

Articles of Association of Bank of Tianjin Co., Ltd.*

Approved at the 2022 first extraordinary general meeting , the 2022 first domestic share class meeting and the 2022 first H share class meeting held by Bank of Tianjin Co., Ltd. on February 28, 2022

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Chapter 1 General Provisions

Article 1 For the purpose of protecting the legitimate rights and interests of Bank of Tianjin Co., Ltd. (hereinafter referred to as the “Bank”), its shareholders and creditors, and of standardizing the organization and activities of the Bank, the Articles of Association of the Bank (hereinafter referred to as the “Articles”) are hereby formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to as the “Securities Law”), the People’s Bank of China Law of the People’s Republic of China, the Commercial Banking Law of the People’s Republic of China (hereinafter referred to as the “Commercial Banking Law”), the Special Regulations of the State Council on the Overseas Offering and the Listing of Shares by Joint Stock Limited Companies (hereinafter referred to as the “Special Regulations”), the Interim Measures for Equity Management of Commercial Banks, the Corporate Governance Standards for Banking and Insurance Institutions, the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas and other relevant laws, regulations and regulatory provisions, the Rules Governing the Listing of Securities on The Hong Kong Stock Exchange (hereinafter referred to as the “Listing Rules”) as well as relevant rules of the securities regulatory authorities of the place where the Bank’s shares are listed.

The “laws, regulations and regulatory provisions” referred to in these Articles refer to the laws, regulations, rules, judicial interpretations and notices officially promulgated by the legislature at all levels and other government authorities of the PRC (including any modifications, amendments, re-enactment or merger of the PRC laws and any regulations, articles, judicial interpretations or notices issued in accordance with the PRC laws, but excluding the laws, regulations and case laws of the Hong Kong Special Administrative Region (hereinafter referred to as “Hong Kong”), the Macau Special Administrative Region and Taiwan Region).

Article 2 The Bank is a joint stock limited company established in accordance with the Company Law, the Commercial Banking Law and other relevant provisions.

The Bank was established by way of promotion pursuant to the Approval of the Establishment of Tianjin Urban Cooperative Bank (Yin Fu [1996] No. 155) granted by the People’s Bank of China and the Approval of the Opening of Tianjin Urban Cooperative Bank (Yin Fu [1996] No. 352) granted by the People’s Bank of China, and obtained the financial license. The Bank was registered with the Tianjin Administration for Industry & Commerce and obtained its business license on November 6, 1996. In April 1998, the Bank changed its name to Tianjin Commercial Bank pursuant to the Approval of the Change of Name of Tianjin Urban Cooperative Bank (Jin Yin Yin [1998] No. 71) granted by the People’s Bank of China. In February 2007, the Bank changed its name to Bank of Tianjin pursuant to the Approval of the Change of Name of Tianjin Commercial Bank (Yin Jian Fu [2007] No. 65) granted by the former China Banking Regulatory Commission. The Bank’s uniform social credit code is 911200001030702984.

Article 3

Registered name of the Bank:

Chinese name in full: 天津銀行股份有限公司

Chinese name in short: 天津銀行

English name in full: BANK OF TIANJIN CO., LTD.

English name in short: BANK OF TIANJIN

Article 4 Address of the Bank: 15 Youyi Road, Hexi District, Tianjin; Postal code: 300201.

Telephone: 86-22-28405262,

facsimile: 86-22-28405518.

Article 5 The registered capital of the Bank is RMB6,070,551,822.

Article 6 The Bank is a perpetually existing joint stock limited company.

Article 7 The legal representative of the Bank shall be the chairman of its Board of Directors.

Article 8 The capital of the Bank is divided into shares of equal par value, and the shareholders shall bear liability for the Bank to the extent of the shares subscribed by them, and the Bank shall bear liability for its debts to the extent of its total assets.

Article 9 Upon the coming to effect of these Articles, it shall constitute a legally binding document governing the organization and activities of the Bank, and defines the rights and obligations between the Bank and its shareholders, and among the Bank's shareholders themselves. These Articles shall be legally binding on the Bank, the party organization and members of the party committee, the shareholders, directors, supervisors and senior management officers of the Bank. The aforementioned persons may, in accordance with these Articles, assert rights in respect of the Bank's affairs.

The Bank may, in accordance with these Articles, institute lawsuits against the shareholders, directors, supervisors and senior management officers of the Bank. The shareholders may, in accordance with these Articles, institute lawsuits against other shareholders, the Bank, and the directors, supervisors and senior management officers of the Bank.

The lawsuits referred to in the preceding paragraph shall include lawsuits instituted in a people's court or applications to arbitration institutions for arbitration.

Article 10 The "directors" referred to in these Articles shall include all members of the Board of Directors who serve as executive directors and non-executive directors (including independent directors) unless the context otherwise requires or otherwise specifies.

The "supervisors" referred to in these Articles shall include all members of the Board of Supervisors who serve as shareholder supervisors, employee supervisors and external supervisors unless the context otherwise requires or otherwise specifies.

The “senior management officers” referred to in these Articles shall mean the persons who hold positions in the head office of the Bank within the scope of the qualification regulatory system for senior management officers of banking institutions. (Including but not limited to, personnel appointed by the board of directors, the chief information officer, the chief risk officer, the chief auditor, the chief accountant, the general counsel as required by relevant superiors or regulatory authorities.)

The aforesaid directors and senior management officers shall have the qualifications required by the superiors or the regulatory authorities and be subject to review by or filing with such regulatory authorities.

Article 11 The business activities of the Bank are subject to the supervision and administration by the banking regulatory authorities under the State Council and their agencies and other relevant government authorities. The Bank is an independent corporate legal person and carries out financial business in accordance with the laws without interference from any entity or individual.

Article 12 The Bank adopts a class one legal person system. Subject to approval of the banking regulatory authorities under the State Council, the Bank may set up, change or cancel entities, including but not limited to branch and sub-branch entities, subsidiary companies and representative offices in the PRC or outside the PRC, according to the provisions of laws and regulations of the PRC and other relevant countries or regions. The branch and sub-branch entities set up by the Bank outside the PRC shall operate all banking or other businesses permitted by laws and regulations of the places of operation.

With the exception of subsidiary companies, the branch and sub-branch entities of the Bank shall not have legal person qualification. The organization establishment and business operation of these entities shall comply with the requirements of laws and regulations and be within the scope of authority granted by the head office of the Bank. The head office of the Bank shall assume the civil liabilities of branch and sub-branch entities. The head office of the Bank exercises central leadership and administration over the major personnel appointment and removal, business policies, comprehensive plans, fund transfers, basic rules and regulations and external affairs of branch and sub-branch entities, and implements the financial system of unified auditing, unified transfer of capital and management at various levels in relation to the branch organs.

The Bank may establish certain special committees and internal management organs according to the requirements of business operation and management.

Article 13 The Bank may invest in other limited liability companies, joint stock limited companies and other legal persons according to the provisions of laws and regulations, and shall assume responsibilities to any such invested corporations to the extent as limited by its capital contribution or shares subscribed. However, unless otherwise provided by laws and regulations, the Bank shall not become a capital contributor that shall bear joint and several liabilities for the debts of the invested enterprises.

Article 14 The Bank adheres to the market-oriented operation mechanism, continues to deepen the reform of three systems, and implements the internal management personnel that can be promoted and demoted, employees that can be hired and fired, and income that can be increased and reduced.

(1) In accordance with the principles of market-oriented selection, contract-based management, differentiated remuneration and market-oriented exit, and based on the actual situation of the Bank to implement the professional manager system in the senior management, the Bank standardizes the term management of members of the senior management, scientifically determines the contractual objectives, implements remuneration in a rigid manner, and strictly evaluates dismissal.

(2) The Bank adheres to the market-oriented staff selection and employment mechanism, fully implements the employment system with labor contract as the core, promotes open recruitment of employees, selection and competition of management personnel, appointment system and contract-based management of management personnel, and adjustment and dismissal of the incompetent, and forms a healthy flow mechanism of survival of the fittest.

(3) The Bank deepens the market-oriented remuneration distribution system, comprehensively promotes the performance appraisal of all employees, establishes a market-competitive remuneration distribution system for key core talents, and flexibly carries out medium and long-term incentives in various ways. The Bank implements deferred payment of performance-based remuneration and recourse deduction to prevent aggressive operation and illegal and non-compliant activities.

Article 15 The Bank shall, in accordance with the relevant provisions in the Constitution of the Communist Party of China (the “CPC”) and the laws and regulations, set up the CPC organization, establish the working mechanism of the CPC carry out the CPC’s activities, equip with sufficient and strong party staff and ensure the working expenses of the CPC organization.

Chapter 2 Objectives and Scope of Business

Article 16 The business objectives of the Bank are: to adapt to the requirements of the development of socialist market economy in China, to comply with laws and regulations, to adhere to the business principles of safety, liquidity, efficiency, sociality and sustainability, with the goal of becoming a mainstream bank in Beijing-Tianjin-Hebei region, a bank with integrity and compliance, a value-driven bank, a bank offering excellent experience, a bank that cares for employees and a bank with dual track development, to strive to become a socialist modernized urban commercial bank and to promote economic development, environmental friendliness and social progress.

Article 17 Upon registration pursuant to the laws, the business scope of the Bank is:

- (1) receiving deposits of the public;
- (2) granting short-term, medium-term and long-term loans;
- (3) handling settlement within and outside the PRC;
- (4) handling bills acceptances and discounting;
- (5) issuing financial bonds;
- (6) acting as agents in issuance, honoring and underwriting of government bonds;

- (7) buying and selling government bonds and financial bonds;
- (8) inter-bank borrowings;
- (9) bank cards business;
- (10) providing letter of credit services and guarantees;
- (11) acting as agent in the collection and payment of monies and insurance business;
- (12) providing safe deposit box services;
- (13) securities investment fund sales business;
- (14) client transaction settlement funds custody business as a legal person bank;
- (15) foreign exchange deposits, foreign exchange loans;
- (16) foreign exchange remittances, foreign currency conversion;
- (17) settlement and sale of foreign exchange;
- (18) foreign exchange inter-bank borrowings;
- (19) foreign exchange guarantees;
- (20) foreign exchange borrowings;
- (21) providing foreign currency bills acceptances and discounting services;
- (22) credit investigation, advisory and witnessing businesses;
- (23) trading and trading as agent of foreign currency securities apart from stocks;
- (24) trading and trading as agent in foreign exchange;
- (25) other businesses as approved by the banking regulatory authorities under the State Council and other regulatory authorities.

Chapter 3 Party Committee

Article 18 In accordance with the Constitution of the CPC and relevant regulations, the Bank shall establish the Bank of Tianjin Co., Ltd. Committee of the CPC (hereinafter referred to as the “Party Committee”) with the approval of the higher-level CPC organization. At the same time, the Bank shall accept the supervision of the discipline inspection and supervision team appointed by the higher-level discipline inspection commission and supervision commission as required to provide them with corresponding working conditions.

The Party Committee of the Bank shall be elected by the CPC members' general meeting or the CPC members' representatives' general meeting, and each term of office is generally five years. Upon expiry of term, the Party Committee shall be re-elected on schedule.

The number of Party Committee secretary, deputy secretary and members of the Bank shall be set according to the approval of the higher-level CPC organization, and shall be elected or appointed in accordance with the relevant provisions of the Constitution of the CPC.

Article 19 Adhering to and improving the leadership system of “two-way entry and cross-appointment”, eligible team members of the Party Committee may join the Board of Directors, the Board of Supervisors and senior management through statutory procedures, and eligible CPC members in the Board of Directors, the Board of Supervisors and senior management may join the Party Committee in accordance with relevant regulations and procedures.

Article 20 The Party Committee of the Bank shall play a leading role, take the direction, manage the overall situation, promote the implementation, and discuss and decide on major matters of the Bank in accordance with the provisions. Its main duties are:

(1) to strengthen the CPC political construction of the Bank, adhere to and implement the fundamental system, basic system and important system of socialism with Chinese characteristics, educate and guide all CPC members to always maintain a high degree of consistency with the CPC Central Committee with Comrade Xi Jinping as the core in political stance, political direction, political principles and political path;

(2) to thoroughly study and implement Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, study and promote the theory of the CPC, implement the CPC's guidelines and policies, supervise and ensure the implementation of the major decisions and arrangements of the CPC Central Committee and the resolutions of the higher-level CPC organization in the Bank;

(3) to study and discuss major operation and management issues of the Bank and support the Board of Directors and senior management to exercise their functions and powers according to the laws;

(4) to strengthen the leadership and control over the staff selection and employment of the Bank, and focus on the construction of leadership team, cadre team and talent team of the Bank;

(5) to perform the main responsibility of building a clean and honest party culture of the Bank, lead the internal discipline inspection organization to perform the supervision and accountability duties, strictly regulate political discipline and political rules, and promote the comprehensive and strict governance of the party to the grassroots level;

(6) to strengthen the construction of grassroots party organization and teams of CPC members, and lead the employees to actively participate in the reform and development of the Bank;

(7) to lead the Bank's ideological and political work, spiritual civilization construction and unified frontline work, and lead the Bank's labor union, Communist Youth League, women's organizations and other group organizations.

Article 21 Major operation and management matters of the Bank shall be studied and discussed by the Party Committee before being decided by the Board of Directors in accordance with its functions and powers and prescribed procedures. The matters to be studied and discussed mainly include:

(1) implementation of major initiatives of the CPC Central Committee in its decision-making and deployment as well as national development strategies;

(2) the development strategy, medium and long-term development plan and important reform plan of the Bank;

(3) the fundamental directional issues in asset restructuring, equity transfer, capital operation and large-amount investment of the Bank;

(4) the establishment and adjustment of the organizational structure of the Bank and the formulation and modification of important rules, regulations and systems;

(5) major issues concerning the Bank's safe production, maintenance of stability, rights and interests of employees and social responsibilities;

(6) other important matters that shall 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 powers and responsibilities of the Party Committee and other governance bodies such as the Board of Directors, the Board of Supervisors and the senior management.

The Party Committee of the Bank shall strictly conduct pre-study and discussion on major operation and management matters, focusing on whether the decision-making matters are in line with the theory, direction and policy of the CPC, whether the decision-making and deployment of the CPC Central Committee and the national and regional development strategies are implemented, whether it is conducive to promoting the high-quality development of the Bank, enhancing the competitiveness of the Bank and realizing the preservation and appreciation of the value of state-owned assets, and whether it is conducive to safeguarding social public interests and legitimate rights and interests of the employees.

The Party Committee of the Bank shall conduct pre-study and discussion on major operation and management matters, insist on the unity of decision-making quality and efficiency, generally through procedures such as making motions, formulating proposals, research and discussion by the Party Committee, communication before the Board meetings, and giving opinions by the Party Committee team members and other CPC members who have entered into the Board of Directors during consideration at the Board meetings in accordance with the opinions formed at the meetings of the Party Committee.

Article 22 In accordance with the principles that are conducive to strengthening the work of the CPC and efficient coordination, the Party Committee of the Bank shall set up the Party Committee Office, the Organization Department of the Party Committee, the Publicity Department of the Party Committee, the Party Affairs Department, the United Front Department of the Party Committee and other working institutions, the management of leading personnel and the construction of grassroots party organizations are generally led and held responsible by a single department, and if it is led and held responsible by two departments, they shall be under the same leadership members. There shall be a certain proportion of full-time and part-time staff for party affairs, with the same rank and treatment as the operation management personnel.

The Bank shall provide the necessary conditions for party organization activities, protect the working funds of the party organizations through inclusion in administrative expenses, party fee retention and other channels, and favor front-line production and operation. The portion included in administrative expenses is generally arranged at the ratio of 1% of the total staff salaries of the Bank in the previous year, and is included in the annual budget of the Bank. The Bank shall integrate and utilize various resources to build a good place for party organization activities.

Article 23 The Bank shall continue to improve the democratic management system with the employee representative meeting as its basic form under the leadership of the Party Committee, and shall listen to the opinions of employees on major decisions. Major issues involving the vital interests of employees must be considered by the employee representative meeting or the employee meeting to ensure that the employee representatives participate in corporate governance in an orderly manner according to law.

Chapter 4 Shares

Section 1 Issuance of Shares

Article 24 The Bank shall have ordinary shares at all times. All of the currently issued shares of the Bank are ordinary shares.

The Bank may issue other classes of shares according to its needs, in accordance with the applicable laws and regulations and upon the approval by the approval departments authorized by the State Council. In appropriate circumstances, the Bank shall ensure enough voting rights for preferred shareholders.

Article 25 The shares in the Bank shall be issued in a fair and just manner and each share of the same class shall have the same rights.

The conditions of issuance and price of each share of the same class shall be the same in each issue. Any entity or individual shall pay the same price for each share subscribed.

Article 26 The ordinary shares issued by the Bank shall have a par value denominated in Renminbi. The par value of each share shall be Renminbi 1.00. Relevant laws and regulations apply to the par value of preferred shares and other kinds of shares being approved to be issued.

Article 27 Subject to approval by the banking regulatory authorities and securities regulatory authorities under the State Council or other relevant regulatory authorities, the Bank may issue its shares to domestic and overseas investors.

The overseas investors mentioned in the preceding paragraph refer to investors in overseas countries, Hong Kong Special Administrative Region of the People's Republic of China (hereinafter referred to as the "PRC") (hereinafter referred to as "Hong Kong"), Macau Special Administrative Region and Taiwan Region who subscribe for the shares issued by the Bank; and domestic investors refer to investors in the PRC, excluding the regions mentioned above, who subscribe for the shares issued by the Bank.

Article 28 The shares issued by the Bank to domestic investors for subscription in Renminbi shall be referred to as domestic shares. The shares issued by the Bank to overseas investors for subscription in foreign currencies shall be referred to as foreign shares. Foreign shares listed overseas shall be referred to as overseas-listed foreign shares.

Overseas-listed foreign shares issued by the Bank and listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Stock Exchange") shall be referred to as H shares.

The foreign currencies mentioned in the preceding paragraph refer to the legal currencies, other than Renminbi, of other countries or regions which are recognized by the PRC foreign exchange administration authorities for payment to the Bank for share capital.

Shares issued by the Bank domestically are retained under share registration institutions in compliance with laws and regulations for safe custody; whereas the H shares of the Bank are mainly retained under the safe custody of entrusted Hong Kong securities clearing companies, and such shares may also be held under the personal names of shareholders.

Article 29 With the approval by the People's Bank of China and approval by the departments as authorized by the State Council, the Bank's share capital on incorporation in 1996 was 1,009,973,700 shares.

The total number of outstanding ordinary shares of the Bank as approved by the approval departments authorized by the State Council is 6,070,551,822 shares. The Bank's share capital structure is: 6,070,551,822 ordinary shares, among which 4,305,952,759 are domestic shares, representing 70.93% of the total shares issued by the Bank; and 1,764,599,063 H shares, representing 29.07% of the total shares issued by the Bank.

Article 30 Subject to approval of the Bank's plan to issue overseas-listed foreign shares and domestic shares by the securities regulatory authorities of the State Council, the Board of Directors of the Bank may implement arrangements regarding the issuance of the shares respectively.

The Bank may respectively implement its plan to issue overseas-listed foreign shares and domestic shares pursuant to the preceding paragraph within fifteen (15) months from the date of approval by the securities regulatory authorities of the State Council.

Article 31 In the event that there are overseas-listed foreign shares and domestic shares included in the total number of shares stated in the said plan, such shares shall be fully subscribed for at their respective offerings. If these shares cannot be fully subscribed due to special circumstances, such shares may be issued in separate tranches subject to the approval by the securities regulatory authorities of the State Council.

Section 2 Increase and Reduction of Shares and Share Repurchase

Article 32 Pursuant to the needs of operation and business development and in accordance with relevant provisions of laws, regulations and these Articles, the Bank may, subject to approval of relevant competent authorities, increase its registered capital in the following ways:

- (1) issue of new shares to unspecified investors;
- (2) non-public offering;
- (3) placing of new shares to existing shareholders;
- (4) allotting new shares to existing shareholders;
- (5) transferring capital reserve to share capital;
- (6) other methods permitted by relevant competent authorities or by laws and regulations.

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

Article 33 The Bank may, subject to the provisions of these Articles and upon approval of relevant competent authorities of the State, reduce its registered capital. Any reduction of registered capital of the Bank shall be made in compliance with the Company Law, the Commercial Banking Law and other laws and regulations and the procedures specified in these Articles.

Article 34 A balance sheet and a list of properties shall be prepared for the reduction of the Bank's registered capital.

The Bank shall notify its creditors within ten (10) days from the date of the Bank's resolution for reduction of registered capital and shall publish an announcement in a newspaper within thirty (30) days. The creditors shall have the right to require the Bank to repay debts or provide corresponding guarantees for debt repayment within thirty (30) days from the date of receipt of the notice or within forty-five (45) days from the date of announcement if the creditors have not received the notice.

The registered capital of the Bank after any reduction shall not be less than the minimum required statutory amount.

Article 35 Subject to the laws, regulations, regulatory provisions and these Articles and upon approvals of the relevant competent authorities of the PRC, the Bank may repurchase its issued shares under one of the following circumstances:

- (1) reduction of registered capital of the Bank;
- (2) merger with other companies that hold shares in the Bank;
- (3) utilizing shares for employee stock ownership plan or equity incentives;
- (4) repurchasing is demanded by shareholders who disagree to the resolution of the shareholders' general meeting on the merger or division of our Bank;
- (5) utilizing shares for conversion of convertible corporate bonds issued by the Bank;
- (6) safeguarding the Bank's value and shareholders' interests as necessary;
- (7) other circumstances permitted by the laws, regulations and regulatory provisions.

Save for the above circumstances, the Bank shall be prohibited from trading in any shares of the Bank.

After the Bank has repurchased its own shares in accordance with the first paragraph of this Article, the shares so repurchased shall be cancelled within ten (10) days from the date of repurchase (under the circumstance set out in (1)), or shall be transferred or cancelled within six (6) months (under the circumstances set out in (2) and (4)), or the shares of the Bank held by it in aggregate shall not exceed 10% of the total issued shares of the Bank and shall be transferred or cancelled within three (3) years (under the circumstances set out in (3), (5) and (6)). Where the Bank repurchases its own shares as a listed company, it shall perform its information disclosure obligations in accordance with the Securities Law. If the Bank repurchases its own shares under the circumstances set out in (3), (5) and (6) of the first paragraph of this Article, such repurchase shall be conducted through open and centralized trading.

Article 36 Subject to approval of the relevant competent authority of the State, the Bank may repurchase its shares in one of the following ways:

- (1) offering to repurchase from all shareholders on a pro rata basis;
- (2) repurchasing of shares in open market on a stock exchange;
- (3) repurchasing by means of an agreement outside of a stock exchange;
- (4) by other means as permitted by the applicable laws and regulations or as approved by the relevant regulatory authority of the State.

In relation to shares cancelled by the Bank as a result of share repurchases, filings shall be made with the industry and commerce registration management bodies for change of its registered capital. The total par value of the shares so cancelled shall be deducted from the registered capital of the Bank.

Article 37 Where the Bank is to repurchase its shares via an off-market agreement, prior approval shall be obtained from the shareholders at a general meeting in accordance with these Articles. The Bank may, having first obtained the prior approval of shareholders at a general meeting, rescind or alter contracts concluded in the aforementioned manner or waive any of its rights under such contracts.

For the purposes of the preceding paragraph, contracts for the share repurchase shall include (but not limited to) agreements in connection with the assumption of the obligations and the entitlement of the rights to repurchased shares.

The Bank shall not assign any contract for the repurchase of its shares or any of its rights provided therein.

Where the Bank has the right to repurchase redeemable shares, the repurchase price shall be set at a certain maximum price if the repurchases are not made through the market or by tender. If repurchases are by tender, tender offers shall be made available to all shareholders in the same manner.

Article 38 Unless the Bank is undergoing liquidation, it shall comply with the following requirements with respect to a repurchase of its issued shares:

(1) for repurchases of shares by the Bank at their par value, payment shall be made from the book balance of its distributable profits or from the proceeds of a new issuance of shares for that purpose;

(2) where the Bank repurchases its shares at a premium to its par value, payment up to the par value shall be made from the book balance of its distributable profits or from the proceeds of a new issuance of shares for that purpose. Payment of the portion which is in excess of the par value shall be made as follows:

(i) if the shares being repurchased are issued at par value, payment shall be made from the book balance of its distributable profits;

(ii) if the shares being repurchased are issued at a premium to its par value, payment shall be made from the book balance of its distributable profits or from the proceeds of a new issuance of shares for that purpose. However, the amount deducted from the proceeds of the new issuance of shares shall not exceed the aggregate amount of the premium received by the Bank from the issuance of the shares so repurchased, nor shall it exceed the amount in the Bank's premium account (or capital reserve fund account) (including premium on the new issue) at the time of such repurchase.

(3) The Bank shall make the following payments from the Bank's distributable profits:

(i) payment for acquisition of the rights to repurchase its own shares;

(ii) payment for the variation of any contracts for the repurchase of its shares;

(iii) payment for the release from its obligations under any repurchase contracts.

(4) After the aggregate par value of the cancelled shares is deducted from the Bank's registered capital in accordance with the relevant provisions, the amount deducted from the distributable profits used for the repurchase of the shares at par value shall be credited to the Bank's premium account (or its capital reserve fund account).

If there are applicable provision(s) to the contrary regarding the aforementioned share repurchases in the laws, regulations, and regulatory provisions, those provision(s) shall prevail.

Section 3 Transfer of Shares

Article 39 Shares of the Bank shall be transferred in accordance with relevant laws and regulations. The transferee shall possess the qualifications required by laws and regulations to invest in the Bank. Approval procedures for obtaining or holding shares of the Bank shall be performed in accordance with laws and regulations.

Article 40 Shares which have been in issue before the Bank's public offering shall not be transferred within one year from the date of the Bank's listing and trading on a stock exchange.

Directors, supervisors and senior management officers of the Bank shall inform the Bank about their holdings of the shares in the Bank and any changes in their shareholding in time. During their terms of office, the shares transferred each year shall not exceed 25% of the total number of shares held by any such aforementioned persons. The shares of the Bank held by any such aforementioned persons shall not be transferred within one year from the date of listing on the exchange. Any such aforementioned persons shall not transfer shares of the Bank held by them within six months after they cease to be employed.

If the securities regulatory authorities of the jurisdiction in which the Bank's shares are listed have other restrictions on transfers of shares, those provision(s) shall be complied with too.

Article 41 Unless otherwise provided by laws, regulations and these Articles, fully-paid shares of the Bank are freely transferable according to laws and without any lien attached.

Transfer of shares of the Bank shall be registered with the stock registration organization entrusted by the Bank.

All fully-paid H shares are freely transferable in accordance with these Articles. However, the Board of Directors may refuse to recognize the instruments of transfer without having to state any reason unless the conditions stipulated below are met:

(1) the instrument of transfer and other documents, which are related to and may affect the ownership of any registered securities, shall be registered, and the standard fee prescribed by Hong Kong Stock Exchange in the Listing Rules in relation to the registration of transfer documents and other documents which relate to or may affect the title of any shares has been paid to the Bank (any fees shall not exceed the maximum fees stipulated in the Listing Rules);

(2) the instrument of transfer are only in relation to H shares;

(3) stamp duty (as stipulated by the laws of Hong Kong) which is payable for the instrument of transfer has been duly paid;

(4) the relevant share certificate(s) and any other evidence which the Board of Directors may reasonably require to show that the transferor has the right to transfer the shares have been provided;

(5) where the shares are intended to be transferred to joint holders, the number of such joint holders is not more than four (4);

(6) the shares are free and clear of any lien of the Bank.

If the Board of Directors refuses to register any transfer of shares, the Bank shall issue a notice to the transferor and the transferee within 2 months from the date on which the transfer application has been duly submitted, to notify them of the refusal to register such transfer.

Article 42 All transfers of H shares shall adopt written instruments of transfer in writing in an ordinary or usual form or in any other form acceptable to the Board of Directors (including standard transfer form or other form of transfer as prescribed by the Hong Kong Stock Exchange from time to time). The instruments of transfer may be signed by hand or (where the transferor or transferee is a corporation) sealed with the company's seal. Where the transferor or transferee is a recognized clearing house as defined by relevant regulations in accordance with the Law of Hong Kong from time to time (hereinafter referred to as the "recognized clearing house"), or its proxy, the instruments of transfer may be signed by hand or in a machine-imprinted format.

All instruments of transfer shall be kept at the legal address of the Bank, the address of the share registrar or the addresses designated by the Board of Directors from time to time.

Section 4 Financial Assistance for Purchase of Shares of the Bank

Article 43 The Bank or the branch and sub-branch entities and subsidiary companies of the Bank shall not offer any financial assistance at any time by any means to purchasers or prospective purchasers of the Bank's shares in relation to purchases or prospective purchases. Such purchasers of the Bank's shares as mentioned above shall include those who directly or indirectly assume the obligations due to purchase of the shares of the Bank.

The Bank or the branch and sub-branch entities and subsidiary companies of the Bank shall not offer any financial assistance at any time by any means in order to reduce or relieve the obligations of the aforesaid purchasers.

This clause does not apply to the circumstances as defined in Article 45 of these Articles.

Article 44 The "financial assistance" referred to in this section shall include but not limited to the following means:

(1) donation;

(2) guarantee (including the guarantor's bearing responsibility or offering property to guarantee the obligator's performance of obligations), compensation (but excluding the compensation arising from the Bank's fault), relief or waiver of rights;

(3) providing loans or entering into a contract in which the Bank performs its obligations prior to other parties; change of the parties to such loans and contract as well as assignment of rights in such loans and contract;

(4) financial assistance provided by the Bank in any other form when the Bank is unable to repay its debts or has no net assets or where such financial assistance will lead to significant decrease of net assets.

The obligations referred to in this section shall include the obligations borne by the obligator by signing a contract or making an arrangement (regardless of whether or not the aforesaid contract or arrangement can be mandatorily enforced, or whether or not such obligations are assumed by the obligator individually or jointly with other persons) or changing its financial position in any other ways.

Article 45 The following acts shall not be deemed as the acts forbidden under Article 43 of these Articles, subject to any prohibitions by the relevant laws, regulations, and regulatory provisions:

(1) where the Bank provides the relevant financial assistance genuinely for the benefit of the Bank and the main purpose of the financial aid is not to purchase shares of the Bank, or the financial assistance is an incidental part of an overall plan of the Bank;

(2) distribution of the Bank's property in the form of dividends in accordance with the laws;

(3) distribution of dividends in the form of shares;

(4) reduction of registered capital, share repurchase, adjustment of share holding structure, etc., in accordance with these Articles;

(5) provision of loans by the Bank within its business scope and in normal business (provided that the provision does not lead to a reduction in the net assets of the Bank or, if it constitutes a reduction, the financial assistance is paid out of the Bank's distributable profits);

(6) provision of funds by the Bank for an employee shareholding scheme (provided that the provision does not lead to a reduction in the net assets of the Bank, if it constitutes a reduction, the financial assistance is paid out of the Bank's distributable profits).

Chapter 5 Shareholders and Shareholders' General Meeting

Section 1 Share Certificate and Register of Shareholders

Article 46 Share certificates of the Bank shall be in registered form and shall specify:

(1) name of the Bank;

(2) date of the Bank's establishment;

(3) the class of the share certificate, the par value and the number of shares represented by each share certificate;

(4) name of shareholder holding the share certificate;

(5) serial number of the share certificate;

(6) other matters that must be specified according to requirements of laws, regulations and rules of the securities regulatory authorities in the jurisdiction in which the shares of the Bank are listed.

The overseas-listed shares of the Bank may be in the form of foreign depository receipts or in other derivative forms of shares in accordance with the laws and the securities registration and depository practices prevailing of the jurisdiction in which the shares of the Bank are listed.

If shares that do not have voting rights are counted towards the share capital of the Bank, such shares shall bear the phrase “no voting rights” (“無投票權”) in their title. If shares carrying different voting rights are counted towards the share capital of the Bank, these classes of shares (except for the class of shares with the most privileged voting rights) shall bear the phrase “restricted voting rights” (“受限制投票權”) or “limited voting rights” (“受局限投票權”) in their titles.

Article 47 During the period when H shares are listed on the Hong Kong Stock Exchange, the Bank shall ensure that all listing documents in respect of all its securities listed on the Hong Kong Stock Exchange include the statements stipulated below and shall instruct and procure its share registrar not to register the subscription, purchase or transfer of any of its shares in the name of any individual holder unless and until such individual holder delivers to such share registrar a signed form in respect of such shares bearing the statements stipulated below:

(1) the purchaser of shares agrees with the Bank and each shareholder of the Bank, and the Bank agrees with each shareholder, to observe and comply with the Company Law, the Special Regulations, and provisions under other relevant laws and regulations and these Articles;

(2) the purchaser of shares agrees with the Bank and each shareholder, director, supervisor and senior management officer of the Bank, and the Bank acting for itself and each director, supervisor and senior management officer of the Bank agrees with each shareholder, to refer all disputes and claims arising from these Articles or any rights or obligations conferred or imposed by the Company Law or other relevant laws and regulations concerning the affairs of the Bank to arbitration in accordance with these Articles, and any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct hearings in open session and to publish its verdict and such arbitration shall be final and conclusive;

(3) the purchaser of shares agrees with the Bank and each of its shareholders that the shares of the Bank are freely transferable by the holder thereof;

(4) the purchaser of shares authorizes the Bank to enter into a contract on his behalf with each director and senior management officer whereby such directors and senior management officers shall undertake to observe and comply with their obligations to shareholders stipulated in these Articles.

Article 48 The share certificates of the Bank shall be signed by the chairman of the Board of Directors. Where the securities exchange in which the shares of the Bank are listed requires other senior management officers of the Bank to sign the share certificates, the share certificates shall be signed by such other senior management officers. The share certificates shall become effective after a seal of the Bank is affixed or imprinted thereon. The affixation of the Bank's seal on the share certificates shall be subject to the authorization of the Board of Directors. The signatures of the chairman of the Board of Directors or other relevant senior management officers of the Bank on the share certificates can be provided in printed form.

When scripless shares of the Bank are issued and traded, the applicable provisions of the securities regulatory authorities in the jurisdiction in which the shares of the Bank are listed shall be followed.

Article 49 The Bank shall establish the register of shareholders to register the following particulars:

- (1) the name (description), address (domicile), occupation or nature of each shareholder;
- (2) the class and number of shares held by each shareholder;
- (3) the amount paid or payable for the shares held by each shareholder;
- (4) the serial number of the shares held by each shareholder;
- (5) the date on which each shareholder is registered as a shareholder;
- (6) the date on which each shareholder ceases to be a shareholder.

Unless there is evidence to the contrary, the register of shareholders shall be sufficient evidence of the shareholders' shareholdings in the Bank.

Article 50 Pursuant to an understanding and agreement reached between the securities regulatory authority under the State Council and overseas securities regulatory authority, the Bank may keep its registers of shareholders of overseas-listed foreign shares outside the PRC and appoint an overseas agent to manage these registers. The original register of shareholders of H shares of the Bank shall be kept in Hong Kong.

The Bank shall keep at its domicile duplicates of the registers of shareholders of overseas listed foreign shares. The appointed overseas agent shall ensure that the originals and the duplicates of these registers are consistent at all times.

In the event that there is any inconsistency between the originals and the duplicate of the registers of shareholders of overseas-listed foreign shares, the originals shall prevail.

Article 51 The Bank shall keep a complete register of shareholders. The register of shareholders shall comprise the following sections:

(1) the register kept at the Bank's domicile, apart from those mentioned under items (2) and (3) of this Article;

(2) the registers of shareholders of the overseas-listed foreign shares kept at the location(s) of the stock exchange(s) on which the shares are listed;

(3) any other register of shareholders kept at such other places as the Board of Directors deems necessary for the purpose of listing the shares of the Bank.

Article 52 Sections in the register of shareholders shall not overlap with each another. The transfer of shares registered in a certain section of the register of shareholders shall not be registered in any other section of the register during the continuance of the registration of such shares.

Any changes or corrections of any section of the register of shareholders shall be effected in accordance with the laws of the jurisdiction in which that part of the register of shareholders is kept.

Article 53 No changes shall be made to the register of shareholders as a result of a transfer of shares either within twenty days prior to the date of a shareholders' general meeting, or within five days before the reference date set by the Bank for the purpose of distribution of dividends.

If alternate provisions are stipulated by the securities regulatory authority located in the jurisdiction where the shares of the Bank are listed, those provisions shall apply.

Article 54 When the Bank convenes a shareholders' general meeting, distributes dividends, undergoes liquidation or engages in any other act that is subject to the confirmation of shareholdings, the Board of Directors or the convener of the shareholders' general meeting shall stipulate a date for shareholding registration. The shareholders who are recorded in the register of shareholders at the end of the date for shareholding registration shall be the shareholders who are entitled to the relevant rights and interests.

Article 55 Anyone with objections in relation to the register of shareholders and requesting to register his/her name (description) in the register of shareholders or to remove his/her name (description) from the register of shareholders shall have the right to apply to the people's court having the appropriate jurisdiction in order to rectify the register.

Article 56 Any person who is a registered shareholder or who requests his name (description) be entered in the register of shareholders may, if his share certificates (i.e. the "Original Share Certificate") are lost, apply to the Bank for replacement certificates in respect of such shares (i.e. the "Relevant Shares").

Shareholders holding domestic shares who apply for the replacement of share certificates may apply, in accordance with the public notice procedure set out in the Civil Procedure Law of the People's Republic of China, to a people's court for a declaration that the share certificates have become invalid. After the people's court declares the invalidity of such certificates, the shareholders may apply to the Bank for the replacement of share certificates.

Shareholders holding overseas-listed foreign shares who apply for the replacement share certificates shall comply with the laws, the rules of the stock exchange and other relevant regulations of the jurisdiction in which the original registers of shareholders holding overseas listed foreign shares are kept.

If the share certificates held by shareholders of H shares are lost, the replacement application shall comply with the following requirements:

(1) Applicants shall submit an application via a standard form designated by the Bank alongside a notarial certificate or statutory declaration. The notarial certificate or statutory declaration shall include the reason why the applicant is making the application, the circumstances in which the share certificate(s) was/were lost with supporting evidence, and a declaration that no other persons can request to be registered as a shareholder in respect of the Relevant Shares;

(2) The Bank has received no declarations from anyone other than the applicant requesting registration as a shareholder over such shares before the Bank decides to issue replacement share certificates;

(3) If the Bank decides to issue the replacement share certificates to the applicant, an announcement of its intention to issue the certificates shall be published in a newspaper designated by the Board of Directors. The period for this announcement shall be 90 days and the announcement shall be published at least once every 30 days during this period;

(4) Prior to the publication of the aforesaid announcement, the Bank shall submit a copy of the proposed announcement to the stock exchange on which its shares are listed, and shall publish the announcement after obtaining the stock exchange's confirmation that the announcement has been displayed at the stock exchange. The announcement shall be displayed at the stock exchange for 90 days; If the shareholders of the Relevant Shares registered on the register of shareholders do not consent to the issuance of replacement share certificates, the Bank shall send a copy of the proposed announcement to such shareholders by post;

(5) Upon the expiry of the 90-day publication period for the announcement as stipulated in (3) and (4) of this Article, if no objections are received by the Bank regarding the issue of replacement share certificates, replacement share certificates shall be issued in accordance with the submitted application;

(6) Once replacement share certificates are issued pursuant to this Article, the Bank shall immediately cancel the Original Share Certificates, and this cancellation and replacement shall be recorded in the register of shareholders;

(7) All expenses incurred by the Bank in connection with the cancellation of the Original Share Certificates and the issuance of replacement share certificates shall be borne by the applicant. The Bank is entitled to refuse to take any action unless the applicant provides a reasonable guarantee that it can pay the expenses;

Where power is taken to issue share warrants to bearer, no new share warrant shall be issued to replace one that has been lost, unless the Bank is satisfied beyond reasonable doubt that the original has been destroyed.

Article 57 After the Bank issues replacement share certificates in accordance with these Articles, the names (description) of the bona fide purchasers who obtain the replacement share certificates or the shareholders who subsequently register as the owner of such shares (provided that they are bona fide purchasers) shall not be removed from the register of shareholders.

Article 58 The Bank shall not assume any compensatory obligations towards persons who may suffer loss from the Bank's cancellation of the lost Original Share Certificates or the issuance of replacement share certificates, unless such persons can prove fraud on the part of the Bank.

Section 2 Shareholders

Article 59 A shareholder of the Bank is a person who lawfully holds shares of the Bank and whose name (description) is entered in the register of shareholders.

A shareholder shall enjoy rights and assume obligations according to the class and amount of shares held. Shareholders who hold shares of the same class will have the same rights and obligations.

Article 60 Where two or more persons are registered as the joint holders of any shares, they shall be deemed as the joint owners of such shares, provided that they are subject to the following constraints:

(1) the Bank shall not register more than 4 persons as the joint holders of any share(s);

(2) all the joint holders of any share(s) shall be jointly and severally liable for payment of all amounts due from such share(s);

(3) if one of the joint shareholders is deceased, only the surviving persons among the joint shareholders shall be regarded as the owners of relevant shares of the Bank, provided that the Board of Directors shall have the right to require the surviving persons to provide a certificate of death which the Board of Directors deem appropriate for the purpose of changing the register of shareholders;

(4) as far as joint shareholders of any shares are concerned, only the joint shareholder whose name appears first in the register of shareholders has the right to receive the share certificates of the relevant shares from the Bank, to receive notices of the Bank; and any notice served on such a shareholder shall be deemed as having been served on all the other joint shareholders of those shares. Any joint shareholder may sign the proxy form, provided that if more than one joint shareholders attend the general meeting 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) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Bank in respect of the joint shareholding.

With regard to the joint shareholders of any shares, if the Bank pays distribution or allotment such as dividend, bonus or return on capital that should be paid to the joint shareholders to any one shareholder among the joint shareholders, the payment shall be regarded to have paid the aforesaid distribution or allotment to all the joint shareholders of relevant shares.

Article 61 Holders of the ordinary shares of the Bank shall enjoy the following rights:

(1) to receive dividends and other kinds of distributions as determined by the number of shares held by them;

(2) to attend or appoint a proxy to attend shareholders' general meetings, and to exercise voting rights;

(3) to supervise and manage the business operation of the Bank, and to make suggestions and enquiries accordingly;

(4) to transfer, bestow or pledge shares held by them in accordance with the relevant provisions of laws, regulations and these Articles;

(5) to obtain relevant information in accordance with the relevant provisions of laws, regulations and these Articles, including:

(i) to obtain a copy of these Articles after paying the costs and expenses incurred;

(ii) during office hours of the Bank, have the right to inspect, free of charge, and to photocopy, after paying a reasonable fee, the following documents:

1. all parts of the register of shareholders;

2. the personal information of the directors, supervisors and other senior management officers of the Bank;

3. report on the status of the Bank's issued share capital;

4. reports on the aggregate par value, number of shares of each class of shares in relation to any repurchase by the Bank of its own shares since the last financial year, and highest and lowest prices paid with respect to each class of shares repurchased, as well as all the expenses paid by the Bank in relation to such repurchases;

5. minutes of the shareholders' general meetings;

6. special resolutions of the Bank;

7. the latest audited financial accounting report, directors' reports, auditors' report and report of the Bank's Board of Supervisors;

8. a copy of the latest annual return filed with the administration for industry and commerce registration or other competent authorities.

Other than the document stipulated in item 2, the documents referred to above shall be maintained at the Hong Kong address of the Bank in accordance with Listing Rules and available for inspection by both members of the public and H Share shareholders at no cost, whereas item 5 will only be available for inspection by the shareholders. Where a shareholder requests to inspect or obtain the relevant information as set forth in the preceding Article, such shareholder shall provide the Bank with written documents evidencing the class and number of shares held by such shareholder in the Bank and the Bank shall provide the above information at the request of such shareholder upon verification of the shareholder's identity.

All shareholders shall fulfill their confidentiality obligation to the Bank while exercising the above mentioned right to know and reasonably use the Bank's information. The shareholders shall bear the compensation liability in case of any damage of the Bank caused by violation.

If any shareholder makes a request to obtain a copy of the abovementioned item 5 from the Bank, the Bank shall send a copy of the requested document within seven days upon the receipt of a reasonable fee.

The Bank may refuse to provide any of the aforementioned documents if the documents to be inspected or photocopied contain the Bank's trade secrets and price sensitive information.

(6) to subscribe new shares of the Bank pursuant to these Articles;

(7) 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;

(8) to demand the Bank to acquire their shares (for shareholders who disagree with the resolutions adopted at a shareholders' general meeting in relation to the merger or division of the Bank);

(9) to enjoy other rights conferred by laws, regulations, regulatory provisions and these Articles.

The Bank shall not exercise any power to freeze or otherwise impair any of the rights attaching to any share by reason only that the person who is interested directly or indirectly therein has failed to disclose his/her interests to the Bank unless otherwise provided by laws, regulations, regulatory provisions and these Articles.

Article 62 If a resolution of a shareholders' general meeting or a board resolution violates laws or regulations, the resolution is invalid.

If the procedure for convening a shareholders' general meeting or Board of Directors' meeting, or the method of voting at either type of meeting, violates laws, administrative regulations or these Articles, or the contents of a resolution violates these Articles, shareholders shall have the right to request a people's court to rescind the resolution within sixty days from the date on which the resolution is adopted.

Article 63 If any director or member of senior management has violated laws, regulations, regulatory provisions or provisions of these Articles in performing his duties in the Bank and therefore has caused loss to the Bank, shareholders who have individually or jointly held more than 1% or more of the shares in the Bank for one hundred and eighty consecutive days may make a written request to the Board of Supervisors to initiate legal proceedings at a people's court. If supervisors has violated laws, regulations or provisions of these Articles in performing its duties and therefore has caused loss to the Bank, shareholders may make a written request to the Board of Directors to initiate legal proceedings at a people's court.

If the Board of Supervisors or the Board of Directors rejects or fails to initiate legal proceedings within thirty days after receiving the request, or the situation is so urgent that the Bank's interests will suffer irremediable harm if legal proceedings are not initiated immediately, the shareholders specified in the preceding paragraph shall have the right to directly initiate legal proceedings at a people's court in their own names for the benefit of the Bank.

If any other person infringes the Bank's interest and therefore has caused loss to the Bank, the shareholders specified in the first paragraph of this Article may initiate legal proceedings at a people's court pursuant to procedures stated in the two preceding paragraphs.

Article 64 If any director or senior management officer has violated the laws, regulations, regulatory provisions or provisions of these Articles and has therefore impaired the interests of the shareholders, the shareholders may initiate legal proceedings at a people's court.

Article 65 Holders of the ordinary shares of the Bank shall have the following obligations:

(1) to abide by the laws, regulations, regulatory provisions, and these Articles;

(2) to pay the share capital as determined by the number of shares subscribed for by them and the prescribed method of capital contribution;

(3) shareholders to use their own funds from legitimate sources to invest in shares, and not to use non-own funds such as entrusted funds and debt funds to invest in shares, unless otherwise stipulated by laws, regulations or regulatory systems;

(4) not to withdraw their paid share capital except in circumstances allowed by laws and regulations; the shareholding ratio and the number of shareholding institutions to comply with the regulatory provisions, and not to entrust others or accept entrustment from others to hold shares of the Bank;

(5) to truthfully inform the Bank of the financial information, shareholding structure, source of capital of shares, controlling shareholders, de facto controllers, related parties, persons acting in concert, ultimate beneficiaries, investments in other financial institutions and other information in accordance with laws, regulations and regulatory provisions;

(6) the relevant shareholders to promptly notify the Bank in writing in accordance with laws, regulations and regulatory provisions if there is any change in the controlling shareholders, de facto controllers, related parties, persons acting in concert and ultimate beneficiaries of the shareholders;

(7) to promptly notify the Bank in writing of the relevant circumstances in accordance with laws, regulations and regulatory provisions in the event of merger or division of shareholders, when ordered to suspend business for rectification, designated custody, takeover, revocation or other measures, or are in the process of dissolution, liquidation or bankruptcy, or their authorized representative, company name, business premises, business scope and other major events have changed;

(8) to promptly notify the Bank in writing of the relevant circumstances in accordance with laws, regulations and regulatory provisions if the shares of the Bank held by the shareholders are involved in litigation, arbitration, being subject to enforcement action by judicial authorities, pledged or released pledge;

(9) Investors, together with their related parties and persons acting in concert, who intend to hold for the first time or increase by in aggregate, jointly or severally, more than 5% of total capital or total shares of the Bank, should seek prior consideration of the Bank's Board of Directors, then report for approval of banking regulatory authorities of the State Council. Investors, together with their related parties and persons acting in concert, who hold, jointly or severally, more than 1% but less than 5% of total capital or total shares of the Bank, should report to relevant banking regulatory authority of the State Council within ten working days after obtaining their equities. Shareholders who should have sought approval of or reported to but failed to seek approval of or report to relevant regulatory authorities shall not exercise rights to request to convene a general meeting, vote, nominate, propose, dispose etc.;

(10) not to prejudice the interests of other shareholders and the Bank and to observe laws, regulations and regulatory provisions when the shareholders transfer or pledge their shares of the Bank or conduct related party transactions with the Bank;

(11) shareholders and their controlling shareholders and de facto controllers not to abuse shareholders' rights or use related party relationships to prejudice the legitimate rights and interests of the Bank, other shareholders and stakeholders, not to interfere with the decision-making rights and management rights entrusted to the Board of Directors and senior management officers in line with these Articles, and not to bypass the Board of Directors and senior management and directly intervene in the Bank's operations and management; where the Bank's shareholders abuse the rights of shareholders to damage the interests of the Bank or other shareholders, they shall assume liability for compensation;

(12) not to abuse the independent legal person status or limited liability of shareholders to damage the interests of the Bank's creditors; where the Bank's shareholders abuse the independent legal person status or limited liability of shareholders to avoid debts, or cause a material damage to the interests of the Bank's creditors, such shareholders shall be jointly and severally liable for the Bank's debts;

(13) shareholders to cooperate with the regulatory authorities in investigation and risk disposal in the event of risk events or major violations of the Bank;

(14) to assume other obligations of shareholders imposed by the laws, regulations, regulatory provisions or these Articles.

In the event of any major risk events, the Bank will adopt appropriate loss absorption and risk mitigation mechanisms in accordance with relevant laws and regulations and the recovery and disposal plan formulated by the Bank, and the shareholders shall provide active support accordingly.

Article 66 Prior to the approval of shareholders' qualifications, the shareholders shall undertake in writing that the pledge of equity interests must comply with the guidance of regulatory policies and the requirements of these Articles and relevant equity management systems.

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

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

Where a shareholder who has representation on the Board of Directors or the Board of Supervisors, or directly, indirectly or jointly holds or controls more than two percent of the shares or voting rights in the Bank pledges his shares held in the Bank, it shall make filing to the Board of Directors of the Bank in advance, which shall state the basic information of the pledge, including the reasons for the pledge, the number of shares involved, the term of pledge and the particulars of the pledgee. Where the Board of Directors considers the pledge to have material adverse impacts on the stability of the Bank's shareholding, corporate governance, risk and related party transactions control, the filing shall not be accepted. The director(s) nominated by a shareholder proposing to pledge his shares in the Bank shall abstain from voting at the meeting of the Board of Directors at which such proposal is considered.

Upon the registration of the pledge of equity interests, the shareholders involved shall provide the Bank with the relevant information in relation to the pledge of equity interests in a timely manner, so as to facilitate the Bank's risk management and information disclosure compliance.

Where a shareholder pledges 50 percent or more of his equity interests in the Bank, the voting rights of such shareholder at the shareholders' general meeting, as well as the voting rights of the director(s) acting as nominees of such shareholder at meetings of the Board of Directors, shall be subject to restrictions.

Article 67 Shareholders shall safeguard the interests of the Bank.

For shareholders who have made false statements, abused their rights of shareholders or acted to damage the interests of the Bank, a banking regulatory authority may restrict or prohibit related-party transactions between the Bank and them, limit their shareholding in the Bank and their amount of mortgaged equities, and their rights to request to convene a general meeting, vote, nominate, propose, dispose etc.

Article 68 Shareholders shall not be offered by the Bank of terms of credit that are more favorable over other customers regarding same type of credit.

Article 69 Substantial shareholders of the Bank shall refer to shareholders who hold or control more than 5% of the shares or voting rights of the Bank, or who hold less than 5% of the total capital or total shares but have a significant influence on the operation and management of the Bank. The shareholding percentage of shareholders and their related parties and persons acting in concert shall be aggregated.

The "significant influence" in the preceding paragraph includes, but is not limited to, deploying directors, supervisors or senior management officers to the Bank, affecting the Bank's financial and operational management decisions through agreements or other means, and other circumstances identified by the banking regulatory authorities under the State Council or their agencies.

The substantial shareholders of the Bank shall not transfer their shares of the Bank within five years from the date on which they obtain the equities. Save for such circumstances as banking regulatory authorities under the State Council approving them to take steps to control risks or ordering them to transfer their equities, or their equities being subject to law enforcement, or their equities being transferred between entities under the control of the same investor, substantial shareholders shall notify the Board of Directors of the Bank in advance of any transfer of shares of the Bank (except for transfer of shares in the open market which does not involve the purchase of shares of more than 1% of the total shares of the Bank). Any entity or individual that purchases more than 5% of the total shares of the Bank shall obtain prior approval from the banking regulatory authorities under the State Council. If the relevant regulations of the securities regulatory authorities of the place where the shares of the Bank are listed have other provisions on the restrictions on transfer of overseas listed shares, such provisions shall prevail.

Substantial shareholders shall notify equity management department of the Bank and make submissions to the Board of Directors for filing within five working days if the circumstances set out in (6), (7) and (8) of Article 65 of these Articles occur and they receive administrative penalty or criminal punishment due to serious violations of the laws and regulations, other circumstances occur that may affect the qualifications of shareholders or result in changes in their shareholdings in the Bank.

If the aforementioned occurs and the shareholder does not timely fulfill the reporting obligation, the shareholder shall be held accountable for the consequences arising therefrom.

Article 70 When a substantial shareholder invests in the shares of the Bank, he shall undertake in writing that he shall comply with the laws, regulations, regulatory provisions and these Articles, and explain the purpose of investing in the shares of the Bank.

If a substantial shareholder breaches its undertakings, the Bank may take corresponding restrictions on its shareholder's rights in accordance with the relevant regulatory rules on equity management of commercial banks and the Articles of Association.

Article 71 The substantial shareholders of the Bank and their controlling shareholders and de facto controllers shall not:

(1) be listed as a joint subject of punishment for dishonesty by relevant authorities;

(2) have serious evasion of bank debts;

(3) provide false materials or make false statements;

(4) be materially responsible for a commercial bank's operational failure or major violations of laws and regulations;

(5) refuse or prevent banking regulatory authorities under the State Council from performing supervision according to law;

(6) be subject to investigation and punishment by financial regulatory authorities or relevant government departments due to violation of laws and regulations, resulting in adverse impact;

(7) other circumstances that may adversely affect the operation and management of the Bank.

Article 72 The shareholders, in particular the substantial shareholders, shall protect the interests and reputation of the Bank, and support the Bank in operating in compliance with the laws. The shareholders shall support the formulation of reasonable capital planning by the Board of Directors, such that the Bank may continuously meet the regulatory requirements. The substantial shareholders shall make long-term commitment in writing to the Bank to replenish capital to the Bank when necessary, which forms a part of the Bank's capital planning. The substantial shareholders shall report their capital replenishment capacity to the banking regulatory authorities under the State Council or their agencies through the Bank every year.

Article 73 When the Bank's capital adequacy ratio fails to satisfy regulatory requirement or there occurs insufficient capital, the Bank shall suspend or reduce the distribution of profit, formulate reasonable supplementary capital planning so that the capital adequacy ratio can be met within the stipulated period according to the regulatory requirement or for the purpose of satisfying business development and strategic implementation needs. Capital is also replenished from ways such as the increasing core capital and issuing subordinate bonds. The substantial shareholders shall not hinder other shareholders from replenishing the Bank's capital or the entry of new, eligible shareholders.

Article 74 When the credit extended by the Bank to a substantial shareholder is overdue, his voting rights at the shareholders' general meeting and the voting rights of the directors nominated or appointed by him in the Board of Directors shall be restricted. Restrictions on other shareholders' voting rights at shareholders' general meetings will be imposed if their credit extended by the Bank is overdue. The Bank shall record the aforementioned circumstances in the minutes of the shareholders' general meeting and the minutes of meeting of the Board of Directors. The Bank is entitled to apply the dividend and profit distribution to repay the borrowings to the Bank. Upon liquidation of the Bank, the assets allocated shall be applied in priority to repay the borrowings to the Bank.

Article 75 The substantial shareholders of the Bank shall establish an effective risk isolation mechanism to prevent risk from spreading and transferring among shareholders, the Bank and other related institutions.

Article 76 The substantial shareholders of the Bank shall effectively manage the cross-positions as the members of the Board of Directors, members of the Board of Supervisors and senior management officers of the Bank and other related institutions to prevent conflicts of interest.

Article 77 The major shareholders of the Bank refer to the shareholders who meet one of the following conditions:

- (1) holding more than 10% equity interests in the Bank;
- (2) actually holding the most equity interests in the Bank with no less than 5% shareholding ratio (including shareholders with the same number of shares);
- (3) nominating more than two directors;
- (4) being considered by the Board of Directors of the Bank as having controlling impact on the operation and management of the Bank;
- (5) other circumstances as determined by the banking regulatory authorities under the State Council or its agencies.

Shareholding ratio of shareholders and their related parties and persons acting in concert shall be calculated on an aggregate basis. If the aggregate shareholding ratio meets the above conditions, the relevant shareholders shall be regarded as major shareholders.

Article 78 The major shareholders of the Bank shall exercise their rights as shareholders in a proper manner through corporate governance procedures to safeguard the independent operation of the Bank, and shall not illegally interfere with or restrict the Bank by any of the following means, unless otherwise provided by laws and regulations or approved by the banking regulatory authorities under the State Council:

- (1) setting up pre-approval procedures for resolutions of the shareholders' general meeting and the Board of Directors;

(2) intervening in the normal employment procedures of the Bank's staff, or directly appointing or removing the staff by bypassing the shareholders' general meeting and the Board of Directors;

(3) intervening in the performance evaluation of the directors, supervisors and other staff of the Bank;

(4) intervening the Bank's normal business decision-making procedures;

(5) intervening in the Bank's financial and accounting activities such as financial accounting, fund transfer, asset management and expense management;

(6) giving business plans or instructions to the Bank;

(7) requiring the Bank to grant loans or provide guarantees;

(8) intervening the independent operation of the Bank in other forms.

Article 79 Where a major shareholder of the Bank pledges more than 50% of his/her equity interests in the Bank, the major shareholder and the directors nominated by him/her shall not exercise their voting rights at the shareholders' general meeting and the Board meeting.

The major shareholders of the Bank shall not provide guarantee for debts of any parties other than the shareholders themselves and their related parties with their equity interests in the Bank, and shall not hold equity interests in the Bank on behalf of others, hold equity interests in the form of non-compliant related parties or transfer equity interests in disguised form of equity pledges.

The major shareholders of the Bank shall promptly, accurately and completely inform the Bank of the information on the pledge and its release with regard to the equity held by them, which shall be disclosed by the Bank in its annual report.

Article 80 The major shareholders of the Bank are prohibited from conducting improper related party transactions with the Bank or taking advantage of their influence over the Bank to obtain improper benefits by the following means:

(1) obtaining bank credit facilities such as loans, bills acceptance and discounting, bond investment and special purpose vehicle investment with terms better than similar transactions with non-related parties;

(2) illegally occupying and using the funds or other interests of the Bank by means of loans or guarantees;

(3) causing the Bank to bear the relevant expenses that are unreasonable or shall be borne by the major shareholders and their related parties;

(4) purchasing or leasing the Bank's assets on terms more favorable than similar transactions with non-related parties, or selling or leasing inferior assets to the Bank;

(5) using the Bank's intangible assets for free or on terms more favorable than those of similar transactions with non-related parties, or charging the Bank excessive intangible asset usage fees;

(6) taking advantage of the position of major shareholder to seek business opportunities belonging to the Bank;

(7) making use of the undisclosed information or commercial secrets of the Bank for gains;

(8) conducting improper related party transactions or obtaining improper benefits in other ways.

Article 81 The Bank shall not provide guarantee for the major shareholders of the Bank for their non-public issuance of bonds, nor shall the Bank purchase such bonds directly or through financial products.

Article 82 Major shareholders shall support the Bank to adjust its profit distribution policy according to its own operating conditions, risk conditions, capital planning and market environment, and balance the relationship between cash dividends and capital replenishment. In any of the following circumstances, the major shareholders of the Bank shall support the reduction or non-distribution of cash dividends:

(1) the capital adequacy ratio does not meet the regulatory requirements or the solvency is not up to standard;

(2) corporate governance evaluation results are lower than C or regulatory rating is lower than 3;

(3) the allowance for loan losses is lower than the regulatory requirements or the non-performing loan ratio is significantly higher than the industry average;

(4) material risk events or material non-compliance with laws and regulations of the Bank;

(5) other circumstances that the banking regulatory authority of the State Council and its local offices consider should not distribute dividends.

Article 83 The controlling shareholder of the Bank shall refer to the shareholder holding more than 50% of the total share capital of the Bank; or the shareholder holding less than 50% of the shares of the Bank but having sufficient voting rights according to his/her shares to have a significant impact on the resolutions of the shareholders' general meeting, including but not limited to:

1. he/she alone, or acting in concert with others, has the power to elect more than half of the directors;

2. he/she alone, or acting in concert with others, has the power to exercise or to control the exercise of 30% or more of the total voting shares of the Bank;

3. he/she alone, or acting in concert with others, holds 30% or more of the total issued shares of the Bank;

4. he/she alone, or acting in concert with others, may de facto control the Bank in any other manner.

The term “acting in concert” referred to hereinabove means two or more persons who, by way of agreement, cooperation, related party relationship or other lawful means, enlarge the proportion of shares in the Bank which are under their control or consolidate their control over the Bank, so that when exercising the voting rights of the Bank, the same expression of opinions will be made (including joint proposal of motions, joint nomination of directors, entrustment of the exercise of voting rights which do not state voting intention, but excluding open proxy solicitation).

Article 84 Neither the controlling shareholder nor the de facto controller of the shares may damage the interests of the Bank by taking the advantage of its affiliate relationship, and a shareholder or controller shall be liable for compensation if it breaches this Article and thereby causes loss to the Bank.

A controlling shareholder or de facto controller of the Bank shall owe the fiduciary duties to both the Bank and public shareholders of the Bank. The controlling shareholder shall be in strict compliance with the law while it exercises its rights as investor, and shall not impair the legitimate interests of the Bank or public shareholders by taking advantage of profits distribution, assets reorganization, external investment, capital appropriation and loan guarantee or in any other way, nor shall it impair the legitimate interests of the Bank or public shareholders by taking advantage of its position as a controlling shareholder.

Article 85 The credit balance granted by the Bank to individual entities such as substantial shareholders or their controlling shareholders, de facto controllers, related parties, persons acting in concert and ultimate beneficiaries shall not exceed 10% of the net capital of the Bank. The total credit balance granted by the Bank to a single substantial shareholder and its controlling shareholders, de facto controllers, related parties, persons acting in concert and ultimate beneficiaries shall not exceed 15% of the net capital of the Bank.

The controlling shareholders, de facto controllers, related parties, persons acting in concert and ultimate beneficiaries referred to in this Article shall be consistent with the definition in the Interim Measures for the Equity Management of Commercial Banks.

Article 86 In addition to the obligations required under the laws, regulations, regulatory provisions or the provisions stipulated by a stock exchange located at the jurisdiction in which the shares of the Bank are listed, when exercising its rights as a shareholder, the controlling shareholder shall not exercise its voting rights and make decisions on the following issues as these issues are detrimental to the interests of all or some of the shareholders:

(1) relieving a director or supervisor of their responsibility to act in good faith and in the best interests of the Bank;

(2) approving a director or a supervisor (for his/her own or for the benefit of others) in depriving the Bank of its assets in any form, including but not limited to any business opportunities that are advantageous to the Bank;

(3) approving a director or a supervisor (for his/her own or for the benefit of others) in depriving other shareholders of their personal interests, including but not limited to any distribution rights and voting rights, unless the deprivation is made pursuant to a Bank restructuring submitted to and adopted at the shareholders' general meeting in accordance with these Articles.

Section 3 Shareholders' General Meetings

Article 87 The shareholders' general meeting shall be an organ of power of the Bank and shall exercise the following powers in accordance with the law:

(1) to consider and approve the rules of procedure of the shareholders' general meeting, the Board of Directors and the Board of Supervisors;

(2) to elect and replace directors and supervisors which are not appointed as representatives of the employees, and to decide on the remuneration of the relevant directors and supervisors;

(3) to review and approve reports made by the Board of Directors;

(4) to review and approve reports made by the Board of Supervisors;

(5) to decide on the business policies and investment plans of the Bank;

(6) to review and approve the Bank's proposed annual financial budget and final accounts;

(7) to review and approve the Bank's plans for profit distribution and loss recovery;

(8) to adopt resolutions concerning the increase or reduction in the Bank's registered capital;

(9) to adopt resolutions on the repurchase of the Bank's shares in accordance with the laws;

(10) to adopt resolutions regarding the issuance of corporate bonds or company listing;

(11) to decide and approve on the change in the use of proceeds on the funds raised;

(12) to review and approve proposal for the share incentive plans;

(13) to adopt resolutions on the merger, division, dissolution, liquidation or other change in corporate form of the Bank;

(14) to amend these Articles;

(15) to decide on the engagement, dismissal of the accounting firm performing regular statutory audit on the Bank's financial reports or the discontinuation of the appointment of the accounting firm;

(16) to review proposals raised by shareholders who hold 3% or more of shares of the Bank;

(17) to review and approve other issues which should be decided by the shareholders' general meeting as stipulated by the laws, regulations, regulatory provisions or these Articles.

The above shareholders' general meeting's scope of authority shall not be granted to the Board of Directors, other institutions or individuals to exercise. If it is necessary, reasonable and legal, the decision-making for the implementation and execution of any specific issues related to the foregoing issues which are unable or unnecessary to be decided immediately at the shareholders' general meeting can be delegated to the Board of Directors. If the shareholders delegate their decision-making to the Board of Directors, the authorization given shall be clear and specific. If these Articles require that the abovementioned authorities to be delegated to the Board of Directors are to be adopted by the shareholders' general meeting by way of ordinary resolution, such resolutions shall be approved by more than half of the voting rights of the shareholders (including proxies thereof) attending the shareholders' general meeting. If these Articles require that authority to be delegated to the Board of Directors are to be adopted by the shareholders' general meeting by way of special resolution, such resolutions shall be approved by two-thirds or more of the voting rights of the shareholders (including proxies thereof) attending the shareholders' general meeting.

Article 88 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 (6) months after the previous financial year end.

Article 89 An extraordinary general meeting shall be convened within two months from the date of occurrence of any of the following events:

(1) the number of directors fails to meet the minimum number required by the Company Law or is less than two-thirds of the number stipulated in these Articles;

(2) the unrecovered losses of the Bank reach one-third of the Bank's total paid-in share capital;

(3) shareholders who individually or jointly hold more than 10% of the total voting shares issued by the Bank have requested in writing to convene the extraordinary general meeting;

(4) more than half and at least two of the independent directors propose to convene the extraordinary general meeting;

(5) more than half of the external supervisors to convene the meeting (if there are only two external supervisors, then the two external supervisors unanimously propose to convene);

(6) the Board of Directors deems it necessary to convene the meeting;

(7) the Board of Supervisors proposes to convene the meeting;

(8) any other circumstances as stipulated by the laws, regulations, regulatory provisions or these Articles.

Article 90 The Bank shall convene shareholders' general meetings either at its domicile or at any other place specified in the notice of a shareholders' general meeting.

The Bank shall arrange for the venue such that a physical meeting can be held. The Bank should make available the participation of the shareholders' general meeting through safe, economical and convenient internet or other means for the convenience of the mid and minority shareholders. Shareholders participating the general meeting by such means shall be regarded as present.

Article 91 The shareholders' general meeting is convened by the Board of Directors in accordance with the laws, regulations, regulatory provisions and these Articles and presided by the chairman of the Board of Directors. If the chairman is unable to preside over the meeting for any reason, the chairman shall designate another director to preside over the meeting. If the chairman is unable to preside over the meeting, and no other director is designated, a director elected by no less than half of the directors shall preside over the shareholders' general meeting. If the Board of Directors is unable to perform or does not perform its duty of convening shareholders' general meeting, the Board of Supervisors shall convene the meeting in a timely manner, which shall be presided over by the chairman of the Board of Supervisors. If the chairman of the Board of Supervisors is unable to attend the meeting for any reason, a supervisor jointly elected by no less than half of the supervisors shall preside over the shareholders' general meeting. If the Board of Supervisors does not convene and preside over the meeting, shareholders individually or in aggregate holding one-tenth or more of the Bank's shares for a period longer than ninety consecutive days can convene the meeting, which shall be presided over by a representative elected by conveners of meeting.

If for any reason the shareholders are unable to elect a chairman of the meeting, the shareholder (including proxy) present at the meeting holding the largest number of voting shares shall be the chairman of the meeting.

Article 92 More than half of independent Directors are entitled to propose to the Board of Directors that an extraordinary Shareholders' general meeting be convened, and shall submit the proposal in writing. The Board of Directors shall, within ten days of receiving the proposal, provide written feedback stating whether they agree to or object to the proposal in accordance with the laws, regulations, regulatory provisions and these Articles.

The Board of Directors shall issue notice of a shareholders' general meeting within five days of resolution of the Board of Directors upon agreeing to convene an extraordinary Shareholders' general meeting. Where the Board of Directors object to convene an extraordinary Shareholders' general meeting, it shall provide reasons.

Article 93 The Board of Supervisors or more than half of external supervisors are entitled to propose for convening of extraordinary Shareholders' general meeting to the Board of Directors, and shall submit the proposal in writing. The Board of Directors shall grant feedback in writing of agreement or disagreement within ten days subsequent to the receipt of the proposal in accordance with prescriptions of the law, regulations, regulatory provisions and these Articles.

The Board of Directors shall give notice of a shareholders' general meeting within five days subsequent to resolution of the Board upon agreeing to convene an extraordinary Shareholders' general meeting and shall obtain consent of the Board of Supervisors on any alteration of the original proposal.

If the Board of Directors disagrees with convening of an extraordinary Shareholders' general meeting or does not grant feedback within ten days subsequent to the receipt of the proposal, it shall be deemed as unable to perform or have not performed its duties of convening shareholders' general meeting, and the Board of Supervisors may convene and preside over a meeting by itself.

Article 94 Shareholders individually or in aggregate holding 10% or more of the Bank's voting shares have the right to request that the Board of Directors convene an extraordinary Shareholders' general meeting or a class shareholder meeting, and such requests should be made in writing and state the topics of meeting. The Board of Directors shall grant feedback in writing of whether to convene the extraordinary shareholders' general meeting or class shareholder meeting within ten days from the receiving date of such request in accordance with the laws, regulations, regulatory provisions and these Articles. The shareholding is based on their shareholdings held by shareholders on the date such request is proposed in writing.

The Board of Directors shall give notice of a shareholders' general meeting or a class shareholder meeting within five days from adoption of the resolution of the Board upon agreeing to convene an extraordinary shareholders' general meeting or a class shareholder meeting, and shall obtain the consent of the relevant shareholders in relation to any change to the original proposals stated in the notice.

If the Board of Directors decides against the convening of an extraordinary Shareholders' general meeting or a class shareholder meeting, or the Board of Directors fails to grant feedback within ten days from receiving the proposal, shareholders individually or in aggregate holding 10% or more of the Bank's voting shares are entitled to propose for convening an extraordinary Shareholders' general meeting or a class shareholder meeting, and shall send a request to the Board of Supervisors in writing.

Where the Board of Supervisors agrees to convene the extraordinary shareholders' meeting or class shareholders meeting, it shall give notice of a Shareholders' general meeting or a class shareholder meeting within five days of receiving the request, and any change to the original proposals stated in the notice shall obtain the consent of the relevant shareholders.

If the Board of Supervisors fails to issue notice of the Shareholders' general meeting or class shareholder meeting, the Board of Supervisors will be deemed not to convene or preside over the Shareholders' general meeting or class shareholder meeting and such a meeting may be convened and presided over by shareholders who individually or in aggregate, for at least ninety consecutive days, hold 10% or more of the Bank's voting shares (hereinafter referred to as the "Convening Shareholders").

Article 95 If either the Board of Supervisors or shareholders propose to convene a shareholders' general meeting on their own initiatives, the Board of Directors shall be informed in writing.

The shareholding proportion of the Convening Shareholders before making resolutions in the shareholders' general meeting shall not be less than 10%.

The Convening Shareholders shall submit the relevant evidentiary materials to relevant regulatory authorities when the Convening Shareholders issue the notice of shareholders' general meeting and the announcement of the resolutions passed at the shareholders' general meeting.

Article 96 With respect to a shareholders' general meeting convened by the Board of Supervisors or the shareholders, the Board of Directors and the secretary of the Board of Directors shall cooperate. The Board of Directors shall offer the register of shareholders as at the shareholding registration date.

If the Board of Directors fails to provide the register of shareholders, the conveners may apply to the securities registration and clearing institution for the register of shareholders, taking with them the announcement regarding the notice convening the shareholders' general meeting. The register of shareholders provided to the conveners shall only be used for the shareholders' general meeting and shall not be used for other purposes.

Article 97 Necessary costs arising out of a shareholders' general meeting convened by the Board of Supervisors or the shareholders on their own shall be borne by the Bank.

Article 98 When the Bank is to convene a shareholders' general meeting, a notice shall be given to each shareholder on the time and venue of the meeting as well as matters to be considered twenty days before the shareholders' general meeting. Notice of an extraordinary general meeting shall be given to each shareholder fifteen days before the meeting.

Article 99 The notice of a shareholders' general meeting shall meet the following requirements:

(1) it is in written form;

(2) it indicates the date, time and venue of the meeting;

(3) it shall state the matters to be considered at the meeting;

(4) it shall contain all necessary information and explanation to enable shareholders to make informed decisions on the matters to be discussed. This means that when the following matters which shall include (but shall not be limited to) any merger, share repurchase, share capital reorganization or other restructuring proposals are involved, the detailed terms of the proposed transaction, copies of the proposed agreement (if any) and detailed explanation as to the cause and effect of such proposed transaction shall be provided;

(5) if any of the directors, supervisors or senior management officers have material interest in the matters to be discussed, they shall disclose the nature and extent of such interest; and if the effects of the matters to be discussed have a different effect on a director, supervisor or senior management officer as shareholders compared to other shareholders of that same class, the differences shall be explained;

(6) it shall contain the full text of any proposed special resolution to be voted at the meeting;

(7) it shall contain a prominent statement stating that a shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on his/her behalf and such proxy need not be a shareholder;

(8) it shall state the shareholding registration date of the shareholders who are entitled to attend the meeting;

(9) it shall state the time and address for lodging the proxy forms of the relevant meeting;

(10) it shall state the name and phone number of the contact person for meeting affairs;

(11) it shall state the issuance date of the notice of the shareholders' general meeting;

(12) it shall satisfy other requirements stipulated by the laws, regulations, regulatory provisions and these Articles.

A blank proxy form shall also be delivered together with the notice of a shareholders' general meeting.

The text of the notice of meeting shall be given in Chinese or English. In case of any discrepancy between the two versions, the Chinese version shall prevail.

Article 100 The notice of a shareholders' general meeting shall be delivered by hand or prepaid mail to all shareholders (regardless whether they have voting rights at the shareholders' general meeting). The address of the recipients shall be the address registered in the register of shareholders.

For holders of domestic shares, the notice of a shareholders' general meeting (including the notice of the domestic share class meeting) may be in form of an announcement.

The aforesaid announcement shall be published in one or more newspapers specified by the securities regulatory authority under the State Council. All holders of domestic shares shall be deemed as having been notified of the forthcoming shareholders' general meeting once the announcement is published.

Subject to the satisfaction of laws and regulations, the notice of a shareholders' general meeting (including the notice of H share class meeting) issued to the holders of H shares may be published on the website of the Bank, the website of the Hong Kong Stock Exchange and other websites as stipulated by the Listing Rules from time to time, in lieu of delivery by hand or by prepaid mail to the holders of H shares of the Bank.

Where, as a result of accidental omission, a notice of meeting is not given to a person who is entitled to receive such notice or where such person has not received the notice, the meeting or any resolution adopted at the meeting shall not be invalidated as a result.

Article 101 Once the notice of a shareholders' general meeting is issued, the meeting shall not be postponed or cancelled without valid reasons, and proposals contained in the notice shall not be withdrawn. In the event of any postponement or cancellation, the convener shall make an announcement and state the reasons at least two working days before the scheduled meeting date.

Article 102 If the election of directors and supervisors is intended to be discussed at the shareholders' general meeting, the notice of the shareholders' general meeting shall fully disclose the details of the candidates for the role of directors and supervisors, and shall at least include the following particulars:

(1) personal particulars, such as education background, work experience and any part-time work undertaken;

(2) whether there is any related party relationship with the Bank or with the controlling shareholders and de facto controllers of the Bank;

(3) disclosure of their shareholding in the Bank;

(4) whether they have been subject to any penalties imposed by the regulatory authority and other relevant departments, and any stock exchange disciplinary action;

(5) information in relation to the new appointment or re-designation of directors or supervisors as required by the Listing Rules.

Article 103 The Board of Directors and other conveners shall take necessary measures to maintain order at shareholders' general meetings. Behaviors such as disruption of the meeting, provocation of trouble and infringement on the legitimate rights and interests of shareholders shall be prevented and promptly reported to relevant authorities for investigation.

Article 104 All shareholders whose names appear on the register of shareholders on the date of registration of equity entitlements or their proxies shall be entitled to attend the shareholders' general meeting and exercise their voting rights in accordance with the relevant laws, regulations, regulatory provisions and these Articles.

Article 105 Any shareholder entitled to attend and having voting rights at a shareholders' general meeting shall be entitled to appoint one or more persons (the(se) person(s) need not be shareholder(s)) as prox(ies) to attend and vote on their behalf. A proxy may exercise the following powers at a shareholders' general meeting in accordance with the authorization from that shareholder:

(1) the same right of speech as the shareholder at the meeting;

(2) the authority to demand or join other shareholders in demanding a poll;

(3) the right to vote by a show of hands or on a poll, but when more than one proxy has been appointed, the proxies only have the right to vote on a poll.

Article 106 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 107 If an individual shareholder attends the meeting in person, he/she shall produce his/her own identification cards or other valid credentials or proof of their identities or share certificate. If a proxy is appointed to attend the meeting, the proxy shall produce his/her own identification cards or document, instrument of proxy and certificate providing proof of the shareholding of the appointing shareholder.

A corporate shareholder shall attend the meeting through its legal representative or a proxy appointed by its legal representative. If a legal representative attends the meeting, he/she shall produce his/her own identification cards or document, valid identification documents showing that he/she qualifies to serve as a legal representative. If a proxy attends the meeting, he/she shall produce his/her own identification cards or document, written power of attorney granted by the legal representative of the corporate shareholder.

Article 108 The proxy form used by shareholders to appoint proxies to attend the shareholders' general meeting shall contain the following information:

(1) name of the proxy;

(2) whether or not the proxy has the right to vote;

(3) instructions on how to vote (voting in the affirmative, negative, or in abstention) in relation to each of the resolutions on the agenda of the shareholders' general meeting;

(4) whether the proxy has the right to vote on extempore motions that may be added to the agenda of the Shareholders' general meeting and the specific instructions as to what vote to cast if he/she has such right to vote;

(5) date of issuance and term of validity;

(6) signature (seal) of the appointing shareholder; if the appointing shareholder is a corporate shareholder, the document shall be affixed with the legal person's seal;

(7) the power of attorney should indicate the proxy may vote at his/her discretion if no specific instructions have been given by the shareholder.

Article 109 The power of attorney shall be placed at the Bank's domicile or at any other place designated in the notice of the shareholders' general meeting, and at least twenty-four (24) hours prior to either the convening of the relevant meeting in which the resolutions are to be voted or the designated voting time. If the power of attorney is signed by a person authorized by the appointing shareholder instead of the appointing shareholder himself/herself, the power of attorney or other authorization documents authorizing the signing shall be notarized. The notarized power of attorney or other authorization documents shall, together with the proxy form, be placed at the Bank's domicile or any other place designated in the notice of the shareholders' general meeting.

In the event that the appointing shareholder is a legal person, the shareholder shall be represented at the shareholders' general meeting of the Bank by the legal representative or persons authorized by the resolution of the Board of Directors or other decision-making body of such appointing shareholder.

If the shareholder is an authorized clearing house as defined in Hong Kong Securities and Futures Ordinance (chapter 571 of the laws of Hong Kong) or its agent, such a shareholder is entitled to appoint one or more than one persons it deems suitable to act as its proxy in the shareholders' general meeting or class shareholder general meeting. If two or more persons are appointed as proxies, the power of attorney shall clearly state the number and the class of shares represented by each of the proxies. The proxy forms shall be signed by the respective proxies appointed by the authorized clearing house, and the proxies so appointed may represent the authorized clearing house or its agent in exercising its rights at any meeting (without being required to present share certificate, certified statement of proxy and/or further evidence of due authorization) as if that proxy is a natural person shareholder of the Bank.

Article 110 The blank proxy form issued either by the Board of Directors or the convener of the shareholders' general meeting to the shareholder for the appointment of proxies shall freely allow the shareholder to instruct his/her proxy to vote as he/she sees fit (voting in the affirmative, negative, or in abstention), and to give separate instructions for each resolution that will be voted at the meeting.

Article 111 If the appointing shareholder has passed away, lost his/her ability to act, withdrawn the appointment, withdrawn the authorization of the signed proxy form or has transferred all of his/her 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 112 The meeting attendance records shall be prepared by the Bank. The records shall, amongst other matters, contain the names (or corporate names) of the attendees, their identity card 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.

Article 113 The convener and the lawyers appointed by the Bank shall verify the legitimacy of the shareholders' qualifications based on the records available from the register of shareholders provided by the securities registration and clearing authority, and shall record the names (or corporate names) of shareholders attending the meeting and the number of voting shares held by them. The registration process for the meeting shall be completed before the chairman of the meeting announces the number of shareholders and proxies attending the meeting and the total number of voting shares represented by them.

Article 114 When the shareholders' general meeting is being convened, all the Bank's directors, supervisors and the Secretary to the Board of Directors shall attend the meeting. The senior management officers who are not directors shall observe the meeting.

The chairman of the meeting shall, prior to voting, announce the number of shareholders and proxies attending the meeting and the total number of voting shares represented by them, with the figures recorded in the attendance records prevailing.

At the annual shareholders' general meeting, the Board of Directors and the Board of Supervisors should both report to the shareholders on the work they have undertaken over the past year. Every independent director shall also report on the work.

Article 115 The Bank shall formulate the rules of procedure regarding the shareholders' general meeting, and specify the convening and voting procedures, including convening method, documents preparation, voting method, the abstention from voting by related party shareholders, notification, registration, and consideration of proposals, voting, counting of votes, announcement of voting results, formation of meeting resolutions, minutes of meetings and signature, announcements and the principle of authorization by the shareholders' general meeting to the Board of Directors. The authorization principle should be clear and specific in terms of contents. The rules of procedure for the shareholders' general meeting shall be prepared by the Board of Directors and approved by the shareholders' general meeting.

Article 116 The convener shall ensure that the shareholders' general meeting does not end until final resolutions have been concluded. In the event that the shareholders' general meeting is adjourned or resolutions cannot be reached due to force majeure or other special circumstances, necessary measures shall be taken to reconvene the meeting as soon as possible or conclude the meeting immediately and an announcement shall be published in a timely manner.

Section 4 Proposals of Shareholders' General Meetings

Article 117 When the Bank convenes shareholders' general meetings, the Board of Directors, the Board of Supervisors and shareholders individually or in aggregate holding 3% or more of the Bank's voting shares shall be entitled to submit their proposals to the Bank.

The proposal of shareholders' general meetings shall meet all of the following requirements:

(1) the contents of the proposal shall be within the scope of authority of the shareholders' general meeting;

(2) it shall have definite topics for consideration and specific items to be decided by resolution;

(3) it shall be in compliance with the laws, regulations, regulatory provisions and the relevant provisions of these Articles;

(4) it shall be in written form and submitted or delivered to the convener of Board of Directors.

Proposals which have not been set out in the notice of a shareholders' general meeting or which are not in compliance with the above requirements of these Articles shall not be put forward and voted upon as resolutions at a shareholders' general meeting.

Article 118 Shareholders individually or in aggregate holding 3% or more of the Bank's voting shares may submit provisional proposals to the convener in writing ten days prior to the date of the shareholders' general meeting. The convener shall issue a supplementary notice of the shareholders' general meeting with the content of such provisional proposals upon review and satisfaction that such provisional proposals comply with the provisions in Article 117 of these Articles, within two days after receipt thereof. Requirements otherwise provided in the listing rules of the stock exchange where the Bank's shares are listed shall also be met.

Except for the circumstances provided in the preceding paragraph, the conveners shall not amend nor add any new proposals to those which are set out in the original notice of the shareholders' general meeting.

Article 119 Where the Board of Directors 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 of Directors shall be recorded in the meeting minutes together with the resolutions after conclusion of the shareholders' general meeting.

Article 120 Any proposed shareholder who disagrees with the Board of Directors' decisions on excluding his/her proposal from the agenda of the shareholders' general meeting may, according to the relevant provisions such as Article 94 of these Articles, request the convening of an extraordinary general meeting.

Article 121 The list of director and supervisor candidates shall be submitted in the form of a proposal to the shareholders' general meeting for consideration. Voting on each candidate for directors and candidate for supervisors shall be carried out at the shareholders' general meeting separately.

Section 5 Resolutions of Shareholders' General Meetings

Article 122 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 meeting.

Special resolutions shall be approved by not less than two-thirds of voting rights held by the shareholders (including their proxies) attending the meeting.

Article 123 The following matters shall be resolved by way of an ordinary resolution:

(1) consideration and approval of the rules of procedure of shareholders' general meetings, the Board of Directors and the Board of Supervisors of the Bank;

(2) appointment and dismissal of directors, shareholder supervisors and external supervisors, and remuneration of the relevant directors and supervisors;

(3) work reports of the Board of Directors;

(4) work reports of the Board of Supervisors;

(5) operational objectives and investment proposals of the Bank;

(6) the Bank's annual financial budget plans, final account plans, the balance sheet, the income statement and other financial statements;

(7) profit distribution plans and loss recovery plans of the Bank;

(8) resolutions on appointment and dismissal of accounting firms which regularly perform statutory audit for the Bank's financial reports;

(9) matters that should be approved by special resolutions or be subject to unanimous approval apart from those required by the laws and regulations or these Articles.

Article 124 The following matters shall be resolved by way of a special resolution:

(1) an increase or reduction of the registered capital of the Bank and the issuance of any class of shares, warrants and other similar securities;

(2) issuance of corporate bonds or company listing;

(3) consideration and approval of proposal of share incentive plans;

(4) repurchase of the Bank's shares;

(5) the division, merger, dissolution, liquidation or any other change in the corporate form of the Bank;

(6) amendments to these Articles;

(7) removal of independent directors;

(8) any other matters which are required by the laws, regulations, regulatory provisions and these Articles, and any matter decided by the shareholders' general meeting by way of an ordinary resolution to have a material effect on the Bank should therefore be adopted by a special resolution.

Article 125 When a shareholder (including proxy) votes at a shareholders' general meeting by exercising his/her voting rights according to the number of shares carrying the right to vote, each share shall have one vote.

The shares held by the Bank have no voting rights, and such part of the shareholding shall not be counted as the total number of shares with voting rights held by shareholders attending the meeting.

If any shareholder shall abstain from voting on a certain matter or is limited to casting of affirmative or negative votes on a certain matter, any votes cast by the shareholder or proxy in violation of the aforesaid requirements or restrictions shall not be included in the voting results.

Article 126 Related shareholders shall not participate in voting when matters concerning related party transactions are considered at a shareholders' general meeting, and the shares with voting rights represented by the related shareholders shall not be counted into the total number of valid votes. The resolutions adopted at the shareholders' general meeting should fully disclose the voting results by non-related shareholders.

Article 127 Unless the Bank is under special circumstances such as a crisis, the Bank shall not enter into contracts to entrust the management of all or the important businesses to persons other than the directors, supervisor and senior management officers of the Bank without approval in the form of a special resolution adopted in a shareholders' general meeting.

Article 128 All proposals shall be voted separately at the shareholders' general meeting. If there are a number of proposals related to the same matter, votes shall be cast in the order of which the proposals are presented. Except where there is force majeure or other special circumstances resulting in the adjournment of the shareholders' general meeting or the failure to adopt resolutions, no resolutions proposed in the shareholders' general meeting shall be set aside or skipped.

Article 129 The shareholders' general meeting, while considering proposals, will not modify the key contents of such proposals.

Article 130 The same voting right can only be exercised through either on-site voting or one other voting form. Where more than one vote is cast for the same voting right, the choice of the first vote shall prevail.

Article 131 Voting at a shareholders' general meeting will be made by open ballot.

Article 132 On a poll taken at a meeting, a shareholder (including his/her proxies) entitled to two or more votes need not cast all the votes towards for or against.

Article 133 Before a proposal is put to vote at a shareholders' general meeting, two representatives of the shareholders shall be nominated to count the votes and to act as the scrutineers. If a shareholder is associated with the matter to be considered, the shareholder and his/her/its proxy shall neither count the votes nor act as the scrutineer.

During the voting process of a shareholders' general meeting, the vote count and examination of the poll shall be conducted by lawyers, representatives of shareholders and representatives of supervisors and qualified persons appointed according to the Listing Rules, and the voting outcome shall be announced at the meeting. The voting outcome for each resolution shall be recorded in the meeting minutes.

Article 134 For every proposed resolution, the voting circumstances and voting outcome shall be announced at the meeting, and the chairman of the meeting shall decide and announce whether the resolution has been adopted based on the voting outcome. The decision shall be final and recorded in the meeting minutes.

Prior to the formal announcement of the voting outcome, all interested parties attending the meeting in person and involving in other voting form, including the Bank, the vote counter, the scrutineer and substantial shareholders, etc., have an obligation to keep the voting results confidential.

Article 135 If the chairman of the meeting has any doubts as to the voting outcome of any resolution, he/she may have the votes recounted. If the chairman does not recount the votes and the shareholders or their proxies who have attended the meeting have doubts as to the outcome announced by the chairman, they may request a vote recount immediately after the announcement of the voting outcome, and the chairman shall have the votes recounted immediately.

If the votes are counted at a shareholders' general meeting, the result shall be recorded into the minutes.

Article 136 Unless confidential trade secrets of the Bank are involved which shall not be disclosed, the directors, supervisors and senior management officers shall respond and give explanation to recommendations or queries from shareholders at the shareholders' general meeting.

Article 137 Minutes shall be recorded for the shareholders' general meeting, and the Secretary to the Board of Directors shall be in charge of recording the minutes. The minutes shall contain the following information:

(1) the time, venue, and agenda of the meeting, as well as the name (or corporate name) of the convener;

(2) the names and positions of the chairman of the meeting, and the directors, supervisors and senior management officers who attend or observe the meeting;

(3) the number of shareholders and proxies present at the meeting, the total number of shares with voting rights held by them, and the percentage in relation to the total number of the Bank's shares;

(4) the deliberation process for each resolution, key points of speeches made and voting outcome;

(5) any enquiries or suggestions made by shareholders and corresponding explanation or response, etc.;

(6) the name of the lawyer(s), vote counter and scrutineer;

(7) any other matters required by the provisions of these Articles to be recorded in the minutes.

Article 138 The convener shall ensure that the minutes are truthful, accurate and complete. The attending directors, supervisors, Secretary to the Board of Directors, convener or their representatives and the chairman of the meeting shall sign on the minutes. The minutes, list of signatures by shareholders in attendance, powers of attorney, and valid information regarding alternative voting methods shall be filed and form part of the Bank's files that will be kept permanently.

Article 139 Resolutions adopted at the shareholders' general meeting shall be announced in a timely manner in accordance with the requirements of the laws and regulations. The announcement shall specify the number of shareholders attending the meeting, the total number of shares held by them and the proportion relative to the total number of shares with voting rights of the Bank, as well as the voting method of each proposal and the voting outcome. In resolving on any proposal made by shareholders, the names and shareholdings of the shareholders and contents of the proposal shall be specified.

Article 140 If the proposal regarding the election of the directors or supervisors is approved at the shareholders' general meeting, the newly elected director or supervisor's term of service shall commence on the date on which the resolution is adopted at the shareholders' general meeting. If their qualifications are subject to the approval by the relevant regulatory authority, the term of office shall commence on the date when their qualifications are approved by such regulatory authority.

Article 141 The Bank shall implement any plans of cash distribution, issue of bonus shares or increase of share capital by capitalization adopted at a shareholders' general meeting within two months after the conclusion of shareholders' general meeting.

Article 142 The Board of Directors of the Bank shall submit the minutes and the resolutions of the shareholders' general meeting and other documents to the banking regulatory authorities under the State Council in a timely manner.

Article 143 When a shareholders' general meeting is being held, the Bank shall engage lawyers to observe the meeting and give legal opinions as to the matters set out below:

(1) whether the procedures for convening and holding the meeting are in compliance with the laws, regulations, regulatory provisions and these Articles;

(2) whether the qualifications of the attendees and convener are legal and valid;

(3) whether the voting procedures and voting outcome of the shareholders' general meeting are legal and valid;

(4) legal opinions on other relevant issues as requested by the Bank.

Section 6 Special Procedures for Voting by a Certain Class of Shareholders

Article 144 Shareholders who hold different classes of shares are classified as "class shareholders".

Class shareholders are entitled to rights and are subject to the obligations pursuant to the laws, regulations, regulatory provisions and these Articles.

Class shareholders within the Bank shall enjoy equal rights to receive dividends or other forms of distributions.

Article 145 If the Bank proposes to change or nullify certain rights of a certain class of shareholders, such proposal should be passed by a special resolution at the shareholders' general meeting and passed at the meeting convened according to Articles 146 to 150 of these Articles for the related class of shareholders.

Article 146 The rights of a certain class of shareholders shall be deemed to be changed or nullified in the following circumstances:

(1) to increase or reduce in the quantity of the shares of that class, or increase or reduce the quantity of the shares of other classes which enjoy the same or more voting rights, distribution rights or other privileges as the shares of that class;

(2) to convert whole or part of the shares of that class into other class(es), convert whole or part of the shares of other class(es) into that class, or grant such conversion rights;

(3) to nullify or reduce rights to accrued dividends or to cumulative dividends attaching to that class of shares;

(4) 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;

(5) 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;

(6) to nullify or reduce the rights of that class of shares to receive amounts payable by the Bank in a particular currency;

(7) 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;

(8) to restrict the transfer and ownership of that class of shares, or increase such restrictions;

(9) to grant the share subscription options or share conversion options of that or another class of shares;

(10) to increase the rights or privileges of other class(es) of shares;

(11) any restructuring scheme of the Bank that may result in the assumption of disproportionate responsibilities by different classes of shareholders during the restructuring;

(12) to revise or nullify the provisions in these Article.

Upon approval by the banking regulatory authorities and securities regulatory authorities under the State Council, the shareholders of the Bank may transfer their unlisted shares to overseas investors or convert them into foreign shares and list them abroad for trading. The listing and trading of the above shares on the overseas stock exchange shall comply with the regulatory procedures, regulations and requirements of the overseas securities market. The listing and trading on any overseas stock exchange of the above shares shall not be deemed to change or nullify the rights of a certain class of shareholders and shall not require the voting of the class shareholders' general meeting.

Article 147 The shareholders of a class of shares that are affected, whether they originally have voting rights at shareholders' general meetings, shall be entitled to vote on the matters concerning sub-paragraphs (2) to (8), (11) and (12) of Article 146 at the meeting for such class of shareholders, but shareholders with conflicts of interests therein shall have no voting rights at the meeting for such class of shareholders.

The shareholders with conflict of interests mentioned in the preceding paragraph shall have the meaning as follows:

(1) if the Bank has made a repurchase tender offer to all shareholders in the same proportion in accordance with Article 36 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;

(2) if the Bank has repurchased shares under an off-market agreement in accordance with Article 36, "shareholders with conflicts of interests" shall mean shareholders who are connected with the aforementioned agreement;

(3) 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 148 A resolution of the meeting for a certain class of shareholders shall be adopted by more than two-thirds of the voting shares represented by shareholders of that class present at the meeting in accordance with Article 147.

Article 149 When convening a meeting for a certain class of shareholders, the Bank shall, with reference to the notice period requirement for convening a shareholders’ general meeting in these Articles, issue a written notice to all shareholders in the relevant class whose names appear on the register of shareholders, stating the matters to be considered at the meeting and the time and venue of the meeting.

Article 150 The notice of a meeting for a certain class of shareholders only needs to be delivered to the shareholders entitled to vote at that meeting.

The procedures for convening a meeting for a certain class of shareholder 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 shareholder meeting.

Article 151 Apart from other classes of shareholders, the shareholders of domestic shares and overseas-listed foreign shares are deemed to be shareholders of different classes.

The special voting procedures at a shareholders’ general meeting for class shareholders shall not apply in the following cases:

(1) upon the approval by way of a special resolution adopted by a shareholders’ general meeting, the Bank independently or simultaneously issues domestic shares and/or overseas-listed foreign shares every twelve (12) months, provided that the amount of each class of shares intended to be issued is not more than 20% of the issued and outstanding shares of the respective class;

(2) the Bank’s plan on issuing domestic shares and overseas-listed foreign shares at the time of incorporation, which shall be completed within fifteen (15) months upon the date of approval from the securities regulatory authority;

(3) the relevant authorities such as the securities regulatory authorities of the State Council have given approval for unlisted shares held by shareholders of domestic shares of the Bank to be transferred into overseas-listed foreign shares, to be transferred to overseas investors or converted into foreign shares and to be listed and traded in overseas stock exchanges.

Chapter 6 Directors and Board of Directors

Section 1 Directors

Article 152 The directors of the Bank include executive directors and non-executive directors (including independent directors).

Executive director of the Bank means the director who, in addition to serving as a director, also assumes the duties of a senior management officer.

Non-executive director of the Bank means the director who does not hold any other positions in the Bank except for director and does not assume the duties of a senior management officer.

Independent director of the Bank means the director who does not hold any other positions in the Bank except for director, and has no relationship with the Bank and its shareholders, de facto controllers that may impact on his/her independent and objective judgement in relation to the Bank's affairs.

Article 153 Directors of the Bank are not required to hold any shares of the Bank.

Directors of the Bank shall meet the following basic criteria:

- (1) shall be with full civil capacity;
- (2) shall have good records of compliance with laws and regulations;
- (3) shall be of good character and reputation;
- (4) shall possess knowledge, experience and abilities required to hold the designated position;
- (5) shall have good records in economic and financial practices;
- (6) shall have sound personal and family financial position;
- (7) shall have the independence required to hold the designated position;
- (8) shall perform the duty of loyalty and diligence to the Bank;
- (9) shall have no less than 5 years of work experience in law, economics, finance, accounting or other experiences conducive to performing duties and responsibilities of a director;
- (10) shall be able to use the Bank's financial statements and statistical statements to judge the Bank's operation, management and risk profile;
- (11) shall understand the Bank's corporate governance structure, the Articles of Association and the duties of the Board of Directors;
- (12) other criteria required by the laws, regulations and regulatory provisions.

In addition to above-said criteria, the Bank's chairman shall have a bachelor's degree or above, have six years or above of work experience in finance or have ten years or above of work experience in economics related work (among which, three years or above of work experience in finance).

The following person shall not hold director position in the Bank :

- (1) a non-natural person;
- (2) a person without or with limited civil capacity;

(3) the person has intentional and gross negligence criminal records;

(4) 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;

(5) the person is under investigation by judicial authorities for suspected violations of criminal law and the investigation is still ongoing;

(6) the person is judged by the relevant competent authorities as having violated the provisions of relevant securities regulations, which involves fraudulent or dishonest acts, and less than five years have elapsed since the ruling;

(7) the person has misconducts which violate social moral resulting in bad influence;

(8) the person has worked for any entity that is in violation of the laws, or is personally liable or directly responsible for material losses to that entity, and the case is serious;

(9) the person serves or served as a director or a member of senior management of entity taken over, cancelled, declared bankrupt or having its business license revoked, unless proving that this person is at no fault;

(10) a legal representative of companies or enterprises which were ordered to close down due to a violation of laws in which such person was personally liable, and three years have not elapsed from which the business licenses of the companies or enterprises were revoked;

(11) the person violates of professional ethics or conduct; or serious dereliction of duty resulting in significant loss or a bad influence;

(12) the person instigates, or participates in an employer confronting legal supervision or case investigation;

(13) directors and senior management officers being permanently disqualified, or penalized by regulatory authorities and other financial regulatory departments more than twice;

(14) 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;

(15) the person who does not satisfy the requirements of these Articles, but take improper means to obtain approval for qualification;

(16) 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;

(17) a person and his/her close relatives who jointly hold 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;

(18) a person and the shareholder entity controlled by him/her who/which jointly hold 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;

(19) 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 and his/her spouse;

(20) circumstances in which a person's other positions have obvious conflicts of interests with his/her proposed position and current position in the Bank, or obviously disperse his/her time and energy on performing duties of the Bank;

(21) the person is banned from holding leadership positions in enterprises by the laws and regulations;

(22) other circumstances in which the person is banned from serving as a director, supervisor and senior management officer of the Bank by the laws and regulations.

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

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

Article 154 Directors shall be elected or removed from office by shareholders at a general meeting. The term of office of a director shall be three years, and a director may be re-elected and re-appointed upon expiry of his/her term of office.

The methods and procedures to nominate directors are as follows:

(1) Candidates for non-independent directors shall be nominated by the Nomination and Remuneration Committee of the Board of Directors, and the number of such persons to be elected shall be within the number of persons stipulated in these Articles. Shareholders individually or in aggregate holding 3% or more of the Bank's voting shares may propose candidates for non-independent directors to the Board of Directors.

The same shareholder and his/her/its associates shall not nominate a candidate for a director and another candidate for a supervisor at the shareholders' general meeting; if the candidate for a supervisor nominated by such shareholder and his/her/its associates is appointed as a supervisor, the shareholder shall not nominate any candidate for director prior to the expiry of the term of office or change of such person.

The number of directors nominated by any same shareholder and his/her/its associates in principle shall not exceed one third of the total number of the members of the Board of Directors unless otherwise required.

(2) The Nomination and Remuneration Committee of the Board of Directors of the Bank or shareholder(s) individually or in aggregate holding more than 1% of the total voting shares issued by the Bank and the Board of Supervisors may propose candidates for independent directors to the Board of Directors, and shareholders 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.

The same shareholder shall not nominate candidates for both independent director and external supervisor.

(3) The Nomination and Remuneration Committee of the Board of Directors shall make preliminary examination on the qualifications and conditions of the candidates for directors and submit the qualified candidates to the Board of Directors for consideration. Upon consideration and approval by the Board of Directors, candidates for directors shall be submitted to the shareholders' general meeting through written proposals.

(4) After the shareholders' general meeting convenes and approves the proposal on the election of directors, the Bank shall submit the relevant materials of all nominees to the banking regulatory authorities of the State Council and other relevant regulatory authorities. If the Board of Directors of the Bank objects to the relevant situation of the nominees, it shall submit the written opinions of the Board of Directors at the same time.

A nominee who has objection to his/her nomination or qualification from the relevant regulatory authorities shall not be considered as a candidate for director;

(5) The candidates for directors shall, before the convening of the shareholders' general meeting, make written undertakings, express their consent to their nomination, confirm the truthfulness and completeness of publicly-disclosed information of candidates for directors and undertake that they will duly perform their responsibilities and duties upon election.

(6) The Board of Directors, before the convening of the shareholders' general meeting, shall disclose the detailed information on the candidates for directors to the shareholders in accordance with the laws, regulations and these Articles, so as to ensure that the shareholders will have sufficient knowledge on the candidates when casting their votes.

(7) When an additional director is temporarily nominated, the Nomination and Remuneration Committee of the Board of Directors or the shareholders satisfying the conditions for making such nomination may propose a candidate to the Board of Directors for consideration, and to the shareholders' general meeting for election or replacement.

A written notice of intent to nominate a candidate to become a director and the candidate's consent to such nomination shall be given to the Bank seven days before the shareholders' general meeting.

The term of office of a director shall be calculated from the date on which he/she takes up the office, until the expiration of the term of office of the Board of Directors. Where re – election is not carried out promptly after a director's term of office expires, the director shall continue to perform the duties owed by a director before a new director is elected to take up the office, subject to the laws, regulations and these Articles.

The Bank shall have one to two staff director(s) depending its actual conditions, the staff director shall be elected by the Bank's staff at workers congress, staff meeting or through other means.

Article 155 The Bank shall enter into written contracts with the directors regarding remuneration which are subject to the prior approval from the shareholders' general meeting. The matters relating to remuneration include:

- (1) remuneration for the directors of the Bank;
- (2) remuneration for the directors of the subsidiary companies of the Bank;
- (3) remuneration for those providing other services for managing the Bank and its subsidiary companies;
- (4) compensation to directors for loss of their office or upon retirement.

Except for the contracts mentioned above, the directors shall not initiate litigation against the Bank to claim benefits due to them for the foregoing matters.

Article 156 The remuneration contracts between the Bank and its directors shall stipulate that if the Bank is acquired, the directors of the Bank shall, subject to prior approval from the shareholders' general meeting, be entitled to compensation or other funds for loss of their positions or upon retirement. The acquisition of the Bank previously mentioned refers to one of the following circumstances:

- (1) a takeover offer made by any person to all shareholders;
- (2) a takeover offer made by any person with the intent of becoming the controlling shareholder.

If the directors concerned do not comply with the provisions of this Article, any funds received by them shall go to the persons who have accepted the offer mentioned above and sell their shares. The directors shall bear the expenses arising from the distribution of such amounts proportionally, and such expenses shall not be deducted from the amounts.

Article 157 Directors shall assume the following duties to the Bank :

(1) to exercise the rights conferred by the Bank in a prudent, careful and diligent manner to ensure that the commercial activities of the Bank are in line with the requirements of the laws, regulations, regulatory provisions and various national economic policies and that the Bank's business activities do not exceed the business scope stated in the business license;

(2) to be responsible to all shareholders and fairly treat all shareholders in the performance of their duties, to treat shareholders of the same class in the same way, and to fairly treat shareholders of different classes;

(3) to continuously pay attention to the operation and management of the Bank and have the right to require the senior management to provide relevant information reflecting the operation and management of the Bank in a comprehensive, timely and accurate manner or explanations on relevant issues;

(4) to attend board meetings on time, fully review matters to be considered by the Board of Directors, express opinions independently, professionally and objectively, and vote independently on the basis of prudent judgment;

(5) to supervise over the implementation of the resolutions of the shareholders' general meeting and the Board of Directors by the senior management;

(6) to sign written confirmation in relation to the periodic reports and to ensure the truthfulness, accuracy and completeness of information disclosed by the Bank;

(7) to provide true information and data to the Board of Supervisors and not to obstruct with the performance of duties by the Board of Supervisors or Supervisors;

(8) to understand and address the conditions of the Bank on an ongoing basis, and to give advice and recommendations to commercial banking business through the Board of Directors and its special committees;

(9) to actively participate in the 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 continuously possess the professional knowledge and ability necessary to perform their functions and duties;

(10) to implement high standards of professional ethics and consider the legitimate rights and interests of stakeholders;

(11) to perform their functions and duties in good faith, due diligence and prudence with loyalty and diligence obligation to the Bank, and ensure that they have sufficient time and energy to perform their duties;

(12) to abide by the laws, regulations, regulatory provisions and these Articles.

Article 158 The directors shall attend the Board meetings earnestly and responsibly, and shall express explicitly their opinions on matters to be considered.

Directors shall attend at least two-thirds of the Board meetings in person each year. If a director cannot attend the meeting due to certain reason, he/she may entrust another director in writing to attend on his/her behalf.

A director who fails to attend Board meetings in person and fails to appoint another director to attend on behalf shall assume the same legal liabilities to the Board resolutions.

Article 159 Directors shall comply with the laws, regulations, regulatory provisions and these Articles and shall not conduct the following acts:

(1) to accept bribes or other illegal income by taking advantage of their positions or rights and encroach upon property of the Bank;

(2) to embezzle funds of the Bank;

(3) to open bank accounts in their own names or in the names of others for depositing the assets or fund of the Bank;

(4) outside the normal operating business of the Bank, to lend funds of the Bank to others or to provide guarantee to others with the Bank's assets without the approval of the shareholders' general meeting or the Board of Directors, in contravention of these Articles;

(5) to enter into contract or transact with the Bank in contravention of these Articles or without the approval of the shareholders' general meeting;

(6) without the approval of shareholders general meeting, to seek business opportunities that originally belong to the Bank for themselves or others with their favorable positions, or to operate business for themselves or others that are similar to the Bank;

(7) to accept for themselves commissions in relation to transactions between others and the Bank;

(8) to disclose any secrets of the Bank without authorization;

(9) to jeopardize the interests of the Bank by taking advantage of their related party status;

(10) other faithful obligations stipulated by the laws, regulations, regulatory provisions and these Articles.

Income obtained by directors in violation of this Article shall belong to the Bank; and the Directors shall indemnify the Bank for any losses incurred by the Bank therefrom.

Article 160 A director may resign before the term of office expires. He/she shall submit a written resignation to the Board of Directors, and the Board of Directors shall report it to shareholders' general meeting.

Where the resignation of a director during the term of office causes the number of directors on the Bank's Board of Directors to fall below the minimum quorum or less than two-thirds of the quorum stipulated in these Articles, the director who proposes to resign shall continue to perform the director's functions and duties before a new director is elected to take up the office.

Saved as the aforesaid, the resignation of a director shall take effect upon the delivery of the written resignation to the Board of Directors.

When the number of directors of the Board of Directors fall below the minimum quorum specified in the Company Law or the minimum quorum required for voting of the Board of Directors due to the removal of directors by the shareholders' general meeting, death, resignation of independent directors from loss of independence, or other inability to perform the functions and duties of directors, the functions and powers of the Board of Directors shall be exercised by the shareholders' general meeting until the number of directors of the Board of Directors meets the requirements.

Article 161 If the resignation of a director is tendered or his term of office expires, the director shall complete all handover formalities with the Board of Directors, but the obligations owed to the Bank and shareholders are not discharged before the resignation becomes effective or for a reasonable period thereafter or upon the expiry of his/her term of office and remain effective during the reasonable time.

Article 162 A director shall not represent the Bank or the Board of Directors in his/her own name, unless otherwise provided in these Articles or legally authorized by the Board of Directors. A director shall announce his/her views and role in advance when he/she acts in his/her own name, if there is a possibility that a third party may reasonably believe that the director is representing the Bank or the Board of Directors.

The validity of an act of a director of the Bank on behalf of the Bank is not, as against a bona fide third party, affected by any irregularity in his office, election or any defect in his qualification.

Article 163 Before the expiry of the director's term of office, the shareholders' general meeting shall not dismiss any director without any reason.

Subject to the relevant laws and regulations, any director whose term of office has not expired may be removed by an ordinary resolution of the shareholders' general meeting (but such director's claim for damages under any contract shall not be affected thereby).

Section 2 Independent Directors

Article 164 The number of independent directors shall be no fewer than one-third of the Board of Directors' total director number and shall be no fewer than three. At least one of the independent directors shall have appropriate professional qualifications under the Listing Rules or appropriate accounting or related financial management expertise, and at least one of the independent directors shall reside in Hong Kong.

Unless otherwise provided for in this section, the provisions on directors in this Chapter shall apply to independent directors.

An independent director shall attain a high professional level and have good reputation, and shall meet the following criteria:

(1) be qualified to serve as a director pursuant to the laws, regulations, regulatory provisions and these Articles;

(2) perform the duties and responsibilities independently, without any interference by substantial shareholders or de facto controllers of the Bank, or other entities or individuals who have a material interest in the Bank;

(3) have a bachelor degree or above, or intermediate vocational titles of relevant professions or above;

(4) have no less than five years' experience in law, economics, finance or other work experience conducive to performing the duties and responsibilities of an independent director;

(5) be familiar with the operation and management of commercial banks and relevant laws, regulations, regulatory provisions and rules;

(6) be able to read, understand and analyze credit reports and financial statements of commercial banks;

(7) have sufficient time and energy to effectively perform the duties and responsibilities and undertake to duly perform the duties of diligence.

Article 165 The following persons may not serve as independent directors of the Bank:

(1) a person who and whose close relative jointly hold more than 1% of the Bank's shares;

(2) a person who or whose close relative holds a position in any shareholder entity that holds more than 1% of the Bank's shares;

(3) a person who or whose close relative holds a position in the Bank or entities under the control or de facto control of the Bank (but not including independent director);

(4) a person who is a person described in paragraph (3) above in the three years before taking up the office (but not including independent director);

(5) a person who or whose close relative holds a position in any entity that is unable to repay the loan provided by the Bank when falling due;

(6) a person who or whose close relative holds a position, invests in or de facto controls over any entity which for the time being, or within two years prior to the date of his/her proposed appointment as an independent director, has a relationship of business, liabilities or debts with, or any interests in the Bank, its holding company or any of their respective subsidiaries or core connected persons, or person who serves as the controlling shareholder, main responsible persons, director (excluding independent director) or his/her respective close associates by providing such professional consultancy services as legal, accounting, auditing, management consultancy and guarantee cooperation services to the Bank, thus impeding his/her independence in the performance of duties;

(7) a person who or whose close relative may be controlled or imposed significant effect by major shareholders and senior management of the Bank, thus impeding his/her independence in the performance of duties;

(8) a person who or whose immediate relative, for the time being or within one year prior to the date of his/her proposed appointment, has or has had any material interest in the principal business activities of the Bank, its holding company, the subsidiaries of the Bank or its holding company; is or has been involved in any material business transaction with the Bank, its holding company, the subsidiaries of the Bank or its holding company; or has any material commercial transaction with any of the Bank's core connected persons;

(9) a person who is removed by former employer for failure to perform due diligence;

(10) a person who served as principal officers of high-risk financial institutions and are unable to prove he/she are not liable for the cancellation or loss of assets of such financial institutions;

(11) any other person not permitted to serve as an independent director by the banking regulatory authority of the State Council, the securities regulatory authorities of the place where the Bank's shares are listed and any other relevant regulatory authorities.

The term "close relatives" in this Article means spouses, parents, children, siblings and grand-parents. The term "immediate relatives" in this Article means spouses, his/her (or spouse's) children or step-children (natural or adopted) under the age of 18 years.

Article 166 The selection and appointment of independent directors shall mainly follow the market principle. A list of nominated candidates for independent directors can be drawn up by the Nomination and Remuneration Committee of the Board of Directors.

The qualification of the candidates for directors shall be reviewed by the Nomination and Remuneration Committee of the Board of Directors with a focus on the independence, expertise, experience and capability. The names of qualified candidates shall be submitted to the Board of Directors for consideration. After approval by way of a Board resolution, written proposals shall be submitted to the shareholders' general meeting for election. The qualification of the candidates shall be verified by the banking regulatory authority under the State Council.

A natural person may serve as an independent director in a maximum of five domestic or foreign enterprises at the same time. Where a person also serves as an independent director of a banking or insurance institution, the relevant institution shall not have a related party relationship and there shall be no conflict of interests.

A natural person shall not serve as an independent director in more than two commercial banks at the same time.

An independent director who holds positions in financial institutions other than the Bank, or directors sit on each other's boards, shall inform the Bank in advance and undertake that there is no conflict of interests between such positions and their positions in the Bank.

Article 167 The nomination, election and replacement of independent directors shall be carried out pursuant to laws and regulations and the provisions of these Articles, and shall be in compliance with the following provisions:

(1) The independent directors of the Bank shall be nominated by the Nomination and Remuneration Committee of the Board of Directors, the Board of Supervisors, or the shareholders holding individually or in aggregate more than 1% of the total number of voting shares issued by the Bank, and shall be elected by the shareholders' general meeting;

(2) The nominator of an independent director shall obtain the consent of the nominee prior to the nomination. The nominator shall be fully informed of the nominee's occupation, education, title, detailed work experience, all part-time positions, etc., and shall express opinions on his/her qualifications and independence as an independent director. The nominee shall make a declaration that there is no relationship between himself/herself and the Bank that would affect his/her independence and objective judgment. Before assuming office, an independent director should also make a statement to the Board of Directors to ensure that he/she has sufficient time and energy to perform his/her duties and that he/she undertakes to perform duties diligently. The Board of Directors of the Bank shall disclose the above information to shareholders prior to the shareholders' general meeting at which an independent director is to be elected;

(3) After the shareholders' general meeting is convened and the resolution on the election of independent directors is passed, the Bank shall submit the relevant materials of all nominees to the banking regulatory authority of the State Council and other relevant regulatory authorities. If the Board of Directors of the Bank objects to the relevant information of a nominee, it shall submit the written opinions of the Board of Directors at the same time.

A nominee whose nomination or qualification for office is contested by the relevant regulatory authorities shall not be a candidate for independent director;

(4) The term of service of an independent director shall be the same as that of other directors of the Bank and may be re-elected and re-appointed upon the expiration of the term of office, provided that such term of office shall not be more than six years on an accumulative basis.

Article 168 In addition to the powers conferred to directors by the Company Law and other relevant laws, regulations, regulatory provisions and rules and these Articles, independent directors shall also have the following powers:

(1) major related party transactions, as determined according to the criteria issued by the regulatory authorities in the place(s) of listing from time to time, shall be approved by independent directors prior to submission to the Board of Directors for discussion; and the independent directors may engage professional advisers to provide an independent financial adviser report to serve as a basis of decision before they come to a conclusion;

(2) to propose to the Board of Directors to convene an extraordinary shareholders' general meeting;

(3) to propose to convene a meeting of the Board of Directors;

(4) to engage independently external auditing and consulting advisers;

(5) to propose to the Board of Directors to appoint or remove an accounting firm;

(6) to publicly approach shareholders to gather their votes before the shareholders' general meeting is convened; and

(7) other powers stipulated by the laws, regulations, regulatory provisions and these Articles.

The approval by a majority of independent directors shall be obtained for the exercising of the above powers.

Article 169 Independent directors shall perform their duties in good faith, independently and diligently, effectively safeguard the legitimate rights and interests of the Bank, the minority shareholders and financial consumers, and shall not be influenced by shareholders, de facto controllers, senior management or other entities or individuals with significant interests in the Bank.

In the event of any material deficiencies or failures in the corporate governance mechanism of the Bank, the independent directors shall promptly report the relevant information to the regulatory authorities, and the independent directors shall, in addition to reporting the relevant information to the regulatory authorities in accordance with the regulations, keep the commercial secrets of the Bank.

The “failures in the corporate governance mechanism” referred to in this Article shall include, but not limited to, the failure of the Board of Directors to be constituted for more than one year; the failure of the Board of Directors to adopt effective resolutions due to prolonged conflicts among directors, which are unable to be resolved by the shareholders’ general meeting; the failure of the Board of Directors to convene a shareholders’ general meeting for more than one year; the failure of the shareholders’ general meeting to meet the vote cast required by the laws or these Articles on a poll such that no valid resolution has been passed at the shareholders’ general meeting for more than one year; the failure of the proposal for capital increase to be passed due to insufficient capital adequacy or solvency; the failure of the existing governance mechanism to function properly, resulting in serious difficulties in operation and management, and other circumstances as determined by the regulatory authorities.

Article 170 Independent directors shall work for the Bank no less than fifteen working days each year. Independent directors who hold chairman positions in the Audit Committee, Consumer Rights Protection Committee, Risk Management Committee and Related Party Transactions Control Committee of the Board of Directors shall work for the Bank no less than twenty working days each year. Independent directors may delegate other independent directors to attend the Board meetings, but shall attend at least two-thirds of the Board meetings in person each year.

Article 171 Independent directors shall give objective, impartial and independent opinions on the matters discussed at the Board meetings, and shall in particular, address their opinions to the Board of Directors on the following matters:

- (1) the major related party transactions;
- (2) the nomination, appointment and dismissal of the directors and the appointment and removal of senior management officers;
- (3) the remuneration of the directors and senior management officers;
- (4) the profit distribution plans;
- (5) engagement or removal of the accounting firms responsible for performing regular and statutory audits for the financial reports of the Bank;
- (6) other matters that may cause material impact on the legitimate rights and interests of the Bank, the minority shareholders and the financial consumers;
- (7) other matters stipulated by the laws, regulations, regulatory provisions or these Articles.

The opinions of Independent Directors on the decision of the Bank shall be recorded in the minutes of meeting of the Board of Directors.

Article 172 The independent directors of the Bank may elect an independent director who shall be responsible for convening a special meeting attended by the independent directors to study issues relating to the performance of duties.

Article 173 Independent directors shall have committed a serious dereliction of duty in any of the following circumstances:

- (1) divulgence of trade secrets and impairment of the legitimate interests of the Bank;
- (2) acceptance of illicit benefits in the performance of their duties, or the seeking of private benefits by taking advantage of the status of an independent director;
- (3) failure to raise an opposing opinion despite being fully aware that a Board resolution violates the laws, regulations, regulatory provisions or these Articles;
- (4) failure to exercise the veto power to related party transactions which have caused significant loss to the Bank; and
- (5) other serious dereliction identified by the banking regulatory authority under the State Council.

If an independent director has been disqualified by the relevant regulatory authority due to serious dereliction of duty, he/she shall no longer be an independent director of the Bank. He/she shall be automatically removed from the position from the date he/she is disqualified. Such independent directors shall not serve as an independent director in the Bank for the remaining time of their life.

If the number or proportion of independent directors on the Board of Directors of the Bank falls below the minimum number or required proportion as stipulated in the relevant laws and regulations or these Articles due to disqualification or removal of independent directors, or due to the failure of the independent directors to meet the conditions of independence or other circumstances that make them unsuitable to perform the duties of independent directors, the Bank shall convene a shareholders' general meeting as soon as possible to elect and replenish the number of independent directors.

Article 174 To ensure the effective performance of duties and powers by independent directors, the Bank shall provide the following necessary conditions for independent directors:

- (1) the Bank shall ensure that independent directors have the same information right as other directors, and provide independent directors with necessary information to participate in decision-making in a timely and complete manner;
- (2) the Bank shall provide the necessary working conditions for independent directors to perform their duties;
- (3) the Secretary to the Board of Directors and other relevant personnel of the Bank shall cooperate positively in the performance of duties and responsibilities by independent directors; and
- (4) the reasonable expenses incurred from engaging intermediaries and the reasonable costs incurred when carrying out duties by independent directors shall be borne by the Bank.

Article 175 The Bank shall grant the independent directors an appropriate allowance. The criteria of the allowance plan shall be formulated by the Board of Directors, and be considered and approved by the shareholders' general meeting. No independent directors shall obtain any additional and undisclosed benefits from the Bank, the substantial shareholders of the Bank or interested institutions or individuals in addition to the abovementioned allowances.

Article 176 An independent director may resign before the term of office expires. Prior to the approval of resignation of the independent director by the Board of Directors, the independent director shall continue to carry out his/her duties.

The resigning independent director shall submit a written resignation report to the Board of Directors, and serve a written statement on the immediately following shareholders' general meeting to specify any circumstances related to the resignation or any fact that he/she believes requires the attention of the shareholders and creditors.

Article 177 If the resignation of an independent director causes the number of independent directors to account for less than one-third in the Board of Directors, such independent director shall continue to perform his/her duties until a new independent director takes office, unless he/she resigns or is dismissed due to the loss of independence.

Article 178 The Board of Directors or the Board of Supervisors has the right to propose at a shareholders' general meeting to remove an independent director in any of the following circumstances:

(1) material dereliction of duty specified in Article 173 of these Articles;

(2) failure to resign from the position when he/she is no longer qualified to be an independent director;

(3) failure to attend the Board meetings in person three times consecutively shall be deemed to have failed to perform duties, and the Bank shall convene a shareholders' general meeting to remove his/her position and elect a new independent director within three months; and

(4) other circumstances provided by the laws, regulations, regulatory provisions and these Articles where an independent director is no longer suitable for holding such position.

Article 179 If the Board of Directors or Board of Supervisors proposes at a shareholders' general meeting to remove an independent director, it shall report to relevant regulatory authority and issue a written notice to the independent director one month before such shareholders' general meeting. The independent director shall have the right to express the opinion orally or in writing before the voting, and shall have the right to submit such opinion to the banking regulatory authority under the State Council five days prior to the shareholders' general meeting. The shareholders shall vote after reviewing the independent director's opinion.

Section 3 Board of Directors

Article 180 The Bank shall establish a Board of Directors, which shall be accountable to the shareholders' general meeting.

Article 181 The Board of Directors of the Bank shall be composed of fifteen (15) directors, including four (4) executive directors, eleven (11) non-executive directors (including five (5) independent directors). There is one chairman for the Board of Directors. The chairman shall be elected by more than half of all directors under the Board of Directors. The chairman shall not concurrently serve as the president.

Article 182 The Board of Directors shall be the decision-making body of the Bank, which formulates strategies, makes decisions and prevents risks. The Board of Directors performs the following duties and powers:

- (1) convene, and report to, shareholders' general meetings;
- (2) implement resolutions adopted at shareholders' general meetings;
- (3) make decisions on the Bank's business plans and investment plans;
- (4) formulate the Bank's annual financial budgets and final accounts as well as risk-based capital allocation;
- (5) formulate the Bank's proposals on profit distribution and loss recovery plans;
- (6) formulate proposals on the capital replenishment plans, such as increase or reduction of the Bank's registered capital and the issue of bonds and other securities, listing plans, plans of applying capital funds raised, as well as supervise and performance these proposals, in order to the ensure capital adequacy ratio of the Bank comply with regulatory requirement;
- (7) formulate plans for significant acquisitions, purchase of the Bank's shares, or merger, division, dissolution or other change in the form of the Bank;
- (8) consider and approve matters including external investments, assets acquisition, assets disposal and write-off, pledge of assets, related party transactions and data governance in accordance with laws, regulations, regulatory provisions, these Articles and the relevant authorization systems of the Bank;
- (9) decide on the establishment of the Bank's internal management departments;
- (10) appoint or remove the Bank's president and Secretary to the Board of Directors in accordance with the recommendations of the chairman; appoint or remove the members of the Bank's senior management, including the vice president and assistants to the president in accordance with the recommendations of the president, and determine their remunerations, rewards and punishment;
- (11) formulate proposals on the remuneration and subsidies of the directors of the Bank;
- (12) formulate the basic management systems of the Bank;
- (13) review and approve the strategy of green credit, monitor and evaluate the Bank's fulfillment of social responsibility and promote sustainable financial development;
- (14) formulate the Bank's risk tolerance, risk management and internal control policies and assume ultimate responsibility for overall risk management;
- (15) formulate amendments to these Articles, formulate rules of procedure of the shareholders' general meetings and rules of procedure of the Board of Directors, consider and approve the terms of reference of special committees of the Board of Directors;
- (16) approve internal audit rules and audit plans, work plans of the Bank;

(17) manage or authorize Related Party Transactions Control Committee to manage related party transaction;

(18) determine the strategies of operation and development for long and medium term and material business development plans of the Bank, as well as supervise their effective implementation;

(19) formulate the capital planning of the Bank, assume ultimate responsibility for capital or solvency management;

(20) to establish the Bank's information disclosure system, to manage the information disclosure matters of the Bank, and to assume ultimate responsibility for the truth, completeness, accurateness and timeliness of the Banks' accounting and financial reporting system;

(21) propose to the shareholders' general meeting the engagement or dismissal of the accounting firm that conducts regular and statutory audit of the financial reports of the Bank;

(22) supervise and evaluate the work performance of the directors and senior management officers of the Bank, listen to the president's work report and inspect the president's work;

(23) consider any major capital expenditure, contract and commitment which exceeds the expenditure limit for senior management officers set by the Board of Directors;

(24) draw up share incentive and equity repurchase plans of the Bank;

(25) regularly evaluate and improve corporate governance of the Bank, and make necessary amendment for existing problems;

(26) safeguard the legitimate rights and interests of financial consumers and other stakeholders;

(27) establish mechanisms to identify, review and manage conflicts of interests between the Bank and its shareholders, especially the substantial shareholders;

(28) assume management responsibility for the shareholders affairs;

(29) other rights conferred by the laws, regulations, regulatory provisions or these Articles and shareholders' general meeting.

The powers of the Board of Directors shall be exercised collectively by the Board of Directors. The powers of the Board of Directors stipulated by the Company Law shall generally not be delegated to the chairman, directors, other institutions or individuals. Where delegation is necessary for certain specific decision-making matters, it shall be done by means of resolution of the Board of Directors. The Board of Directors shall only delegate its power once for a single specific matter, and shall not grant power generally or permanently to any other institutions or individuals.

Article 183 The Board of Directors of the Bank shall perform its responsibility diligently and undertake the ultimate responsibility of equity affairs management, consumer rights and interests protection, large risk exposure management, data governance, book risk interest rate management, practitioner behavior management, money laundering risk management and other related work.

Article 184 The Board of Directors shall formulate the rules of procedure for its meetings to ensure that the Board of Directors has put the resolutions adopted at the shareholders' general meeting into action so as to promote work efficiency and make scientific decisions.

Article 185 The Board of Directors shall explain at a shareholders' general meeting the qualified opinions contained in the audit reports issued by registered accountants in respect of the Bank's finance.

Article 186 The Board of Directors shall not, without the prior approval in a shareholders' general meeting, dispose of or agree to dispose of any fixed assets where the aggregate of the expected value of the consideration for the proposed disposal and the value of the consideration for any similar disposal of fixed assets in the four months immediately preceding the proposed disposal exceeds 33% of the value of the fixed assets as stated in the last balance sheet reviewed at the shareholders' general meeting. A "disposal of fixed assets" as referred to in this Article includes an act involving the transfer of an interest in certain assets, but does not include the provision of fixed assets by way of security.

Breach of the above provision article shall not affect the validity of any transaction entered into by the Bank in disposing of fixed assets.

Article 187 The Board of Directors shall specify the scope of external investment, asset acquisition and sales, pledge of assets, external guarantee, trust of wealth management and related party transactions and set up a stringent internal control system, formulate a comprehensive investigation and decision making process. Specialists and professionals should be organized to assess any major investment projects and seek approval at a shareholders' general meeting.

Article 188 Related party transactions required to submit to a shareholders' general meeting for consideration shall be adopted by the Board of Directors through a resolution, and such resolution shall not be implemented until being approved at the shareholders' general meeting. Any shareholder who has a conflict of interest in such connected transactions shall abstain from voting on such resolution.

Article 189 The chairman of the Board of Directors shall have the following duties and powers:

(1) to preside over shareholders' general meetings, and convene and preside over meetings of the Board of Directors, and to determine the matters to be considered according to laws;

(2) to supervise and examine the implementation of resolutions of the Board of Directors and report to the Board of Directors;

(3) to sign certificates of shares and bonds issued by the Bank;

(4) to exercise the duties and powers of a legal representative;

(5) to sign material documents of the Board of Directors and other documents which shall be signed by the legal representative of the Bank;

(6) to lead the formulation of each plan and report that shall be submitted by the Board of Directors to shareholders' general meeting;

(7) in the event of an occurrence of any severe natural disaster or any other force majeure event, to exercise the special power in relation to the Bank's affairs in the Bank's interests and in compliance with the legal provisions, and subsequently report such activities to the Board of Directors and the shareholders at a general meeting;

(8) to nominate candidates for the president and Secretary to the Board of Directors as well as other personal who shall be proposed by chairman for appointment or removal by the Board of Directors;

(9) to propose candidate for member of each special committees of the Board of Directors to the Board of Directors of the Bank;

(10) other duties and powers conferred by the Board of Directors.

Article 190 If the chairman of the Board is unable to perform his/her authorities or fails to perform his/her duties and responsibilities, a director shall be recommended by half or more directors jointly to perform such duties and responsibilities on behalf. Where the chairman is temporarily vacant due to the fact that the qualifications of the new chairman have not been approved or other reasons, the Bank shall designate personnel who meet the corresponding qualifications to perform duties on behalf of the chairman, and report to the decision-making authority for the qualification examination within three days from the date of the designation. The time of performing duties on behalf of the chairman shall not exceed six months.

Article 191 The Board of Directors shall hold a regular meeting at least once a quarter and the chairman shall convene and preside the meeting. All the directors shall be notified in writing to attend the meeting, and all the supervisors shall be notified to be present at the meeting fourteen days before the meeting. The meeting agenda and relevant documents shall be served ten days before the meeting.

Article 192 In any of the following circumstances, the Bank shall convene a provisional Board meeting:

- (1) it is proposed by more than one-tenth of the shareholders with voting rights;
- (2) it is proposed by more than one-third of the directors;
- (3) it is proposed by two or more independent directors;
- (4) it is proposed by the Board of Supervisors;
- (5) it is deemed necessary by the chairman.

Article 193 Board meetings may be held on site or in the form of written resolution.

Where any director is unable to immediately sign a resolution of the meeting held by telephone, video call or other instant communication and discussion, 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.

The term “conference on site” in these Articles refers to a meeting held by means of live, video, telephone, etc., which ensures instant communication and discussion among the attendees.

The term “written resolution” in these Articles refers to a meeting at which proposals are served, separately or in sequence to, to the directors for their resolutions.

Article 194 Where a Board meeting is held in the form of written resolution, if the Board of Directors has sent the proposal to all the directors, and the directors who have signed the proposal have reached the quorum required to adopt the resolution, the contents of the proposal shall be deemed to be the resolution of the Board of Directors after a written document signed and approved by such directors is served on the Secretary to the Board of Directors or the Board office.

Article 195 The Board of Directors shall notify all directors of the date of the meeting in accordance with related provisions, and provide them with adequate materials before such meeting, including background introduction of the subject matters, any information and details which can facilitate the directors to make decisions.

Extraordinary meetings of the Board of Directors shall be convened by the chairman. The Board of Directors shall notify all directors and supervisors five days before such meeting in the form of a written notice sent by hand, registered mail, telegraph, telex, faxes or e-mail.

If a provisional meeting of the Board of Directors is convened due to an urgent matter and the circumstances set forth in paragraphs (1) to (4) of Article 192, the chairman or other conveners of the Board meeting shall determine the time and manner of giving notice of the meeting.

Article 196 The notice of a Board meeting shall contain the following contents:

- (1) the date, place and duration of the meeting;
- (2) the reason for holding the meeting and agenda and subject matters;
- (3) names and telephone numbers of the permanent contact persons for meeting matters; and
- (4) the date of issuance of the meeting notice.

Article 197 The Board meetings shall only be held when more than half of the directors attend the meeting. Resolutions adopted at the Board meetings must be approved by more than half of the directors.

Supervisors shall attend meetings convened by the Board of Directors as non-voting delegates; the senior management who don't hold directorship shall be allowed to attend meetings convened by the Board of Directors as non-voting delegates. The host of meeting, if he/she consider necessary, may inform other relevant personnel to attend the Board meeting.

Voting at the Board meetings may be conducted by conference on site or by written resolution. Each director shall have one vote.

Article 198 The following matters shall be approved by more than two-thirds of all directors and the Board meeting shall not be convened by written resolution:

- (1) formulation of plans concerning an increase or reduction in the registered capital;

- (2) formulation of plans concerning merger, division, dissolution or change of form of the Bank;
- (3) formulation of plans concerning external guarantee, issuance of bonds, etc.;
- (4) formulation of draft of articles and plans concerning amendments to the Articles of Association;
- (5) profit distribution;
- (6) remuneration plans;
- (7) material investment;
- (8) material asset disposal;
- (9) appointment or dismissal of senior management officers;
- (10) plans for capital replenishment;
- (11) significant changes in equity;
- (12) financial restructuring;
- (13) other matters required by laws, regulations, regulatory provisions and these Articles.

Article 199 Directors who have related party relations with the resolutions to be discussed at the Board meetings shall not exercise their voting rights on such proposal, nor can they exercise any voting rights on behalf of other directors. The Board meeting shall only be held if more than half of the directors who do not have any related party relations are present. Resolutions of the Board of Directors shall be adopted by more than half of the directors without related party relations with the matter to be resolved. Where less than three directors with no related party relations with the matter are present at the Board meeting, such proposals shall be submitted to the shareholders for approval. A director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting.

Article 200 Directors shall attend meetings convened by the Board of Directors in person. Directors shall attend Board meetings in a serious and responsible manner and express clear opinions on the matters under discussion. If a director cannot attend the meeting due to certain reasons, he/she may appoint another director in writing to attend and vote on behalf according to the wishes of the principal, who shall bear the legal liability independently.

The proxy form shall state the names of the director and the proxy, brief comments of the director on each proposal, scope of authorization, instructions on voting in respect of each of the proposals, validity period as well as signature of the director and date, etc.

The proxy director shall present the written power of attorney to the chairman of the meeting, explain proxy attendance in the attendance book, and exercise the rights of the director within the scope of authorization. If a director is unable to attend a board meeting in person and has not appointed a representative to attend the meeting, the same shall be deemed to be a waiver of the voting right at such meeting, and the director shall bear the same legal liabilities in respect of resolutions of the Board of Directors.

The appointment of proxy for a board meeting shall comply with the following:

(1) If related party transactions are to be considered, a director who has interest in the transactions shall not appoint or be appointed by another director as proxy to attend the meeting on his behalf;

(2) An independent director shall not appoint a non-independent director and shall not accept the appointment by a non-independent director to attend a board meeting on his behalf;

(3) A director shall not appoint another director to attend a board meeting without stating his opinions and voting instruction and the other director shall not accept such appointment;

(4) A director in principle shall accept appointments from a maximum of two directors who are not personally present at the meeting. When considering related party transactions, an unrelated director shall not appoint a related director to attend on behalf. A director shall not appoint another director who has been appointed by two other directors to attend a board meeting.

Article 201 Minutes shall be taken to record the decisions of matters discussed in the on-site meeting (except for voting by written resolutions). Directors and recorder attending the meeting shall sign the minutes. Where a director disagrees with the minutes, he/she may append a note to his/her signature.

The board meeting minutes shall be kept as the Bank's files permanently.

The Bank shall record the Board meetings in the forms of audio, video, etc.

Article 202 Board meeting minutes shall include the following:

(1) the date and place of the meeting, the names of the presider and convener;

(2) the names of directors attending the meeting and the names of directors (proxies) appointing or appointed by others to attend the Board meeting;

(3) the agenda and topics of the meeting;

(4) the main points of directors' speeches; and

(5) the method and results of the voting for each proposal (the voting results shall state the numbers of votes and the names of the voters voting in the affirmative, negative, or in abstention);

(6) other relevant contents of the meeting;

(7) name of the recorder of the meeting.

Article 203 Directors shall sign the Board resolutions and be responsible for the Board resolutions. If the Board resolutions violate the laws, rules or these Articles, and thus causes serious losses to the Bank, the directors participating in the resolutions shall be liable to the Bank for the losses. However, a director may be exempted from such liability if it is verified that such director has stated its objection when voting and the same was recorded in the Board meeting minutes. The minutes and resolutions of the Board meetings shall be submitted to the banking regulatory authorities under the State Council for record in a timely manner.

Article 204 If a Board resolution violates laws or regulations, the resolution is invalid.

If the procedure for convening a Board of Directors' meeting, or the method of voting violates laws, regulations or these Articles, or the contents of a resolution violates these Articles, shareholders shall have the right to request a people's court to rescind the resolution within sixty days from the date on which the resolution is adopted.

Section 4 Special Committees under the Board of Directors

Article 205 The Board of Directors shall establish the Strategic Development Committee, the Audit Committee, the Related Party Transactions Control Committee, the Risk Management Committee, the Nomination and Remuneration Committee. Other special committees can also be established if necessary.

Members of each Board committee shall be comprised of no less than three director members with expertise and work experience commensurate with the functions of the special committees. Independent directors shall form the majority of the Audit Committee and, the Nomination and Remuneration Committee. The independent directors shall in principle represent no less than one-third of the Risk Management Committee and the Related Party Transactions Control Committee. Members of the Audit Committee can only be comprised of non-executive directors, and at least one of whom is an independent director with appropriate qualifications or accounting or related financial management expertise as required under the Listing Rules. Directors nominated by controlling shareholders shall not serve as a member of the Related Party Transactions Control Committee and the Nomination and Remuneration Committee.

A chairman shall be appointed to each special committee to take charge of convening the activities of each special committee; the chairman of the Audit Committee, the Nomination and Remuneration Committee and the Related Party Transactions Control Committee shall be independent directors; the chairman of each special committee may not concurrently serve as the chairman of another special committee.

Article 206 The Board of Directors shall specify the rules of meetings and scope of work authority for each special committee, specifying the special committees' duties, rules of meetings, working procedures and matters authorized by the Board of Directors. The establishment, composition, scope of work authority and disclosure of information, etc. of each special committee shall be in accordance with the laws, regulations, regulatory provisions and the regulations of these Articles. Each special committee shall formulate annual working plan and convene meetings regularly.

Article 207 The special committees shall, either expressly authorized by the Board of Directors or as required by laws and regulations, provide professional advice to the Board of Directors or make decisions on professional matters under the authority of the Board of Directors. Each special committee shall communicate with senior management and department heads regarding the operating and risk conditions of the Bank regularly, and give advice and recommendations.

Article 208 Members of the special committees shall continually keep track of the changes and its impact on related matters of the Bank within the scope of the special committees, and raise the issue to the special committees in a timely manner.

Article 209 The relevant matters to be submitted to the Board of Directors for consideration shall first be considered by the relevant special committees, which shall put forward the deliberations. Except as authorized by the Board of Directors according to laws, the deliberations of the special committees cannot be substituted for the voting opinions of the Board of Directors. The special committees may engage intermediary agencies to provide professional advice, with costs to be borne by the Bank.

Section 5 Secretary to the Board of Directors

Article 210 The Bank shall have a Secretary to the Board of Directors. The Secretary to the Board of Directors is a senior management officer of the Bank.

Article 211 The Secretary to the Board of Directors shall be a natural person who has acquired requisite professional knowledge and experience. The Secretary to the Board of Directors shall obtain his/her relevant qualification. 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 of Directors.

Article 212 The Secretary to the Board of Directors shall be nominated by the chairman, appointed and removed by the Board of Directors and responsible for the Board of Directors, whose major duties and responsibilities are:

- (1) ensuring that the Bank has a complete set of the organizational documents and records;
- (2) ensuring that the Bank will prepare and submit the reports and documents required by relevant departments of the State according to the laws;
- (3) ensuring that the Bank's register of shareholders is properly set up and being responsible for keeping the register of shareholders, the seal of the Board of Directors and relevant materials; contacting shareholders, receiving visitors and replying to enquiries, ensuring that persons entitled to obtain the relevant records and documents shall be able to obtain them in a timely manner;
- (4) preparing shareholders' general meetings, the meetings of the Board of Directors and its special committees and being responsible for the minutes of meetings and the keeping of meeting documents and minutes;
- (5) being responsible for the information disclosure of the Bank, and ensuring the timely, accurate, legal, truthful and complete disclosure of the Bank's information;
- (6) other matters entrusted by the Board of Directors;
- (7) other duties stipulated by the laws and regulations, regulatory provisions and these Articles.

Article 213 The Bank's Directors or other of senior management officers may concurrently serve as the Secretary to the Board of Directors, but they must ensure they have sufficient energy and time to undertake their duties and responsibilities as the secretary to the Board of Directors. The supervisors of the Bank, accountants of the accounting firm engaged by the Bank, as well as other persons prohibited by the laws and regulations to serve as the Secretary to the Board of Directors shall not serve as the Secretary to the Board of Directors.

If a director of the Bank concurrently serves as the Secretary to the Board of Directors, in the event that an action has to be taken by the director and the Secretary to the Board of Directors respectively, the person acting concurrently as director and the Secretary of the Board of Directors shall not take such action in both of the capacities.

Article 214 The directors, supervisors, senior management officers and related personnel shall give their positive support and cooperation to the works of the Secretary to the Board of Directors. No institution or individual shall be allowed to interfere with the normal duty performance of the Secretary to the Board of Directors.

Article 215 The appointment and dismissal of the Secretary to the Board of Directors of the Bank shall be strictly in compliance with the relevant laws, regulations and these Articles. No controlling shareholders, de facto controllers and their related parties shall be allowed to interfere with the normal procedures for selection and appointment of the Secretary to the Board of Directors of the Bank, nor shall they be allowed to directly appoint and remove the Secretary to the Board of Directors bypassing the Board of the Directors. The Bank shall adopt an open and transparent way to select and appoint the Secretary to the Board of Directors.

Article 216 The Secretary to the Board of Directors may resign before his/her term of office expires. The specific procedures and measures for such resignation of the Secretary to the Board of Directors shall be specified in the appointment contract between such person and the Bank. The Secretary to the Board of Directors shall not leave his/her position until his/her exit audits are completed.

Article 217 The Board of Directors of the Bank shall have an office under its leadership as a daily administrative body, which shall assist the Secretary to the Board of Directors in the research of the Bank's corporate governance policy theories and related matters, the organization of shareholders' general meetings, meetings of the Board of Directors and its special committees, the arrangement of the meetings, notice of meetings, resolutions of meetings, minutes of meetings, the collation of meeting minutes, and the keeping and submission of meeting documents; and be responsible for the daily affairs of the Board of Directors and its special committees, the information disclosure of the Bank, the keeping of register of shareholders, the seal of the Board of Directors and relevant materials, the collection, collation and submission of information on the equity pledge of the Bank.

Chapter 7 Supervisors and the Board of Supervisors

Section 1 Supervisors

Article 218 Supervisors of the Bank shall include shareholder supervisors, employee supervisors and external supervisors, and the proportion of each of the employee supervisors and external supervisors shall not be less than one third of total number of supervisors in the Board of Supervisors.

Article 219 Personnel and structure of the Board of Supervisors shall ensure the Board of Supervisors being able to independently and effectively supervise directors and senior management officers, as well as the Bank's financial conditions, internal control and risks management. The supervisors shall satisfy the following basic requirements:

(1) with a bachelor's degree (including bachelor's degree) or higher or a job title at middle level or above in the related profession;

(2) being familiar with the laws and regulations related to the operation and management of commercial banks;

(3) being able to read, understand and analyze credit statistical report and financial statement of commercial banks;

(4) having more than five years' experience in law, economy, finance, accounting or other working experience which are helpful for performing the duties of a supervisor; and

(5) other requirements as stipulated by the laws, regulations and regulatory provisions.

The conditions and requirement stipulated in Article 153 under which the persons can or cannot serve as directors shall also be applicable to supervisors.

Article 220 The directors, the president and other senior management officers of the Bank shall not serve as supervisors of the Bank concurrently.

Article 221 The shareholder supervisor and the external supervisors shall be elected, removed and replaced at the shareholders' general meeting. The employee supervisors shall be elected, removed and replaced at the employees representatives' general meeting of the Bank or through other means of democratic election. A term-of-service system is implemented for the supervisors. Each term of office is three years and the supervisors may be re-elected and re-appointed. The term of office of the external supervisors for the Bank shall not exceed six years in aggregate.

The methods and procedures to nominate supervisors are as follows:

(1) Candidates for shareholder supervisors shall be nominated by the Nomination Committee of the Board of Supervisors or shareholders individually or in aggregate holding 3% or more of the Bank's voting shares, and the number of such persons to be elected shall be within the number of persons stipulated in these Articles.

The same shareholder and his/her/its associates shall not nominate a candidate for a director and another candidate for a supervisor at the shareholders' general meeting; if the candidate for a director nominated by such shareholder and his/her/its associates is appointed as a director, the shareholder shall not nominate any candidate for supervisor prior to the expiry of the term of office or the replacement of such person.

(2) Candidates for employee supervisors shall be nominated by the Nomination Committee of the Board of Supervisors and labor union of the Bank, and employee supervisors are elected at the employees representatives' general meeting.

(3) Candidates for external supervisors shall be proposed by the Nomination Committee of the Board of Supervisors of the Bank or shareholders individually or in aggregate holding 1% or more of the Bank's voting shares to the Board of Supervisors, but shareholders who have nominated candidates for shareholder supervisors shall not nominate any external supervisors. In principle, the same shareholder can propose one candidate for external supervisor only.

The same shareholder shall not nominate candidate for independent director and candidate for external supervisor at the same time.

(4) The Nomination Committee of the Board of Supervisors shall conduct preliminary review on the qualifications and conditions of the candidates for shareholder supervisors and external supervisors, before submitting the qualified candidates to the Board of Supervisors for consideration. Upon consideration and approval by the Board of Supervisors, candidates for supervisors shall be proposed to the shareholders' general meeting through written proposal.

(5) The candidates for supervisors shall, prior to the shareholders' general meeting, make written undertakings that they accept the nominations, that the information disclosed publicly about them is true and complete, and that they will diligently fulfill the duties and obligations as supervisors if elected.

(6) The Board of Supervisors, before the convening of the shareholders' general meeting, shall disclose the detailed information on the candidates for supervisors to the shareholders in accordance with the laws, regulations and these Articles, so as to ensure that the shareholders will have sufficient knowledge on the candidates when casting their votes.

(7) When an additional supervisor is temporarily nominated, the Nomination Committee of the Board of Supervisors or the shareholders satisfying the conditions for making such nomination may propose a candidate to the Board of Supervisors for consideration, and to the shareholders' general meeting for election or replacement. Employee supervisors shall be elected or replaced at the employees representatives' general meeting.

Article 222 Supervisors shall perform the following duties or obligations:

(1) be present at the Board meetings and raise query or suggestions on matters to be resolved at the Board meetings;

(2) attend the meetings of the Board of Supervisors at a regular basis, adequately review the matters to be resolved by the Board of Supervisors, express opinions independently, professionally and objectively and cast votes independently at his/her prudent discretion;

(3) assume obligations to the resolutions of the Board of Supervisors;

(4) actively participate in training organized by the Bank and regulatory authorities to understand the rights and obligations of supervisors, be familiar with relevant laws and regulations, and continuously possess the necessary expertise and ability to perform their duties;

(5) owe a duty of loyalty and diligence to the Bank, prudently perform duties in good faith, due diligence and ensure adequate time and energy to perform their duties;

(6) actively participate in the supervision and inspection activities organized by the Board of Supervisors, have the legal rights to conduct independent investigations and obtain evidence, and put forward questions and supervisory opinions in a practical manner;

(7) comply with the laws and regulations, regulatory provisions and these Articles.

Supervisors shall not jeopardize interests of the Bank by taking advantage of their related party status, and the supervisors shall indemnify the Bank for any losses incurred by the Bank therefrom.

Article 223 Supervisors shall be entitled to obtain information related to operating conditions of the Bank, and shall perform the corresponding duties of keeping confidentiality. The Bank shall take measures to safeguard the supervisors' right to know and provide assistance necessary for the supervisors' normal performance of duties. The reasonable expenses incurred by the performance of duties of the supervisors shall be borne by the Bank.

Article 224 Supervisors shall faithfully perform their supervisory duties in accordance with laws and regulations and the provisions of these Articles. Supervisors shall attend in person at least two-thirds of the on-site meetings of Board of Supervisors each year. If a supervisor cannot attend in person for any reason, he/she may entrust other supervisors in writing to attend on his/her behalf.

The working time of the external supervisors of the Bank shall not be less than fifteen working days per year.

Article 225 Employee supervisors shall have the right to participate in the formulation of the rules and regulations involving the interests of employees of the Bank, and shall proactively conduct supervision and examination on the implementation of such rules and regulations.

Employee supervisors shall report regularly to the employees representatives' general meeting, take the initiative to accept the supervision by all employees, express opinions and exercise voting rights at the meetings of the Board of Directors and the Board of Supervisors on the matters resolved at the employees representatives' general meeting according to the relevant resolutions of the employees representatives' general meeting.

Article 226 The Bank shall enter into written contracts with supervisors regarding remuneration which are subject to the prior approval from the shareholders' general meeting. The matters relating to remuneration include:

- (1) remuneration for the supervisors of the Bank;
- (2) remuneration for the supervisors of the subsidiary companies of the Bank;
- (3) remuneration for those providing other services for managing the Bank and its subsidiary companies; and
- (4) compensation to supervisors for loss of their office or upon retirement.

Except for the contracts mentioned above, the supervisors shall not initiate litigation against the Bank to claim benefits due to them for the foregoing matters.

Article 227 The remuneration contracts between the Bank and its supervisors shall stipulate that if the Bank is acquired, the supervisors of the Bank shall, subject to prior approval from the shareholders' general meeting, be entitled to compensation or other funds for loss of their positions or upon retirement. The acquisition of the Bank previously mentioned refers to one of the following circumstances:

- (1) a takeover offer made by any person to all shareholders; and
- (2) a takeover offer made by any person with the intent of becoming the controlling shareholder.

If the supervisors concerned do not comply with the provisions of this Article, any funds received by them shall go to the persons who have accepted the offer mentioned above and sell their shares. The supervisors shall bear the expenses arising from the distribution of such amounts proportionally, and such expenses shall not be deducted from the amounts.

Article 228 The Board of Supervisors shall regularly train supervisors to improve their ability to perform duties.

Article 229 A supervisor may resign during his/her term of office.

When a supervisor intends to resign, he/she shall submit a written resignation to the Board of Supervisors. The resignation of a supervisor shall become effective when the written resignation is served upon the Board of Supervisors.

In the event that a supervisor resigns during his/her term of office which results in the number of members of the Board of Supervisors falling below the quorum or the re-election of a supervisor fails to take place on a timely basis upon expiry of the term of office, the original supervisor shall continue to perform his/her duty and obligation as a supervisor in accordance with the laws, regulations, regulatory provisions and these Articles before a new supervisor is elected and assumes office.

In the event that a supervisor resigns or is removed which results in the number of the supervisors of the Bank falling below the minimum quorum, the Bank shall convene a shareholders' general meeting or employees representatives' general meeting as soon as possible to elect a new supervisor.

Section 2 External Supervisors

Article 230 An external supervisor of the Bank refers to a supervisor of the Bank who holds no post in the Bank except for the supervisor post and has no relation with the Bank or any of its shareholders and de facto controllers which affects his/her independent and objective judgement.

External supervisors shall have the same rights as other supervisors and shall conduct supervision over the Board of Directors, senior management officers and personnel of the Bank and carry out supervision and inspection activities according to these Articles and resolutions of the Board of Supervisors. In addition to the special provisions on external supervisors in this section, external supervisors shall also comply with the general provisions of these Articles on supervisors. If the general provisions are inconsistent with the special provisions, the special provisions shall prevail.

Article 231 The external supervisors shall give statements to the Board of Supervisors before they assume their offices, ensuring that they have enough time and energy to perform their duties and undertaking that they will perform duties of diligence. The term of office of the external supervisors for the Bank shall not exceed six years in aggregate. They shall not hold positions in more than two commercial banks concurrently and shall not serve as external supervisors for a financial institution which may have interest conflicts with the Bank.

Article 232 The provisions herein concerning the qualifications, nomination, election, replacement and resignation procedures for, and basic obligations and responsibilities of independent directors shall apply to the external supervisor.

Article 233 The external supervisors shall attend the meeting of Board of Supervisors in person. If they are unable to attend the meeting in person for certain reasons, they may entrust other external supervisors to attend the meeting as their proxy.

Article 234 External supervisor shall be deemed as committing a serious failure in performing his duties under any of the following circumstances:

- (1) disclosure of the Bank's trade secrets and harming the Bank's legitimate interests;
- (2) accepting improper gains during the performance of their duties;
- (3) manipulation of the position of external supervisors to seek for private gains;
- (4) failing to discover a problem that they should have discovered during the supervision or concealing any problem found, which causes the Bank to suffer material losses; and
- (5) other serious dereliction identified by regulatory authorities.

The Board of Supervisors has the right to propose at a shareholders' general meeting to remove an external supervisor in any of the following circumstances:

- (1) serious dereliction of duty specified in the preceding paragraph;
- (2) failure to resign from the position when he/she is no longer qualified to be an external supervisor;
- (3) attendance in person less than two-thirds of the total number of meetings of the Board of Supervisors in a year;
- (4) other circumstances provided by the laws, regulations and regulatory provisions where an external supervisor is no longer suitable for holding such position.

An external supervisor who is dismissed by general meeting for committing a serious failure in performing his duties shall not serve as external supervisors of the Bank for the remaining time of their life.

Article 235 The basic obligations and responsibilities, replacement and removal, taking office and resignation, working conditions, allowances and expenses of the external supervisors shall be implemented with reference to those of independent directors.

Section 3 Board of Supervisors

Article 236 The Bank shall have a Board of Supervisors. The Board of Supervisors of the Bank shall be composed of five supervisors, including one shareholder supervisor, two external supervisors and two employee supervisors.

The Board of Supervisors of the Bank shall have a chairman. The appointment and removal of chairman shall be adopted in the voting by more than two-thirds of the members of the Board of Supervisors.

The chairman of the Board of Supervisors shall be served by a dedicated designated person who shall possess professional knowledge work experience in one of the financial field, e.g. accounting, audit, finance or law, etc.

The chairman of the Board of Supervisors shall perform the following duties:

- (1) to convene and preside over meetings of the Board of Supervisors and determine matters to consider;
- (2) to organize the performance of duties of the Board of Supervisors;
- (3) to sign reports and other important documents of the Board of Supervisors;
- (4) to report on the work of the Board of Supervisors to the shareholders' general meeting;
- (5) to help supervisors conduct work efficiently, and lead the Board of Supervisors in an effective manner;
- (6) to ensure supervisors being able to obtain accurate, timely and clear information;
- (7) to lead the formulation of each proposal and report that the Board of Supervisors shall submit to shareholders' general meetings;
- (8) other functions and powers stipulated by the laws, regulations and these Articles.

Meetings of the Board of Supervisors shall be convened and presided over by the chairman of the Board of Supervisors. Where the chairman of the Board of Supervisors is incapable of performing or does not perform his duties, a supervisor elected by more than half of the supervisors shall convene and preside over meetings of the Board of Supervisors.

Article 237 The Board of Supervisors shall be the internal supervisory body of the Bank and shall be accountable to the shareholders' general meeting.

The Board of Supervisors of the Bank shall legally exercise the following duties and powers:

- (1) to propose the convening of extraordinary shareholders' general meetings, and to convene and preside over the shareholders' general meetings if the Board of Directors fails to call and preside over such a meeting as stipulated by these Articles;
- (2) to present proposals to the shareholders' general meetings (including the supervisors' remuneration plan);
- (3) to check such financial information as financial report, operational report and profit distribution plan to be submitted by the Board of Directors to the shareholders' general meeting, and may, in the name of the Bank, entrust a certified public accountant or practicing auditor to help review any queries found;
- (4) to supervise the Board of Directors in establishing sound operational philosophy and value standards and formulating development strategies in line with the actual conditions of the Bank;

(5) to evaluate the effectiveness, rationality and robustness of the development strategy formulated by the Board of Directors and prepare evaluation reports;

(6) to supervise the election procedure for directors;

(7) to oversee the conduct of the directors and senior management officers in performing their duties that fails to comply with the laws, regulations or these Articles, to conduct comprehensive evaluation on the performance of duties by directors, supervisors and senior management officers, to request the directors and senior management officers to rectify their act of damaging the benefits of the Bank; propose removal of the directors and senior management officers, who have violated laws, regulations, these Articles or resolutions of the shareholders' general meeting;

(8) to negotiate with a director, bring actions against a director or senior management officer on behalf of the Bank in accordance with the laws, regulations and these Articles;

(9) to inspect and supervise the financial activities, operating decision, risk management and internal control of the Bank, and supervise the rectification;

(10) to examine the profit distribution proposals of the Bank and provide opinions on the compliance and rationality of the profit distribution proposals;

(11) to supervise the implementation of the remuneration management system of the Bank and the effectiveness and rationality of the remuneration plan of senior management officers;

(12) to review the regular reports prepared by the Bank and put forward written review opinions;

(13) other duties and powers by the laws, regulations and these Articles as well as the shareholders' general meeting.

Article 238 The Board of Supervisors may conduct investigation when becoming aware of any unusual operating situation of the Bank; and if necessary, may engage the professional entities, including the accounting firm and the legal firm, to assist in its work. The expenses so incurred shall be borne by the Bank.

Article 239 The Board of Supervisors shall formulate its rules of procedure, and specify explicitly the method of discussion and the voting procedure of the Board of Supervisors to ensure its efficiency and scientific decision-making. The rules of procedure of the Board of Supervisors shall be formulated by the Board of Supervisors and approved by the shareholders' general meeting.

Article 240 Special committees (namely the Supervision Committee and the Nomination Committee) are set up under the Board of Supervisors. Each special committee shall be accountable to the Board of Supervisors.

Article 241 Each special committee of the Board of Supervisors of the Bank shall be composed of at least three supervisors. Each special committee shall have one chairman who is responsible for convening the activities of each special committee. The chairman of each special committee shall be served by an external supervisor. A supervisor may serve for various committees concurrently.

Article 242 The Board of Supervisors shall formulate the working rules for each of its special committees, specifying their duties, rules of procedure, work procedures and matters as authorized by the Board of Supervisors. Each special committee's establishment, composition of members, scope of work authority and requirements for the disclosure of information etc. shall be in accordance with the laws, regulations, regulatory provisions and these Articles.

Article 243 The Board of Supervisors shall have an office under its leadership as the executive body of the Board of Supervisors, which shall be responsible for preparing for meetings of the Board of Supervisors and meetings of special committees under it, as well as other routine work. The staff employed by the office of the Board of Supervisors shall possess relevant professional knowledge to sufficiently ensure the performance of the supervisory functions of the Board of Supervisors.

Article 244 The Bank shall provide necessary working conditions for the Board of Supervisors to perform its duties. The Board of Supervisors shall have its own independent expense budget. The Board of Supervisors shall have the right to administrate its budget independently according to its business needs. The expenses needed for the Board of Supervisors to carry out its duties shall be borne by the Bank.

Depending on its needs, the Board of Supervisors may, orally or in writing, make suggestions, give indications, arrange for interviews or make enquiries towards the Board of Directors, the members of senior management and other staff and require them to respond.

Article 245 Meetings of the Board of Supervisors shall include regular meetings of the Board of Supervisors and provisional meetings of the Board of Supervisors. The regular meeting of the Board of Supervisors shall hold meeting at least once every quarter and shall be convened by the chairman of the Board of Supervisors. Supervisors may propose to convene a provisional meeting of the Board of Supervisors.

The office of the Board of Supervisors shall send the written notice of a meeting to all the supervisors by hand delivery, fax, email or other means ten days and five days before a regular meeting or a provisional meeting of the Board of Supervisors respectively.

The chairman of the Board of Supervisors shall convene a provisional meeting of the Board of Supervisors within ten days under the circumstance that the chairman of the Board of Supervisors considers it necessary or under any other circumstances as stipulated by the laws, regulations, regulatory provisions or these Articles.

The Board of Supervisors shall notify all supervisors of the date of the meeting in accordance with the provisions, and provide them with adequate materials timely before the meeting, including background information of the subject matters, any information and data which can facilitate the supervisors to make decisions.

Where a provisional meeting of the Board of Supervisors needs to be convened in emergency, the notice of such meeting may be sent by telephone or by other verbal means without the constraints of time period, but the convener shall make explanations at the meeting.

Article 246 The discussion methods of the Board of Supervisors are as follows: the chairman of the Board of Supervisors or its designated supervisors shall confirm the number of attending supervisors and explain the reasons and topics for convening the meeting, and the attending supervisors shall discuss and speak. Voting on resolutions shall be conducted and minutes shall be prepared.

Article 247 Meetings of the Board of Supervisors may be convened by way of on-site meeting or written resolutions. Supervisors attending the meeting of the Board of Supervisors by telephone, video call or other instant communication and discussion means shall be deemed as attending the on-site meeting.

Article 248 Where a meeting of the Board of Supervisors is convened by way of written resolutions, if the Board of Supervisors has sent the resolutions to all supervisors and the number of supervisors who sign and agree on the resolutions has reached the quorum required for adopting the resolutions, then the written document signed and agreed by such supervisors shall be delivered to the office of the Board of Supervisors, and the resolutions shall be considered as resolutions adopted by the Board of Supervisors.

Article 249 The notice of a meeting of the Board of Supervisors shall contain the following contents:

- (1) the date, time and place of the meeting;
- (2) the duration of the meeting;
- (3) the reason for holding the meeting and topics for discussion;
- (4) the permanent contact persons for meeting matters and their names and telephone numbers; and
- (5) the date of issuance of the meeting notice.

Article 250 The supervisors shall attend the meeting of the Board of Supervisors in person. If a supervisor cannot attend a meeting due to certain reasons, he/she may appoint another supervisor in writing to attend on his/her behalf, while a supervisor shall not be appointed by more than two supervisors in each meeting of the Board of Supervisors.

The proxy form shall state the name of the proxy, the relevant matters and scope of authorization, and shall be signed or sealed by the appointor.

The supervisor acting as proxy shall exercise the appointor's rights within the scope of authorization. If a supervisor does not attend the meeting of the Board of Supervisors and fails to appoint other supervisor to attend the meeting, he/she shall be deemed to have waived the voting rights at such meeting.

Article 251 The meeting of the Board of Supervisors shall be held only upon the presence of more than half of the supervisors. Resolutions at a meeting of the Board of Supervisors shall be voted in form of on-site meeting or written resolutions. Each supervisor attending the meeting shall have one vote. Resolutions proposed by the Board of Supervisors shall be approved by more than two-thirds of the members of the Board of Supervisors.

Article 252 Minutes shall be prepared for the matters put to the meetings of the Board of Supervisors for consideration, on which the supervisors present at the meetings shall sign. The supervisor is entitled to request that an explanatory note to his speeches made at the meetings be noted in the minutes. The minutes of a meeting of the Board of Supervisors shall be kept as permanent archives of the Bank.

Article 253 The minutes of a meeting of the Board of Supervisors shall contain the following contents:

- (1) the date and place of the meeting;
- (2) the names of the convener and the person taking minutes;
- (3) the names of the supervisors attending the meeting and the names of the supervisors (proxies) appointed by other supervisors to attend the meeting;
- (4) the agenda of the meeting;
- (5) the main points of the speeches of the supervisors; and
- (6) the methods and results of the voting for each proposal (the voting results shall state the numbers of the votes of for, against or abstention).

Article 254 The supervisors shall sign and take responsibility for the resolutions of the Board of Supervisors. Where a resolution of the Board of Supervisors is in violation of the laws, regulations, regulatory provisions or these Articles, thereby causes serious losses to the Bank, the supervisors who are involved in the resolution shall be liable to the Bank for damages. However, where a supervisor can prove that he had expressed his opposition to such resolution when it was put to the vote, and that such opposition was recorded in the minutes of the meeting, such supervisors may be relieved from such liability.

Article 255 Resolutions and minutes of meetings of the Board of Supervisors of the Bank shall be submitted to the banking regulatory authorities under the State Council in a timely manner.

Chapter 8 The President and Senior Management

Article 256 The Bank shall have one president and several vice presidents. The senior management of the Bank shall consist of the president, vice presidents, assistants to the president and other members determined by the Board of Directors of the Bank.

The senior management, as the executive body of the Bank, is responsible for operation, implementation and management enhancement, and carries out operation and management activities in accordance with these Articles and the authorization of the Board of Directors to ensure that the operation of the Bank is in line with the development strategies, risk appetite and other policies formulated and approved by the Board of Directors. The senior management is accountable to the Board of Directors and supervised by the Board of Supervisors. The senior management is not subject to improper intervention in the operation and management activities within its terms of reference according to the laws.

Article 257 The president shall be nominated by the chairman of the Board of Directors and appointed or dismissed by the Board of Directors. The vice presidents and other senior management members shall be nominated by the president and reported to the Board of Directors for appointment or dismissal.

Article 153 in relation to the conditions prohibiting a person from acting as a director shall also be applicable to senior management members.

Article 258 The appointment and dismissal of senior management members of the Bank shall be strictly in compliance with the relevant laws, regulations and these Articles. No controlling shareholders, de facto controllers and their related parties shall be allowed to interfere with the normal procedures for selection and appointment of senior management members of the Bank. No direct appointment or dismissal of senior management members bypassing the Board of Directors shall be allowed. The Bank shall adopt an open and transparent way to select and appoint senior management members.

Under the premise of openness and transparency and following the principles of equal opportunity and merit-based selection, the Bank may select and appoint senior management members through market-oriented selection and appointment mechanism and other means.

The Bank shall establish an incentive mechanism linking the remunerations of senior management members with the performance of the Bank and of the individual under incentive plan approved by the Directors of the Board, in order to attract talents and retain the stability of senior management members.

The Board of Directors' performance appraisal on senior management members shall be the basis for the determination of remunerations and other incentives of senior management members.

Article 259 The term of office of the senior management members of the Bank shall be three years, and may be re-appointed upon expiry of their term.

Article 260 The Bank shall enter into employment contracts with senior management members to specify the rights and obligations between the parties.

Article 261 The president shall execute each resolution of the Board of Directors, as well as organize and carry on business and management activities in accordance with the laws, regulations, these Articles and under the authorization of the Board of Directors, and shall perform the following functions and powers:

(1) propose to the Board of Directors to engage or dismiss senior management members, such as the vice presidents and assistants to the president;

(2) decide to engage or dismiss management officers other than those shall be engaged or dismissed by the Board of Directors;

(3) draft proposals on the establishment of the Bank's internal management departments;

(4) set up the Bank's basic management system;

(5) formulate the Bank's specific regulations;

(6) organize the implementation of the medium-to-long-term business strategies and major business development plans approved by the Board of Directors of the Bank;

(7) formulate the Bank's capital management plan and capital management policy;

(8) draft proposals on increase or deduction of the registered capital of the Bank and issuance of financial bonds of the Bank;

(9) take charge of the business operation management and risk management of the Bank, organize the implementation of the resolutions of the Board of Directors and report the work to the Board of Directors;

(10) submit business plans and investment proposals to the Board of Directors on behalf of the senior management, organize the implementation of Board resolutions upon approval by the Board of Directors, and organize the implementation of the annual plans and investment proposals upon approval by the Board of Directors;

(11) draft proposals on annual financial budget, final accounts and distribution of profit;

(12) formulate proposals on wages, benefits, rewards and punishment of the Bank's staff, and decide on their appointment and dismissal;

(13) authorize other senior management members of the Bank and persons in charge of internal departments and branches to conduct operational activities;

(14) adopt emergency measures when any major emergency, such as bank run, promptly report them to the banking regulatory authority under the State Council and the Board of Directors and the Board of Supervisors;

(15) other duties and powers conferred by these Articles and by the Board of Directors.

The president shall exercise his functions and powers in accordance with relevant laws, regulations and these Articles, and the vice presidents and other senior management members shall assist the president in his work and perform their duties in accordance with relevant authorizations. If the president is unable to perform his duties, the president shall designate a vice president to act on his behalf.

The validity of a conduct of senior management members of the Bank acting on behalf of the Bank with a bona fide third party shall not be affected by the irregularities in the appointment, election or qualification of such person.

Article 262 The president may attend the Board meetings.

Senior management members of the Bank shall carry out operation and management activities in accordance with these Articles and authorizations of the Board of Directors, actively execute resolution of the shareholders' general meetings and resolution of the Board of Directors and establish the systems for reporting regularly to the Board of Directors and reporting to the Board of Directors on the operational results, material contracts, financial position, risk profile, business prospects and other information of the Bank in a timely, accurate and complete manner.

Article 263 Senior management members of the Bank shall submit themselves to the supervision of the Board of Supervisors, regularly report to the Board of Supervisors in relation to the operational results, material contracts, financial position, risk profile, business prospects and other situations of the Bank, and shall not obstruct or hinder the inspection, supervision or other activities carried out by the Board of Supervisors according to its functions and powers.

The senior management members of the Bank has the right to request the Board of Supervisors to raise an objection to any action of the Board of Directors which is in violation of the rules and interferes with the operation and management activities and report to banking regulatory authority under the State Council.

Article 264 Article 157 and Article 159 shall be also applicable to senior management members.

Article 265 The president shall formulate the “Terms of Reference of the Senior Management” and implement such terms after being approved by the Board of Directors.

Senior management of the Bank shall establish and enhance a system of meetings and formulate the meeting rules and procedure.

Article 266 The Terms of Reference of the Senior Management primarily includes the following:

(1) conditions and procedures for convening a presidential business meeting and the participating personnel;

(2) specific duties and responsibilities and division of labor of each of the senior management members;

(3) authorities in relation to the use of the Bank’s funds and assets and the entering into material contracts, as well as the reporting system to the Board of Directors and the Board of Supervisors;

(4) other matters which are deemed necessary by the Board of Directors.

Article 267 The senior management members of the Bank may resign before their terms of office expire. The specific procedures and measures for such resignation of senior management members shall be specified in the appointment contract between such senior management members and the Bank. Such senior management members shall not leave their positions until their exit audits are completed.

Where the president is temporarily vacant due to the fact that the qualifications of the new president have not been approved or other reasons, the Bank shall designate personnel who meet the corresponding qualifications to perform duties on behalf of the president, and report to the decision-making authority for the qualification examination within three days from the date of the designation. The time of performing duties on behalf of the president shall not exceed six months.

Chapter 9 Qualifications and Obligations of Directors, Supervisors and Senior Management Officers

Article 268 The qualifications for the positions of the directors, supervisors and senior management officers of the Bank shall meet the requirements stipulated by the laws, regulations, regulatory provisions and these Articles. The qualifications of the directors and senior management officers of the Bank shall be approved by the banking regulatory authority under the State Council.

The Bank shall ensure that the directors and senior management officers meet the corresponding qualifications and possess the corresponding qualifications when they take office and during their term of office.

If any director or senior management officer fails to meet the qualification requirements during his/her term of office, the Bank shall order him/her to make correction within a prescribed time limit or cease his/her appointment, and report the situation to the banking regulatory authority under the State Council.

Article 269 In addition to the obligations stipulated by the laws, regulations, the Listing Rules, the regulatory provisions and these Articles, in exercising their duties and functions, the directors, supervisors and senior management officers of the Bank shall also assume the following obligations to each and every shareholder:

(1) to ensure that the Bank does not operate beyond the scope of business stipulated in its business license;

(2) to act in good faith and in the best interests of the Bank;

(3) not to deprive the Bank of its assets in any way, including (but not limited to) depriving the Bank of any advantageous business opportunities; and

(4) not to deprive the shareholders of any personal rights and interests, including (but not limited to) the right to distributions and the right to vote, but excluding the submission of company restructuring proposals to the shareholders' general meeting in accordance with these Articles.

Article 270 The directors, supervisors and senior management officers of the Bank shall have a responsibility to apply the same level of care, diligence and skill in exercising their rights or carrying out obligations as would be shown by a reasonably prudent person in similar circumstances.

Article 271 The directors, supervisors and senior management officers of the Bank must act with good faith in exercising their duties and responsibilities, and shall not put themselves in any situation where their personal interests may conflict with their obligations. This extends to (but not limited to) the following obligations:

(1) to act in good faith and in the best interests of the Bank;

(2) to exercise powers within the scope of their authority and they shall not exceed their scope of authority;

(3) to exercise in person the discretion conferred on them and free from the influence of others; and not to transfer their discretion for others to exercise in the absence of the laws and regulations providing to the contrary or through the informed consent of shareholders in a shareholders' general meeting;

(4) to treat shareholders of the same class in the same way, and to fairly treat shareholders of different classes;

(5) not to enter into any contract, transaction or arrangement with the Bank except if otherwise prescribed by these Articles or if there is informed consent from shareholders through a shareholders' general meeting;

(6) not to use any assets of the Bank to seek personal advantages in any way without the informed consent of shareholders through a shareholders' general meeting;

(7) not to accept bribes or other forms of illegal income by taking advantage of his authority, nor to embezzle the assets of the Bank in any way, these assets including but not limited to any business opportunities that are advantageous to the Bank;

(8) not to engage in any business similar to that of the Bank for themselves or others without the informed consent of the shareholders' general meeting;

(9) not to accept any commission related to transactions of the Bank without the informed consent of the shareholders through a shareholders' general meeting;

(10) to comply with these Articles, perform their duties faithfully and safeguard the interests of the Bank, and not to take advantage of their position and authority at the Bank to seek personal gain;

(11) not to engage in any form of competition with the Bank without the informed consent of the shareholders through a shareholders' general meeting;

(12) not to misappropriate the funds of the Bank, not to put any assets of the Bank under an account opened in his own name or in the name of others, not to use the Bank's assets as security for the debts of the shareholders of the Bank or others;

(13) not to lend the funds of the Bank to others in violation of these Articles;

(14) not to divulge any confidential information relating to the Bank and obtained by them during their term of office without the informed consent of the shareholders through a shareholders' general meeting; and not to use such information except it is in the interests of the Bank; however the information may be disclosed to the people's court or other relevant competent authorities if the disclosure is:

(i) in accordance with the law;

(ii) in the public interest;

(iii) required for the interests of the directors, supervisors and senior management officers.

Income generated by directors, supervisors and senior management officers in violation of the preceding paragraphs shall belong to the Bank.

Article 272 The directors, supervisors and senior management officers of the Bank shall not direct the following persons or institutions (hereinafter referred to as "related persons") to take any acts which the directors, supervisors and senior management officers are themselves prohibited from taking:

(1) the spouse or underage children of the directors, supervisors and senior management officers of the Bank;

(2) a trustee of any of the directors, supervisors and senior management officers of the Bank or a trustee of the persons referred to in item (1) of this Article;

(3) a partner of the directors, supervisors or senior management officers of the Bank or a partner of the persons referred to in items (1) and (2) of this Article;

(4) a company which is under the de facto control of the directors, supervisors and senior management officers of the Bank, or a company which is under the de facto joint control of the persons referred to in items (1), (2) and (3) of this Article or with other directors, supervisors and senior management officers of the Bank; and

(5) the directors, supervisors and senior management officers of the companies referred to in item (4) of this Article.

Article 273 The directors, supervisors and senior management officers of the Bank shall be liable to indemnify for any losses of the Bank arising from their violation of the laws, regulations, regulatory provisions and these Articles when performing duties.

Article 274 The fiduciary duties owed by the directors, supervisors and senior management officers of the Bank shall not necessarily be terminated at the end of their term of office, and their obligation to keep the trade secrets of the Bank confidential shall remain valid after their term of office expires. The duration of other obligations shall be determined by what is fair, and will depend on the length of time between the date on which the directors leave their positions and the relevant event involving the obligations as well as the circumstances and conditions in which their relationship with the Bank terminated.

Article 275 The shareholders may make an informed decision at the shareholders' general meeting to dismiss any director, supervisor and senior management officers of the Bank who has violated any obligations, unless the circumstances specified in Article 86 would apply.

Article 276 When the directors, supervisors and senior management officers of the Bank have direct or indirect material conflict of interests in any executed or proposed contracts, transactions or arrangements (except the employment contracts between the Bank and its directors, supervisors and senior management officers), regardless of whether such interests are usually subject to the approval or consent of the Board of Directors, such persons shall disclose the nature and extent of the interests to the Board of Directors as soon as possible.

Unless the directors, supervisors and senior management officers of the Bank with conflicts of interest have disclosed their interests to the Board of Directors in accordance with the requirements of the preceding paragraph, and the Board of Directors has approved the matter without counting the interested persons into the quorum and without their participation in the vote, the Bank shall have the right to rescind such contracts, transactions or arrangements, except in circumstances where the counterparty is acting in good faith and unaware that the directors, supervisors and senior management officers are in breach of their obligations.

If the related persons (as defined in the Article 272) of a director, supervisor or senior management officers of the Bank have any conflict of interests with any contracts, transactions or arrangements, the related director, supervisor and senior management officers shall be deemed to have a conflict of interests as well.

Article 277 Before the Bank considers entering into contracts, transactions or arrangements for the first time, if the interested directors, supervisors and senior management officers of the Bank have provided a written notice to the Board of Directors stating that they have an conflict of interests in the contracts, transactions or arrangements which would be entered into by the Bank in the future for the reasons set out in the notice, then the director, supervisor and senior management officers concerned shall be deemed to have made the disclosure as required in the preceding Article of this chapter to the extent as set out in the notice.

Article 278 The Bank shall not in any way pay taxes for the directors, supervisors and senior management officers of the Bank.

Article 279 The Bank shall not, directly or indirectly, provide any loan or loan guarantee to the directors, supervisors and senior management officers of the Bank, nor shall the Bank provide the same to their related persons.

The preceding paragraph shall not apply in the following circumstances:

(1) loans or loan guarantees provided by the Bank to its subsidiary companies;

(2) loans, loan guarantees or other funds provided by the Bank to the directors, supervisors or senior management officers of the Bank pursuant to their employment contracts which were adopted by the shareholders' general meeting, so that the foregoing persons can make payments in the interests of the Bank or for the expenses incurred in performing their duties and responsibilities;

(3) loans and loan guarantees provided by the Bank to the relevant directors, supervisors and senior management officers of the Bank and their related persons, provided that the loans and loan guarantees are provided on normal commercial terms and conditions.

If the Bank provides a loan in breach of the provisions of this Article, regardless of the terms of the loan, the person who has received the loan shall repay it immediately.

Article 280 Any loan guarantee provided by the Bank in violation of the first paragraph of the foregoing Article shall not be enforceable against the Bank, except for the following circumstances:

(1) where a loan has been provided to the related persons of the Bank's directors, supervisors and senior management officers and the provider of the loan is unaware of the violation; and

(2) the security provided by the Bank has been sold legally by the loan provider to a purchaser acting in good faith.

Article 281 The guarantee referred to in the preceding Articles of this chapter includes acts whereby the guarantor undertakes liabilities or provide assets to guarantee that the obligor performs its obligations.

Article 282 When the directors, supervisors and senior management officers of the Bank are in breach of the obligations owed towards the Bank, apart from the various rights and remedies provided by the laws and regulations, the Bank shall have the right to take the following measures:

(1) to require the directors, supervisors and senior management officers concerned to compensate the Bank for the losses caused by their dereliction of duties;

(2) to rescind any concluded contracts or transactions between the Bank and the directors, supervisors and senior management officers concerned, and the contracts or transactions concluded between the Bank and third parties (when the third parties know or should have known that the directors, supervisors and senior management officers of the Bank are in breach of their obligations);

(3) to require the directors, supervisors and senior management officers concerned to hand over any benefits which have been obtained from their breach of obligations;

(4) to recover funds which should have been received by the Bank, including but not limited to commission from the directors, supervisors and senior management officers concerned; and

(5) to require the directors, supervisors and senior management officers concerned to repay the interest which is or may be accrued from the funds which should have been received to the Bank.

Chapter 10 Financial Accounting System, Profits Distribution and Audit

Section 1 Financial Accounting System

Article 283 The Bank shall formulate its financial accounting system in accordance with the laws, regulations, the unified national financial accounting system and the provisions of the relevant regulatory authorities.

Article 284 The Bank shall publish its financial report twice in each accounting year, i.e. it shall publish its interim financial report within sixty days after the end of the first six months of each accounting year, and its annual financial report within one hundred and twenty days after the end of each accounting year.

Where the securities regulatory authorities of the jurisdiction in which the Bank's shares are listed provide otherwise, such provisions shall prevail.

Article 285 The Bank shall prepare an annual financial report at the end of each accounting year, which shall be examined and verified according to law. The Board of Directors of the Bank shall make available at each annual shareholders' general meeting the financial reports prepared by the Bank in accordance with the relevant laws, regulations and the Listing Rules.

Article 286 The financial reports of the Bank shall be made available at the Bank twenty days or earlier before the convening of the annual shareholders' general meeting for inspection by shareholders. Each shareholder of the Bank shall be entitled to obtain the financial reports mentioned in this chapter.

The aforesaid financial reports shall include: report of the Board of Directors together with the balance sheet (including every document required by laws and regulations to be annexed to the balance sheet), profit and loss statement or income and expenditure statement, or (subject to compliance with relevant laws and regulations) summary financial report approved by the Hong Kong Stock Exchange.

Except as otherwise provided in these Articles, the Bank shall, at least twenty-one days prior to the date of the annual shareholders' general meeting, send the reports mentioned above to each registered holder of H shares by prepaid mail, and the addresses of recipients shall follow the addresses set out in the register of shareholders. For holders of overseas listed foreign shares, subject to the requirements of laws and regulations, the same may be served by publishing it on the website of the Bank, the website of the Hong Kong Stock Exchange and other websites as stipulated by the Listing Rules from time to time.

Where there are otherwise provisions by the laws, regulations or securities regulatory authority in the listing place where our shares are listed in relation thereto, those provisions shall be observed.

Article 287 The accounting year of the Bank shall be beginning from January 1st and ending on December 31st of the calendar year.

The Bank shall prepare an annual financial report within four months after the end of each accounting year and submit it to the relevant regulatory authorities after being audited and certified in accordance with the relevant laws.

The said annual financial report shall be prepared according to the relevant laws, regulations and departmental rules.

Article 288 The Bank shall prepare its financial statements in accordance with the accounting standards and regulations of the People's Republic of China, as well as in accordance with the international accounting standards or the accounting standards required by the securities regulatory authorities of the jurisdiction in which the Bank's shares are listed. If there are any major 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 accounting year, the Bank shall adopt the one with the lower after-tax profits out of the aforesaid two financial statements.

Article 289 The interim results or financial information to be published or disclosed by the Bank shall be prepared in accordance with the People's Republic of China accounting standards and regulations, as well as in accordance with the international accounting standards or the accounting standards required by securities regulatory authorities of the jurisdiction in which the Bank's shares are listed.

Article 290 The Bank shall not have any books of accounts in addition to its statutory ones. No asset of the Bank may be kept in any account opened in the name of any individual.

Article 291 The after-tax profit of the Bank for the year shall be distributed in the following order of priority:

- (1) to make up for the losses of previous years;
- (2) to set aside 10% as statutory reserve fund;
- (3) to set aside general reserve;
- (4) to set aside discretionary reserve fund; and

(5) to pay dividends to shareholders in pro rata to their shareholding.

Where the shareholders' general meeting distributes profits to shareholders before the Bank's making up losses and setting aside statutory reserve funds and violates the foregoing provisions, the shareholders concerned must return to the Bank the profits distributed in violation of the provisions.

Shares of the Bank held by the Bank shall not participate in the distribution of profits.

Article 292 The Bank needs not allocate further amounts if the accumulated amount of the statutory reserve fund is over 50% of its registered capital.

After allocation to the statutory reserve fund, the allocation to the discretionary reserve fund shall be decided by the shareholders' general meeting. The Bank shall not distribute profits to the shareholders before making up losses of the Bank as well as allocation to the statutory reserve fund and general reserve.

Article 293 The reserve fund of the Bank shall be used for making up the Bank's losses, expanding the Bank's scale of operation or increasing the capital of the Bank, but capital reserve fund shall not be used for making up the Bank's losses.

When the statutory reserve fund is converted to capital, the balance of such reserve fund shall not be less than 25% of the Bank's registered capital before the conversion.

Article 294 The capital reserve of the Bank shall include the following funds:

(1) premium obtained from the issue of shares in excess of the par value; and

(2) other revenue to be included in the capital reserve as required by the financial authority of the State Council.

Article 295 The profit distribution policy of the Bank shall emphasize the reasonable investment return to the shareholders, maintain certain continuity and stability and be in the interest of the Bank's long-term development. The Bank shall distribute dividend at the profit-making year. The Bank may distribute profits via bonus issue, payment of cash dividend and so on.

Article 296 Where the shareholders' general meeting of the Bank approves proposals for cash dividends, bonus shares or conversion of capital reserve into share capital, the Board of Directors of the Bank shall complete the distribution of dividends (or shares) within two months after the shareholders' general meeting.

Article 297 Payments made by shareholders in advance of calls on any shares shall carry interest. However, shareholders shall not have any right to receive dividends declared thereafter in relation to any such payment made in advance.

Article 298 The Bank shall appoint for shareholders of overseas-listed foreign shares a recipient agent. The recipient agent shall collect on behalf of the shareholders concerned the dividends distributed and other funds payable by the Bank in respect of the overseas-listed foreign shares and safe-keep such dividends and funds in custody for payment to these shareholders.

The collection agent appointed by the Bank shall comply with the laws of the jurisdiction in which the Bank's shares are listed or the relevant requirements of the securities regulatory authorities of the jurisdiction in which the Bank's shares are listed.

The recipient agent appointed by the Bank for the shareholders of the overseas-listed foreign shares listed in the Hong Kong Stock Exchange shall be a trust company registered in accordance with the Trustee Ordinance (Cap. 29) of Hong Kong.

Article 299 Subject to the laws and regulations, the Bank may exercise the power to forfeit unclaimed dividends in respect of H shares only after the expiry of the applicable effective period upon declaration of dividends.

The Bank has the right to cease delivering dividend notice to the shareholders of overseas-listed foreign 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 300 The Bank has the right to sell the shares of the untraceable shareholders of H shares through the methods the Board of Directors deems appropriate and subject to the following conditions:

(1) The Bank has distributed dividends on such shares at least three times in a period of twelve years and the dividends are not claimed by anyone during that period; and

(2) After the expiration of the twelve-year period, the Bank makes a public announcement in one or more newspapers in the place of listing, stating its intention to sell such shares and notifies the stock exchange of the jurisdiction in which the Bank's shares are listed.

Section 2 Internal Audit

Article 301 The Board of Directors of the Bank shall take ultimate responsibility for the establishment, operation and maintenance of the internal audit system and the independence and effectiveness of the internal audit.

The Board of Supervisors of the Bank provides guidance and supervision on internal audit work, and has the right to require the Board of Directors and senior management to provide relevant information on audit.

Article 302 The Bank shall establish a chief audit officer or a person in charge of auditing (chief auditor) accordance with relevant regulatory provisions. The chief audit officer or the person in charge of auditing (chief auditor) shall be accountable to the Board of Directors, and shall be appointed and dismissed by the Board of Directors, and shall report to the Board of Directors and its Audit Committee on a regular basis.

Article 303 The Bank shall establish an independent internal audit department responsible for carrying out internal audit-related work and strengthening the audit and supervision of investees and affiliated overseas enterprises. The internal audit department reports to the chief audit officer or the person in charge of auditing (chief auditor).

The Bank shall have sufficient internal audit personnel in accordance with relevant regulatory provisions. The internal audit personnel shall have the professional knowledge, occupational skills and practical experience required for performing internal audit duties.

Section 3 Engagement of Accounting Firms

Article 304 The Bank shall engage independent, professional and qualified external auditing advisers to conduct financial audit and conduct regular assessment on the internal control of the Bank.

Article 305 The appointment, dismissal or non-reappointment of an accounting firm shall be decided by the shareholders' general meeting and reported to the securities authority for record.

Article 306 The term of engagement of an accounting firm engaged by the Bank shall start from the closing of the current annual shareholders' general meeting and end at the closing of the next annual shareholders' general meeting.

Article 307 An accounting firm engaged by the Bank shall have the following rights:

(1) to inspect the financial statements, books, records and documents of the Bank at any time, and to require the directors or senior management officers of the Bank to provide relevant information and explanation;

(2) to require the Bank to adopt all reasonable measures to obtain from its subsidiary companies such information and explanations as required by the accounting firm for performance of its duties; and

(3) to attend the shareholders' general meeting, to obtain the notice of shareholders' general meeting or other information in relation to the meeting that any shareholders are entitled to receive, and to speak at the shareholders' general meeting on matters involving its duties as the accounting firm appointed by the Bank.

Article 308 If a vacancy of the position of an accounting firm arises, the Board of Directors may appoint an accounting firm to fill such vacancy before the holding of a shareholders' general meeting. If there are other engaged accounting firms of the Bank while such vacancy still exists, such accounting firms shall continue to serve. The accounting firm appointed by the Board of Directors to fill the vacancy shall be rectified by the shareholders' general meeting.

Article 309 The remuneration of the accounting firm or the ways to determine the remuneration of the accounting firm shall be determined by the shareholders' general meeting. The remuneration of the accounting firm engaged by the Board of Directors shall be decided by the Board of Directors.

Article 310 The appointment, dismissal or non-reappointment of an accounting firm shall be decided upon by the shareholders' general meeting and reported to the securities authority of the State Council for record.

If the shareholders' general meeting adopts a resolution to engage an accounting firm other than the incumbent one to fill up any vacancy of the post, or to renew the engagement of an accounting firm engaged by the Board of Directors to fill up the vacancy, or to dismiss an accounting firm before the expiration of its term of office, the following provisions shall be satisfied:

(1) before sending out notice of a shareholders' general meeting, the proposal on engagement or dismissal shall be sent to the accounting firm to be engaged or to leave its post or that has left its post in the relevant accounting year.

Leaving the post includes dismissal, resignation from the post and leaving the post after the expiration of the term of office.

(2) if the accounting firm that is about to leave its post makes a written statement, and requests the Bank to inform the shareholders of its statement, the Bank shall, unless the time of receiving the written statement is too late, adopt the following measures:

(i) state in the notice sent out for the purpose of a resolution that the accounting firm to leave its post has made a statement;

(ii) send a copy of the statement in the form of an attachment to the notice to shareholders in the manner stipulated by these Articles.

(3) if the statement of the relevant accounting firm is not sent by the Bank in accordance with the above provisions in subsection (2) above, the accounting firm concerned may request that the statement be read out at the shareholders' general meeting and make further appeal.

(4) an accounting firm which is leaving its post shall be entitled to attend the following meetings:

(i) shareholders' general meeting at which its term of office shall expire;

(ii) shareholders' general meeting at which the vacancy due to its dismissal is to be filled up;
and

(iii) shareholders' general meeting convened due to its resignation from its post.

The accounting firm which is leaving its post shall be entitled to receive all notices of the aforesaid meetings or other information in relation to the meetings and speak on any issues at the aforesaid meetings, which concern its duties as the former accounting firm of the Bank.

Article 311 When the Bank dismisses or does not renew the engagement of an accounting firm, it shall give advance notice to the accounting firm. When voting on dismissal or non-reappointment of an accounting firm at the shareholders' general meeting, such accounting firm shall be permitted to present its views at the shareholders' general meeting. Where an accounting firm tenders resignation, it shall explain to the shareholders' general meeting whether there is any irregularity in the Bank.

An accounting firm may resign its office by depositing at the Bank's registered address a written resignation notice. Any such notice shall become effective on the date when it is deposited at the Bank's registered address or on such later date as may be specified in the notice. Such notice shall contain:

(1) a statement to the effect that there are no circumstances connected with its resignation which it considers should be brought to the attention of the shareholders or creditors of the Bank;
or

(2) a statement about any circumstances that shall be disclosed.

The Bank shall, within fourteen days after receiving the aforesaid written notice, send a copy of the notice to the relevant regulatory authorities. If the notice contained a statement referred to in the above item (2), the Bank shall also deposit a copy of the said statement in the Bank for the shareholders' review. The Bank shall send by prepaid mail a copy of the statement mentioned above to each shareholder of overseas-listed foreign shares, and the address of the recipient shall be that recorded in the register of shareholders, or publish the copy of the statement through the website of the Bank or website of the stock exchange of the place where the Bank's shares are listed under the premises of abiding by the applicable laws, regulations and Listing Rules.

If the accounting firm's notice of resignation contains any statement about circumstances which need to be accounted for, the accounting firm may request the Board of Directors to convene an extraordinary general meeting for the purpose of making an explanation of the circumstances in connection with its resignation.

Article 312 The shareholders' general meeting may, by way of an ordinary resolution, dismiss an accounting firm, prior to the expiration of the term of office of the accounting firm, regardless of the terms and conditions of the contract between the accounting firm and the Bank. If the accounting firm concerned has the right to make a claim against the Bank due to its dismissal, such right shall not be affected.

Chapter 11 Notices and Announcements

Article 313 The notices of the Bank shall be given in the following ways:

(1) by hand;

(2) by mail, e-mail or fax;

(3) by way of an announcement published in the newspaper or other designated media;

(4) subject to the compliance with the laws, regulations and the rules of the regulatory authorities of the jurisdiction in which the Bank's shares are listed, by way of posting on the website of the Bank and the website designated by the stock exchange;

(5) by such ways as agreed in advance between the Bank and the party to be notified or any other way which is recognized by the party to be notified after having received such notice; and

(6) other ways which are recognized by the securities regulatory authorities of the jurisdiction in which the Bank's shares are listed or stipulated in these Articles.

Even where these Articles have otherwise provided for the methods of announcement or notification for any documents, notices, or other corporate communications, subject to the relevant provisions of the securities regulatory authorities of the jurisdiction in which the Bank's shares are listed, the Bank may choose to publish its communications by the means specified in item (4) of the first paragraph in this Article, to replace the means of sending written documents to each shareholder of overseas-listed foreign shares by hand or by prepaid mail. The said communications above refer to any documents sent or to be sent by the Bank to the shareholders for reference or for taking action, include but not limited to annual reports (including annual financial reports), interim reports (including interim financial reports), reports of the Board of Directors (together with balance sheets and income statements), notice of shareholders' general meetings, circulars and other communications.

Article 314 Unless required otherwise by these Articles, the notice given by the Bank shall be deemed as received by all the relevant persons once publicly announced if the notice is delivered in the form of public announcement.

Article 315 The notice for convening shareholders' general meetings of the Bank shall be issued in the form of a notice or public announcement.

Article 316 Unless required otherwise by these Articles, the notice for convening meetings of the Board of Directors and its special committees, the Board of Supervisors and its special committees of the Bank shall be issued in writing by mails, fax, e-mail and so on.

Article 317 For a notice of the Bank sent by hand, the recipient shall sign (or seal) the relevant receipt, and the receipt date shall be the date of service; for a notice of the Bank sent by mail, the third working day from the date of delivering to mail acceptance institution shall be the date of service; for a notice of the Bank sent by fax, the same day of sending the fax shall be the date of service; for a notice of the Bank sent by emails, the same day of sending the emails shall be the date of service; for a notice of the Bank sent by telex, the third working day from the date of sending the telex shall be the date of service; for a notice issued by announcement, the date of service shall be the date of the first release of such announcement.

Where the securities regulatory authorities of the jurisdiction in which the Bank's shares are listed provides otherwise, such provisions shall prevail.

Article 318 Where, as a result of accidental omission, a notice of meeting is not given to a person who is entitled to receive such notice or where such person has not received the notice, the meeting or any resolution adopted at the meeting shall not be invalidated as a result.

Article 319 Where the relevant provisions of the securities regulatory authorities in the jurisdiction in which the Bank's shares are listed require that the Bank sends, mails, distributes, releases or announces, or provides by other means the Bank's corporate communications in both English and Chinese versions, if the Bank has made appropriate arrangements to determine whether its shareholders expect to receive the English version or the Chinese version only, the Bank may (based on the preference expressed by shareholders) send the English or Chinese version only to relevant shareholders within the scope permitted by the applicable laws and regulations and in accordance with applicable laws and regulations.

Chapter 12 Mergers, Division, Dissolution and Liquidation

Section 1 Mergers or Division

Article 320 The Bank may proceed to a merger or division according to laws.

Article 321 For a merger or division of the Bank, the Board of Directors shall put forward a proposal, and the formalities for approval shall be handled in accordance with the law after the proposal has complied with the procedures specified in these Articles. The shareholders who oppose the Bank's merger or division plans have the right to ask the Bank or the shareholders who approve the merger or division plans to purchase their shares at a fair price. The contents of the resolution on the merger or division of the Bank shall be made into special document, which shall be available for inspection by shareholders.

Except as otherwise provided for by the securities regulatory authorities of the jurisdiction in which the Bank's shares are listed, the aforementioned documents shall be served by mail by the Bank to the holders of H shares.

Article 322 The merger taken by the Bank may be in the form of merger by absorption or merger by the establishment of a new company.

Article 323 The merger or division of the Bank shall be conducted in accordance with the following procedures:

- (1) the Board of Directors formulates plans for merger or division;
- (2) resolutions of the shareholders' general meeting in accordance with these Articles;
- (3) the parties concerned enter into a contract of merger or division;
- (4) to go through relevant examination and approval procedures according to law;
- (5) to handle various merger or division matters such as claims and debts;
- (6) to carry out registration of dissolution or change.

Article 324 For a merger of the Bank, the parties to the merger shall sign a merger agreement, and shall prepare a balance sheet and assets list. The Bank shall inform creditors within ten days from the date on which the resolution in favor of the merger is adopted, and shall publish an announcement in the newspaper within thirty days. The creditors shall, within thirty days of the day on which a notice is received, and, in the case where no notice is received, within forty-five days, request that the Bank repays its debts or provide a corresponding guarantee for repayment.

Article 325 After the merger of the Bank, the entity surviving the merger or the new entity established after the merger shall assume the claims and debts of the parties to the merger.

Article 326 Where the Bank proceeds into a division, its assets shall be divided accordingly.

Where there is a division of the Bank, the parties to the division shall enter into an agreement of division, and prepare a balance sheet and assets list. The Bank shall inform the creditors within ten days from the date on which a resolution is adopted in favor of the division, and shall publish an announcement in the newspaper within thirty days.

Article 327 The entity established after division shall assume joint and several liability for the debts incurred by the Bank before division, unless otherwise stipulated in any settlement agreement of debts which may be reached between the Bank and its creditors prior to the division.

Article 328 The Bank shall prepare a balance sheet and assets list when it intends to reduce its registered capital.

The Bank shall inform the creditors within ten days from the date on which the resolution in favor of the reduction of registered capital is adopted, and shall publish an announcement in the newspaper within thirty days. The creditors shall, within thirty days of the day on which a notice is received, and, in the case where no notice is received, within forty-five days, request that the Bank repays its debts or provide a corresponding guarantee for repayment.

The registered capital of the Bank after reduction shall not be less than the statutory minimum.

Article 329 Where a merger or division of the Bank involves any changes to the registered matters, an application for modification of registration shall be made to the company registration authority in accordance with the law; if the Bank is dissolved, cancellation of registration of the Bank shall be carried out in accordance with the law; where a new company is established, the registration of the incorporation of the company shall be carried out in accordance with the law. For an increase or a reduction of the registered capital of the Bank, an application for modification of registration shall be made to the company registration authority in accordance with the law.

Article 330 The Bank shall be taken over by the banking regulatory authorities under the State Council in accordance with the Commercial Banking Law and other relevant laws and regulations when there is, or is likely to be, a credit crisis which may materially impact the interests of depositors.

The Bank shall abide by such takeover.

Section 2 Dissolution and Liquidation

Article 331 The Bank shall be liquidated according to laws in any of the following circumstances:

(1) if the shareholders' general meeting resolves and the regulatory authorities concerned approve to do so;

(2) if a dissolution is necessary as a result of a merger or division of the Bank;

(3) if the business license of the Bank is revoked or if it is ordered to close down its business or if its business license is canceled in accordance with the law;

(4) where the operation and management of the Bank falls into serious difficulties and its continued existence would cause heavy losses to shareholders, the shareholders holding more than one tenth of the total voting rights of the Bank may apply to a people's court to dissolve the Bank if there are no other solutions;

(5) the Bank is declared bankrupt by a people's court in accordance with the law; and

(6) the term of operation set out in these Articles has expired or other events of dissolution specified in these Articles have occurred.

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

Article 332 Where the Bank is dissolved pursuant to items (1), (3), (4) or (5) of Article 331, a liquidation committee shall be established to begin liquidation within fifteen days from the date of occurrence of grounds for dissolution. The members of the liquidation committee shall be determined by the directors or the shareholders' general meeting. Where a liquidation committee is not established as scheduled, the creditors may apply to a people's court to appoint relevant persons to form a liquidation committee to carry out liquidation.

Where the Bank is dissolved pursuant to item (5) of the preceding Article, liquidation shall be conducted by a people's court in accordance with the relevant laws.

Article 333 If the Board of Directors decides that the Bank shall be liquidated (except for liquidation resulting from the Bank's declaration of bankruptcy), it shall state in the notice of shareholders' general meeting convened for such purpose that the Board of Directors has conducted a comprehensive investigation into the situation of the Bank and believes that the Bank is able to pay off all its debts within twelve months following the commencement of the liquidation.

After the shareholders' general meeting adopts a resolution in favor of the liquidation, the functions and powers of the Board of Directors of the Bank shall be terminated immediately.

The liquidation committee shall follow the instructions of the shareholders' general meetings and shall report to the shareholders' general meeting at least once a year on the income and expenditure of the liquidation committee, the business of the Bank and the progress of the liquidation, and shall make a final report to the shareholders' general meeting at the end of the liquidation.

Article 334 The liquidation committee shall exercise the following functions and powers during the period of liquidation:

- (1) to liquidate the assets of the Bank and prepare a balance sheet and assets list respectively;
- (2) to inform creditors by notices or public announcements;
- (3) to deal with any unsettled business of the Bank that relates to the liquidation;
- (4) to pay off any outstanding taxes;
- (5) to clear up claims and debts;
- (6) to handle the Bank's remaining assets after all debts are paid off; and
- (7) to participate in civil litigation on behalf of the Bank.

Article 335 The liquidation committee shall notify creditors within ten days from the date of its establishment, and shall publish an announcement in the newspaper within sixty days. The creditors shall make their claims to the liquidation committee within thirty days from the date of receipt of the notice or, within forty-five days from the date of the first public announcement for those who have not received the notice.

When making a claim, creditors shall explain the matters related to their claim and provide relevant evidence of such claims. Claims shall be registered by the liquidation committee.

The liquidation committee shall not settle any debt with any creditors during the period allowed for creditors to make a claim.

Article 336 After the liquidation of the Bank's assets by the liquidation committee and the preparation of a balance sheet and assets list, the liquidation committee shall formulate a liquidation plan and submit it to the shareholders' general meeting or to the relevant competent authorities for confirmation.

The Bank's assets shall be liquidated in the following order:

- (1) to pay the liquidation costs;
- (2) to pay employees' salaries, social insurance and statutory compensation;
- (3) to pay the principal and legal interest of personal savings deposits;
- (4) to pay all outstanding taxes;
- (5) to settle the Bank's debts; and

(6) to distribute to shareholders according to their classes of shares and proportion of shares being held.

During the liquidation, the Bank shall continue to exist, but shall not carry on any business activities which do not relate to the liquidation. The assets of the Bank shall not be distributed to shareholders before it is used for settlement in accordance with the provisions of the preceding paragraph.

Article 337 With respect to liquidation due to dissolution of the Bank, during the liquidation of the Bank's assets by the liquidation committee, and after preparing a balance sheet and assets list, if the liquidation committee finds the assets of the Bank to be insufficient for the settlement of its debts, the liquidation committee shall apply to the people's court for a declaration of bankruptcy upon approval by the banking regulatory authorities under the State Council. After a ruling is made by the people's court that the Bank be declared bankrupt, the liquidation committee shall hand over its liquidation work to the people's court in accordance with the law.

Article 338 Following the completion of the liquidation, the liquidation committee shall prepare a liquidation report, income and expenditure statement and financial books of accounts in respect of the liquidation period, and upon verification by a certified public accountant of the People's Republic of China, submit the documents mentioned above to the shareholders' general meeting or the relevant competent authorities for confirmation.

The liquidation committee shall submit the documents mentioned above to the company registration authority, apply for cancellation of the Bank's registration and make an announcement of the closure of the Bank within thirty days from the confirmation of the liquidation report by the shareholders' general meeting or the relevant competent authorities.

Article 339 Members of the liquidation committee shall faithfully perform their duties and perform the liquidation obligations in accordance with the law.

Members of the liquidation committee shall not accept any bribes or other illegal income by abusing their authority and shall not misappropriate the assets of the Bank.

Members of the liquidation committee shall be liable for damages and losses if the Bank or creditors incur losses as a result of the deliberate or gross negligence of the members of the liquidation committee.

Chapter 13 Amendments to these Articles of Association

Article 340 The Bank may amend these Articles in accordance with the laws, regulations and the provisions of these Articles.

Article 341 The Bank shall amend these Articles if any of the following circumstances occur:

(1) If, after the relevant laws, regulations, regulatory provisions and the Listing Rules are amended, any term contained in these Articles becomes inconsistent with the mandatory provisions of the amended laws, regulations, regulatory provisions and the Listing Rules;

(2) If a change in the Bank's circumstances results in inconsistency with certain terms specified in these Articles; and

(3) The shareholders' general meeting shall consider to amend these Articles.

Article 342 The Board of Directors shall amend these Articles in accordance with the resolution of the shareholders' general meeting and the opinions of the relevant competent authorities.

Article 343 Amendments to these Articles are information required to be disclosed by laws and regulations, and an announcement shall be made as required.

Article 344 The proposal for any amendments to be made to these Articles shall be put forward by the Board of Directors, voted through at the shareholders' general meeting and submitted to the banking regulatory authorities of the State Council for approval. The changes shall be registered in accordance with the law.

Chapter 14 Dispute Resolution

Article 345 The Bank shall abide by the following rules for dispute resolution:

(1) If any disputes or claims in relation to the Bank's business, with respect to any rights or obligations under these Articles, Company Law or any other relevant laws and regulations, arise between shareholders of overseas-listed foreign shares and the Bank, between shareholders of overseas-listed foreign shares and the Bank's directors, supervisors or senior management officers of the Bank, or between shareholders of overseas-listed foreign shares and other shareholders, the parties concerned shall submit such disputes or claims to arbitration. Where the competent securities authorities fail to reach an understanding or agreement with the relevant overseas securities regulatory authorities in respect of the settlement of disputes, the parties concerned may settle such disputes by the means specified by the laws and regulations and as agreed by both parties.

When the aforementioned disputes or claims are submitted to arbitration, such disputes or claims shall be submitted in their entirety, and all persons (being the Bank, the Bank's shareholders, directors, supervisors or senior management officers of the Bank) that have a cause of action based on the same grounds or the persons whose participation is necessary for the resolution of such disputes or claims, shall comply with the arbitration.

Disputes with respect to the definition of shareholders and disputes concerning the register of shareholders need not be resolved by arbitration.

(2) An applicant may choose for the arbitration 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 a claimant submits a dispute or claim to arbitration, the other party must carry out the arbitration at the arbitration institution selected by the claimant.

If an applicant 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.

(3) Unless otherwise provided by the laws, regulations and regulatory provisions, the laws of the People's Republic of China shall apply to the settlement of any disputes or claims that are resolved by arbitration pursuant to item (1) above.

(4) The award of the arbitration institution shall be final and binding on all parties.

Chapter 15 Supplemental Provisions

Article 346 These Articles are written in Chinese. Should there be any inconsistency between these Articles written in another language or provided in other versions, the latest Chinese version approved and registered by the Administration for Industry and Commerce shall prevail.

Article 347 Unless required otherwise by these Articles, references to "above", "within", "below", "before" and "until" in these Articles shall include the actual given figures, while references to "less than", "beyond", "fewer than", "more than", "under", "exceed", "surpass" and "over" shall exclude such actual given figures.

Article 348 References to "director" in these Articles, unless the context states or requires otherwise, shall include all members of the Board of Directors serving as chairman, independent director, other director and so on. References to "supervisor" in these Articles, unless the context states or requires otherwise, shall include all members of the Board of Supervisors serving as chairman, external supervisor, other supervisor and so on.

Article 349 References to "accounting firm" in these Articles shall bear the same meaning as the "auditor" under the Listing Rules.

Article 350 Interpretation:

(1) De facto controller means a person who, though not a shareholder of the Bank, is able to get the de facto control of the Bank through investment relationships, agreement or other arrangements.

(2) Related party relation means the relation between the controlling shareholder, actual controller, directors, supervisors, senior management officers of the Bank and the enterprise that they control directly or indirectly, and other relation that may cause the transfer of interest of the Bank. However, the relation between fellow State-controlled enterprises shall not be deemed as related party relation merely because they are both controlled by the State.

(3) Non-standard audit opinions mean other audit reports other than standard audit reports, including audit reports with an emphasis of matter but without qualification and audit reports with non-unqualified opinions. Audit reports with non-unqualified opinions include audit reports with qualified opinions, audit reports with adverse opinions and audit reports with disclaimer of opinion.

(4) Working day means a non-statutory holiday stipulated by the State Council.

Article 351 After approval by the banking regulatory authority under the State Council and after consideration and approval by the shareholders' general meeting, these Articles shall become effective. The existing articles of association of the Bank shall lapse automatically as these Articles become effective.

Article 352 These Articles shall be construed by the Board of Directors of the Bank.

The English version of the Articles of Association is for reference only. In the event of any discrepancies between the English and the Chinese versions, the Chinese version shall prevail.

* Bank of Tianjin Co., Ltd. is not an authorised institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorised to carry on banking/deposit-taking business in Hong Kong.