

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **CHINA DEVELOPMENT BANK CORPORATION**

*(a state-owned development finance institution organised under the laws of the People's Republic of China)*

**RMB133,000,000 3.45 per cent. Bonds due 2017**

**(Stock Code: 85903; ISIN: HK0000098357; CMU Number: BCHKFB12005)**

**RMB2,500,000,000 4.20 per cent. Bonds due 2027**

**(Stock Code: 85904; ISIN: HK0000098928; CMU Number: BCMKFC12005)**

**RMB1,000,000,000 4.30 per cent. Bonds due 2032**

**(Stock Code: 85905; ISIN: HK0000119328; CMU Number: BCMKFB12032)**

**RMB1,700,000,000 3.60 per cent. Notes due 2018**

**(Stock Code: 85933; ISIN: HK0000171204; CMU Number: BCMKFN13066)**

**RMB900,000,000 4.50 per cent. Notes due 2028**

**(Stock Code: 85934; ISIN: HK0000171220; CMU Number: BCMKFN13067)**

**RMB1,000,000,000 3.35 per cent. Notes due 2017**

**(Stock Code: 85951; ISIN: HK0000182961; CMU Number: BCMKFN14011)**

**RMB500,000,000 4.35 per cent. Notes due 2024**

**(Stock Code: 85989; ISIN: HK0000209202; CMU Number: BCMKFN14071)**

**US\$1,000,000,000 2.125 per cent. Notes due 2021**

**(Stock Code: 5659; ISIN: XS1422299518)**

**EUR1,000,000,000 0.50 per cent. Notes due 2021**

**(Stock Code: 5661; ISIN: XS1422314689)**

**US\$600,000,000 3.00 per cent. Notes due 2026**

**(Stock Code: 5660; ISIN: XS1422334448)**

**US\$1,000,000,000 1.625 per cent. Notes due 2019**

**(Stock Code: 5678; ISIN: XS1435771479)**

**US\$600,000,000 Floating Rate Notes due 2019**

**(Stock Code: 5681; ISIN: XS1441719777)**

**issued by China Development Bank Corporation (the "Bank")**

**and**

**EUR500,000,000 0.125 per cent. Notes due 2019**

**(Stock Code: 5864; ISIN: XS1513480761)**

**US\$350,000,000 1.875 per cent. Notes due 2021**

**(Stock Code: 5865; ISIN: XS1513492188)**

**issued by China Development Bank Corporation Hong Kong Branch  
(the “Hong Kong Branch”)**

**ANNOUNCEMENT OF  
THE BANK’S NEW ARTICLES OF ASSOCIATION  
APPROVED BY THE STATE COUNCIL**

We refer to the following:

- the notice of listing dated 2 August 2012 in relation to the listing of the RMB133,000,000 3.45 per cent. bonds due 2017 (Stock Code: 85903) issued by the Bank;
- the notice of listing dated 2 August 2012 in relation to the listing of the RMB1,500,000,000 4.20 per cent. bonds due 2027 and the RMB1,000,000,000 4.20 per cent. bonds due 2027 (to be consolidated and form a single series with the RMB1,500,000,000 4.20 per cent. Bonds due 2027 (Stock Code: 85904)) issued by the Bank;
- the notice of listing dated 2 August 2012 in relation to the listing of the RMB1,000,000,000 4.30 per cent. bonds due 2032 (Stock Code: 85905) issued by the Bank;
- the notice of listing dated 13 November 2013 in relation to the listing of the RMB1,700,000,000 3.60 per cent. Notes due 2018 (Stock Code: 85933) issued by the Bank;
- the notice of listing dated 13 November 2013 in relation to the listing of the RMB900,000,000 4.50 per cent. Notes due 2028 (Stock Code: 85934) issued by the Bank;
- the notice of listing dated 20 March 2014 in relation to the listing of the RMB1,000,000,000 3.35 per cent. Notes due 2017 (Stock Code: 85951) issued by the Bank;
- the notice of listing dated 6 August 2014 in relation to the listing of the RMB500,000,000 4.35 per cent. Notes due 2024 (Stock Code: 85989) issued by the Bank;
- the notice of listing dated 1 June 2016 in relation to the listing of the US\$1,000,000,000 2.125 per cent. notes due 2021 (Stock Code: 5659) issued by the Bank;
- the notice of listing dated 1 June 2016 in relation to the listing of the EUR1,000,000,000 0.50 per cent. notes due 2021 (Stock Code: 5661) issued by the Bank;
- the notice of listing dated 1 June 2016 in relation to the listing of the US\$600,000,000 3.00 per cent. notes due 2026 (Stock Code: 5660) issued by the Bank;
- the notice of listing dated 22 June 2016 in relation to the listing of the US\$1,000,000,000 1.625 per cent. Notes due 2019 (Stock Code: 5678) issued by the Bank;
- the notice of listing dated 8 July 2016 in relation to the listing of the US\$600,000,000 Floating Rate Notes due 2019 (Stock Code: 5681) issued by the Bank;

- the notice of listing dated 3 November 2016 in relation to the listing of the EUR500,000,000 0.125 per cent. Notes due 2019 (Stock Code: 5864) issued by the Hong Kong Branch; and
- the notice of listing dated 3 November 2016 in relation to the listing of the US\$350,000,000 1.875 per cent. Notes due 2021 (Stock Code: 5865) issued by the Hong Kong Branch.

On 24 November 2016, the State Council approved the new articles of association of the Bank (the “**New Articles**”), which took effect on the same date. The New Articles has clearly set forth the fundamental system and organisation, and reflected the characteristics and reform requirements, of a development finance institution, and provides institutional safeguards for our operation and development. The Bank is focusing on completing the relevant procedures for the implementation of the New Articles.

According to the New Articles, our registered name will be changed to China Development Bank. As at the date hereof we are in the process of registering the name change with the State Administration of Industry and Commerce.

We are a state-owned development finance institution established by the PRC government as an independent legal entity. Our operations are subject to the direct leadership of the State Council, in support of the development of key sectors and weak links in the PRC economy. Our registered capital is RMB 421,248,365,382. We are wholly owned, directly or indirectly, by the PRC government, with the Ministry of Finance, Central Huijin Investment Ltd. (中央匯金投資有限責任公司), Buttonwood Investment Holding Company Ltd. (梧桐樹投資平臺有限責任公司) and National Council for Social Security Fund each holding an equity interest of approximately 36.54%, 34.68%, 27.19% and 1.59%.

The New Articles provides that any notes issued by us to finance our development business benefit from state credit support, and the investment of financial institutions in the PRC banking industry in such notes shall be given a risk weighting of 0% for regulatory purpose. The investment of the entities in the securities and insurance industries in such notes shall be treated by referring to the policy in the preceding provision.

According to the New Articles, our business scope includes:

- deposit taking from corporate customers;
- making short-, medium- and long-term loans;
- entrusted loans;
- making sub-loans with the support from small- and medium-size financial institutions;
- domestic and international settlement;
- acceptance and discount of negotiable instruments;
- issuance of financial bonds and other marketable securities;
- acting as agent for the issuance, repayment and underwriting of government bonds, financial bonds and debentures;
- trading in government bonds, financial bonds and credit bonds;
- interbank borrowing and lending;
- sale and purchase of foreign exchange on our own account or for customers;
- settlement and sale of foreign exchange;
- trading derivatives on our own account or for customers;
- letter of credit related business and issuance of guarantees;
- collection and payment agent and bancassurance business;
- safety deposit box services;
- asset management business;

- asset securitisation business;
- consultancy;
- banking business of our overseas branches authorised by us and permitted under local law;
- business such as investment and investment management, securities, financial leasing, banking and asset management legally carried out by our subsidiaries; and
- other business permitted by the banking regulatory authority under the State Council.

The following is a summary of the provisions of the New Articles relating to our internal governance structure.

### ***Directors and Board of Directors***

Our board of directors is composed of 13 directors, including three executive directors (including the chairman) and ten non-executive directors (including four ministry/commission directors and six equity interest directors). “Ministry/commission directors” are the persons appointed by the National Development and Reform Commission, the Ministry of Finance, the Ministry of Commerce and the People’s Bank of China as directors, and who also act as the responsible officers of PRC ministries or commissions. “Equity interest directors” are those appointed by our equity interest holders. Our directors serve a term of three years commencing on the date that their respective eligibility for directorship is approved by the China Banking Regulatory Commission, subject to successive re-election for an additional term.

Our board of directors meets at least four times a year. The quorum for the meeting of our board of directors is more than one half of all the directors. If a director cannot attend a meeting, he may appoint in writing another director as his proxy. A ministry/commission director may appoint another person in his department as his proxy to attend the meeting.

The principal powers of our board of directors include:

- considering and approving our medium- and long-term development strategies, annual business plans and investment plans;
- formulating our annual financial budget and final accounts;
- considering and approving our annual bond issuance plans;
- considering and approving plans for our capital management and issuances of capital instruments;
- formulating our profit distribution plans and loss make-up plans;
- preparing our registered capital increase or reduction plans, and submitting such plans to the State Council for approval according to relevant procedures;
- preparing amendment plans to our articles of association, and submitting such plans to the State Council for approval according to relevant procedures;
- formulating rules of the procedures of the board of directors, and revision plans;
- considering and approving our material projects, including but not limited to material mergers and acquisitions, material investments, material asset acquisitions and disposals and material external guarantees (except for bank guarantee business);
- resolving on matters including the establishment, separation, merger/consolidation and change to the capital of our tier-one subsidiaries;
- preparing plans for our merger/consolidation, separation, dissolution or change to our organisational form, and submitting such plans to the State Council for approval according to relevant procedures;
- appointing or removing the president, the secretary of the board of directors and the chief auditing officer;

- appointing (according to the nomination of the president) or removing the vice presidents, and other senior management officers who shall be appointed or removed by the board of directors according to laws and regulations (except for the secretary of the board of directors and the chief auditing officer);
- determining matters relating to the senior management officers' remuneration, performance assessment and rewards and penalties according to the relevant requirements issued by the state;
- considering and approving plans for our internal remuneration and performance assessment system;
- determining the scope of authorities delegated to our chairman and senior management;
- considering and approving our basic management systems such as risk management and internal control;
- considering and approving our internal organisation structure, and plans for the establishment, adjustment and discontinuance of our domestic and overseas tier-one branches;
- considering and approving our internal audit protocols, annual work plans and internal audit units;
- determining the engagement, dismissal or non-reappointment of accounting firms as our auditors,
- formulating our information disclosure policy and system;
- considering and approving our annual reports;
- determining the directors (including the chairman), supervisors (including the chairman of the board of supervisors) and general managers (presidents) to be appointed in the subsidiaries;
- considering the articles of association of our subsidiaries;
- proactively coordinating different ministries; and
- other powers as stipulated by laws and regulations and granted by the State Council.

#### ***Special Committees under the Board of Directors***

Under our board of directors there are special committees, including but not limited to a strategy development and investment committee, an audit committee, a risk management committee, a related party transactions committee and a personnel and remuneration committee. Each special committee operates in accordance with the authorisation from, and is accountable to, the board of directors.

#### ***Supervisors and Board of Supervisors***

Our board of supervisors is appointed by the State Council according to laws and regulations such as the Interim Regulations on the Board of Supervisors of Key State-owned Financial Institutions, and is accountable to the State Council. Our board of supervisors is composed of one chairman and several supervisors. Their appointment and removal is subject to the regulations applicable to the chairman of the board of supervisors and supervisors of key state-owned financial institutions.

Our board of supervisors has the following powers:

- examining our implementation of the relevant economic and financial laws, regulations and rules issued by the state;
- examining our finance, reviewing our finance and accounting records and other materials relating to our operations and business activities, and verifying the authenticity and legality of our financial reports and capital management reports;
- examining matters such as our economic performance, profit distribution, asset quality, maintenance and increase of state-owned asset value and capital management;
- examining matters such as our risk management and internal control;
- examining business conduct of our directors, president and other senior management officers, and requesting rectification of conducts which are violating laws and regulations; assessing their operating

and management performance, and proposing rewards or penalties to and appointment or removal of such persons;

- present in the board meetings and other relevant meetings if needed for examination; and
- other powers as stipulated by laws and regulations and granted by the State Council.

### ***Senior Management***

Our senior management team is composed of the president, vice presidents, secretary of the board of directors and other senior management officers, and may include the chief financial officer, the chief risk officer and the chief auditing officer.

The president is accountable to the board of directors and the president's principal powers include:

- leading our operational management, and carrying out resolutions adopted by our board of directors;
- preparing our medium- and long-term development strategies, annual business plans and investment plans;
- preparing our annual financial budget and final accounts;
- preparing our annual bond issuance plans;
- preparing plans for our capital management and issuances of capital instruments;
- preparing our profit distribution plans and loss make-up plans;
- within the authority from the board of directors, approving matters such as investments, asset acquisitions and disposals and guarantees (except for bank guarantee business) under certain limits;
- within the authority from the board of directors, determining matters including the establishment, separation, merger/consolidation and change to the capital of our tier-one subsidiaries, provided that the amount of a single matter does not exceed certain percentage of our net assets in the most recent audited accounts;
- authorising our other senior management officers and responsible persons of internal functions and branches to manage day-to-day operation;
- preparing our basic management systems such as risk management and internal control, and formulating our detailed rules;
- preparing our internal organisation structure, and plans for the establishment, adjustment and discontinuance of our domestic and overseas tier-one branches;
- establishing special committees relating to operational management if needed;
- nominating and proposing the removal of the vice presidents, and other senior management officers who shall be appointed or removed by the board of directors according to laws and regulations (except for the secretary of the board of directors and the chief auditing officer);
- appointing or removing the responsible persons of our internal departments and branches;
- preparing plans for our internal remuneration and performance assessment system;
- formulating remuneration and performance assessment plans for the responsible persons of our internal departments and branches, and assessing their remuneration and performance;
- preparing the salaries, benefits, rewards and penalties plan for our employees, and determining, or authorising the managers at the lower level to determine in accordance with their authorisation, the employment or dismissal of our staff;
- in the event that any unexpected material event or other emergency occurs, taking urgent measures in compliance with laws and regulations to protect our interest, and reporting to the board of directors and the board of supervisors immediately; and
- other powers as stipulated by laws and regulations and authorised by the board of directors.

Our vice presidents assist the president and each of them is responsible for a different area of our operation according to the authorisation from the president.

By Order of the Board  
**China Development Bank Corporation**  
**Hu Huaibang**  
*Chairman*

Beijing, PRC, 16 January 2016

*As at the date of this announcement, the board of directors of China Development Bank Corporation consists of Mr. Hu Huaibang and Mr. Zheng Zhijie as executive directors; Mr. Zhang Shude, Mr. Pang Jiying, Mr. Huang Weijia, Mr. Huang Hao, Mr. Li Shaogang, Mr. Mi Jingping and Mr. Yin Chun as non-executive directors; Ms. Chen Xiaoyun as an independent non-executive director.*