations, regulatory requirements, policies, rules and regulations of the Bank and the relevant arrangements of anti-money laundering work, as well as self-checking results; making a judgment report on senior management's compliance with the relevant provisions, submitting it to the Board for deliberation, and informing the senior management at the same time;
- (X) authorizing the Related Party Transactions Control Committee to exercise relevant functions and powers over the related party transaction control of the Bank;
- (XI) studying and formulating the Bank's green finance strategy;
- (XII) listening to the senior management's report on the implementation of the Bank's green finance strategy, and supervising and evaluating the implementation of the green finance strategy;

- (XIII) reporting to the Board on the implementation of the green finance strategy, and making suggestions and recommendations; and
- (XIV) performing other duties conferred by the Board.

Article 189 The Audit and Consumer Rights Protection Committee shall perform the following duties:

- (I) examining the Bank's financial affairs, reviewing the Bank's financial information and the disclosure thereof;
- (II) supervising and evaluating the Bank's internal control;
- (III) supervising and evaluating the Bank's internal audit work;
- (IV) supervising and evaluating the Bank's external audit work, and making recommendations to the Board on the engagement or dismissal of the accounting firm responsible for the regular statutory audit of the Bank's financial reports;
- (V) supervising the conduct of directors and senior management members when performing their duties;
- (VI) requiring directors and senior management members to make corrections when their conduct harms the interests of the Bank;
- (VII) proposing the dismissal of, or bringing lawsuits according to laws against directors and senior management members who violate laws, administrative regulations, these Articles or the resolutions of Shareholders' general meetings;
- (VIII) supervising the implementation of remuneration management system of the Bank and scientificity and reasonability of remuneration plan of senior management members;
- (IX) supervising and evaluating the performance of due diligence of the Board and senior management in the data governance;
- (X) supervising and evaluating the performance of due diligence of the Board and senior management in the management of the conduct of employees;
- (XI) supervising money laundering risk management, supervising the performance of due diligence of the Board and senior management in money laundering risk management and supervising rectification, and making recommendations and opinions on the Bank's money laundering risk management;
- (XII) supervising the performance of due diligence of the Board and senior management in the reputation risk management, and including the relevant situation in its work reports;

- (XIII) assisting the Board in the management of the audit work of the Bank;
- (XIV) reviewing the internal audit charter and medium-term and long-term audit plans of the Bank;
- (XV) as authorized by the Board, organizing and leading the internal audit work of the Bank, approving the Bank's audit policies and procedures, annual audit work plan and audit budget and supervising the implementation, and evaluating the audit department's working procedures and work results;
- (XVI) enabling communication between internal and external auditors;
- (XVII) reviewing and approving appointment and removal of the head of internal audit department, and evaluating and supervising the performance of the head of the audit department and the audit department;
- (XVIII) hearing the quarterly audit working reports (including the project audit reports) and annual audit working reports presented by the head of audit department, submitting quarterly and annual audit working reports to the Board, and informing the senior management;
- (XIX) hearing audit department's reports on major audit findings from internal, external and regulatory (including but not limited to the banking regulatory authorities of the State Council) audit and on corresponding actions taken by the senior management; urging the senior management to take appropriate corrective measures in time against the control defects, illegal practices and other problems identified by the auditors in the audit report, reporting to the Board, as well as the senior management;
- (XX) examining the financial position, accounting policies & procedures and financial reporting procedures of the Bank, and organizing working bodies to conduct independent supervision and inspection on the implementation, and, if necessary, submitting the opinions for examination to the Board, and informing the senior management at the same time;
- (XXI) directing annual audit of the Bank, organizing the working bodies to audit the Bank's financial reports independently before they are submitted to the Board for deliberation, and making a judgment report on the authenticity, completeness and accuracy of the information in the audited financial report, reporting to the Board for consideration and informing the senior management at the same time;
- (XXII) organizing the working bodies to independently review and evaluate the Bank's internal control and risk management system, supervising and inspecting the implementation and effectiveness of the system, and, if necessary, submitting opinions and suggestions to the Board, and informing the senior management;

- (XXIII) organizing discussions between the working bodies and the senior management on the internal control system of the Bank, and reporting to the Board on related issues so as to urge the senior management to implement the effective internal control system and to comply with the provisions of relevant laws and regulations;
- (XXIV) for the purchase and disposal of fixed assets involved in the daily business activities, in case of projects involving over-budget approval or projects specifying budget limits without detailed contents, with a single expenditure of more than RMB40 million (exclusive) and less than RMB100 million (inclusive), the Committee shall review such expenditure, report it to the chairman of the Board for approval and to the Board for filing;
- (XXV) making recommendations to the Board on matters relating to the appointment, renewal or dismissal of the external auditor responsible for the annual financial statements of the Bank and the relevant terms of employment and remuneration; where necessary, organizing working bodies to evaluate the independence, objectivity and work quality of the external auditor responsible for the Bank's annual financial report, and submitting the evaluation report and relevant recommendations to the Board;
- (XXVI) deciding, when necessary, to engage external agencies to evaluate the audit department's due diligence and to ensure that the external agencies hired are professionally competent and independent of the subject of evaluation and have no conflict of interest with the subject of evaluation;
- (XXVII) drawing up strategies, policies and goals in relation to consumer rights protection work of the Bank;
- (XXVIII) urging the senior management to effectively carry out and execute the relevant work of consumer rights protection;
- (XXIX) regularly hearing special reports on the development of consumer right protection work;
- (XXX) supervising and evaluating the comprehensiveness, timeliness and effectiveness of the Bank's consumer rights protection work, as well as the performance of the senior management;
- (XXXI) reviewing and making recommendations to the Board on proposals for consumer rights protection to be submitted to the Board for consideration; and
- (XXXII) performing other duties conferred by the Board and required by laws and regulations.

Resolutions made by the Audit and Consumer Rights Protection Committee in accordance with the laws and regulations and these Articles when it independently performs its supervisory functions and powers need not be submitted to the Board for review and approval.

The following matters shall be submitted to the Board for review upon approval by more than half of all members of the Audit and Consumer Rights Protection Committee:

- (I) disclosure of the financial information in financial and accounting reports and regular reports, as well as internal control evaluation reports;
- (II) engagement or dismissal of the accounting firm responsible for the regular statutory auditing of the Bank's financial reports;
- (III) engagement or dismissal of the Chief Financial Officer;
- (IV) changes in accounting policies, accounting estimates or corrections of material accounting errors for reasons other than changes in accounting standards;
- (V) other matters specified by laws and regulations, regulatory provisions and these Articles.

Article 190 Meetings of the Audit and Consumer Rights Protection Committee shall be convened at least once quarterly, and a meeting shall only be held when more than two-thirds of the members are present.

When the matter considered at a meeting of the Audit and Consumer Rights Protection Committee is put to the vote, each member shall have one vote. A resolution of the meeting shall be passed by more than half of all members.

Unless otherwise specified in these Articles, the deliberation mode and voting procedures of the Audit and Consumer Rights Protection Committee shall be specified in the committee's working rules prepared by the Board.

Article 191 The Nomination and Remuneration Committee shall perform the following duties:

- (I) reviewing the procedures and standards for the election and appointment of directors and senior management members, making comments and suggestions and submitting them to the Board for consideration;
- (II) nominating directors and senior management members in accordance with the provisions of these Articles and the procedures and standards for the appointment of directors and senior management members; preliminarily examining the qualifications and conditions of directors and senior management members and making recommendations to the Board;

- (III) reviewing the evaluation criteria for directors and senior management members and submitting them to the Board for consideration;
- (IV) reviewing the evaluation reports of directors and senior management members and the mutual evaluation reports of independent directors, making comments and suggestions and submitting them to the Board for consideration;
- (V) reviewing the remuneration plans of directors, senior management members and other personnel in key posts (Basel Guidelines), making suggestions and recommendations on the establishment of a formal and transparent procedure for developing remuneration policies, and submitting them to the Board for consideration;
- (VI) reviewing the overall plan of remuneration for employees of the Bank;
- (VII) reviewing the business performance evaluation indicators and performance evaluation policies of the Bank; and
- (VIII) performing other duties conferred by the Board and required by laws and regulations.

Article 192 The Development Strategy and Inclusive Finance Committee shall perform the following duties:

- (I) reviewing the Bank's operation and development strategies and medium- and long-term development plans;
- (II) periodically evaluating and reviewing the development strategies to ensure that the Bank's development strategies are in line with its operational conditions and changes in the market environment;
- (III) reviewing proposals for merger, division and dissolution of the Bank;
- (IV) reviewing proposals concerning the Bank's capital management planning, listing or other fund raising, use of proceeds, increase or decrease of registered capital, and repurchase of shares of the Bank;
- (V) reviewing the Bank's plans for annual budget, profit distribution, loss recovery and other financial plans that may materially affect its business operations and development, and making suggestions or recommendations on whether they conform to the Bank's development strategies;
- (VI) reviewing the Bank's annual business plans and investment plans and making suggestions or recommendations on whether they conform to the Bank's development strategies;

- (VII) reviewing the plans for the establishment of branches and sub-branches and plans for major adjustment in the establishment of internal management institutions of the Bank, and making suggestions or recommendations on whether they conform to the Bank's development strategies;
- (VIII) reviewing the risk management policies, capital management policies and other management policies that have a significant impact on the development of the Bank, and making suggestions or recommendations on whether they conform to and meet the Bank's development strategies;
- (IX) studying and making suggestions on the external investment of the Bank outside its ordinary course of business;
- (X) studying and making recommendations on other major issues affecting the development of the Bank;
- (XI) formulating the strategic plan and basic management system for the development of inclusive finance business;
- (XII) supervising the implementation of inclusive finance services of the Bank; and
- (XIII) performing other duties conferred by the Board.

Article 193 The Related Party Transactions Control Committee is subordinate to the Risk Management and Green Finance Committee and shall perform the following duties:

- (I) assisting the Board in performing its duties in the management of related party transactions of the Bank;
- (II) prior to the submission to the Board for deliberation of the management measures on related party transactions and connected transactions of the Bank, reviewing the management measures on related party transactions and connected transactions (including the identification of related parties (connected persons), information collection and management of related parties (connected persons), reports and commitments of related parties (connected persons), identification and confirmation, types of related party (connected) transactions and pricing policies, approval procedures and standards, avoidance system, internal audit supervision, information disclosure, supervision of related party (connected) transactions by the Board and operation and management institutions, etc.), and submitting their deliberations to the Board;
- (III) examining related party (connected) transactions in accordance with laws and regulations, requirements of the stock exchange where our securities are listed, and fair, compliant and necessary dealing commercial principles;

- (IV) reviewing major related party transactions, as well as related party transactions between directors, senior management members and their related parties and the Bank;
- (V) examining the disclosure of information on related party (connected) transactions of the Bank, and supervising the authenticity, accuracy and completeness of the disclosure of information on related party (connected) transactions in the Bank's financial reports and public announcements;
- (VI) preparing a special report to the Board each year on the implementation of the related party (connected) transaction management system and related party (connected) transactions; and
- (VII) performing other duties conferred by the Board or the Risk Management and Green Finance Committee of the Board.

Section V Secretary to the Board

Article 194 The Bank has set a secretary to the Board, who is a senior management member of the Bank and shall be accountable to the Board.

Article 195 The secretary to the Board shall be a natural person with the requisite professional knowledge and experience, whose qualifications shall be examined by the competent regulatory authorities. The circumstances for qualifying and disqualifying a person as director of the Bank as stipulated in these Articles shall apply to the secretary to the Board.

Article 196 The main duties of the secretary to the Board are as follows:

- (I) to ensure that the Bank has a complete set of constitutional documents and records;
- (II) to ensure that the Bank prepares and submits the reports and documents required by relevant departments of the State in accordance with laws;
- (III) to prepare Board meetings and Shareholders' general meetings, and be responsible for the minutes of meetings and the safekeeping of meeting documents and records;
- (IV) to be responsible for the information disclosure of the Bank, and ensure the timely, accurate, legal, truthful and complete disclosure of the Bank's information;
- (V) to receive visitors, answer inquiries and contact shareholders, ensuring that the relevant documents and records of the Bank are duly received by persons who are entitled to receive them;
- (VI) to ensure the proper establishment of the Bank's share register and be responsible for keeping the share register, the seal of the Board and relevant materials; and

(VII) to perform other duties stipulated by the laws and regulations and the Articles of Association.

Article 197 The Board shall have an office under it to assist the secretary to the Board in the organization of shareholders' general meetings, meetings of the Board and its special committees, the arrangement of meetings, notice of meetings, resolution of meetings, minutes of meetings, the collation of meeting minutes, and the keeping and filing of meeting documents; and to be responsible for the daily affairs of the Board and its special committees, the information disclosure of the Bank, the keeping of share register, the seal of the Board and relevant materials, the collection, collation and submission of information on the equity pledge of the Bank.

Article 198 Directors or other senior management members of the Bank may concurrently serve as secretary to the Board of the Bank. The accountants of the accounting firm, and the lawyers in the law firm engaged by the Bank may not concurrently serve as secretary to the Board of the Bank.

Article 199 The secretary to the Board shall be nominated by the Chairman of the Board and appointed or dismissed by the Board. Where a Director concurrently serves as the secretary to the Board, if any act needs to be done separately by a Director and the secretary to the Board, the person serving concurrently as Director and the secretary to the Board shall not take such action in both capacities.

Chapter VII Senior Management

Article 200 The senior management shall consist of the president, vice presidents, secretary to the Board, Chief Financial Officer, Chief Risk Officer, Chief Compliance Officer, Chief Information Officer, General Counsel and such other members as determined by the Board of the Bank. The Bank shall have one president and several vice presidents. The president shall be selected by the Nomination and Remuneration Committee under the Board, nominated by the chairman of the Board, and appointed or dismissed by the Board. The vice presidents and other senior management members shall be nominated by the president and submitted to the Board for appointment or dismissal. A director may serve concurrently as president, vice president or other senior management members. The chairman of the Board shall not serve as president concurrently.

The president shall exercise his/her functions and powers in accordance with relevant laws and regulations and the provisions of these Articles. The vice presidents and other senior management members shall assist the president in his/her work and perform their duties in accordance with relevant authority.

The senior management conducts operation and management activities in accordance with these Articles and the authorization of the Board, and shall actively implement the resolutions of the Shareholders' general meeting and the resolutions of the Board, to ensure that the Bank's operations are consistent with the development strategies, risk appetites and other policies as established and approved by the Board. The senior management is accountable to the Board and subject to the supervision of the Audit and Consumer Rights Protection Committee, and shall accurately and fully report the operations and management of the Bank in a timely manner and provide relevant materials as required by the Board and the Audit and Consumer Rights Protection Committee. The operation and management activities of the senior management within the scope of their functions and powers shall not be interfered improperly by shareholders and the Board.

Article 201 A senior management member may serve a term of three years and may serve consecutive terms upon reappointment.

Article 202 The Bank shall sign an appointment contract with senior management members to clarify the rights and obligations of both parties.

Article 203 The president shall be accountable to the Board and shall perform the following functions and powers:

- (I) to take charge of the operation and management of the Bank, and report work to the Board;
- (II) to organize the implementation of the resolutions of the Board;
- (III) to draw up the business development strategies and medium-and long-term development plans of the Bank;
- (IV) to organize the implementation of the annual business plans and investment plans of the Bank;
- (V) to draw up annual budget plans of the Bank;
- (VI) to draw up the profit distribution plans and loss recovery plans of the Bank;
- (VII) to draw up the capital management plans and capital management policies of the Bank;
- (VIII) to propose to the Board to appoint or dismiss the vice president, Chief Financial Officer, Chief Risk Officer and other senior management members of the Bank;
- (IX) to authorize other senior management members and the persons in charge of internal functional departments and branches to conduct operation and management activities in accordance with relevant authorizations, management policies and rules;

- (X) to appoint or dismiss the Bank's staff members other than those to be appointed or dismissed by the Shareholders' general meetings or the Board, and to decide their remuneration and rewards and punishments;
- (XI) to draw up a plan for the establishment of internal management bodies of the Bank and to, in accordance with the authorization of the Board, decide on matters in relation to the establishment of internal management bodies and branches of the Bank;
- (XII) to draft the Bank's basic management system;
- (XIII) to formulate the Bank's specific regulations and supervise their effective implementation;
- (XIV) to propose the convening of interim Board meetings;
- (XV) to take emergency measures and immediately report to the relevant regulatory authorities of the State and the Board of Directors in case of any material emergencies such as a run on the Bank; and
- (XVI) to exercise other functions and powers conferred by the Articles of Association or the Board.

The vice presidents and other senior management members shall assist the president in his/her work; if the position of the president is vacant or the president cannot fulfil his/her powers and functions thereof, the Board of Directors shall designate a person to exercise powers and functions on behalf of the president.

Article 204 The president shall be present at Board meetings, but shall not have voting rights thereat unless he/she is also a director.

Article 205 The president shall, in accordance with the requirements of the Board, timely, accurately and completely report to the Board on the Bank's business performance, important contracts, financial position, risk profile and business prospects.

Article 206 When the president decides on major business issues and makes important rules and regulations, he/she shall first listen to the opinions of the labor union or the employee representative meeting.

Article 207 The president shall formulate the working rules for the senior management and submit them to the Board for approval before implementation.

Article 208 The working rules of the senior management shall specify:

- (I) the conditions and procedure for convening president office meetings, and attendants;
- (II) specific responsibilities of senior management members and their division of labor;

- (III) the right to use funds and assets and conclude important contracts of the Bank, and the system of reporting to the Board; and
- (IV) other matters which the Board deems necessary.

Article 209 Senior management members shall abide by laws and regulations and these Articles, observe professional conduct and high standards of code of ethics, fulfill duty of loyalty and duty of care to the Bank, perform their duties bona fide, with diligence and prudence, and ensure that they have sufficient time and energy to perform their duties and shall not be remiss in performance of duties or act beyond their authority, and shall not seek business opportunities belonging to the Bank for themselves or others, nor accept any interests related to the Bank's transactions. If any member of the senior management causes economic losses to the Bank due to violation of laws and regulations, malpractices and other serious dereliction of duty, he/she shall bear economic and legal liabilities.

The senior management members shall accept the supervision of the Audit and Consumer Rights Protection Committee, and shall regularly provide the Audit and Consumer Rights Protection Committee with information on the Bank's business performance, important contracts, financial position, risk profile and business prospects, and shall not obstruct or hinder such activities as inspection and supervision conducted by the Audit and Consumer Rights Protection Committee in accordance with its authority.

The senior management members shall have the right to request the Audit and Consumer Rights Protection Committee to raise objections and report to the banking regulatory authorities for any acts of the Board that interfere with the operation and management activities in violation of regulations.

Article 210 Senior management members may resign before the expiration of their term of office. Specific procedures and methods for the resignation of senior management members shall be stipulated in the appointment contract between senior management members and the Bank. The senior management members shall not leave office before the off-office auditing is completed.

In case the new president's qualification has not been approved or the president's position is temporarily vacant due to other reasons, the Bank shall appoint a person who meets the corresponding qualifications to perform the duties on his/her behalf, and shall report to the decision-making organ for qualification examination within three days from the date of appointment. The time for performing duties on his/her behalf shall not exceed six months.

Article 211 The Bank shall, on the premise of openness and transparency, select and recruit senior management members mainly through open market recruitment and shareholder recommendation, following the principle of equality of opportunity and selective recruitment.

Article 212 The controlling shareholders, de facto controllers of the Bank and their related parties shall not intervene in the normal processes of selecting and appointing senior management members and shall not directly appoint or dismiss any senior management members of the Bank without the Board's approval.

Chapter VIII Qualifications and Obligations of Directors and Senior Management Members

Article 213 Directors of the Bank shall meet the following criteria:

- (I) shall have full civil capacity;
- (II) shall have good records of compliance with laws and regulations;
- (III) shall be of good character and reputation;
- (IV) shall possess knowledge, experience and abilities required to hold the designated position;
- (V) shall have good practical records in economic and financial industry;
- (VI) shall have sound personal and family financial position;
- (VII) shall have the independence required to hold the designated position;
- (VIII) shall perform the duty of loyalty and diligence to the Bank;
- (IX) shall have more than 5 years of legal, economic, financial, accounting or other work experience conducive to the performance of directors' duties;
- (X) shall be able to use the Bank's financial statements and statistical statements to judge the Bank's operating management and risk profile;
- (XI) shall understand the corporate governance structure, these Articles and the duties of the Board of the Bank; and
- (XII) other criteria required by the laws and regulations.

Article 214 No person shall hold the position of director and senior management member of the Bank in one of the following circumstances:

- (I) a non-natural person;
- (II) a person without or with limited capacity for civil conduct;
- (III) a person with intentional or gross negligence criminal records;

- (IV) a person who has been penalized or sentenced due to corruption, bribery, embezzlement, appropriation of property or the disruption of the socialist market economy, and five years have not elapsed from which the punishment or deprivation of political rights for the crimes committed was carried out, or has been given a suspended sentence, and two years have not elapsed since the expiration of the period of probation;
- (V) a person under investigation by judicial authorities for suspected violations of criminal law and the investigation is still ongoing;
- (VI) a person judged by the relevant regulatory authorities as having violated the provisions of relevant securities laws and regulations, the violation involves fraudulent or dishonest acts, and less than five years have elapsed since the ruling;
- (VII) a person with misconducts in violation of social morality, resulting in baneful impact;
- (VIII) a person who was personally liable or had direct leadership responsibility for the operation activities in violation of laws and regulations or material losses of the entity which he/she worked for, and the case was serious;
- (IX) a person who serves as a director or factory manager or manager of a company or an enterprise subject to bankruptcy liquidation, and such person is personally liable for the bankruptcy of such company or enterprise, where less than three years have elapsed since the date of completion of the bankruptcy liquidation of such company or enterprise;
- (X) a person who serves or served as a director or senior management member of an entity which is taken over, cancelled, declared bankrupt or having its business license revoked, unless the person could prove that he/she is not personally liable for such issues;
- (XI) a legal representative of companies or enterprises whose business licenses were revoked or which were compulsorily closed down due to a violation of laws in which such person was personally liable, and three years have not elapsed from which the business license of the company or enterprise was revoked or it was compulsorily closed down;
- (XII) a person whose breach of professional ethics or conduct, or serious dereliction of duty has led to material losses or baneful impact;
- (XIII) a person who instigates the entity in which he/she serves not to cooperate in legal supervision or case investigation, or participates in such non-cooperation;
- (XIV) a person disqualified as a director or senior management member for a lifetime, or punished for more than twice by regulatory authorities or other financial regulatory departments;
- (XV) a person identified by the banking regulatory authorities of the State Council as being banned from entering the market and whose ban has not been lifted;

- (XVI) a person who lacks the qualification as required in these Articles and takes improper means to obtain approval for his/her qualification;
- (XVII) a person who is listed as a judgment defaulter by a people's court for his/her failure to repay a relatively huge amount of personal debt overdue;
- (XVIII) a person or his/her spouse who is still in default on a relatively large amount of overdue debt, including but not limited to overdue loans with the Bank;
- (XIX) a person and his/her close relatives who jointly holding more than 5% of the Bank's shares, with the total credits from the Bank significantly exceeding the net equity of the Bank held by him/her/them;
- (XX) a person and the shareholder entity controlled by him/her who/which jointly holding more than 5% of the Bank's shares, with the total credits from the Bank significantly exceeding the net equity of the Bank held by him/her/them;
- (XXI) a person or his/her spouse who works in the shareholder entity holding more than 5% of the Bank's shares, with the total credits obtained by such shareholder entity from the Bank significantly exceeding the net equity of the Bank held by it, unless it can be proven that such credit has no relationship with him/her or his/her spouse;
- (XXII) circumstances in which a person's other positions have obvious conflicts of interest with his/her proposed position and current position in the Bank, or obviously disperse his/her time and energy for performing duties in the Bank;
- (XXIII) a person banned from holding leadership positions as stipulated by the laws and regulations; and
- (XXIV) a person banned from serving as a director and senior management member of the Bank as stipulated by the laws and regulations.

The election or appointment of directors and senior management members in contravention to the provisions under the preceding paragraph shall be null and void. Upon any contravention of the above by the directors or senior management members during their term of office, the Bank shall remove them from their position.

The term "close relatives" in these Articles includes spouses, parents, children, siblings, grandparents, maternal grandparents, grandchildren and maternal grandchildren.

Article 215 Directors of the Bank shall perform the following duties or obligations:

- (I) they shall pay continuous attention to the operations and management of the Bank, and are entitled to require the senior management to provide relevant materials reflecting the Bank's operations and management in a comprehensive, timely and accurate manner or to make explanations on relevant issues;

- (II) they shall attend the Board meetings on time, fully examine the matters considered by the Board, express opinions independently, professionally and objectively, and vote independently on the basis of prudent judgment;
- (III) they shall be liable for the resolutions of the Board;
- (IV) they shall supervise the implementation of the resolutions of the Shareholders' general meeting and the Board by the senior management;
- (V) they shall actively participate in training organized by the Bank and regulatory authorities, understand the rights and obligations of directors, be familiar with relevant laws, regulations and regulatory provisions, and maintain the professional knowledge and capabilities required for performing their duties;
- (VI) they shall be accountable to the Bank and all shareholders, and treat all shareholders fairly when performing duties;
- (VII) they shall observe a high standard of code of professional ethics and take into account the legitimate rights and interests of stakeholders;
- (VIII) they shall fulfill the duty of loyalty and duty of diligence to the Bank, perform duties with due diligence and prudence, and ensure that they have sufficient time and energy to perform their duties;
- (IX) they shall observe laws and regulations, regulatory provisions and these Articles.

Chapter IX Financial Accounting System, Profit Distribution and Audit

Section I Financial Accounting System

Article 216 The Bank shall formulate its financial accounting system in accordance with the laws and regulations.

Article 217 The Bank shall prepare its annual financial report at the end of each financial year, which shall be audited by the accounting firm in accordance with the laws. The Bank shall publish its financial report twice each financial year, i.e. publish the interim financial report within two months after the end of the first half of each financial year and publish its annual financial report within four months after the end of each financial year.

If the securities regulators in the place where the Shares are listed have regulations otherwise, such regulations shall prevail.

Article 218 The fiscal year of the Bank shall begin on January 1 and end on December 31 of the Gregorian calendar.

- Article 219** The Bank's annual financial report shall include the following:
- (I) a balance sheet;
 - (II) a statement of profits;
 - (III) a profit distribution statement;
 - (IV) cash flow statement; and
 - (V) notes to the accounting statements.
- Article 220** The Bank shall prepare its financial statements in accordance with PRC accounting standards and regulations; as well as in accordance with international accounting standards or the accounting standards of the overseas listing place. If there are any material differences between the financial statements prepared in accordance with the two accounting standards, such differences shall be stated in the notes to the financial statements. When distributing the after-tax profits for the relevant fiscal year, the Bank shall adopt the one with the lower after-tax profits out of the aforesaid two financial statements.
- Article 221** The interim results or financial information published or disclosed by the Bank shall be prepared in accordance with the PRC accounting standards and regulations, as well as the international accounting standards or the accounting standards of the overseas listing place.
- Article 222** The Bank shall not establish account books other than the statutory account books. No funds of the Bank may be kept in any account opened in the name of any individual.
- Article 223** The after-tax profits of the Bank shall be distributed in the following order of priority:
- (I) to make up for the losses of the previous year;
 - (II) to set aside 10% to statutory reserve fund;
 - (III) to set aside general (risk) reserve;
 - (IV) to set aside discretionary reserve fund; and
 - (V) to pay dividends to shareholders.
- The Bank shall not be entitled to any distribution of profits in respect of shares held by it.
- Article 224** In formulating a prudent profit distribution plan, the Bank shall meet the requirements of the Bank's capital adequacy ratio at present and in a reasonable period thereafter, and, at the same time, shall give due consideration to the sustainable development needs and take into account the long-term interests of the Bank and the overall interests of all shareholders.

- Article 225** The Bank's major shareholders should support the Bank to adjust its profit distribution policy according to its own operating conditions, risk exposure, capital planning and market environment, and balance the relationship between cash dividends and capital replenishment. The Bank's major shareholders shall support the Bank in reducing or not making cash dividends if any of the following circumstances exist:
- (I) where its capital adequacy ratios do not meet regulatory requirements;
 - (II) where its corporate governance assessment result is lower than class C or regulatory rating is lower than grade 3;
 - (III) where the allowance for loan losses is below regulatory requirements or the non-performing loan ratio is significantly higher than the industry average level;
 - (IV) where there is major risk incident or a serious violation of laws or regulations by the Bank;
 - (V) other circumstances where the regulatory authorities consider that dividends should not be paid.
- Article 226** If the accumulated statutory reserve fund of the Bank is more than 50% of the registered capital of the Bank, the statutory reserve fund may be set aside no more. After setting aside the statutory reserve fund, whether or not to set aside any discretionary reserve fund shall be determined at the Shareholders' general meeting. The Bank shall not distribute profits to shareholders before making up for the losses of the Bank and setting aside the statutory reserve fund and general (risk) reserve.
- Article 227** The reserve funds of the Bank are used to make up the losses of the Bank, to finance the expansion of its production and operations or to be converted into the registered capital.
- When the reserve fund is used to make up for the Bank's losses, the discretionary reserve fund and statutory reserve fund shall be utilized at first; if it is still insufficient, the capital reserve fund may be used according to regulations.
- Upon the resolution of the general meeting to convert the reserve fund into share capital, new shares shall be distributed according to the original share proportion of shareholders, provided, however, that when the statutory reserve fund is converted to share capital, the balance of the fund shall not be less than 25% of the registered capital.
- Article 228** The capital reserve fund shall include:
- (I) the premium resulting from issuance of shares at a price above par value; and
 - (II) other revenues required by the competent financial authorities under the State Council to be stated as capital reserve fund.
- Article 229** After the profit distribution plan is adopted at the Shareholders' general meeting, the Board of the Bank shall finish distributing dividends (or shares) within 2 months after conclusion of the Shareholders' general meeting.
- Article 230** The Bank may distribute dividends in cash or by Shares.

Article 231 The Bank shall appoint for holders of H Shares receiving agents. The receiving agents shall receive on behalf of the Shareholders concerned the dividends distributed and other funds payable by the Bank in respect of the H Shares.

The receiving agents appointed by the Bank shall comply with the laws of the locality in which the Bank's shares are listed or the relevant requirements of the stock exchange.

Article 232 Subject to the laws and regulations, the Bank may exercise the power to seize dividends not claimed, but the said power shall only be exercised after expiry of the applicable validity period after dividend declaration.

The Bank shall have the right to cease delivering dividend notice to the holders of H Shares by mail, but such right can only be exercised after the dividend notice has not been drawn twice consecutively. If a dividend notice fails to reach the expected recipient in the initial mail delivery and is returned, the Bank may exercise the right promptly.

Article 233 Subject to the laws and regulations, the Bank shall have the right to sell the shares of the unreachable holders of H Shares through the methods the Board deems appropriate and subject to the following conditions:

- (I) the Bank has distributed dividends on such shares at least three times in a period of 12 years and the dividends are not claimed by anyone during that period; and
- (II) after the expiration of the twelve-year period, the Bank makes a public announcement in one or more newspapers in the place where the Bank's shares are listed, stating its intention to sell such shares and notifies the securities regulatory authority of the place where the Bank's shares are listed of such intention.

Section II Internal Audit

Article 234 The Bank shall implement an internal audit system, with professional audit personnel to undertake internal auditing and supervision of the Bank's financial income and expenditures and economic activities.

Article 235 The internal audit system and the duties of the audit personnel shall be implemented upon approval by the Board. The person in charge of audit shall be responsible to and report works to the Party committee of the Headquarters, the Board and the Audit and Consumer Rights Protection Committee of the Board.

Section III Appointment of Accounting Firms

Article 236 The Bank shall appoint an independent accounting firm which meets the relevant requirements of the State to audit the Bank's annual financial reports and review the Bank's other financial reports, and it shall hold office for one year, and may be re-appointed.

- Article 237** The appointment of the accounting firm to audit for the Bank shall be determined at the Shareholders' general meeting. The Bank shall not appoint any accounting firm controlled by any related party to audit the Bank.
- Article 238** The accounting firm appointed by the Bank shall hold office for one year from the conclusion of the annual general meeting at which it is appointed to the conclusion of the next annual general meeting and may be re-appointed.
- Article 239** If a vacancy occurs on the post of accounting firm, the Board may appoint an accounting firm to fill such vacancy before the convening of the Shareholders' general meeting. Any other accounting firm which has been appointed by the Bank may continue to act during the period during which a vacancy arises. The accounting firm appointed by the Board to fill the vacancy shall be ratified at the Shareholders' general meeting.
- Article 240** The remuneration of the accounting firm or the manner in which such firm is to be remunerated shall be determined by the Shareholders' general meeting.
- Article 241** The Bank shall notify the accounting firm 15 days before the dismissal or non-reappointment of such accounting firm. The accounting firm is permitted to present its views when the dismissal of such accounting firm is voted by the Shareholders' general meeting. In the event the accounting firm proposes to resign from its position, it shall explain to the Shareholders' general meeting whether there has been any impropriety on the part of the Bank.

Chapter X Notice and Announcement

- Article 242** Notice of the Bank shall be given in one of the following ways unless otherwise provided by these Articles:
- (I) by personal delivery;
 - (II) by courier or post;
 - (III) by fax;
 - (IV) by announcement on the newspaper or other media;
 - (V) by announcement on the website designated by the Bank and the securities regulatory authorities at the place where the Bank's shares are listed in accordance with the laws, regulations and rules of the securities regulatory authorities of the place where the Bank's shares are listed;
 - (VI) by other means agreed before between the Bank and the recipient or approved by the recipient upon receipt of notice; and
 - (VII) by other means approved by the securities regulatory authorities of the place where the Bank's shares are listed or specified in these Articles.

- Article 243** Unless otherwise provided by these Articles, where a notice of the Bank is served by announcement, the said notice shall be deemed as received by the relevant persons once the said notice is announced.
- Article 244** Except as otherwise provided in these Articles, notices of meetings of the Board of Directors and its special committees convened by the Bank shall be delivered in writing by personal delivery, courier, post, fax, and information publishing platforms designated by the Bank.
- Article 245** Unless otherwise provided in these Articles, if the notice of the Bank is sent by personal delivery or by express, the recipient shall affix signature (or seal) on the service return receipt and the signing date shall be the date of service; if the notice is sent by post, the fifth workday after handover to the post office shall be the date of service; if the notice is sent by announcement, the date of first announcement shall be the date of service; if the notice is sent by fax, the date when the fax is sent shall be the date of service. If the notice is sent by the information publishing platform designated by the Bank, the date of publication shall be the date of service.
- Article 246** Matters that must be announced in accordance with laws and regulations shall be announced in accordance with laws.
- Article 247** Subject to laws and regulations and these Articles, as long as the Bank uses electronic form to send or otherwise provide relevant corporate communications to the relevant holders of the Bank's securities, the Bank has complied with any requirement in the Hong Kong Listing Rules for the Bank to send, mail, distribute, issue, publish or otherwise provide any corporate communications; in addition, as long as the Bank's corporate communications are prepared in electronic format, it has already complied with any requirements in the Hong Kong Listing Rules that require the Bank's corporate communications to be in printed form.
- Article 248** If the securities regulatory authorities of the place where the Bank's shares are listed stipulate that the Bank shall send, post, distribute, deliver, announce or otherwise provide the related documents of the Bank in English and Chinese, if the Bank has made appropriate arrangement to confirm whether the shareholders hope to receive only the English version or the Chinese version, the Bank may (as per the intent stated by the shareholders) send only the English version or the Chinese version to the related shareholders within the range allowed by the applicable laws and regulations and pursuant to the applicable laws and regulations.

Chapter XI Merger, Division, Dissolution and Liquidation

Section I Merger or Division

- Article 249** The Bank may merge or divide according to law. The division and merger of the Bank shall comply with the Company Law, the Law on Commercial Banks and other laws and regulations.

- Article 250** Merger of the Bank may be in two forms: merger by absorption and merger by consolidation.
- Article 251** The merger or division of the Bank shall be handled in accordance with the following procedures:
- (I) The Board draws up a merger or division plan;
 - (II) The Shareholders' general meeting makes a resolution in accordance with the provisions of these Articles;
 - (III) The parties sign a merger or division contract;
 - (IV) Going through relevant approval procedures in accordance with law;
 - (V) Dealing with various matters relating to mergers or divisions such as claims and debts; and
 - (VI) Going through registration for dissolution or change.
- Article 252** If the Bank is involved in a merger, the parties to the merger shall enter into a merger agreement. The parties to the merger shall prepare a balance sheet and an inventory of assets. The Bank shall notify its creditors within 10 days after the adoption of the merger resolution and shall publish announcements in newspapers or the National Enterprise Credit Information Publicity System within 30 days. The creditors may require the Bank to repay debts or provide corresponding guarantees within 30 days after receipt of the notice or within 45 days after the announcement if the creditors haven't received the notice.
- Article 253** Where the Bank is divided, its properties shall be divided accordingly. In the event of division of the Bank, the parties concerned shall conclude a division agreement and prepare balance sheets and property inventories. The Bank shall notify its creditors within 10 days after adoption of the division resolution and shall make announcements in newspapers or the National Enterprise Credit Information Publicity System within 30 days.
- Article 254** In the event of merger or division of the Bank, the Board of the Bank shall take necessary action to protect the legitimate rights and interests of the shareholders who are opposed to the merger or division of the Bank.
- Article 255** The assets, claims and debts of the parties to the merger or division of the Bank shall be specified in contracts.
- After merger of the Bank, the claims and debts of parties to the merger shall be inherited by the company subsisting after merger or by the newly established company.
- The companies after division shall bear the debts of the Bank before division according to the agreement reached.

Article 256 Change in registered particulars arising from a merger or division of the Bank shall be registered with the company registration authority according to law. If the Bank is dissolved, it shall be deregistered according to law. If a new company is established, such establishment shall be registered according to law.

Section II Dissolution and Liquidation

Article 257 The Bank is dissolved due to the following reasons:

- (I) the term of operation specified in these Articles expires or any other circumstances for dissolution specified in these Articles arise;
- (II) if the Shareholders' general meeting resolves to do so;
- (III) if a dissolution is necessary as a result of a merger or division;
- (IV) if its business license is revoked, or it is ordered to close or cancelled according to law;
- (V) if the Bank gets into serious trouble in operations and management and continuation may incur material losses to the interests of the shareholders, and no solution can be found through any other channel, the shareholders holding more than 10% of the voting rights of the Bank may request the people's court to dissolve the Bank.

If any of the circumstances for dissolution specified in the preceding paragraph arises, the Bank shall publicize the circumstance for dissolution through the National Enterprise Credit Information Publicity System within 10 days.

The Bank's liquidation and dissolution matters shall comply with the requirements of the Company Law, the Commercial Banking Law and the exchange where the Bank's securities are listed, and shall be approved by relevant regulatory authorities, if required.

Where the Bank is dissolved pursuant to (I), (II), (IV) and (V) of Paragraph 1 of the above Article, it shall be liquidated. The directors, who are the Bank's liquidation obligors, shall set up a liquidation committee to commence the liquidation within 15 days from the date on which the circumstance for dissolution occurs. The liquidation committee shall be composed of directors, unless otherwise specified in these Articles or another person is appointed according to a resolution at a Shareholders' general meeting.

The liquidation obligors shall assume compensation liability if the Bank or creditors incur losses as a result of the liquidation obligors' failure to perform their liquidation obligations in a timely manner.

- Article 258** During liquidation, the liquidation committee shall exercise the following functions and powers:
- (I) to inform creditors by notice or announcement;
 - (II) to liquidate the assets of the Bank and prepare a balance sheet and a property inventory separately;
 - (III) to deal with the outstanding businesses of the Bank relating to liquidation;
 - (IV) to pay off the outstanding taxes and taxes arising in the course of liquidation;
 - (V) to settle creditor's rights and debts;
 - (VI) to distribute the remaining assets of the Bank after repayment of debts; and
 - (VII) to represent the Bank in civil proceedings.
- Article 259** The liquidation committee shall notify the creditors within 10 days after its establishment and shall make announcements in newspapers or the National Enterprise Credit Information Publicity System within 60 days.
- Article 260** The creditors shall declare their creditor's rights to the liquidation committee within 30 days after receipt of the notice or within 45 days after announcement if the creditors have not received the notice. When declaring their creditor's rights, the creditors shall explain matters relating to their rights and provide relevant evidential documents. The liquidation committee shall register the creditor's rights. During period of declaration of creditor's rights, the liquidation committee shall not settle the creditor's debts.
- Article 261** After the liquidation committee has liquidated the assets of the Bank and prepared a balance sheet and a property inventory, it shall formulate a liquidation proposal and submit it to the Shareholders' general meeting or the relevant competent authorities for confirmation.
- Article 262** The assets of the Bank shall be liquidated in the following order of priority:
- (I) to pay liquidation expenses;
 - (II) to pay employees' salaries, social insurance expenses and statutory compensations of the Bank;
 - (III) to pay principal and interests of personal savings deposits;
 - (IV) to pay outstanding taxes;
 - (V) to pay debts of the Bank; and

- (VI) to distribute as per the types of the shares held by the Shareholders and their shareholding percentages.

The Bank shall subsist during the liquidation period, but it shall not carry out business activities that do not relate to the liquidation. Before liquidation as specified in (I) to (V) of the preceding paragraphs, the assets of the Bank shall not be distributed to shareholders.

Article 263 After the liquidation committee has liquidated the assets of the Bank and prepared a balance sheet and a property inventory, if it discovers that the Bank's assets are insufficient to repay its debts in full, it shall apply to the people's court for bankruptcy liquidation upon the approval of the banking regulatory authority. Once the people's court has accepted the application for bankruptcy, the liquidation committee shall hand over the liquidation matters to a bankruptcy administrator designated by the people's court.

Article 264 After completion of liquidation, the liquidation committee shall prepare a liquidation report and submit the same to the Shareholders' general meeting or the relevant competent authority for confirmation, and submit the aforesaid documentation to the Bank's registration authority, and apply to cancel company registration.

Members of the liquidation committee shall carry out their liquidation duties and fulfill the duty of loyalty and duty of diligence. Members of the liquidation committee shall assume compensation liability if the Bank incurs losses as a result of the remissness of the said members in carrying out liquidation duties. Members of the liquidation committee shall assume compensation liability if creditors incur losses as a result of the deliberate or gross default of the said members.

Chapter XII Amendments to these Articles

Article 265 The Bank may amend these Articles in accordance with the provisions of laws and regulations and these Articles.

Article 266 The Bank shall amend these Articles in any of the following circumstances:

- (I) after the Company Law or other relevant laws and regulations are amended, if any term contained in these Articles becomes inconsistent with the mandatory provisions of the amended laws and regulations;
- (II) the conditions of the Bank have changed, and such change is inconsistent with matters contained in these Articles; and
- (III) the Shareholders' general meeting decides to amend these Articles.

- Article 267** If any amendment approved by the Shareholders' general meeting to these Articles requires approval of the competent authorities, it shall be submitted to the original competent authority for approval; if the amendment involves registration of the company, the involved change shall be registered pursuant to law.
- Article 268** The Board shall amend these Articles in accordance with the resolution to amend these Articles passed at the Shareholders' general meeting and examination and approval opinions from relevant competent authorities. If the Bank changes its name, domicile, equity, registered capital or business scope, it shall modify the corresponding articles of these Articles within six months after the decision of the competent authorities and report to the banking regulatory authorities of the State Council.
- Article 269** Where the amendments to these Articles constitute information that shall be disclosed under the laws and regulations, the Bank shall disclose such amendments according to the regulations.
- Article 270** Any amendment approved by the Shareholders' general meeting to these Articles shall be submitted to the competent authorities for approval; if the amendment involves registration of the company, the involved change shall be registered pursuant to law.

Chapter XIII Settlement of Disputes

- Article 271** The Bank shall observe the following rules for settlement of disputes:
- (I) Where any disputes or claims arise between a H Shareholder and the Bank; between a H Shareholder and a Director or senior management member of the Bank; or between a H Shareholder and a holder of domestic unlisted shares, in relation to the Bank's business and arising from the rights and obligations under the Articles of Association, the Company Law and other relevant laws and administrative regulations, the parties concerned shall submit such disputes or claims to arbitration.
 - (II) The aforesaid disputes or claims submitted to arbitration shall be the entire claims or disputes; all the persons who complain for the same reason or persons whose participations are required for the settlement of such disputes or claims shall, if they are in the capacity of the Bank or the Bank's Shareholders, Directors or senior management members, comply with the result of the arbitration.
 - (III) Disputes with respect to the definition of Shareholders and disputes concerning the register of Shareholders need not to be resolved by arbitration.

- (IV) The applicant for arbitration may choose to be arbitrated either by the China International Economic and Trade Arbitration Commission in accordance with its arbitration rules or the Hong Kong International Arbitration Centre in accordance with its securities arbitration rules. Once the applicant for arbitration submits a dispute or claim to arbitration, the other party must carry out the arbitration at the arbitration institution selected by the applicant. If the applicant for arbitration opts for arbitration by the Hong Kong International Arbitration Centre, either party may request for the arbitration to be conducted in Shenzhen in accordance with the securities arbitration rules of the Hong Kong International Arbitration Centre.
- (V) For the arbitration of any disputes or claims described in item (I) under this Article, the laws of the PRC shall apply, unless otherwise provided in the laws and administrative regulations.
- (VI) The decision made by the arbitral body shall be final and binding on all parties.

Chapter XIV Supplementary Provisions

- Article 272** These Articles are written in Chinese. In case of any inconsistency between these Articles and the Articles of Association in any other language or of different versions, the latest Chinese version of the Articles of Association approved by and registered with the administrative authority for Industry and Commerce shall prevail.
- Article 273** Except as otherwise provided herein, for the purpose of these Articles, references to “above”, “within”, “below”, “before”, and “expiry” shall include the actual figures, while references to “less than”, “other than”, “short of”, “more than”, “lower than”, “exceeding”, and “over” shall exclude the actual figures.
- Article 274** The “Controlling Shareholder(s)” referred to herein shall refer to the person satisfying any of the following conditions:
- (I) the shareholder may elect more than half of the Directors when acting alone or in concert with others;
 - (II) the shareholder may exercise or control the exercise of above 30% of the voting rights of the Bank when acting alone or in concert with others;
 - (III) the shareholder holds above 30% of issued and outstanding shares of the Bank when acting alone or in concert with others; and
 - (IV) the shareholder may de facto control the Bank in any other manner when acting alone or in concert with others.

The term “acting in concert” referred to in this article shall mean consensus reached between two or more persons by way of agreement, whether verbal or written, to acquire voting rights in the Bank by any one of them, for the purpose of controlling or consolidating the control over the Bank.

Article 275 The term “major shareholder” in these Articles refers to a shareholder who meets one of the following conditions:

- (I) holding more than 15% of the Bank’s equity;
- (II) actually holding the most equity in the Bank and the shareholding is not lower than 5% (including shareholders holding the same number of shares);
- (III) nominating more than two directors;
- (IV) having a controlling influence on the operation and management of the Bank in the view of the Board of the Bank;
- (V) other circumstances recognized by the banking regulatory authorities of the State Council or its local offices.

The shareholdings of shareholders, their related parties and parties acting in concert are calculated in aggregate. If the total shareholding meets the above requirements, the relevant shareholders are considered as major shareholders for management.

Article 276 The term “written resolutions” referred to in these Articles means a meeting convened by serving the resolutions for separate review or by circulating the resolutions for review.

The meaning of the “accounting firm” mentioned in these Articles is the same as that of “auditors” as referred to in the Hong Kong Listing Rules.

Article 277 “De facto controller” means a person who is able to get the de facto control of the Bank through investment relationships, agreement or other arrangements.

Article 278 After adoption by the Shareholders’ general meeting and approval by the banking regulatory authorities of the State Council, these Articles shall become effective. The original Articles of Association of the Bank shall automatically become invalid from the date when these Articles take into effect.

Article 279 The Board of the Bank shall be responsible for the interpretation of these Articles.