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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Bank of Gansu Co., Ltd.**, you should at once pass this circular, together with the proxy form that have been dispatched to you, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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BANK OF GANSU CO., LTD.*

甘肅銀行股份有限公司*

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2139)

ANNUAL GENERAL MEETING FOR 2022

The annual general meeting for 2022 (the "AGM") of Bank of Gansu Co., Ltd. will be held at 9:00 a.m. on Tuesday, June 27, 2023 at the conference room at 4/F of Bank of Gansu Tower, No. 525-1 Donggang West Road, Chengguan District, Lanzhou, Gansu Province, the PRC. Notice of the AGM is set out on pages 7 to 10 of this circular. Notice of the AGM has been published on the "HKEXnews" website of the Hong Kong Stock Exchange (www.hkexnews.hk).

Whether or not you are able to attend the AGM, you are advised to read the notice of the AGM carefully and to complete the proxy form that has been dispatched to you in accordance with the instructions printed thereon. H Shareholders must return the proxy forms to the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, while Domestic Shareholders must return the proxy forms to the registered office and the principal place of business in the PRC at Bank of Gansu Tower, No. 525-1 Donggang West Road, Chengguan District, Lanzhou, Gansu Province, the PRC, by hand or by post no later than 24 hours before the time appointed for convening the AGM or any adjourned meeting thereof. Completion and return of the proxy forms will not preclude you from attending and voting at the AGM and any adjourned meeting(s) thereof in person if you so wish.

June 7, 2023

* *Bank of Gansu Co., Ltd. is not an authorized 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 authorized to carry on banking/deposit-taking business in Hong Kong.*

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM”	the 2022 annual general meeting of the Bank to be held at 9:00 a.m. on Tuesday, June 27, 2023
“Articles of Association”	the Articles of Association of the Bank currently in force, as amended, modified or otherwise supplemented from time to time
“Bank”	Bank of Gansu Co., Ltd., a joint stock company incorporated in the PRC with limited liability, whose H Shares are listed on the Main Board of the Stock Exchange (Stock Code: 2139)
“Board” or “Board of Directors”	the board of directors of the Bank
“Board of Supervisors”	the board of supervisors of the Bank
“CBIRC”	China Banking and Insurance Regulatory Commission
“Company Law”	the Company Law of the PRC
“Director(s)”	the director(s) of the Bank
“Domestic Share(s)”	the ordinary shares in the share capital of the Bank, with a nominal value of RMB1.00 each, which are subscribed for or credited as fully paid up in Renminbi
“Group”	the Bank and its consolidated subsidiaries
“H Share(s)”	the overseas listed foreign shares with a nominal value of RMB1.00 each in the ordinary share capital of the Bank which are listed on the Stock Exchange and traded in Hong Kong in Hong Kong dollars (stock code: 2139)
“H Shareholder(s)”	holder(s) of H Shares
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“IFRS”	the International Accounting Standards, International Financial Reporting Standards, amendments and the related interpretations issued by the International Accounting Standards Board
“Independent Director(s)” or “Independent Non-executive Director(s)”	the independent non-executive director(s) of the Bank
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“PRC” or “China”	the People’s Republic of China, for the purpose of this circular only, excluding Hong Kong, the Macau Special Administrative Region and Taiwan region
“PRC GAAP”	the PRC Accounting Standards for Business Enterprises (中國企業會計準則) promulgated by Ministry of Finance of the PRC on February 15, 2006 and its supplementary regulations, as amended, supplemented or otherwise modified from time to time
“Renminbi” or “RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the shares of the Bank, including Domestic Shares and H Shares
“Shareholder(s)”	the shareholder(s) of the Bank
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Bank
“ShineWing”	ShineWing Certified Public Accountants LLP

LETTER FROM THE BOARD



BANK OF GANSU CO., LTD.*

甘肅銀行股份有限公司*

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2139)

Executive Directors:

Mr. LIU Qing (*Chairman*)

Mr. WANG Xizhen

Registered office in the PRC:

No. 525-1

Donggang West Road, Chengguan District
Lanzhou, Gansu Province, the PRC

Non-executive Directors:

Mr. ZHAO Xingjun

Mr. ZHANG Youda

Mr. GUO Jirong

Ms. YANG Chunmei

Mr. CHEN Jinhui

Principal place of business in the PRC:

Bank of Gansu Tower No. 525-1

Donggang West Road, Chengguan District
Lanzhou, Gansu Province, the PRC

Independent Non-executive Directors:

Ms. LUO Mei

Mr. WONG Sincere

Mr. DONG Ximiao

Mr. WANG Tingting

Mr. LIU Guanghua

Principal place of business in Hong Kong:

40th Floor, Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai, Hong Kong

ANNUAL GENERAL MEETING FOR 2022

To the Shareholders,

Dear Sir/Madam,

1. INTRODUCTION

On behalf of the Board, I would like to invite you to attend the AGM to be held at 9:00 a.m. on Tuesday, June 27, 2023 at the conference room at 4/F of Bank of Gansu Tower, No. 525-1 Donggang West Road, Chengguan District, Lanzhou, Gansu Province, the PRC.

The purpose of this circular is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

2. BUSINESSES TO BE CONSIDERED AT THE AGM

In order to enable you to have a better understanding of the resolutions to be proposed at the AGM and to make an informed decision thereon, we have provided detailed information to the Shareholders in Appendix 1 to this circular, which includes the information and explanation on the resolutions proposed to be passed at the AGM.

The resolutions to be considered at the AGM include:

- (1) To consider and approve the resolution on the work report of the Board of Directors for 2022
- (2) To consider and approve the resolution on the work report of the Board of Supervisors for 2022
- (3) To consider and approve the resolution on final financial accounts and financial audit report for 2022
- (4) To consider and approve the resolution on the profit distribution plan for 2022
- (5) To consider and approve the resolution on the financial budget plan for 2023
- (6) To consider and approve the resolution on the annual report for 2022
- (7) To consider and approve the resolution on the engagement of external auditing firms for 2023
- (8) To consider and approve the resolution on the work report of Independent Non-Executive Directors for 2022
- (9) To consider and approve the resolution on the report of the Board of Supervisors on the evaluation of duty performance by the Board of Directors, the Board of Supervisors, the senior management and their members in 2022
- (10) To consider and approve the resolution on the remuneration distribution and settlement results for Directors and Supervisors for 2022
- (11) To consider and approve the resolution on the report on related-party/connected transactions for 2022
- (12) To consider and approve the resolution on the report on the assessment of the basic information of substantial Shareholders for 2022
- (13) To consider and approve the resolution on the amendments to the plan on authorization of the shareholders' general meeting to the Board

LETTER FROM THE BOARD

- (14) To consider and approve the resolutions regarding the election of certain Directors of the third session of the Board of Directors of the Bank
- a. To consider and approve the resolution regarding the election of Mr. ZHANG Junping as a non-executive Director of the third session of the Board of Directors of the Bank
 - b. To consider and approve the resolution regarding the election of Ms. ZHANG Tingting as a non-executive Director of the third session of the Board of Directors of the Bank
 - c. To consider and approve the resolution regarding the election of Mr. HAU Pak Sun as an independent non-executive Director of the third session of the Board of Directors of the Bank
 - d. To consider and approve the resolution regarding the election of Mr. WANG Lei as an independent non-executive Director of the third session of the Board of Directors of the Bank
- (15) To consider and approve the resolution on the general mandate to issue Shares
- (16) To consider and approve the resolution on the amendments to the Articles of Association

Details of the resolutions are set out in Appendix 1 to this circular.

3. THE AGM

The AGM will be held at 9:00 a.m. on Tuesday, June 27, 2023 at the conference room at 4/F of Bank of Gansu Tower, No. 525-1 Donggang West Road, Chengguan District, Lanzhou, Gansu Province, the PRC. The notice of the AGM is set out on pages 7 to 10 of this circular.

Whether or not you are able to attend the AGM, you are advised to read the notice of the AGM for 2022 carefully and to complete the proxy form that has been despatched to you in accordance with the instructions printed thereon. H Shareholders must return the proxy forms to the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, while Domestic Shareholders must return the proxy forms to the registered office and the principal place of business in the PRC at Bank of Gansu Tower, No. 525-1 Donggang West Road, Chengguan District, Lanzhou, Gansu Province, the PRC, by hand or by post no later than 24 hours before the time appointed for convening the AGM or any adjourned meeting thereof. Completion and return of the proxy forms will not preclude you from attending and voting at the AGM or any adjourned meeting(s) thereof in person if you so wish.

LETTER FROM THE BOARD

4. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at the AGM must be taken by poll except where the chairman of the meeting decides to allow a resolution solely in respect of a procedural or administrative matter to be voted on by a show of hands. Therefore, all resolutions as set out in the notice of the AGM will be voted on by poll. The poll results will be published on the HKEXnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Bank at www.gsbankchina.com upon the conclusion of the AGM.

To the best knowledge of the Bank, none of the Shareholders or their respective associates is deemed to have a material interest in any of the resolutions to be proposed at the AGM, and therefore no Shareholder is required to abstain from voting on any of the resolutions.

5. RECOMMENDATION

The Directors (including the Independent Non-executive Directors) consider that the resolutions set out in the notice of the AGM are in the interests of the Bank and its Shareholders as a whole. Therefore, the Board recommends you to vote in favor of the proposed resolutions mentioned above.

By Order of the Board
Bank of Gansu Co., Ltd.*
LIU Qing
Chairman

Lanzhou, Gansu
June 7, 2023

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NOTICE OF THE AGM



BANK OF GANSU CO., LTD.*

甘肅銀行股份有限公司*

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2139)

NOTICE OF ANNUAL GENERAL MEETING FOR 2022

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Bank of Gansu Co., Ltd. (the “Bank”) for 2022 will be held at the conference room at 4/F of Bank of Gansu Tower, No. 525–1 Donggang West Road, Chengguan District, Lanzhou, Gansu Province, the PRC at 9:00 a.m. on Tuesday, June 27, 2023, to consider and, if thought fit, pass the following resolutions.

Ordinary Resolutions

- (1) To consider and approve the resolution on the work report of the Board of Directors for 2022
- (2) To consider and approve the resolution on the work report of the Board of Supervisors for 2022
- (3) To consider and approve the resolution on the final financial accounts and financial audit report for 2022
- (4) To consider and approve the resolution on the profit distribution plan for 2022
- (5) To consider and approve the resolution on the financial budget plan for 2023
- (6) To consider and approve the resolution on the annual report for 2022
- (7) To consider and approve the resolution on the engagement of external auditing firms for 2023
- (8) To consider and approve the resolution on the work report of Independent Non-executive Directors for 2022
- (9) To consider and approve the resolution on the report of the Board of Supervisors on the evaluation of duty performance by the Board of Directors, the Board of Supervisors, the senior management and their members in 2022

NOTICE OF THE AGM

- (10) To consider and approve the resolution on the remuneration distribution and settlement results for Directors and Supervisors for 2022
- (11) To consider and approve the resolution on the report on related-party/connected transactions for 2022
- (12) To consider and approve the resolution on the report on the assessment of the basic information of substantial Shareholders for 2022
- (13) To consider and approve the resolution on the amendments to the plan on authorization of the Shareholders' general meeting to the Board
- (14) To consider and approve the resolutions regarding the election of certain Directors of the third session of the Board of Directors of the Bank
- a. To consider and approve the resolution regarding the election of Mr. ZHANG Junping as a non-executive Director of the third session of the Board of Directors of the Bank
 - b. To consider and approve the resolution regarding the election of Ms. ZHANG Tingting as a non-executive Director of the third session of the Board of Directors of the Bank
 - c. To consider and approve the resolution regarding the election of Mr. HAU Pak Sun as an independent non-executive Director of the third session of the Board of Directors of the Bank
 - d. To consider and approve the resolution regarding the election of Mr. WANG Lei as an independent non-executive Director of the third session of the Board of Directors of the Bank

Special Resolutions

- (15) To consider and approve the resolution on the general mandate to issue Shares
- (16) To consider and approve the resolution on the amendments to the Articles of Association

By Order of the Board
Bank of Gansu Co., Ltd.*
LIU Qing
Chairman

Lanzhou, Gansu
June 7, 2023

NOTICE OF THE AGM

Notes:

1. VOTING BY POLL

Pursuant to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), all Shareholders’ resolutions will be voted on by poll at the AGM (except where the chairman decides to allow a resolution which relates to a procedural or administrative matter to be voted on by a show of hands). An announcement on the voting results will be published on the HKEXnews website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Bank (www.gsbankchina.com) in accordance with the Listing Rules.

2. ELIGIBILITY FOR ATTENDING THE AGM AND CLOSURE OF REGISTER OF HOLDERS OF H SHARES

In order to determine the holders of H Shares who are eligible to attend the AGM, the H share register of the Bank will be closed from Wednesday, June 21, 2023 to Tuesday, June 27, 2023 (both days inclusive), during which period no transfer of H Shares will be registered.

In order to be eligible for attending the annual general meeting of the Bank, share certificates accompanied by transfer documents must be lodged with the Bank’s H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, June 20, 2023. Holders of H Shares of the Bank who have been registered with Computershare Hong Kong Investor Services Limited on Tuesday, June 27, 2023 are entitled to attend the AGM.

A shareholder or his/her proxy should present proof of identity when attending the AGM. If a shareholder is a legal person, its legal representative or other person authorized by the board of directors or other governing body of such shareholder may attend the AGM by providing a copy of the resolution of the board of directors or other governing body of such shareholder appointing such person to attend the meeting.

3. PROXY

- (1) Each shareholder who has the right to attend and vote at the AGM convened by the above notice is entitled to appoint one or more proxies in writing to attend and vote on his/her behalf at the AGM. A proxy need not be a shareholder of the Bank.
- (2) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorized in writing, or if the appointor is a legal entity, either under seal or signed by a director or a duly authorized attorney. If that instrument is signed by an attorney of the appointor, the power of attorney authorizing that attorney to sign or other document of authorization must be notarized.

Holders of H shares shall lodge the proxy form, together with the notarized power of attorney or other authority, to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not less than 24 hours before the time specified for holding the AGM.

- (3) Completion and return of the proxy form will not preclude a shareholder from attending and voting in person at the AGM or any adjournment thereof should he/she so wish.
- (4) In the case of joint shareholders and more than one of the shareholders attending the meeting, whether in person or by proxy, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will 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 share register of the Bank in respect of the joint shareholding.

4. ARRANGEMENTS FOR BAD WEATHER AND OTHER FORCE MAJEURE EVENTS

The AGM may be postponed to a later date and/or time or cancelled (at the discretion of the Company) if the AGM cannot be held due to bad weather and other special reasons such as force majeure. The Company will publish an announcement on the website of the Hong Kong Stock Exchange at www.hkex.com.hk and the website of Company at www.gsbankchina.com, setting out the postponement or cancellation of the AGM (provided that the Company’s failure to publish such announcement in time for any reason will not affect the decision of postponement or cancellation of the AGM). Shareholders may also raise enquiries via calling the H share registrar or the office of the Board of the Company.

NOTICE OF THE AGM

5. MISCELLANEOUS

- (1) The AGM is expected to last for no more than half a working day. Shareholders and their proxies attending the meeting are responsible for their own traveling and accommodation expenses.
- (2) For details of the resolutions submitted to the AGM for consideration and approval, please refer to the relevant content in the circular of the AGM to be dispatched by the Bank in due course.
- (3) None of the directors, supervisors, president and other senior management of the Bank has material interests in matters to be considered.

- (4) Address of Computershare Hong Kong Investor Services Limited:

Shops 1712-1716, 17 Floor, Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong
(for lodging the instruments of transfer)

17M Floor, Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong
(for lodging the proxy forms)

Telephone: (852) 2862 8555

Facsimile: (852) 2865 0990

- (5) Registered Office of the Bank in the PRC:

No. 525-1 Donggang West Road,
Chengguan District
Lanzhou, Gansu Province
The PRC

- (6) Principal Place of Business of the Bank in the PRC:

Bank of Gansu Tower
No. 525-1 Donggang West Road, Chengguan District
Lanzhou, Gansu Province
The PRC

Contact department: the Office of the Board

Telephone: 86 (931) 877 0491

Facsimile: 86 (931) 877 1877

Contact person: Mr. Chen Yufeng (陳宇峰)

As of the date of this notice, the Board of the Bank comprises Mr. LIU Qing and Mr. WANG Xizhen as executive directors; Mr. ZHAO Xingjun, Mr. ZHANG Youda, Mr. GUO Jirong, Ms. YANG Chunmei and Mr. CHEN Jinhui as non-executive directors; and Ms. LUO Mei, Mr. WONG Sincere, Mr. DONG Ximiao, Mr. WANG Tingting and Mr. LIU Guanghua as independent non-executive directors.

- * *Bank of Gansu Co., Ltd. is not an authorized 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 authorized to carry on banking/deposit-taking business in Hong Kong.*

ORDINARY RESOLUTIONS**1. Work Report of the Board of Directors for 2022**

According to the Company Law and the Articles of Association, it is the authority and duty of the Shareholders' general meeting of the Bank to consider and approve the work report of the Board. The Work Report of the Board of Directors of Bank of Gansu Co., Ltd. for 2022 was considered and approved by the Board on March 30, 2023 and is hereby submitted to the AGM for consideration and approval as an ordinary resolution.

The full text of the above work report of the Board of Directors for 2022 is set out in Annex 1 to this circular.

2. Work Report of the Board of Supervisors for 2022

The work report of the Board of Supervisors for 2022 was considered and approved by the Board of Supervisors on March 30, 2023 and is hereby submitted to the AGM for consideration and approval as an ordinary resolution.

The aforesaid work report of the Board of Supervisors for 2022 is set out in Annex 2 to this circular.

3. Final Financial Accounts and Financial Audit Report for 2022

The final financial accounts for 2022 were completed by the Bank in accordance with applicable regulations. According to the Articles of Association, the Bank has engaged ShineWing Certified Public Accountant (“**ShineWing**”) to carry out 2022 financial auditing works, who has issued the 2022 Financial Audit Report of Bank of Gansu Co., Ltd. According to the auditing opinions, all material aspects of the financial report of Bank of Gansu were prepared in accordance with the requirements of the PRC Accounting Standards for Business Enterprises, which fairly reflected the financial position of Bank of Gansu as of 31 December 2022, as well as the operating results and cash flow in 2022. Based on the auditing results, as of 31 December 2022, the total assets of Bank of Gansu amounted to RMB377.203 billion, including total loans and advances (including accrued interest) of RMB214.272 billion; the total liabilities amounted to RMB344.597 billion, including the total customer deposits (including accrued interest) of RMB279.039 billion; the net profit for the year amounted to RMB604 million.

For particulars of financial information of the Group for the year ended December 31, 2022 as audited under IFRS, please refer to the financial statements in the 2022 annual report of the Bank published on April 19, 2023.

4. Profit Distribution Plan for 2022

According to the Bank's strategic goals and actual conditions of operation and development, the Profit Distribution Plan of Bank of Gansu Co., Ltd. for 2022 has been initially drawn up. The details of the profit distribution plan of Bank for 2022 are as follows:

- (1) According to the Article of Association, to appropriate 10% of net profit for the year (being RMB59.5885 million) to statutory surplus reserve.
- (2) According to the Article of Association, to appropriate 10% of net profit for the year (being RMB59.5885 million) to discretionary surplus reserve.
- (3) To appropriate RMB387.2061 million, representing 1.5% of the risk-bearing assets, to the general risk reserve according to the Administrative Measures for the Provisioning of Reserves of Financial Institutions ([2012] No. 20) (《金融企業準備金計提管理辦法》([2012]20號)) promulgated by the Ministry of Finance of the People's Republic of China.
- (4) The Bank proposes not to distribute any dividends for 2022 after considering the capital replenishment factors to support long-term development.
- (5) The remaining retained earnings of the parent company of RMB4,188.4830 million will be carried forward to the next year.

Note: The data above are data of the parent company of Bank of Gansu.

The above profit distribution proposal for 2022 was considered and approved by the Board on March 30, 2023 and is hereby submitted to the AGM for consideration and approval as an ordinary resolution.

5. Financial Budget Plan for 2023

According to the strategic plan and business development needs of the Bank, the total budget for business and management expenses of the Bank in 2023 will be controlled within RMB2.310 billion, with the cost-to-income ratio being controlled within 35%.

In 2023, the Bank plans to arrange capital expenditure of approximately RMB359.47 million, mainly including:

- (1) An estimated investment of RMB158.25 million in purchasing all kinds of electronic equipment, furniture and appliances for decoration, renovation and ancillaries of business office and self-owned business office.
- (2) An estimated investment of RMB122.76 million in software.

- (3) An estimated long-term deferred amount of RMB59.46 million.
- (4) An estimated of RMB19.00 million for the special program of “Digital Gansu”.

The contents of the above resolution were considered and approved by the Board on March 30, 2023 and is hereby submitted to the AGM for consideration and approval as an ordinary resolution.

6. Annual Report for 2022

The annual report for 2022 was considered and approved by the Board on March 30, 2023 and is hereby submitted to the AGM for consideration and approval as an ordinary resolution. The annual report for 2022 of the Bank was published on the HKExnews website of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the website of the Bank (<http://www.gsbankchina.com>) on April 19, 2023, and dispatched to the Shareholders on April 20, 2023.

7. Engagement of External Auditing Firms for 2023

In order to maintain the continuity and completeness of audit work of the Bank, the Board proposed to re-appoint ShineWing Certified Public Accountants LLP as the auditor for the 2023 annual financial report and interim financial report of the Bank for a term of one year (from the date on which this resolution is passed at the AGM to the date on which the 2023 annual general meeting of the Bank is convened) to provide audit services for the 2023 annual financial report and interim financial report and other related consulting services. According to the quotation from ShineWing Certified Public Accountants, audit fees for the 2023 interim financial report and the 2023 annual financial report shall be approximately RMB5.5 million in total; and other relevant consultation fees for 2023 shall be determined based on the market principles.

The Resolution on the Engagement of External Auditing Firms for 2023 of Bank of Gansu Co., Ltd. was considered and approved by the Board on March 30, 2023 and is hereby submitted to the AGM for consideration and approval as an ordinary resolution.

8. Work Report of Independent Non-Executive Directors for 2022

The work report of Independent Non-executive Directors for 2022 was considered and approved by the Board on March 30, 2023 and is hereby submitted to the AGM for consideration and approval as an ordinary resolution.

Particulars of the aforesaid work report of Independent Non-executive Directors for 2022 are set out in Annex 3 to this circular.

9. Report of the Board of Supervisors on the Evaluation of Duty Performance by the Board of Directors, the Board of Supervisors, the Senior Management and Their Members in 2022

The report of the Board of Supervisors on the evaluation of duty performance by the Board of Directors, the Board of Supervisors, the senior management and their members in 2022 was considered and approved by the Board of Supervisors on March 30, 2023 and is hereby submitted to the AGM for consideration and approval as an ordinary resolution.

Particulars of the aforesaid report of the Board of Supervisors on the evaluation of duty performance by the Board of Directors, the Board of Supervisors, the senior management and their members in 2022 are set out in Annex 4 to this circular.

10. Remuneration Distribution and Settlement Results for Directors and Supervisors for 2022

The remuneration distribution and settlement results for directors and supervisors for 2022 were considered and approved by the Board on March 30, 2023 and are hereby submitted to the AGM for consideration and approval as an ordinary resolution.

The aforesaid remuneration distribution and settlement results for directors and supervisors for 2022 are set out in Annex 5 to this circular.

11. Report on Related-Party/Connected Transactions for 2022

The report on related-party/connected transactions for 2022 was considered and approved by the Board on March 30, 2023 and is hereby submitted to the AGM for consideration and approval as an ordinary resolution.

The aforesaid report on related-party/connected transactions for 2022 is set out in Annex 6 to this circular.

12. Report on the Assessment of the Basic Information of Substantial Shareholders for 2022

The report on the assessment of the basic information of substantial Shareholders for 2022 was considered and approved by the Board on March 30, 2023 and is hereby submitted to the AGM for consideration and approval as an ordinary resolution.

The aforesaid report on the assessment of the basic information of substantial Shareholders for 2022 is set out in Annex 7 to this circular.

13. Amendments to the Plan on Authorization of the Shareholders' General Meeting to the Board

In order to further improve the corporate governance structure of the Bank and ensure operating in compliance with laws and regulations, the Bank has amended and optimized the Plan on Authorization of the Shareholders' General Meeting to the Board of Bank of Gansu Co., Ltd. issued in June 2020 in accordance with the Company Law of the People's Republic of China, the Commercial Banking Law, the Corporate Governance Guidelines for Banking and Insurance Institutions, the Interim Measures for the Administration of Commercial Banks' Authorization and Credit Granting, the Interim Measures for the Equity Management of Commercial Banks, the Listing Rules, the Articles of Association, and other requirements. The proposed amendments were considered and approved by the Board on June 6, 2023 and is hereby submitted to the AGM for consideration and approval as an ordinary resolution.

Please refer to Annex 8 to this circular for details of the proposed amendments to the plan on authorization to the Board.

14. Resolutions Regarding the Proposed Election of Mr. ZHANG Junping, Ms. ZHANG Tingting, Mr. HAU Pak Sun and Mr. WANG Lei as Directors of the Bank

Reference is made to the announcement of the Bank dated June 6, 2023, in relation to the resignation of Directors of the Bank and the proposed appointment of new Directors (the “**Announcement**”). As considered and approved at the Board meeting of the Bank held on June 6, 2023, the Board proposed to appoint Mr. ZHANG Junping and Ms. ZHANG Tingting as non-executive Directors of the Bank and proposed to appoint Mr. HAU Pak Sun and Mr. WANG Lei as independent non-executive Directors of the Bank.

The qualifications of Mr. ZHANG Junping, Ms. ZHANG Tingting, Mr. HAU Pak Sun and Mr. WANG Lei (the “**Director Candidate(s)**”) shall be reported to CBIRC Gansu Office for examination and approval, and their appointments shall be effective from the date of approval of their qualifications. If appointed, each Director Candidate will enter into a director's service contract with the Bank. Unless adjustment is required by applicable laws and regulations, the term of office of each Director Candidate will commence on the date of approval of his/her qualification and end on the expiry of the term of the third session of the Board of Directors, and he/she will be eligible for re-election and re-appointment upon the expiry of the term. The non-executive Directors of the Bank do not receive remuneration from the Bank. The annual fees of the independent non-executive Directors are expected to be RMB143,000 (before tax).

Mr. HAU Pak Sun and Mr. WANG Lei have provided the Bank with written confirmation that they meet the independence guidelines set out in Rule 3.13 of the Listing Rules. After prudent consideration, the Board has confirmed that both Mr. HAU and Mr. WANG have the necessary independence to perform their duties as independent non-executive Directors. In view of Mr. HAU Pak Sun's rich experience in legal sector, and Mr. WANG Lei's solid academic background in such fields as finance and accounting and the experience in holding

directorship in businesses, their respective rich experience enable them to provide the Board with valuable and diversified views and relevant insights, which can continuously bring a professional and scientific perspective to the Board and meet the requirements of the board diversity policy of the Bank.

To the best knowledge of the Bank and save as disclosed in this circular, each Director Candidate did not hold any directorship in the last three years in any public companies, the securities of which are listed on any securities market in Hong Kong or overseas. Each Director Candidate does not have any relationship with any Director, supervisor, senior management, substantial Shareholders of the Bank nor does he/she hold any position within the Bank or any of its subsidiaries.

Save as disclosed in this circular, each Director Candidate does not have any interest in any shares of the Bank or its associated corporations within the meaning of Part XV of the SFO as at the date of this circular.

Save as disclosed in this circular, each Director Candidate has confirmed that there are no other information and matters in respect of their appointment that are required to be disclosed pursuant to the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor is there any other matter that needs to be brought to the attention of the Shareholders of the Bank. Mr. HAU Pak Sun and Mr. WANG Lei, the candidates for independent non-executive Directors, have confirmed their independence to the Bank in accordance with the requirements under Rule 3.13 of the Listing Rules. The Board of Directors is also of the view that Mr. HAU Pak Sun and Mr. WANG Lei have complied with and are independent, pursuant to the independence guidelines set out in Rule 3.13 of the Listing Rules. The Board hereby proposes to the AGM for consideration and approval of each of the sub-resolutions for the election of each of the above candidates for directors as Directors of the third session of the Board on an item-by-item basis.

The biographical details of the Director Candidates are set out in Annex 9 to this circular.

SPECIAL RESOLUTIONS

15. General Mandate to Issue Shares

The Resolution on the General Mandate to Issue Shares of Bank of Gansu Co., Ltd. was considered and approved by the Board on March 30, 2023 and is hereby submitted to the AGM for consideration and approval as a special resolution.

The particulars of aforesaid resolution are set out in Annex 10 to this circular.

16. Amendments to the Articles of Association

In order to safeguard the legitimate rights and interests of the Bank, its Shareholders and creditors, regulate the organization and activities of the Bank, and further improve corporate governance, the Bank has amended certain articles of the Articles of Association of the Bank

based on the existing Articles of Association, taking into account the actual situation of the Bank, and in accordance with the Company Law of the People's Republic of China, the Commercial Banking Law of the PRC, the Corporate Governance Guidelines for Banking and Insurance Institutions, the Interim Measures for the Equity Management of Commercial Banks, the Working Regulations of the Communist Party of China on the Grassroots Organization of State-owned Enterprises (Trial), the Listing Rules, and other laws, administrative regulations, departmental rules, normative documents and relevant requirements of the securities regulatory authorities in the place where the Bank's shares are listed.

The resolution on the amendments to the Articles of Association was considered and approved by the Board on June 6, 2023 and is hereby submitted to the AGM for consideration and approval as a special resolution. The resolution on the amendments to the Articles of Association is subject to the approval of CBIRC Gansu Office after being considered at the Shareholders' general meeting of the Bank. The Articles of Association currently in force shall remain effective until then.

Details of the amendments to the Articles of Association are set out in Annex 11 to this circular.

In 2022, in the face of the recurrent impact of the COVID-19 pandemic and complicated and severe economic and financial situation at home and abroad, the Board conscientiously pursued the spirit of the 20th National Congress of the Communist Party of China and the Central Economic Work Conference, seriously implemented plans approved by the 14th Party Congress, the Economic Work Conference of the Provincial Committee and the provincial NPC&CPPCC, adhered to the general principle of seeking progress while maintaining stability, and fulfilled the new development concept in an overall, accurate and comprehensive manner, and steadfastly promoted high-quality development. Besides, we made coordinated efforts to various tasks such as strengthening Party building, reinforcing weak links, cementing foundation, adjusting structure, preventing against risks, improving efficiency, and promoting development, so as to carry out corporate governance in a more rational and effective way and realize the stable development of the Bank.

I. Main Operating Results in 2022

As of the end of 2022, the Bank's total assets amounted to RMB377.203 billion, with a year-on-year increase of 5.22%; the balance of all loans amounted to RMB214.272 billion, with a year-on-year increase of 6.41%; the total liabilities amounted to RMB344.597 billion, with a year-on-year increase of 5.56%; the customer deposit balance amounted to RMB279.039 billion, with a year-on-year increase of 6.00%; the owner's equity amounted to RMB32.605 billion, with a year-on-year increase of 1.87%. The scale index maintained a steady growth. The net profit amounted to RMB0.604 billion, the rate of return on assets was 0.16% and the rate of return on equity amounted to 1.87%; the ratio of non-performing loans amounted to 2.00%; the capital adequacy ratio amounted to 12.29% and the provisional coverage ratio amounted to 134.73%. The Bank has well accomplished its annual business targets and tasks, and has tried its utmost to overcome the impact from the resurgence of the pandemic and intensified economic downturn pressure. The Bank ranked 301st among "Top 1000 World Banks 2022" by The Banker (a British magazine) and 58th among Chinese banks; and ranked 51st among the Top 100 Banks in China's Banking Industry by the China Banking Association. It has been awarded the "Mobile Banking Best Digital Operation Award", "Corporate Governance Pioneer Enterprise Award" and "2022 Tianji Award for Banks with Harmonious Investor Relations", and also won the Provincial Governor Financial Award granted by the People's Government of Gansu Province for the ninth time.

II. Main Work of the Board of Directors in 2022

(I) Promoting the implementation of strategies and quality development

In 2022, the Board of Directors continued to promote the implementation of strategies. Firstly, we adhered to the strategic positioning of "based in Gansu and serving Gansu" and the strategic goal of "a listed urban commercial bank with high-quality development and a comprehensive financial service provider of the first choice in the region", proactively participated in the overall economic and social development of the province, focused on the Gansu market and served the local real economy. Secondly, we intensively promoted the transformation of our key businesses, with the objective of high-quality development, strengthened the optimisation and adjustment of our business, customer and product structures,

and promoted the Bank's transformation from a scale-oriented, expandable growth to a high-quality, connotative development, continuously deepened the transformation of our retail, digital and public business, and further optimised our internal organisational structure by clarifying the functions of each business segment and department. Thirdly, we improved our strategic management system, established a leadership mechanism, coordination mechanism, publicity mechanism and supervisory mechanism for the implementation of strategies, improved the monitoring of strategic indicators and the evaluation system of the effects of strategic implementation, and promoted the gradual implementation of key strategic tasks in an orderly manner.

(II) Optimizing corporate governance and improving governance efficiency

In 2022, the Board of Directors adhered to the principle of leading high-quality development through Party building, integrated the comprehensive leadership of the Party into corporate governance, and continuously optimized the corporate governance mechanism, namely the Party Committee leading the core, the Board of Directors making strategic decisions, the Board of Supervisors supervising in accordance with law, and the senior management operating under delegation. First of all, the "shareholders' general meeting, the Board of Directors, the Board of Supervisors and the senior management" operated in a standardized manner. During the year, 2 shareholders' general meetings were convened to consider 15 resolutions; 10 Board meetings were convened to consider 60 resolutions; 19 meetings of special committees under the Board were convened to consider 54 resolutions. The matters under consideration covered the Bank's business development, profit distribution, system revision, appointment of executives, connected transactions and other aspects. Second, we strengthened system construction by revising and improving the "Measures for Equity Management of Bank of Gansu Co., Ltd." and the "Rules of Work of the Connected Transaction and Risk Control Committee of the Board of Directors of Bank of Gansu Co., Ltd.". Third, we strengthened the management of shareholding and connected transactions. We have established a shareholder commitment system and regularly evaluated the quality of substantial shareholders; established an equity and connected transaction management system to improve the level of information management of shareholdings and connected transactions, timely updated the list of related parties, accurately identified the information of substantial shareholders and directors' associates, and regulated the financing behavior of shareholders; strictly reviewed and approved the prices of connected transactions to ensure the fairness of connected transactions.

(III) Fulfilling social responsibilities and supporting the development of the real economy

In 2022, the Board actively served national and local development strategies. First, to fulfill our social responsibility, we took supporting the development of the real economy as the starting point and objective of our financial services, endeavored to stabilize growth, employment and prices, and deeply implemented the provincial party committee and government's strategic policies of "one core and three belts" and "four strengthening initiatives" to step up credit investment continuously. We formulated and issued opinions on the implementation of the "22 Measures" to prevent and control epidemics and serve the development of the real economy, as well as the implementation plan for "securing project and

promoting development” to optimize credit policy guidelines. Secondly, we continued to optimize the credit investment structure. We took the optimization of credit investment structure as an important tool to support the province’s industrial restructuring and high-quality economic development. We also adjusted credit policies of the industry, enhanced customer selection capability and increased support to advanced manufacturing, green development, high-tech, strategic emerging industries and other areas. Thirdly, we increased our support to inclusive finance. We extended inclusive finance to more grassroots level. In particular, we extended inclusive finance to small and micro-enterprises to solve their financing difficulties by optimizing the credit process, adopting preferential loan pricing and stepping up the empowerment of fintech, effectively expanding the grant of inclusive loans to small and micro enterprises. Fourthly, we were committed to implementing the policies to help enterprises to alleviate their difficulties. We have adopted various measures to effectively ease the pressure of repayment on enterprises. Specifically, we actively promoted products such as the “anti-epidemic loan”, “general medical loan” and the “small and micro e-loan” to help prevent and control the epidemic and resume work and production, and stepped up the use of monetary policy tools to extend national preferential policies to small and micro enterprises.

(IV) Strengthening risk management and holding to the bottom line of risk prevention and control

In 2022, the Board adhered to its “sound and prudent” risk preference and risk management strategy to steadily improve overall risk management. First, we have facilitated the implementation of a comprehensive risk strategy planning system. We formulated the Comprehensive Risk System Plan of Bank of Gansu and built a “centralized + matrix” comprehensive risk management organization structure and three lines of defense in the front, middle and back office in an orderly manner. In addition, we have improved the overall contingency plan and 8 major risk sub-plans, and reshaped the comprehensive risk management system in terms of business philosophy, risk culture, organizational structure and institutional safeguards. We also developed the Recovery Plan of Bank of Gansu Co., Ltd. and the Disposal Plan of Bank of Gansu Co., Ltd. in accordance with regulatory requirements. Secondly, we made great progress in risk mitigation. The Bank determined the primary responsibility of all levels and departments, launched a special campaign for risk resolution, established a collaborative working mechanism with teams at all levels across the province, and completed the first structured transaction for the disposal of non-performing business in China, resulting in substantial progress in risk resolution.

(V) Strengthening internal control and management and consolidating the foundation of compliant operation

In 2022, the Board attached great importance to internal control and compliance management and held fast to the bottom line of compliance. First, we promoted the implementation of internal control and compliance system. The Bank has continuously improved its rules and systems, intensified accountability, and launched a series of activities such as compliance promotion tours, risk screening and signing of compliance undertakings, thereby improving the level of compliance management throughout the Bank on a continuous basis. Secondly, we carried out various tasks such as anti-money laundering monitoring and

analysis, risk assessment, publicity and training, investigation and research, etc.. In addition, we continued to improve our anti-money laundering organizational structure and institutional mechanism, and optimized our anti-money laundering management system and anti-terrorist financing list monitoring system. Thirdly, we adhered to our service concept of “credit for people and credit for business”. Specifically, we focused on the intrinsic link between bank-wide risk mitigation, quality and efficiency improvement and the development of the credit industry. We also made full use of new technologies and tools to strengthen our credit services and management capabilities, so as to play a better role as a “signal light” and “safety valve” for the credit industry.

(VI) Regulating information disclosure and effectively maintaining investor relations

In 2022, the Board of Directors, in strict accordance with domestic and foreign regulatory requirements, earnestly fulfilled the obligations of information disclosure, normatively and efficiently did a good job in information disclosure, and unceasingly raised the transparency of operation and management, to disclose the information on corporate governance and operation and management in a timely, accurate and comprehensive manner. 94 annual reports, social responsibility reports, related party transactions, announcements and interim announcements of various regulated matters for the year have been disclosed in aggregate. Being investors’ demands-oriented, we continued to regulate inside information and insider management, which effectively protected investors’ rights to know and safeguarded the legitimate rights and interests of shareholders.

III. Work Arrangements of the Board of Directors for 2023

- (I) Maintaining strategic focus and promoting high-quality development.** The year 2023 is a crucial year for the implementation of the Bank of Gansu’s five-year development strategic plan. The Board of Directors will continue to maintain strategic focus, adhere to the guidance of strategic goals, continue to promote the transformation of key businesses, accelerate the pace of digitalization transformation, focus advantageous resources on strategic businesses, accelerate the launch and implementation of strategic initiatives, continue to optimize the strategic management system, and further strengthen strategic execution.
- (II) Optimizing corporate governance and improving governance mechanism.** We will persistently deepen the organic integration of Party leadership and corporate governance, combining inspection and regulatory examination to give feedback on problems. We will stick to standardizing the responsibility boundaries and performance of “shareholders’ general meeting, the Board of Directors, the Board of Supervisors and the senior management”, strengthen the supervision of shareholders’ behavior and management of related party transactions, and strictly disclose relevant information. We will effectively carry out corporate governance assessment and self-inspection, further improving the corporate governance framework of coordinated operations with checks and balances, and laying a solid foundation for high-quality development of the Bank.

(III) Holding the bottom line of risks and improving the level of internal control. The Board of director has always taken preventing and resolving risks as the priority of the work, insisted on systematic thinking, established safe concept, focused on increasing capabilities of preventing and resolving risk, and maintained the stability of the overall financial conditions. We will comprehensively improve the management level of internal control and enhance the construction of internal control, and strictly control various major risks, such as case risks, information technology risks, data risks, fraud risks, money laundering risks, and operating risks of holding village and township banks. Through continuously improving the intelligent and technological level of risk management, we will earnestly fulfill the job in comprehensive risk management, and conscientiously perform our safety production responsibilities.

(IV) Fulfilling social responsibilities and contributing to the real economy. The Bank will firmly undertake the responsibility and the mission of serving the real economy, which may also act as a fundamental measure to prevent financial risks. Focusing on key areas, grabbing project reserves and striving to expand its investment, the Board of Directors will conscientiously implement the financial supply expansion project, take supporting major project construction and building a modern industrial system as the top priority. We attach great importance to the resuming and expanding of consumption, and provide supporting investment and financing services, to fulfill the mission with practical actions and remarkable performances in serving the real economy.

The year 2023 kicks off the thorough implementation of the spirit of the 20th Party Congress. Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Board of Directors will fully implement the spirit of the 20th Party Congress and the Central Economic Work Conference by following the arrangements of the 14th session of the Party congresses at the province level and the Economic Work Conference of the Provincial Committee. We will adhere to the general principle of making progresses while maintaining stability and take the five-year development strategy as the guide while sticking to the work orientation, namely “promoting the development from high perspectives, leading the development with high goals, driving the development with high performance and supporting the development with high empowerment”. Insisting to propel innovative, efficient and steady growth, we bear with a commitment to achieve the goal of becoming “a listed bank with high-quality development and a comprehensive financial service provider of the first choice in the region”.

In 2022, with the assistance of the Board of Directors and the senior management, the Board of Supervisors diligently fulfilled its supervisory duties conferred by the Company Law and the Articles of Association of Bank of Gansu Co., Ltd. (the “Articles of Association”) to supervise and inspect the Bank’s risk management, internal control, financial activities, performance of duties by the Board of Directors and senior management as well as other aspects in accordance of the Corporate Governance Guidelines for Banking and Insurance Institutions and Work Guidelines for the Board of Supervisors of Commercial Banks, and successfully completed the work for the year.

I. Implementation of Main Work

During the reporting period, the Board of Supervisors, the supervisory committee and the nomination committee held 22 meetings in total, at which 62 supervision matters and informative reports were considered, covering inspection and supervision plans and reports, evaluation on duty performance of Directors and Supervisors, and financial budgets and final accounts and other aspects. Some Supervisors participated in 1 general meeting, and attended 1 Board meeting, 16 Bank meetings, 4 meetings of the president’s office, 5 meetings of Assets Preservation Committee and 2 meetings of Consumer Rights Protection Leading Group and 1 rectification joint meeting to supervise the legality and compliance of resolutions and meeting procedures. To supervise risk management, internal control, financial activities, performance of duties and other aspects, the Board of Supervisors mainly carried out the supervision as follows:

(I) Strengthen daily supervision and effectively perform supervisory duties

During the reporting period, the Board of Supervisors focused on ensuring the standardized and effective operation of the corporate governance structure, and regularly organized meetings of the Board of Supervisors. Supervisors got information of the operation and management of the Bank comprehensively by participating in and attending various meetings, and the Board of Supervisors gave full play to their supervisory role in the implementation of development strategies, business decisions, appointment and dismissal of important personnel, standardized business practice, risk prevention and control, and strengthening internal audit supervision. The Board of Supervisors provided timely feedback of their opinions and suggestions on resolutions to the Board of Directors and the senior management, implemented supervision opinions effectively and enhanced the decision-making process for major issues, so as to improve the quality and efficiency of supervision. The Board of Supervisors prepared ordinary supervision special reports on issues mentioned in the “2021 Work Report of the Board of Directors”, “2021 Work Report of Senior Management” and “2021 Profit Distribution Plan” successively, and issued business contact letters, supervision reminders and supervision opinions to urge the above issues to be addressed, thus improving the business practices of the Bank.

(II) Highlight key points of supervision and enhance awareness of risk prevention

During the reporting period, the Board of Supervisors organized 3 ad-hoc supervision activities in total. **Firstly**, it arranged external Supervisors and employee Supervisors to participate in the 2022 ad-hoc supervision meeting of the Board of Supervisors chaired by the Chairman of the Board of Supervisors to look into the construction and implementation of the Bank's comprehensive risk management system and internal control compliance system, the progress of risk asset settlement, rectification of issues found in internal and external inspections, key matters of auditing for 2021 and report on auditing plan for 2022. 14 opinions and suggestions were put forward on the above 4 aspects, including the construction and implementation of the above two systems, risk asset settlement, internal and external inspection and rectification and the key matters of auditing. 4 opinions and suggestions were put forward on another 4 aspects, including the Bank's competitive strategy and market positioning, business expansion, macro policies and economic situations as well as compliance team building.

Secondly, it conducted ad-hoc supervision and inspection on the Bank's protection of consumer rights and interests and the performance of corresponding duties by the Board of Directors and Senior management in the first half of 2022. It implemented its supervision through reviewing report on protection of consumer rights and interests, establishment of rules and mechanics, risk identification, complaint handling, problem rectification, learning and training, publicity and education and other means.

Thirdly, it carried out supervision on key matters leveraging on internal audit inspection. To build up synergies between supervision of the Board of Supervisors and internal audit, it cooperated more closely with the internal audit department to fulfill its supervisory duties relying on auditing, and entrusted the audit department to carry out ad-hoc auditing on the Bank's wealth management business and special asset business. For issues found in the auditing, the Supervisors handled them in follow-up actions and supervised their rectification.

(III) Conduct in-depth research at the primary level and exert the effectiveness of supervision

During the reporting period, the Board of Supervisors researched on the Bank's inclusive financial loan as well as issues and difficulties in respect of development of the inclusive financial loan business. It assigned external Supervisors to the Chengguan Sub-branch, An'ning Sub-branch, Xigu Sub-branch and other branches to carry out on-site researches. They listened to the work reports given by the 3 sub-branches and had discussions with customer managers to get information about small and micro enterprise loans granted by those institutions in 2022, organized and analyzed the problems in loan management and the difficulties in terms of employee training and learning found in the research in an in-depth manner, and put forward 10 opinions in this regard.

(IV) Focus on duty performance supervision and continuously improve duty performance evaluation

Pursuant to the requirements and regulations in the Work Guidelines for the Board of Supervisors of Commercial Banks, the Measures for the Performance Evaluation of Directors and Supervisors of Banking and Insurance Institutions (Trial), the Articles of Association and the Measures for Duty Performance Evaluation of Directors, Supervisors, Senior Management and Their Members by the Bank's Board of Supervisors, the Board of Supervisors carried out duty performance evaluation during the reporting period for the Board of Directors, the Board of Supervisors, senior management and their members for 2021, by attending Board meetings and senior management meetings, reviewing expression of opinions on Board meetings, reviewing materials of Board meetings and senior management meetings, improving records of supervision of duty performance by Directors and senior management members, and inspecting logs of Directors and Supervisors of their routine work. It implemented the duty performance evaluation of Directors, Supervisors and senior management thoroughly and submitted the evaluation results to the general meeting and regulatory authorities in a timely matter. It also provided feedbacks to Directors, Supervisors and senior management on such results.

(V) Promote internal development and consolidate the foundation of supervision

During the reporting period, members of the Board of Supervisors studied rules and measures including the Evaluation Measures of the Board of Supervisors of Bank of Gansu Co., Ltd. on the Duty Performance of Directors (Provisional), the Evaluation Measures of the Board of Supervisors of Bank of Gansu Co., Ltd. on the Duty Performance of Supervisors (Provisional), the Evaluation Measures of the Board of Supervisors of Bank of Gansu Co., Ltd. on the Duty Performance of Senior Management and its Members (Provisional), Rules of Procedure of the Board of Supervisors of Bank of Gansu Co., Ltd., Work Guidelines for the Board of Supervisors of Commercial Banks and the Corporate Governance Guidelines for Banking and Insurance Institutions. They obtained comprehensive knowledge about the business and business processes, corporate governance of commercial banks and supervisory characteristics, requirements, scope, key points and methods regarding duty performance of supervisors, so as to exert the supervisory function of the Board of Supervisors, improve their expertise and enhance the efficiency and quality of supervision continuously.

II. Independent Opinions on Relevant Matters

(I) Operation in compliance with laws

During the reporting period, the operation activities of the Bank conform to the provisions of the Company Law, the Commercial Bank Law and the Articles of Association, and the decision-making procedure was legal and effective; and no violation of the laws and regulations, the Articles of Association or no damage to the interests of the Bank and shareholders has been found in the performance of duties by the Directors and senior management of the Bank.

(II) Truthfulness of financial reports

During the reporting period, the financial reports have been audited by Shinewing Certified Public Accountants with a standard unqualified audit report issued. The financial reports fairly reflected the financial conditions and operating results of the Bank.

(III) Related party transactions

During the reporting period, the Bank further standardized the management of related party transactions, and the Board of Supervisors found no acts violating the principle of fairness or damaging the interests of the Bank and the Shareholders.

(IV) Internal control

During the reporting period, the Bank continued to strengthen and improve the internal control system, and no major defects in the internal control system and implementation of the Bank were founded by the Board of Supervisors.

(V) Implementing resolutions of the Shareholders' general meeting by the Board

During the reporting period, the Board of Supervisors had no disagreement upon any reports and proposals submitted by the Board to the Shareholders' general meeting for consideration, and was of the view that the Board diligently implemented relevant resolutions passed at the Shareholders' general meetings.

(VI) Fulfillment of Social Responsibilities

During the reporting period, the Bank earnestly performed its social responsibilities. The Board of Supervisors had no disagreement upon the 2022 Corporate Social Responsibility Report.

III. Problems and Deficiencies

In 2022, the Board of Supervisors, based on the work plan formulated at the beginning of the year, actively explored innovative supervision methods, continued to strengthen its own construction in terms of structure and personnel, and continued to improve the ability of Supervisors to perform their duties. Although some achievements have been made in the work, there are still some shortcomings, which are mainly reflected in the following aspects: **Firstly**, the initiative, enthusiasm and creativity of Supervisors' work need to be further strengthened, and Supervisors' ability to perform their duties needs to be improved. **Secondly**, the daily communication between the Board of Supervisors and the Board and senior management needs to be further strengthened. **Thirdly**, the supervisory focus of the Board of Supervisors has not been fully covered, and the supervisory role is limited. The means and methods of the Board of Supervisors' supervision need to be strengthened. **Fourthly**, due to the increasingly strict requirements of the regulatory authorities on the corporate governance of commercial banks, the daily work of the Board of Supervisors is becoming more and more important, and the professional knowledge and ability of the Supervisors and the staff of the Office of the Board of Supervisors need to be further improved and strengthened.

IV. Work Priorities for 2023

In 2023, in order to better play its supervisory role, the Board of Supervisors of the Bank will continue to strengthen the supervision of the implementation of the “one plan, two systems” scheme at a new starting point of development, closely focusing on the “21-character” general work requirements of the Party Committee of the Head Office. Within the scope of the Company Law, relevant laws and regulations, the Articles of Association and its functions and powers, the Board of Supervisors will continuously innovate its working mechanism and mode, actively explore ways to perform its duties, fully play the role of supervisors, and correctly perform the duties of the Board of Supervisors. Furthermore, the Board of Supervisors will actively collect, collate and transmit various opinions and suggestions, provide valuable reference for the management’s decision-making, promote the Bank’s sustainable, stable and healthy development, and create a new chapter in its work.

(I) Strengthen organization construction and standardize supervision and operation mechanism

Firstly, the Board of Supervisors will adhere to the leadership of the Party. The Board of Supervisors will strictly implement the requirements of the Party Committee’s pre-research and discussion of relevant issues, and provide an important guarantee for the standardized operation of the supervisory work of the Board of Supervisors. **Secondly**, the Board of Supervisors will standardize the supervision process. The Board of Supervisors will refine the working methods, inspection methods and supervision objectives of supervision, obtain a deeper understanding and knowledge of the bank-wide operation, risk and internal control, and improve the quality and efficiency of supervision. **Thirdly**, the Board of Supervisors will continue to strengthen institutional construction and ensure the performance of its duties. The Board of Supervisors will further revise such documents as the system and measures of the Board of Supervisors to further clarify the operating procedures and paths for the supervision of the performance of the Board of Supervisors, and provide institutional guarantee for the effective performance of the supervision function. **Fourthly**, the Board of Supervisors will promote self-improvement and improve the level of performance. The Board of Supervisors will continue to strengthen the training of Supervisors and members of the Office of the Board of Supervisors, strengthen learning and exchange, and continuously improve the professional quality and ability of the members of the Board of Supervisors through learning the macroeconomic situation, regulatory regulations, industrial policies, the Bank’s business dynamics, strategic planning and new business risk points.

(II) Improve the quality and efficiency of supervision and continuously improve the ability to perform duties

Firstly, the Board of Supervisors will strengthen supervision and inspection. In accordance with the relevant requirements of the regulatory authorities and in combination with the Bank’s key work, the Board of Supervisors will continue to organize and carry out special supervision and inspection activities, analyze relevant problems and deficiencies, and promote the rectification of problems. **Secondly**, the Board of Supervisors will increase the frequency of thematic research. Focusing on the difficulties, focus and hot issues in the development process of the Bank, the Board of Supervisors will flexibly adopt various forms

such as forum, interview, questionnaire survey and data access to conduct in-depth research on the problems in operation management and risk control, find out the root cause and crux of the problem, and form a feasibility study report. **Thirdly**, the Board of Supervisors will strengthen the application of supervision results. The Board of Supervisors will establish a follow-up and rectification account for supervision problems, strive to implement the rectification of problems found in supervision, regularly sort out the special inspection and investigation results in combination with the requirements of the regulatory department, form a supervision report and provide timely feedback to the Board and management, so that the supervision opinions can be effectively implemented, forming a closed-loop mechanism, and further improving the supervision effect. **Fourthly**, the Board of Supervisors will make flexible use of supervision tools such as “supervision opinion letter” and “business contact letter”. The Board of Supervisors will continue to focus on strengthening operational risk, credit risk, internal control management and supervision in key areas through reviewing records, relevant filing systems and meeting minutes. **Fifthly**, the Board of Supervisors will give play to the advantages of nearby supervision, and carry out dynamic and whole-process supervision over the decision-making process, decision-making implementation process and asset operation of the Board and management. The Board of Supervisors will strengthen the normal contact of all departments, widely collect the improvement opinions of employees at different levels on the problems in the bank-wide operation and management through the establishment of contact meetings, and continuously improve the timeliness and sensitivity of supervision. **Sixthly**, the Board of Supervisors will comprehensively strengthen follow-up rectification tracking, strictly supervise and urge the implementation of rectification in combination with the outstanding problems found in the supervision and inspection of the Board of Supervisors and the special audit investigation, strengthen the accountability for the acts of rectification not in place, improve the awareness of rectification responsibility, resolutely put an end to the repeated violations, and promote the Bank’s operation and management to be more standardized. **Seventhly**, the Board of Supervisors will refine the Supervisors’ performance records. The Board of Supervisors will specify the content, requirements and frequency of the performance record, which shall be taken charge of by a specially-assigned person in the Office of the Board of Supervisors to ensure that the performance process of each supervisor is recorded comprehensively, truthfully and in detail, and combine the contents of the performance record with the requirements of the Measures for the Evaluation of the Performance of Supervisors by the Board of Supervisors of the Bank of Gansu (Provisional) to objectively and comprehensively evaluate the performance of Supervisors and urge Supervisors to improve their performance level.

(III) Continuously and effectively promote the implementation of strategic planning

In accordance with the provisions of the Company Law, the Corporate Governance Guidelines for Banking and Insurance Institutions and the Articles of Association, the Board of Supervisors will continue to strengthen the supervision of the implementation of the bank-wide strategic plan. The Board of Supervisors will regularly collect and analyze relevant information, supervise and inspect the implementation and completion of the development strategic plan, organize Supervisors to carry out strategic research, regularly evaluate the effect of the implementation of the strategy, form a special supervision and evaluation report, timely prompt the Board and senior management to correct deviations, and effectively promote the implementation of the strategic plan.

In 2022, the independent Directors of Bank of Gansu Co., Ltd. (the “Bank”) conscientiously and diligently performed their duties in accordance with law, duly attended the meetings of the Board of Directors and its special committees, fully studied and discussed resolutions, independently made their decisions, continuously monitored the Bank’s strategy implementation and business management and fully exercised their independence and professionalism, in accordance with the Company Law, the Securities Law, the Governance Standards of Banking and Insurance Institutions, the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and other domestic and overseas laws and regulations as well as the Articles of Association of Bank of Gansu Co., Ltd. (the “Articles of Association”), effectively protecting the legitimate rights and interests of the Bank and all its shareholders. The performance of duties by independent Directors during the year is reported as follows:

I. Basic Information on the Independent Directors

As of 31 December 2022, the third session of the Board of Directors of the Bank comprised 13 members, including five independent Directors, including Ms. Luo Mei, Mr. Wong Sincere, Mr. Dong Ximiao, Mr. WANG Tingting and Mr. Liu Guanghua. The number of independent Directors of the Bank accounts for more than one third of all Directors, which is in compliance with relevant laws and regulations and the provisions of the Articles of Association. The Chairmen of three special committees under the Board of Directors of the Bank, i.e. the Audit Committee, the Related Party Transaction and Risk Control Committee, and the Nomination and Remuneration Committee, are all independent Directors. Except for the annual remuneration obtained, the Bank’s independent Directors do not have any business or financial interests in the Bank or its subsidiaries, nor do they hold any management positions in the Bank. The Bank has complied with relevant regulatory requirements in terms of the independence of its independent Directors.

II. Overview on Performance of Duties During the Year

In 2022, independent Directors of the Bank actively attended the shareholders’ general meetings, the meetings of the Board of Directors and its special committees. They reviewed the resolutions of the Board of Directors and its special committees. In 2022, the Bank convened 2 shareholders’ general meetings and 10 Board meetings. The attendance of the independent Directors is as follows:

Independent Directors	Shareholders’ general meeting	Board meeting	
	Attendance in person	Attendance in person	Attendance by proxy
Ms. Luo Mei	2/2	10/10	0/10
Mr. Wong Sincere	2/2	10/10	0/10
Mr. Dong Ximiao	2/2	10/10	0/10
Mr. WANG Tingting	2/2	8/9	1/9
Mr. Liu Guanghua	2/2	9/9	0/9

In 2022, the attendance of independent Directors at the meetings of the special committees of the Board of Directors is as follows:

Independent Directors	Strategy and development committee		Audit committee		Nomination and remuneration committee		Related party transaction and risk management committee		Consumer rights protection committee	
	Attendance in person	Attendance by proxy	Attendance in person	Attendance by proxy	Attendance in person	Attendance by proxy	Attendance in person	Attendance by proxy	Attendance in person	Attendance by proxy
	Ms. Luo Mei	-	-	2/2	0/2	4/4	0/4	-	-	-
Mr. Wong Sincere	-	-	2/2	0/2	-	-	8/8	0/8	-	-
Mr. Dong Ximiao	-	-	2/2	0/2	4/4	0/4	8/8	0/8	-	-
Mr. WANG Tingting	-	-	-	-	4/4	0/4	8/8	0/8	-	-
Mr. Liu Guanghua	-	-	-	-	-	-	8/8	0/8	2/2	0/2

Notes:

- (1) The number of “attendance in person” includes attendance in person and by such means as telephone, video and telecommunication.
- (2) During the reporting period, the independent Directors of the Bank who were unable to attend the meetings of the Board of Directors and its special committees in person have entrusted other Directors to attend the meetings and exercise the voting rights on their behalves.

The independent Directors of the Bank came from renowned universities or organizations in the Chinese Mainland and Hong Kong with extensive professional background in the fields of economics, finance, law and accounting. In 2022, the independent Directors of the Bank actively attended the Board meetings and its special committee meetings, debriefed reports on operation and management by leveraging their professional expertise based on their profound working experience, and paid attention to the development and the implementation of development strategies of the Bank through timely communication with the management; made forward-looking reflection on the business plan of the Bank and played an important role in the decision-making of the Board by providing constructive suggestions on development strategies, risk management, business structure, etc. During the reporting period, the Bank's independent Directors did not raise any objection to the relevant matters reviewed by the Board of Directors.

Independent Directors kept abreast of the changes in the regulatory policies, paid continuous attention to opinions of the regulators, diligently attended trainings on corporate governance, risk management and internal control and compliance, etc. In 2022, independent Directors actively attended the training on the Board of Directors and Guidance for Directors by the Hong Kong Stock Exchange and the special training on shareholding management of shareholders of commercial banks organized by China Banking Association, which further enhanced their ability to perform their duties.

III. Major Concerns in Performance of Duties During the Year

(I) Related party transactions

During the reporting period, independent Directors of the Bank paid close attention to the development of domestic and overseas regulations and standards, strengthened the review and supervision of related party transaction management, improved the related-party transaction management system, promoted the level of technology application in related party transaction management, and procured that the related-party transactions were conducted in compliance with laws, regulations and business principles.

(II) Nomination and remuneration of senior management members

In 2022, the Board of Directors of the Bank considered and approved the Resolution on the Authorization to Mr. Qiu Jinhua to Act as President of Bank of Gansu Co., Ltd.; the Resolution on the Remuneration Distribution and Settlement Results for Directors and Supervisors in 2022; the Resolution on the Remuneration Distribution and Settlement Results for Senior Management in 2022; the Resolution on the Election of Executive Directors of the Third Session of the Board of Directors of Bank of Gansu Co., Ltd.; the Resolution on the Appointment of President of Bank of Gansu Co., Ltd.; the Resolution on the Addition of Members of Special Committees under the Third Session of the Board; the Resolution on the Appointment of Vice President of Bank of Gansu Co., Ltd.; the Resolution on the Appointment of Chief Risk Officer of Bank of Gansu Co., Ltd.; the Resolution on the Appointment of Chief

Information Officer of Bank of Gansu Co., Ltd.; the Resolution on the Appointment of Chief Compliance Officer of Bank of Gansu Co., Ltd., etc. Independent Directors all agreed on the matters about the nomination and remuneration of the senior management members of the Bank.

(III) Results forecast and preliminary results estimate

During the reporting period, there was no results forecast or preliminary results estimate required to be disclosed by the Bank. Independent Directors duly reviewed the 2021 annual report and 2022 interim report of the Bank, in particular the truthfulness, accuracy and completeness of the reports, so as to ensure that there is no false information, misleading statements or material omission.

(IV) Engagement or change of accounting firms

During the reporting period, in accordance with relevant requirements on the annual report work, independent Directors maintained adequate communication with external auditors and conscientiously performed relevant responsibilities and duties. Independent Directors concluded that the auditors engaged by the Bank strictly followed the professional conduct standards of independence, objectiveness and fairness in the audit, and satisfactorily completed all tasks. Therefore, independent Directors agreed on further engagement of ShineWing Certified Public Accountants LLP and SHINEWING (HK) CPA Limited as the Bank's accounting firms in 2022.

(V) Cash dividends and other returns to investors

The Bank has sound decision-making procedures and mechanism regarding profit distribution. The Bank attaches great importance to the return to shareholders. During the process of drafting the profit distribution plan, the Board of Directors extensively collected the opinions and requests from shareholders, protected the legitimate rights and interests of minority shareholders, and submitted the profit distribution plan to the general meeting for approval. The independent Directors discharged their duties and played their roles diligently in the decision-making process of the profit distribution plan. After considering the capital replenishment factors to support long-term development, the Bank did not distribute the dividend for 2021, with the remaining retained earnings of the parent company of RMB4.16 billion to be carried forward to the following year.

(VI) Implementation of information disclosure

During the reporting period, the Bank duly, fully and accurately disclosed regular reports such as the 2021 annual report, 2022 interim report, as well as interim announcements in accordance with the laws and regulations and the Articles of Association. Independent Directors actively performed their duties in the preparation and disclosure of the annual report and fully communicated and discussed with external auditors on annual audit work of the Bank.

(VII) Protection of the legitimate rights and interests of depositors and minority shareholders

The independent Directors of the Bank actively performed their duties by conducting a preliminary review of and in-depth investigation into the resolutions subject to consideration and approval of the Board of Directors. They also exercised their voting rights in connection therewith in an independent, prudent and objective manner. With regard to related party transactions, they conducted a rigorous examination of the transactions between the Bank and its substantial shareholders, so as to effectively protect the legitimate rights and interests of the depositors and minority shareholders of the Bank.

(VIII) Operation of the Board of Directors and its special committees

The special committees established under the Board comprise the strategy and development committee, audit committee, related party transaction and risk management committee, nomination and remuneration committee and consumer rights protection committee.

In 2022, the Board of Directors convened a total of 10 meetings, at which the matters such as development strategies, business plans, annual reports, financial budgets, financial accounts, profit distribution proposals, senior management recruitment, information disclosure and major related party transactions of the Bank were considered and approved in strict compliance with the requirements of the Company Law, the Listing Rules and the Articles of Association.

In 2022, the strategy and development committee convened a total of 3 meetings, at which resolutions in relation to the amendments to the Measures for Equity Management of Bank of Gansu, the 2021 environmental, social and governance (ESG) report, the development of the outsourcing strategic plan, the amendments to the Capital Administrative Measures, the report of progressing digital transformation and other resolutions were considered and approved.

In 2022, the audit committee convened a total of 2 meetings, and held 2 separate meetings with external auditors. The committee supervised the preparation of and audited the 2021 annual report and 2022 interim report, paid attention to the implementation of the new financial instrument standards and strengthened the supervision and assessment of the auditing work of external auditors. The audit committee reviewed the annual financial reports of the Bank in accordance with the rules of procedure for the audit committee under the Board of Directors of the Bank and strengthened communication with external auditors in a timely manner. The audited annual financial report was reviewed and voted on by the audit committee before it was submitted to the Board of Directors for consideration and approval.

In 2022, the related party transaction and risk management committee convened a total of 8 meetings. The committee kept a close eye on the impact of domestic and international economic and financial situations on the Bank, strengthened comprehensive risk management, paid attention to the anti-money laundering and non-performing asset transfer work and gave advice and recommendations regarding comprehensive enhancement of risk management capability. Pursuant to the domestic and overseas regulatory provisions, the committee sorted

and reviewed the related party transactions within the definition of rules of the CBIRC and the Hong Kong Stock Exchange and actively communicated with the management personnel and provided them with independent audit opinions.

In 2022, the nomination and remuneration committee convened a total of 4 meetings. In terms of nomination, the committee considered and approved the proposal for the appointment of directors and senior management and ensured the candidates were eligible for these positions, observed laws, administrative regulations, rules and the Articles of Association and were able to perform their duties in a diligent manner. The nomination and remuneration committee was of the opinion that the composition of the Board of Directors of the Bank during the reporting period was in conformity with the requirements of the board diversity policy of the Bank. In terms of remuneration and performance appraisal, such proposals as the remuneration distribution and settlement plan for Directors and Supervisors for 2021, remuneration distribution and settlement plan for the senior management for 2021, etc. were considered and approved; and advice and recommendations regarding boosting Board diversity, optimizing performance appraisal of the senior management, improving remuneration incentive rules and strengthening talent development and cultivation were provided.

In 2022, the consumer rights protection committee convened a total of 2 meetings, at which the work report of consumer rights protection of Bank of Gansu for 2021 and the first half of 2022 was considered and approved. The committee continuously intensified its efforts in financial consumer rights protection, strengthened external communication and coordination, constantly improved the system and mechanism for financial consumer rights protection, and actively developed a good atmosphere for financial consumer rights protection, resulting in significant improvement and enhancement of the quality and efficiency in consumer rights protection.

IV. Overall Evaluation and Suggestions

In 2022, independent Directors performed their duties in an honest, diligent and independent manner in accordance with relevant provisions of relevant laws and regulations and the Articles of Association, and expressed independent opinions objectively and impartially around the key work of the Board of Directors after proactively making in-depth understanding of the Company's operation and management. This effectively enhanced the level of scientific decision-making of the Board of Directors and its special committees, improved corporate governance and protected the legitimate rights and interests of the Bank and all of its shareholders. In 2023, independent Directors will continue to strengthen communication and collaboration with other directors, supervisors and senior management of the Company to improve their duty performance ability, fulfill their duties diligently, and propose suggestions in an independent and objective manner, so as to effectively protect the legitimate rights and interests of the Bank and its shareholders.

The Board of Supervisors of the Bank organized and carried out the evaluation and supervision of the performance by the Board of Directors, the Board of Supervisors, the senior management and their members in 2022, in accordance with the Guidelines on the Board of Supervisors of Commercial Banks and the Measures on Assessment of the Performance of Duties of Directors and Supervisors of Banking and Insurance Institutions (Trial), the Articles of Association of Bank of Gansu Co., Ltd. and the regulations and regulatory requirements of the Board of Supervisors of the Bank on duties performance evaluation of directors, supervisors, senior management and their members. Based on the daily work records of directors and supervisors, the on-site evaluation by the principals of all branches and departments of the head office, and the evaluation of the Board of Supervisors, the performance evaluation results are comprehensively summarized. The evaluation results are now reported as follows:

I. Evaluation on the Duty Performance of the Board of Directors and its Members

In 2022, faced with the combined impact of extremely complex external environment and factors exceeding expectations, the Board of Directors of the Bank adhered to the general tone of seeking progress while maintaining stability, pursued high-quality development, and stuck to the main line of development and risk reduction. In accordance with the “21-character” general work requirements, the Board of Directors coordinated epidemic prevention and business development, earnestly performed its duties, actively took initiative to overcome difficulties, made forward-looking decisions and scientific plans, therefore giving full play to decision-making and supervision functions. According to the current economic and financial situation, the Bank’s operation and risk profile and risk tolerance, the Board of Directors reasonably formulated the operation development goals and plans, risk management and internal control policies, capital planning and other programs, and overcome many difficulties in the course of operation, realizing the steady and healthy development of various businesses. Closely following the two main lines of development and risk mitigation, the Board of Directors performed its functions and duties, focused on risk prevention and mitigation and strengthening compliance management, analyzed and evaluated major risks and risk management, and supervised the senior management to effectively perform their management duties. The Board of Directors has continuously improved the corporate governance. The Board of Directors held 1 annual general meeting for the year, deliberating and approving 14 resolutions; held 1 extraordinary general meeting, deliberating and approving 1 resolution; held 10 meetings of Board of Directors, deliberating and approving 60 resolutions; held 19 meetings of special committees of the Board of Directors, deliberating and approving 54 resolutions.

During the year, all Directors strictly abided by laws and regulations and the Articles of Association of the Bank. Standing on the position of safeguarding the interests of the shareholders and the overall interests of the Bank, the Directors earnestly and conscientiously performed their duties, truthfully reported their relevant information and relevant situation, and took the initiative to accept the supervision of the regulatory authorities and the Board of Supervisors. No director has been found to have disclosed the secrets of the Bank, sought improper benefits for himself or others by taking advantage of his position, harmed the interests of the Bank and its shareholders, nor violated the provisions of laws, regulations and the Articles of Association. The Directors actively attended the meetings of the Board of Directors and its special committees, and the attendance of board meetings was more than two-thirds of the total number of Board meetings. Each of Directors kept abreast of the business management of the Bank, paid attention to the corporate governance, strategic planning, capital management, risk management, internal control compliance, financial accounting and other matters, and gave full play to their professional expertise and experience to speak and vote responsibly, and form an opinion or suggestion. The Directors carefully examined the periodic reports of the Bank and ensured that the information disclosed by the Bank is true, accurate and complete.

After evaluation, the Board of Supervisors considers all the Directors competent.

II. Evaluation on the Duty Performance of the Board of Supervisors and its Members

In 2022, the Board of Supervisors of the Bank, based on the work plan formulated at the beginning of the year, actively explored innovative supervision methods, in accordance with regulations and requirements under the Company Law, Corporate Governance Guidelines for Banking and Insurance Institutions, Work Guidelines for the Board of Supervisors of Commercial Banks and the Articles of Association of the Bank. The Board of Supervisors conscientiously performed supervision duties on the corporate governance of the Bank by means of meeting supervision, special supervision, inspection supervision, etc., carried out the work with the focus on performance supervision, financial supervision, internal control and risk supervision, and actively explored methods to perform duties, so as to give full play to the supervisory role and correctly perform the duties of the Board of Supervisors. The Board of Supervisors also actively collected, sorted out and transmitted all kinds of opinions and suggestions, and actively advised the Board of Directors and the management to promote the improvement of corporate governance mechanism, safeguard the interests of shareholders, and jointly promote the sustainable, stable and healthy development of the Bank with the Board of Directors and the senior management of the Bank. Meetings of the Board of Supervisors and its special committees were held on a regular basis. In 2022, the Board of Supervisors overcame the impact of the epidemic and held 10 meetings of the Board of Supervisors, deliberating and approving 62 resolutions. Special committees of the Board of Supervisors held 12 meetings, deliberating and passing 53 resolutions. In accordance with the Articles of Association and relevant work rules, the Board of Supervisors performed supervision duties on the Board of Directors, the Board of Supervisors, the senior management and their members, and understood and supervised the performance of duties of the Board of Directors, the senior management and their members. In 2022, the Board of Supervisors carried out three special

supervision activities, summarized and analyzed the problems found in the special supervision, and then put forward suggestions and recommendations for improvement, and issued supervisory opinions to the Board of Directors and the senior management.

The Board of Supervisors is of the opinion that in 2022, all supervisors strictly complied with the laws and regulations and the Articles of Association of the Bank, truthfully reported their relevant information and relationships, and no violation of their duty of loyalty and integrity was found, such as using their authority to obtain illegal benefits for themselves or others, interfering with the operation activities of the management, disclosing commercial secrets related to the Bank, finding problems and concealing them, or causing significant losses to the Bank. The professional structure of all supervisors is in line with the supervisory requirements, which strongly ensures the development of the supervisory work of the Board of Supervisors. During the year, the supervisors have effectively supervised the performance of duties, business decisions, financial management, internal control, risk management and other activities of the Board of Directors and the senior management by attending meetings and deliberating on resolutions in accordance with the law. The supervisors are able to actively perform their duties of supervising the proposals, supervising the legality and compliance of resolutions at the meetings of the Board and the decision-making process, and providing timely supervisory opinions and suggestions. In order to strengthen its own construction, optimize its working methods, study relevant systems and methods, the Board of Supervisors strives to improve its overall operation level. In the course of performing their duties, all supervisors have abided by their commitments and obligations, exercised their rights prudently, performed their supervisory duties faithfully, attended the meetings of the Board of Supervisors and the meetings of the special committees in accordance with the regulations, attended the meetings of the Board and the relevant meetings, examined the relevant resolutions seriously, grasped the various documents and reports provided by the Bank, and took the initiative to understand and analyze the Bank's operation continuously.

After evaluation, the Board of Supervisors is view of that all supervisors are competent.

III. Evaluation on the Duty Performance of Senior Management and its Members

In 2022, in face of the overlapping impact of the exceptionally complex external environment and unexpected factors, the Bank's senior management conscientiously conducted the national economic and financial policies and regulatory requirements, actively implemented the resolutions adopted at the general meeting of and the meeting of the Board, adhered to the main line of development and risk mitigation, coordinated the epidemic prevention and control and business development in accordance with the general requirements of the "21 characters", took real efforts and worked hard under pressure, strived to cope with the uncertainty of the external environment with the certainty of its own work, pushed forward the implementation of the "One Plan and Two Systems", and maintained a healthy development trend in its operation as a whole. The senior management achieved phased results in reinforcing weak links and adjusting structure, and made steady progress in cementing foundation,

preventing against risks, improving efficiency and promoting strategic development, thus successfully completing the annual goals and tasks assigned by the Board of Directors. By the end of the year, the total assets reached RMB377.203 billion, representing an increase of 5.22%; the total liabilities reached RMB344.597 billion, representing an increase of 5.56%; the total deposits reached RMB279.039 billion, representing an increase of 6.0%; the total loan was RMB214.272 billion, representing an increase of 6.41%; the net profit was RMB0.604 billion and the non-performing loan ratio was 2.00%, representing a decrease of 0.04 percentage point as compared with the beginning of the year. By the end of the year, there was no violation of laws, regulations and the Articles of Association identified in the duty performance of the senior management.

The Board of Supervisors is of the opinion that in 2022, the senior management of the Bank strictly complied with the national laws and regulations and the Articles of Association, earnestly implemented the national guidelines and policies and regulatory requirements. In addition, the senior management took initiative to accept the oversight of the regulatory authorities and the Board of Supervisors, honestly reported their relevant information and relationships, and performed their management duties in accordance with the law and regulations. The senior management carried out their work with diligence and dedication, effectively organized the daily operation and management of the Bank, seriously took charge of their business and related affairs, and focused on strengthening communication with the Board of Directors and the Board of Supervisors, giving full play to their enthusiasm and initiatives. The senior management have conscientiously implemented the resolutions at the meeting of the Board of Directors and the meeting of the Board of Supervisors and the requirements of the supervisory authorities, exercised their management rights prudently, carried out various tasks pragmatically, and worked together with diligence and dedication in accordance with their respective authorized division of labor. There was no matters related to violation of their duty of loyalty as stipulated in the laws and regulations and the Articles of Association among the senior management, nor was there any use of their positions and rights in the Bank for personal gain or other acts that were detrimental to the interests of the Bank and its shareholders.

After evaluation, the Board of Supervisors is view of that all members of senior management are competent.

I. REMUNERATION DISTRIBUTION AND SETTLEMENT RESULTS FOR DIRECTORS OF THE BANK IN 2022 ARE AS FOLLOWS:

Remuneration before tax received from the Bank in 2022

(Unit: RMB'0,000)

Name	Remuneration payable(1)	Social insurance, annuity, supplementary medical insurance and housing provident funds contributed by the Bank(2)			Other monetary income(3)	Total (4) = (1) + (2) + (3)	Allowance	Whether receiving any remuneration from corporate shareholder(s) or other related party(ies)
Liu Qing	57.70	15.04	2.55	75.29	-	No		
Wang Xizhen	11.91	3.74	1.70	17.35	-	No		
Ma Zhiqiang	21.06	5.88	0.71	27.65	-	No		
Wu Changhong	-	-	-	-	-	Yes		
Shi Guanglei	-	-	-	-	-	Yes		
Zhao Xingjun	-	-	-	-	-	Yes		
Zhang Youda	-	-	-	-	-	Yes		
Guo Jirong	-	-	-	-	-	Yes		
Yang Chunmei	-	-	-	-	-	Yes		
Dong Ximiao	-	-	-	-	14.29	No		
Luo Mei	-	-	-	-	14.29	No		
Wong Sincere	-	-	-	-	14.29	No		
Wang Tingting	-	-	-	-	10.71	No		
Liu Guanghua	-	-	-	-	10.71	No		

Notes:

- The remuneration for the Bank's person-in-charge, who is responsible for operation of the state-owned financial enterprise administered by the Gansu Provincial Government, shall be determined in accordance with the remuneration standard for provincial financial enterprise as stipulated by the provincial government.
- In accordance with relevant laws and regulations, independent non-executive Directors receive allowances from the Bank.
- The remuneration before tax shown in the above table refers to the total amount of remuneration of the Directors of the Bank for the year 2022, including the remuneration paid as disclosed in the Bank's 2022 annual report. The remuneration payable to Mr. Liu Qing includes the payment of RMB108,900 for deferred performance in previous years, and the remuneration payable to Mr. Ma Zhiqiang includes the payment of RMB50,000 for deferred performance in previous years.
- The remuneration of Mr. WANG Xizhen as an executive Director was payable within the period from October 2022 to December 2022, the remuneration of Mr. Ma Zhiqiang as an employee Director was payable within the period from April 2022 to August 2022, the remuneration of Mr. WANG Tingting as an independent Director was payable within the period from April 2022 to December 2022, and the remuneration of Mr. Liu Guanghua as an independent Director was payable within the period from April 2022 to December 2022.

5. As Ms. Wu Changhong, Mr. Shi Guanglei, Mr. Zhao Xingjun, Mr. ZHANG Youda, Mr. Guo Jirong and Ms. Yang Chunmei were dispatched by corporate shareholders to serve as Directors of the Bank, for which their remuneration is paid by their respective corporate shareholder. Besides, some independent non-executive Directors of the Bank serve as directors or senior management officers in other corporate bodies or organizations, and thus such corporate bodies or organizations are deemed as related parties of the Bank. Save as disclosed above, none of the Directors of the Bank received remuneration from any related parties of the Bank during the reporting period.

II. Remuneration Distribution and Settlement Results for Supervisors in 2022:

Remuneration before tax received from the Bank in 2022

(Unit: RMB'0,000)

Name	Remuneration payable(1)	Social insurance, annuity, supplementary medical insurance and housing provident funds contributed by the Bank(2)	Other monetary income(3)	Total (4) = (1) + (2) + (3)	Allowance	Whether receiving any remuneration from corporate shareholder(s) or other related party(ies)
Tang Lan	54.62	14.75	1.61	70.98	-	No
Wang Xiaopei	49.29	13.64	1.94	64.87	-	No
Liu Peixun	63.89	14.07	3.19	81.15	-	No
Zeng Lehu	-	-	-	-	-	Yes
Zhang Yanlong	-	-	-	-	-	Yes
Han Zhenjiang	-	-	-	-	-	Yes
Luo Yi	-	-	-	-	14.29	No
Li Zongyi	-	-	-	-	14.29	No
Ma Runping	-	-	-	-	14.29	No

Notes:

- The remuneration for the Bank's person-in-charge, who is responsible for operation of the state-owned financial enterprise administered by the Gansu Provincial Government, shall be determined in accordance with the remuneration standard for provincial financial enterprise as stipulated by the provincial government.
- In accordance with relevant laws and regulations, external Supervisors who are not appointed by corporate shareholder(s) shall receive allowances from the Bank.
- The remuneration before tax shown in the above table refers to the total amount of remuneration of the Supervisors of the Bank for the year 2022, including the remuneration paid as disclosed in the Bank's 2022 annual report. The remuneration payable to Ms. Tang Lan includes the payment of RMB101,800 for deferred performance in previous years, the remuneration payable to Mr. WANG Xiaopei includes the payment of RMB90,000 for deferred performance in previous years and the remuneration payable to Mr. Liu Peixun includes the payment of RMB125,500 for deferred performance in previous years.
- As Mr. Zeng Lehu, Mr. ZHANG Yanlong, Mr. Han Zhenjiang were dispatched by corporate shareholders of the Bank to serve as Supervisors of the Bank, their remunerations are paid by their respective corporate shareholder. Besides, external Supervisors serve as directors or senior management officers in other corporate bodies or organizations, and thus such corporate bodies or organizations are deemed as related parties of the Bank. Save as disclosed above, none of the Bank's Supervisors received remuneration from any related parties of the Bank during the reporting period.

According to the Law of the People's Republic of China on Commercial Banks, the Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules"), the Articles of Association of the Bank of Gansu Co., Ltd, and the Measures on Management of the Related party Transaction of the Bank of Gansu Co., Ltd. (《甘肅銀行股份有限公司關聯交易管理辦法》) and other relevant provisions, particulars of the Bank's related party/connected transactions in 2022 are described as follows:

I. Particulars of Related Party Transactions

(I) Particulars of related party transactions under the rules of the CBIRC

As at the end of 2022, the balance of credit granting transactions between the Bank and all related parties was RMB14,934 million, accounting for 44.11% of the net capital¹ of the Bank, among which, the net amount of credit granting transactions of all related legal persons was RMB14,722 million, accounting for 43.49% of the net capital of the Bank, and the net amount of credit granting transactions of the single largest related legal person (Gansu Province State-owned Assets Investment Group Co., Ltd.) was RMB2,653 million, accounting for 7.84% of the net capital of the Bank.

1. Gansu Province Highway Aviation Tourism Investment Group Co., Ltd. ("Gansu Highway Aviation Tourism Group") and its controlled subsidiaries

During the reporting period, the net amount of credit business between the group and its controlled subsidiaries and the Bank was RMB4,530 million, accounting for 13.38% of the net capital of the Bank.

2. Gansu Provincial State-owned Assets Investment Group Co., Ltd. (the "Gansu State-owned Assets Investment Group") and its controlled subsidiaries

During the reporting period, the net amount of credit business between the group and its controlled subsidiaries and the Bank was RMB3,623 million, accounting for 10.70% of the net capital of the Bank.

3. Gansu Financial Holding Group Co., Ltd. and its controlled subsidiaries

During the reporting period, the net amount of credit business between the group and its controlled subsidiaries and the Bank was RMB1,843 million, accounting for 5.44% of the net capital of the Bank.

¹ As at the end of 2022, the net capital of the Bank was RMB33.8 billion

4. *Jiuquan Iron & Steel (Group) Co., Ltd and its controlled subsidiaries*

During the reporting period, the net amount of credit business between the group and its controlled subsidiaries and the Bank was RMB4,097 million, accounting for 12.10% of the net capital of the Bank.

5. *Jinchuan Group Co., Ltd and its controlled subsidiaries*

During the reporting period, the net amount of credit business between the group and its controlled subsidiaries and the Bank was RMB502 million, accounting for 1.48% of the net capital of the Bank.

During the reporting period, the related party transactions between the Bank and enterprises controlled by natural person related parties and their close relatives mainly represented loans of various types, with a balance of RMB339 million, accounting for 1% of the Bank's net capital, among which, the balance of transactions with natural persons amounted to RMB212 million, and the balance of transactions with legal persons amounted to RMB127 million.

In summary, related party transactions between related parties and the Bank are conducted in accordance with normal commercial terms and on terms no favorable than those offered to non-related parties for similar transactions. At the same time, the ratios of credit balance to net capital of related party transactions between the Bank and a single related party customer, a single related party group customer, or all related party customers are all in compliance with the requirements of the CBRC on proportional control, namely 10%, 15% and 50%.

(II) *Particulars of connected transactions under the Hong Kong Listing Rules***1. *Commercial banking services and products provided in the ordinary and usual course of business***

During the reporting period, the Bank provided loans and other credit facilities of RMB17,183 million to connected persons and the balance of deposits of connected persons with the Bank amounted to RMB6,581 million.

(1) *Gansu Highway Aviation Tourism Group and its controlled subsidiaries*

During the reporting period, the balance of the credit connected transactions between the group and its controlled subsidiaries and the Bank was RMB4,493 million, and the balance of deposits with the Bank was RMB2,090 million.

(2) Gansu State-owned Assets Investment Group and its controlled subsidiaries

During the reporting period, the balance of the credit connected transactions between the group and its controlled subsidiaries and the Bank was RMB12,691 million, and the balance of deposits with the Bank amounted to RMB4,491 million.

The loans, other credit facilities, deposits, and other products and services provided by the Bank to the connected persons are entered into in the ordinary and usual course of business on normal commercial terms and with reference to prevailing market interest rates. Pursuant to Rule 14A.87(1) and Rule 14A.90 of the Hong Kong Listing Rules, these transactions constitute fully exempt continuing connected transactions, and therefore are in compliance with the reporting, annual review, announcement and independent shareholders' approval requirements under the Chapter 14A of Hong Kong Listing Rules.

(III) Related party transactions under the rules of the CBIRC and the rules of the Hong Kong Stock Exchange

1. Asset transfer

In 2022, the Bank transferred three batches of non-performing assets with a total principal and interest of RMB2,334 million to Gansu Assets Management Co., Ltd. (甘肅資產管理有限公司) through public bidding, at a transfer price of RMB670 million. The first batch with a total principal and interest of RMB1,581 million was transferred at a transfer price of RMB470 million, involving 121 borrowers and accounting for 1.38% of the net capital of the Bank; the second batch with a total principal and interest of RMB166 million was transferred at a transfer price of RMB58 million, involving 4 borrowers and accounting for 0.02% of the net capital of the Bank; and the third batch with a total principal and interest of RMB588 million was transferred at a transfer price of RMB142 million, involving 33 borrowers and accounting for 0.42% of the net capital of the Bank.

On June 24, the Board of Directors of the Bank considered and approved the Resolution on Market-Based Transfer of Non-performing Assets Which May Constitute Related Party Transactions, and entered into related contracts on June 30. On December 11, the Board of Directors of the Bank considered and approved the Resolution on Market-Based Transfer of Non-performing Assets Which May Constitute Related Party Transactions in the Fourth Quarter of 2022, and entered into related contracts on December 21. Although the aforesaid transfer of debt assets was not in the ordinary and usual course of business of the Bank, the asset transfer contracts were entered into on normal commercial terms and their terms were fair and reasonable and in the interests of the Bank and its shareholders as a whole. The transfer of debt assets is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempt from relevant circular (including independent financial advice) and independent shareholders' approval requirements.

2. Provision of services and others

(1) Property leasing business

The Bank entered into the property leasing agreement with JISCO Zhongtian Property Co., Ltd. (酒鋼集團中天置業有限公司), an associate of Gansu State-owned Assets Investment Group (a substantial shareholder of the Bank) (“**Zhongtian Property**”). Pursuant to the agreement, Zhongtian Property agreed to lease a property located in Jiayuguan, Gansu province to the Bank as the Bank’s business office, with a leasing term from January 1, 2022 to December 31, 2022 and at an annual rental of RMB562,200. The transaction was entered into on normal commercial terms and conducted on conditions no more favorable than those of similar transactions with non-related parties.

The Bank entered into the property leasing agreement with Gansu Province Highway Aviation Tourism Assets Management Co., Ltd. (甘肅公航旅資產管理有限公司). Pursuant to the agreement, Gansu Province Highway Aviation Tourism Assets Management Co., Ltd. agreed to lease a shop located in Xifeng District, Qingyang City to the Bank as the Bank’s business office, with a leasing term from August 1, 2022 to August 1, 2023 and at an annual rental of RMB627,000. The transaction was entered into on normal commercial terms and conducted on conditions no more favorable than those of similar transactions with non-related parties.

(2) Property services business

The Bank entered into a property management agreement with Lanzhou Changhong Property Management Co., Ltd. (蘭州長虹物業管理有限公司) (an associate of Gansu State-owned Assets Investment Group, a substantial shareholder of the Bank) (“**Changhong Property Management**”). Pursuant to the agreement, Changhong Property Management agreed to provide property management services to Bank of Gansu Tower situated at Chengguan District of Lanzhou, Gansu province, with a term from January 1, 2022 to December 31, 2022. The total annual service fees of the contract amounted to RMB5,270,000. At the same time, it was agreed that Changhong Property Management would collect property fees of RMB0.722 million from commercial tenants in the Gansu Bank Building on behalf of the Bank. During the reporting period, the Bank actually paid RMB4.548 million to Changhong Property Management for various services. The transaction was entered into on normal commercial terms and conducted on conditions no better than those of similar transactions with non-related parties.

II. Particulars Of The Implementation Of Related Party Transaction Management***(I) Management of the list of related parties in 2022******1. Related legal person***

During the reporting period, the Bank had 254 related parties under the rules of the CBIRC, mainly including Gansu Highway Aviation Tourism Group (holding 18.3% equity interest in the Bank), Gansu Provincial State-owned Assets Investment Group Co., Ltd. (holding 12.67% equity interest in the Bank), Gansu Financial Holding Group Co., Ltd. (holding 8.29% equity interest in the Bank), Jiuquan Iron & Steel (Group) Co., Ltd. (holding 6.53% equity interest in the Bank), Jinchuan Group Co., Ltd (holding 6.53% equity interest in the Bank), their controlled subsidiaries and enterprises controlled by related natural relatives.

The Bank had 734 connected parties under the Hong Kong Listing Rules, mainly including Gansu State-owned Assets Investment Group, Gansu Highway Aviation Tourism Group and their controlled corporations or related parties.

2. Related natural persons

During the reporting period, the Bank had 6,047 related natural persons and their close relatives under the Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions and the actual management structure and business authorization of the Bank; the Bank had 206 related persons under the Hong Kong Listing Rules.

(II) The approval of related party transactions

In order to further enhance the scientific and flexible management of related party transactions, the Bank implemented the estimated cap management for credit related party transactions for the year in accordance with the relevant requirements on related party transactions and with reference to the relevant practice in the industry as well as subject to the regulatory rules such as Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions. Relevant transactions were carried out in strict accordance with the management requirements of related party transactions after consideration and approval at the general meeting and by the Board of Directors.

(III) The management on pricing of related party transactions

The pricing of the transactions between the Bank and its related parties shall comply with the principles governing the prevailing market price and the pricing standards shall be determined according to the type of the particular related transaction. It shall be specified in the agreement in respect of such related party transaction. The pricing of credit related party transactions shall be determined by the Bank pursuant to the relevant pricing administrative measures on credit as well as the credit rating and the actual risk situation of related-party customers. The pricing of service provision related party transactions shall be determined by the Bank with reference to market price of similar services.

During the reporting period, the transactions between the Bank and its related parties strictly followed the above-mentioned transaction pricing principles, and were conducted on terms no favourable than those offered to non-related parties for similar transactions and in accordance with general commercial terms and normal business procedures. Such transactions are legitimate and fair and would in no event cause any damage to the legitimate interests of other shareholders.

III. Next-Step Work Measures***(I) Continuously improve the list of related parties***

The Bank will carefully sort out and clarify criteria for identification of related natural persons, standardize an independent reporting mechanism and strictly monitor and facilitate their implementation in accordance with the Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions (CBIRC Order [2022] No. 1), the Measures for the Supervision of the Behavior of Major Shareholders of Banking and Insurance Institutions (Trial) (Yin Bao Jian Fa [2021] No.43) and other institutional requirements, and will enhance communication and contact with lawyers, and collect and improve the list of related legal persons in a timely manner in accordance with the principle of penetration.

(II) Set up a cross-departmental management office of related party transactions to strengthen business and problem rectification

Firstly, in accordance with the new regulatory regulations, a cross-departmental management office of related party transactions will be established to clarify the responsibilities of leading departments and cooperating departments, and strengthen business management and rectification of problems. **Secondly**, to strengthen reporting and communication with regulatory agencies and accurately understand and grasp regulatory requirements under the effective guidance of regulatory agencies, so as to effectively improve the management level of the Bank's related party transactions. **Thirdly**, to strengthen the training of branches, form a conscious behavior to identify related parties and manage related transactions and ensure that the training and management are in place, and consolidate the foundation for the risk management of related party transactions.

(III) Establish the management system and improve the level of information management

The Bank will establish a management system of related party transactions. Through the introduction of external industrial and commercial data and the comprehensive use of internal data, the Bank will realize the intelligent identification and penetration of related parties by information management, improve the effectiveness of the list of related parties and strengthen the monitoring and warning system for related party transactions so as to solve the large workload of manual information collection and data reporting, frequent and inefficient daily business approvals and other problems, and effectively improve the management level of the Bank's related party transactions. Currently, the Bank is actively constructing its equity and related party transaction system, which is expected to be put into operation in July 2023.

The resolution was considered and approved by the Bank at the 12th meeting of the third session of the Board and is hereby submitted to the Shareholders for consideration.

ANNEX 7 REPORT ON ASSESSMENT OF THE BASIC INFORMATION OF SUBSTANTIAL SHAREHOLDERS FOR 2022

In accordance with the relevant requirements of Article 30 of the Interim Measures on Equity Management of Commercial Banks, Article 45 of the Measures for the Supervision of the Behavior of Major Shareholders of Banking and Insurance Institutions (Trial), the Bank has carefully assessed the basic information of substantial shareholders for the year 2022 and reported the result as follows:

I. Equity Structure and Custody

As of December 31, 2022, the total share capital of the Bank amounted to 15,069,791,300 Shares, including 11,275,991,300 Domestic Shares or 74.83%, and 3,793,800,000 H Shares or 25.17%.

Table 1: Equity Structure of Bank of Gansu

Class	The Number of Domestic Shares (0,000)	The Shareholding of Domestic Shares (%)	The Number of H Shares (0,000)	The Shareholding of H Shares (%)	Shareholding Total in Total (0,000) (%)	
	State-owned					
Shares	930,038.58	61.72	178,330.70	11.83	1,108,369.28	73.55
Private						
enterprises	163,603.81	10.86	-	-	163,603.81	10.86
Natural persons	33,956.75	2.25	-	-	33,956.75	2.25
Foreign-invested	-	-	201,049.30	13.34	201,049.30	13.34
Total	1,127,599.13	74.83	379,380.00	25.17	1,506,979.13	100.00

Note: State-owned Shares include the H Shares held by Gansu Financial Holding Group Co., Ltd. (甘肅金融控股集團有限公司) and Gansu Province Xinye Asset Operation Co. Ltd. (甘肅省新業資產經營有限責任公司). The state-owned shares accounted for 73.55% of the total number of the Domestic Shares and H Shares.

In accordance with regulatory requirements, Domestic Shares subscribed for in Renminbi issued by the Bank have been fully registered with China Securities Depository and Clearing Corporation Limited (“CSDC Corporation”). For the Shares held by confirmed security account holders, the registration, change and other operation shall follow relevant requirements of CSDC Corporation. The Shares subscribed for in foreign currencies issued by the Bank and listed in Hong Kong are mainly deposited with a nominee company under Hong Kong Securities Clearing Company Limited.

II. Substantial Shareholders (over 5% of Shareholdings)

As of December 31, 2022, there were six shareholders with over 5% of the shareholding of the Bank (including shareholdings of related parties), and details are as follows:

Name of Holders	The Number of Shareholdings (Shares)	The Proportion of Shareholdings
Gansu Province Highway Aviation Tourism Investment Group Co., Ltd.	2,757,696,100	18.30%
Gansu Provincial State-owned Assets Investment Group Co., Ltd.	1,909,250,972	12.67%
Gansu Financial Holding Group Co., Ltd.	1,250,000,000	8.29%
Jinchuan Group Co., Ltd.	983,972,303	6.53%
Jiuquan Iron & Steel (Group) Co., Ltd.	983,972,303	6.53%
Mengshang Bank Co., Ltd.	845,296,403	5.61%
 Total	 <u>8,730,188,081</u>	 <u>57.93%</u>

III. Qualifications of Substantial Shareholders

Gansu Province Highway Aviation Tourism Investment Group Co., Ltd., Jiuquan Iron & Steel (Group) Co., Ltd., and Jinchuan Group Co., Ltd. were promoters of the Bank when it was established, and have been the substantial shareholders of the Bank since its establishment, and all of them have appointed directors. Gansu State-owned Assets Investment Co., Ltd. and Gansu Financial Holding Group Co., Ltd. became the substantial shareholders of the Bank after the capital injection in 2020. Mengshang Bank undertook the equity held by Baoshang Bank in the Bank, and it obtained administrative approval from regulatory authorities for equity changes in June 2021. Before all six shareholders becoming the substantial shareholders of the Bank, the Bank has strictly performed its obligation of reviewing their qualifications in accordance with regulatory requirements and followed necessary approval procedures to obtain approval regarding their qualifications as substantial shareholders from regulatory authorities. The substantial shareholders have sound social reputation, credit records, tax payment records and financial status. In 2022, the substantial shareholders abided by laws and regulations, regulatory provisions and the Articles of Association, exercised their shareholder rights and performed statutory obligations according to laws. The substantial shareholders did not change their names, merger, separate or enter into dissolution, bankruptcy or liquidation, and thus there was no change in their qualifications.

IV. Performance of Substantial Shareholders' Commitments

As at the end of 2022, substantial shareholders had re-entered into Substantial Shareholders Undertaking Letter of Commercial Bank in accordance with regulatory requirements. Shareholders' commitments are classified into commitments on statement, commitments on compliance and commitments on duty performance. In commitments on statement, shareholders make commitments on the truthful and legitimate sources of their own capitals, the truthfulness, accuracy and completeness of information provided and no records of significant violation of laws and regulations in recent years. In commitments on compliance, shareholders make commitments on no interference with the operation of the Bank, carrying out related party transactions in a standard manner, standardizing equity pledge and no transfer of equities held within the prescribed period. In commitments on duty performance, shareholders make commitments on cooperating in implementing risk assistance measures when necessary, such as capital replenishment, liquidity support and cooperation in the implementation of recovery and disposal plans. In 2022, the substantial shareholders of the Bank effectively performed the above commitments.

V. Related Party Transactions in the Previous year

Related party transactions between substantial shareholders and the Bank are conducted in accordance with commercial principles and on terms no favorable than those offered to non-related parties for similar transactions. At the same time, the ratios of credit balance to net capital of related party transactions between the Bank and a single related party customer, a single related party group customer, or all related party customers are all in compliance with the requirements of the CBIRC on proportional control, namely 10%, 15% and 50%. The details of the transactions are as follows:

1. Gansu Province Highway Aviation Tourism Investment Group Co., Ltd and its controlled subsidiary

During the reporting period, the net amount of credit business between the group and its controlled subsidiary and the Bank was RMB4.53 billion, accounting for 13.38% of the net capital of the Bank.

2. Gansu State-owned Assets Investment Co., Ltd. and its controlled subsidiary

During the reporting period, the net amount of credit business between the group and its controlled subsidiary and the Bank was RMB3.623 billion, accounting for 10.70% of the net capital of the Bank.

3. Gansu Financial Holding Group Co., Ltd. and its controlled subsidiary

During the reporting period, the net amount of credit business between the group and its controlled subsidiary and the Bank was RMB1.843 billion, accounting for 5.44% of the net capital of the Bank.

4. Jiuquan Iron & Steel (Group) Co., Ltd. and its controlled subsidiary

During the reporting period, the net amount of credit business between the group and its controlled subsidiary and the Bank was RMB4.097 billion, accounting for 12.10% of the net capital of the Bank.

5. Jinchuan Group Co., Ltd. and its controlled subsidiary

During the reporting period, the net amount of credit business between the group and its controlled subsidiary and the Bank was RMB0.502 billion, accounting for 1.48% of the net capital of the Bank.

VI. Implementation of the Articles of Association of the Bank

In 2022, the Bank revised its Articles of Association in accordance with the latest regulatory requirements for shareholder management, and the rights and obligations of shareholders, and stated that: (1) shareholders shall abide by laws, regulations, and regulatory provisions; (2) the substantial shareholders shall contribute capital to the commercial bank when necessary; (3) shareholders who shall but have not been approved by regulatory authorities or have not reported to regulatory authorities shall not exercise their rights to request, vote, nominate, propose, or discipline at general meetings; (4) for shareholders who make false statements, abuse their rights or otherwise damage the interests of commercial banks, the CBIRC or its local offices may restrict or prohibit them from carrying out related transactions with commercial banks, limit the amount of their shareholdings and pledge ratio in commercial banks, and restrict their rights to request, vote, nominate, propose and discipline at general meetings. In 2022, all substantial shareholders of the Bank strictly implemented the relevant provisions of the Bank's Articles of Association, performed their duties and responsibilities, participated in corporate governance legally and effectively, exercised their shareholders' rights and fulfilled their legal obligations through corporate governance procedures.

VII. Compliance with Laws, Regulations, and Regulatory Requirements by Substantial Shareholders

In 2022, the substantial shareholders complied with laws, regulations, and regulatory requirements. The shareholdings of the Bank held by its substantial shareholders have not been pledged, subject to litigation preservation measures or enforced, nor been subject to supervisory measures such as ordering suspension of business, designation of trusteeship, receivership or revocation, nor have any violations of laws and regulations been found for the time being.

In the future, the Bank will strictly implement the relevant provisions of the Provisional Measures for Administration of Equities of Commercial Banks (《商業銀行股權管理暫行辦法》) and the Measures for the Supervision of the Behavior of Major Shareholders of Banking and Insurance Institutions (Trial) (《銀行保險機構大股東行為監管辦法(試行)》), consolidate the basic management of shareholders' equity, regulate the behavior of shareholders, especially the substantial shareholders, and report and disclose relevant information in a timely, accurate and complete manner in accordance with law.

After evaluation, in 2022, there was no change in the qualifications of substantial shareholders of the Bank, and their behaviors were in line with the regulatory requirements. The substantial shareholders effectively fulfilled relevant commitments, strictly implemented the Articles of Association and agreement terms of the Bank, and complied with laws, regulations, and regulatory requirements.

**Comparison Table for Amendments to the Plan on Authorization of the Shareholders'
General Meeting to the Board of Bank of Gansu Co., Ltd.**

No.	Existing Contents	Contents after Amendment	Basis/ Explanation for Amendment
1	In order to further improve the corporate governance structure of Bank of Gansu Co., Ltd. (the "Bank"), in accordance with the Company Law of the PRC, the Interim Measures for the Administration of Commercial Banks' Authorization and Credit Granting, Guidelines for the Internal Controls of Commercial Banks, the Interim Measures for the Equity Management of Commercial Banks, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("Hong Kong Listing Rules") and the Articles of Association of Bank of Gansu Co., Ltd., (the "Articles") etc., the Bank formulated this authorization plan.	In order to further improve the corporate governance structure of Bank of Gansu Co., Ltd. (the "Bank"), in accordance with the Company Law of the PRC, the Interim Measures for the Administration of Commercial Banks' Authorization and Credit Granting, Guidelines for the Internal Controls of Commercial Banks, the Interim Measures for the Equity Management of Commercial Banks, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("Hong Kong Listing Rules") and the Articles of Association of Bank of Gansu Co., Ltd., (the " <u>Articles of Association</u> ") etc., the Bank formulated this authorization plan.	Optimization of expression

No.	Existing Contents	Contents after Amendment	Basis/ Explanation for Amendment
2	<p>I. THE FOLLOWING AUTHORITIES WERE GRANTED TO THE BOARD OF DIRECTORS BY THE GENERAL MEETING</p> <p>(I) Approval authority for the related transactions A transaction with a related party as defined by the CBIRC with a single transaction amount within the limit (inclusive) required by regulatory authorities, or a connected transaction with a connected party as defined under the Hong Kong Listing Rules, shall be subject to the approval by the Board of Directors, or approval by the Chairman and filing with the Board of Directors. In particular, the non-exempt connected transactions under the Hong Kong Listing Rules shall be submitted to the Bank's general meeting for approval by the independent shareholders of the Bank. The related party transactions that are exempt from the independent shareholders' approval requirement under the Hong Kong Listing Rules shall be submitted to the Board of Directors of the Bank for approval; the related party transactions with the senior management of the head office or branches of the Bank as related legal persons or related natural persons (under the regulatory requirements of domestic banking regulatory authorities) and the connected transactions that are fully exempt from disclosure requirements and independent shareholders' approval requirements under the Hong Kong Listing Rules may be submitted to the Chairman for approval and filed with the Board of Directors after being reviewed and approved in accordance with the prevailing review and approval process of the Bank.</p>	Deleted	Amended in accordance with the Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions

No.	Existing Contents	Contents after Amendment	Basis/ Explanation for Amendment
3	<p>II. DELEGATION OF POWERS</p> <p>The board of directors may delegate all or part of its powers authorized by the shareholders' meeting under this authorization to the chairman or management.</p>	Deleted	Amended based on actual situation of the Bank
4	<p>III. THE AUTHORIZATION MATTERS AND AUTHORITY DESCRIPTION</p> <p>(I) The professional committees under the board of directors shall perform the matters within the scope of the authorization of the board of directors in accordance with the relevant working rules.</p> <p>(II) For the other daily operation and management matters of the Bank not specified in this authorization plan, those under the powers of the shareholders' meeting in accordance with the Articles of Association of <u>Bank of Gansu Co., Ltd.</u> shall be submitted to the shareholders' meeting for consideration, and those outside the powers of the shareholders' meeting shall be determined by the board of directors in accordance with its authority.</p> <p>.....</p>	<p>II. THE AUTHORIZATION MATTERS AND AUTHORITY DESCRIPTION</p> <p>(I) The <u>special committees</u> under the board of directors shall perform the matters within the scope of the authorization of the board of directors in accordance with the relevant working rules.</p> <p>(II) For the other daily operation and management matters of the Bank not specified in this authorization plan, those under the powers of the shareholders' meeting in accordance with the Articles of Association shall be submitted to the shareholders' meeting for consideration, and those outside the powers of the shareholders' meeting shall be determined by the board of directors in accordance with its authority.</p> <p>.....</p>	Optimization of expression

I. Non-executive Directors

1. **Mr. ZHANG Junping**, aged 45, worked in the finance division of the training center and the finance department of Jinchuan Group Co., Ltd. (“**Jinchuan Group**”) from August 1996 to March 2003. From March 2003 to September 2011, he successively served as the deputy head and head of the treasury division of the finance department, and the head of the accounting division of the finance department of Jinchuan Group. From September 2011 to August 2019, he successively served as the internal president of the bank, deputy director of the finance department and director of the finance department of Gansu Province Highway Aviation Tourism Investment Group Co., Ltd. (“**Gansu Highway Aviation Tourism Group**”). From August 2019 to April 2020, he served as the chief financial officer, director of the finance department and president of the internal bank of Gansu Highway Aviation Tourism Group. Since April 2020, he has been the chief financial officer of Gansu Highway Aviation Tourism Group.

Mr. ZHANG graduated from Lanzhou University of Technology in June 2005, majoring in accounting.

2. **Ms. ZHANG Tingting**, aged 43, successively served as a staff member, senior staff member, and principal staff member of the Inspection Bureau under Gansu Provincial Tax Service, State Taxation Administration from December 2001 to December 2013. She successively served as the deputy division director of the large business and international taxation department of Gansu Provincial Tax Service, State Taxation Administration and deputy director-general of the taxation branch directly under Gansu Provincial Tax Service, State Taxation Administration from December 2013 to July 2018. From July 2018 to July 2020, she served as the deputy director-general of the first taxation branch (large business taxation service and administration) of Gansu Provincial Tax Service, State Taxation Administration. From July 2020 to January 2021, she served as the deputy director (middle-level head) of the treasury and finance department of Gansu State-Owned Assets Investment Co., Ltd. She has been the director of the treasury and finance department of Gansu State-owned Assets Investment Co., Ltd. since January 2021.

Ms. ZHANG obtained a master’s degree in business administration from Lanzhou University in December 2007, majoring in business administration.

II. Independent non-executive Directors

3. **Mr. HAU Pak Sun**, aged 42, currently is a partner of Charles Chu & Kenneth Sit. In addition, he is also the deputy chairman of Inland Revenue Board of Review of Hong Kong Special Administrative Region, the deputy director of the Legal Committee of the Council for the Promotion of Guangdong-Hong Kong-Macao Cooperation, the adjudicator of the Registration of Persons Tribunal and Immigration Tribunal of the Hong Kong Special Administrative Region, and a member of the Law Society of Hong Kong. He joined Charles Chu & Kenneth Sit in June 2003 and became a partner of Charles Chu & Kenneth Sit in December 2007.

Mr. HAU graduated from the University of Hong Kong with a law degree in 2002. He obtained a Post-graduate Certificate in Laws from the University of Hong Kong in September 2003, and was qualified as a solicitor of the High Court of Hong Kong in 2005. He became a solicitor advocate of Hong Kong in 2014.

4. **Mr. WANG Lei**, aged 41, taught at the School of Finance of Lanzhou University of Finance and Economics from October 2010 to August 2012. He studied at Chongqing University from August 2012 to December 2016. From March 2017 to November 2020, he served as a lecturer, master tutor, and head of the Accounting Department of the School of Management, Lanzhou University. He has been serving as the director of the Accounting Department, the office head of the ACCA project, an associate professor and a master tutor of the School of Management, Lanzhou University since November 2020. He was engaged by Gansu Construction Investment (Holdings) Group Co., Ltd. as an external director (part-time) of Gansu Construction Investment and Cultural Tourism Development Group Co., Ltd. (甘肅建投文化旅遊發展集團有限公司) and Gansu Construction and Investment Training Center Co., Ltd. (甘肅建投培訓中心有限公司) in April 2022 and has held such position since then.

Mr. WANG graduated from Chongqing University in December 2016 with a doctor's degree in management, majoring in accounting.

In order to keep the capital adequacy ratio constantly remaining at the required level, meet the capital requirement of the Bank for its continuous business development, utilize financing platforms flexibly and effectively and take advantage of opportunities in the capital market in a timely manner, it is proposed that the Board approve and propose the general meeting to approve the proposal for granting the Board a general mandate to issue shares and matters including authority delegation by the Board, according to the requirements of applicable laws and regulations of the PRC, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the articles of association of Bank of Gansu Co., Ltd. (the “Articles of Association”).

I. Particulars of the General Mandate to Issue Shares

- (I) Subject to the conditions set out in Paragraph (II) below, the Board shall be authorized to separately or concurrently ratify, allot, issue, grant and/or otherwise deal with Shares (overseas listed foreign Shares and/or Domestic Shares (including A Shares)), securities convertible into Shares, share options and warrants of securities that are entitled to subscribe for any Shares or are convertible into Shares, or other securities that carry rights to subscribe for or are convertible into Shares during the Relevant Period (as defined below).

Notwithstanding the fulfillment of the conditions set out in Paragraph (II) below, the Board of the Bank shall obtain a separate mandate by way of a special resolution prior to making the allotment of Shares with voting rights if such allotment will result in an actual change of the control rights of the Bank.

- (II) The number of Shares (overseas listed foreign Shares and/or Domestic Shares (including A Shares)), securities convertible into Shares, share options and warrants of securities that are entitled to subscribe for any Shares or are convertible into Shares, or other securities that carry rights to subscribe for or are convertible into Shares (among which, the above securities shall be calculated on the basis of the number of overseas listed foreign Shares/Domestic Shares which such securities can be converted into/be allotted) proposed to be ratified, allotted, issued, granted and/or otherwise dealt with by the Board shall not respectively exceed 20% of the total number of each category of the overseas listed foreign Shares and Domestic Shares of the Bank in issue as at the date on which this resolution is passed at the AGM.
- (III) For the purposes of this resolution, “Relevant Period” means the period from the date on which this special resolution is passed at the general meeting until the earliest of:
1. the conclusion of the next annual general meeting of the Bank following the date on which this resolution is passed;
 2. the expiration of twelve months following the date on which this resolution is passed at the general meeting;

3. the date on which the authority granted to the Board under this resolution is revoked or varied by a special resolution of the Shareholders of the Bank at a general meeting.
- (IV) The Board shall be authorized to determine the details of the issuance plan, including but not limited to:
1. the class and number of Shares proposed to be issued;
 2. the pricing methods and/or the issue price (including the price range);
 3. the commencement and closing dates of the issuance;
 4. the specific use of proceeds;
 5. the making or granting of recommendations, agreements and options which might require the exercise of such powers;
 6. other contents that should be included in the detailed issuance plan as required under relevant laws and regulations and other normative documents, and as requested by relevant regulatory authorities and the stock exchange of the listing place.
- (V) The Board shall be authorized to implement the issuance plan and deal with the matters related to an increase in the registered capital of the Bank, so as to reflect the Shares authorized to be issued by the Bank under this resolution, and to make such amendments as appropriate and necessary to the clauses related to the total share capital, capital structure and registered capital in the Articles of Association, to complete domestic and overseas statutory procedures for approval, registration, and filing, and to adopt and complete any other actions and procedures which are necessary for the implementation of the issuance plan and the completion of the increase in the registered capital of the Bank.

II. Relevant Authorization

In order to improve the efficiency of decision-making, reduce internal approval procedures and grasp market opportunities, it is proposed that the Board approve and the Board in turn propose the general meeting to authorize the Board and the persons authorized by the Board to deal with the matters in connection with the issuance of Shares under the general mandate. The above specific details of the authorization given to the authorized persons by the Board will be separately determined upon the exercise of the general mandate by the Board under this resolution. This resolution shall be submitted to the general meeting for consideration.

**Comparison Table for Amendments to the
Articles of Association of Bank of Gansu Co., Ltd.**

Existing Article No.	Existing Contents of Article	Article No. after Amendment	Contents after Amendment	Basis/ Explanation for Amendment
Chapter I General Provisions		Chapter I General Provisions		
Article 1	To safeguard the legitimate rights and interests of Bank of Gansu Co., Ltd. (the “Bank”), its shareholders and creditors, and to regulate the organization and activities of the Bank, the Articles of Association (the “Articles of Association”) have been formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Law of the People’s Bank of China of the PRC, the Banking Supervision and Regulatory Law of the PRC, the Commercial Banking Law of the PRC (the “Commercial Banking Law”), the Securities Law of the PRC (the “Securities Law”), the Special Provisions of the State Council Concerning the Floatation and Listing Abroad of Stocks by Limited Stock Companies (the “Special Provisions”), the <u>Mandatory Provisions for Articles of Association of Companies to be Listed Overseas</u> (the “Mandatory Provisions”), the Corporate Governance Guidelines for Banking and Insurance Institutions, the Reply on Opinions Concerning the Supplement and Amendment to Articles of Association by Companies to be Listed in Hong Kong (“Zheng Jian Hai Han”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”), the Working Regulations of the Communist Party of China on the Grassroots Organization of State-owned Enterprises (Trial), and other laws, administrative regulations, departmental rules, normative documents and relevant requirements of the securities regulatory authorities in the place where the Bank’s shares are listed.	Article 1	To safeguard the legitimate rights and interests of Bank of Gansu Co., Ltd. (the “Bank”), its shareholders and creditors, and to regulate the organization and activities of the Bank, the Articles of Association (the “Articles of Association”) have been formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Law of the People’s Bank of China of the PRC, the Banking Supervision and Regulatory Law of the PRC, the Commercial Banking Law of the PRC (the “Commercial Banking Law”), the Securities Law of the PRC (the “Securities Law”), the Special Provisions of the State Council Concerning the Floatation and Listing Abroad of Stocks by Limited Stock Companies (the “Special Provisions”), the Corporate Governance Guidelines for Banking and Insurance Institutions, the Reply on Opinions Concerning the Supplement and Amendment to Articles of Association by Companies to be Listed in Hong Kong (“Zheng Jian Hai Han”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”), the Working Regulations of the Communist Party of China on the Grassroots Organization of State-owned Enterprises (Trial), and other laws, administrative regulations, departmental rules, normative documents and relevant requirements of the securities regulatory authorities in the place where the Bank’s shares are listed.	Deleted due to invalid regulation

ANNEX 11 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Existing Article No.	Existing Contents of Article	Article No. after Amendment	Contents after Amendment	Basis/ Explanation for Amendment
Chapter IV Shareholders and the Shareholders' General Meeting		Chapter IV Shareholders and the Shareholders' General Meeting		
Section 1 Shareholders		Section 1 Shareholders		
Article 67	Where the credit extended by the Bank to a substantial shareholder is overdue, his/her/its voting rights shall be restricted at the general meetings, and the voting rights of the directors nominated or designated by him/her/it shall be restricted at the Board meetings.	Article 67	Where the credit extended by the Bank to a substantial shareholder is overdue, his/her/its voting rights shall be restricted at the general meetings, and the voting rights of the directors nominated or designated by him/her/it shall be restricted at the Board meetings. <u>Where the credit extended by the Bank to other shareholders is overdue, the Bank shall restrict their relevant rights based on the actual situation.</u>	Amended in accordance with the Corporate Governance Guidelines for Banking and Insurance Institutions
Section 2 General Provisions for General Meetings		Section 2 General Provisions for General Meetings		
Article 72	<p>The general meeting, as the organ of authority of the Bank, shall have the following duties and powers in accordance with laws:</p> <p>(1) to decide on the business policies and major investment plans of the Bank;</p> <p>(2) to elect and replace Directors and independent Directors and decide on the remuneration of relevant Directors and independent Directors;</p> <p>(3) to elect and replace non-employee representative Supervisors, and decide on the remuneration of relevant Supervisors;</p> <p>(4) to consider and approve reports of the Board;</p> <p>(5) to consider and approve reports of the Board of Supervisors;</p> <p>(6) to consider and approve the annual financial budgets and the final accounts of the Bank;</p>	Article 72	<p>The general meeting, as the organ of authority of the Bank, shall have the following duties and powers in accordance with laws:</p> <p>(1) to decide on the business policies and major investment plans of the Bank;</p> <p>(2) to elect and replace Directors and independent Directors and decide on the remuneration of relevant Directors and independent Directors;</p> <p>(3) to elect and replace non-employee representative Supervisors, and decide on the remuneration of relevant Supervisors;</p> <p>(4) to consider and approve reports of the Board;</p> <p>(5) to consider and approve reports of the Board of Supervisors;</p> <p>(6) to consider and approve the annual financial budgets and the final accounts of the Bank;</p>	Amended in accordance with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited

ANNEX 11 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Existing Article No.	Existing Contents of Article	Article No. after Amendment	Contents after Amendment	Basis/ Explanation for Amendment
	<p>(7) to consider and approve the profit distribution plans and loss recovery plans of the Bank;</p> <p>(8) to pass resolutions on any increase or reduction of the Bank's registered capital;</p> <p>(9) to pass resolutions on the issuance of the corporate bonds or other securities and listing of the Bank;</p> <p>(10) to consider and approve or authorize the Board to consider and approve the external investment, asset transfer, assignment, acquisition and disposal plans of the Bank;</p> <p>(11) to pass resolutions on repurchase of the Bank's shares;</p> <p>(12) to pass resolutions on the merger, division, dissolution, liquidation or transformation of the Bank;</p> <p>(13) to consider the report of evaluation by the Board of Supervisors on the Directors, Supervisors and senior management officers;</p> <p>(14) to consider the temporary proposals of shareholders representing more than 3% of the total shares with voting rights of the Bank;</p> <p>(15) to consider <u>material</u> connected transactions needed to be approved by the general meeting;</p> <p>(16) to amend the Articles of Association, consider and approve or amend the rules of procedure for general meetings, rules of procedure for Board meetings, and rules of procedure for meetings of the Board of Supervisors;</p> <p>(17) to pass resolutions on appointment or dismissal of the Bank's accounting firm;</p>		<p>(7) to consider and approve the profit distribution plans and loss recovery plans of the Bank;</p> <p>(8) to pass resolutions on any increase or reduction of the Bank's registered capital;</p> <p>(9) to pass resolutions on the issuance of the corporate bonds or other securities and listing of the Bank;</p> <p>(10) to consider and approve or authorize the Board to consider and approve the external investment, asset transfer, assignment, acquisition and disposal plans of the Bank;</p> <p>(11) to pass resolutions on repurchase of the Bank's shares;</p> <p>(12) to pass resolutions on the merger, division, dissolution, liquidation or transformation of the Bank;</p> <p>(13) to consider the report of evaluation by the Board of Supervisors on the Directors, Supervisors and senior management officers;</p> <p>(14) to consider the temporary proposals of shareholders representing more than 3% of the total shares with voting rights of the Bank;</p> <p>(15) to consider <u>non-exempt</u> connected transactions needed to be approved by the general meeting;</p> <p>(16) to amend the Articles of Association, consider and approve or amend the rules of procedure for general meetings, rules of procedure for Board meetings, and rules of procedure for meetings of the Board of Supervisors;</p> <p>(17) to pass resolutions on appointment or dismissal of the Bank's accounting firm;</p>	

ANNEX 11 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Existing Article No.	Existing Contents of Article	Article No. after Amendment	Contents after Amendment	Basis/ Explanation for Amendment
	<p>(18) to consider and approve matters relating to the guarantees stipulated in Article 73 of the Articles of Association;</p> <p>(19) to consider the Bank’s purchase or sale of major assets within one year with the transaction amount exceeding 30% of the latest total audited assets of the Bank;</p> <p>(20) to consider and approve matters relating to the changes in the use of proceeds;</p> <p>(21) to consider the equity incentive schemes and employee shareholding schemes;</p> <p>(22) to consider other matters as determined by the general meeting in accordance with the laws, administrative regulations and the Articles of Association.</p> <p>The aforesaid matters within the scope of powers of the general meeting shall be considered and approved by the general meeting; however, when necessary, reasonable and lawful, the general meeting may authorize the Board to decide. The authorization shall be clear and specific in content. Where the matters authorized shall be adopted at a general meeting by an ordinary resolution as required by the Articles of Association, the authorization given to the Board shall be adopted by more than half of the attending shareholders (including shareholder proxies) having voting rights; if the matters authorized shall be adopted at a general meeting by a special resolution as required by the Articles of Association, the authorization given to the Board shall be adopted by more than two thirds of the attending shareholders (including shareholder proxies) having voting rights.</p>		<p>(18) to consider and approve matters relating to the guarantees stipulated in Article 73 of the Articles of Association;</p> <p>(19) to consider the Bank’s purchase or sale of major assets within one year with the transaction amount exceeding 30% of the latest total audited assets of the Bank;</p> <p>(20) to consider and approve matters relating to the changes in the use of proceeds;</p> <p>(21) to consider the equity incentive schemes and employee shareholding schemes;</p> <p>(22) to consider other matters as determined by the general meeting in accordance with the laws, administrative regulations and the Articles of Association.</p> <p>The aforesaid matters within the scope of powers of the general meeting shall be considered and approved by the general meeting; however, when necessary, reasonable and lawful, the general meeting may authorize the Board to decide. The authorization shall be clear and specific in content. Where the matters authorized shall be adopted at a general meeting by an ordinary resolution as required by the Articles of Association, the authorization given to the Board shall be adopted by more than half of the attending shareholders (including shareholder proxies) having voting rights; if the matters authorized shall be adopted at a general meeting by a special resolution as required by the Articles of Association, the authorization given to the Board shall be adopted by more than two thirds of the attending shareholders (including shareholder proxies) having voting rights.</p>	

ANNEX 11 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Existing Article No.	Existing Contents of Article	Article No. after Amendment	Contents after Amendment	Basis/ Explanation for Amendment
Chapter V Directors and the Board of Directors		Chapter V Directors and the Board of Directors		
Section 3 The Board		Section 3 The Board		
Article 165	<p>The Board shall exercise the following duties and powers according to law:</p> <p>(1) to determine the Bank’s business development strategies and supervise the implementation of such strategies, to determine the Bank’s business plans and investment plans;</p> <p>(2) to consider the Bank’s annual report and manage the Bank’s external information disclosure;</p> <p>(3) to convene Shareholders’ general meetings and report its work to the Shareholders’ general meetings;</p> <p>(4) to implement the resolutions of the Shareholders’ general meeting;</p> <p>(5) to prepare the Bank’s annual financial budgets, final accounts, and venture capital distribution plan;</p> <p>(6) to prepare profit distribution plan and plan for making up the losses;</p> <p>(7) to assess and evaluate the performance of the duties of the Directors and senior management officers and the Board of Supervisors shall ultimately be responsible for reporting the evaluation results to the Shareholders’ general meeting;</p> <p>(8) to formulate plans for increase or reduction of the registered capital, issuance of bonds or other securities and listing plan of the Bank;</p> <p>(9) to consider and approve the Bank’s plans for external investments, acquisitions and sales of assets, asset collateral, external guarantees, entrusted wealth management and related party transactions and data governance in accordance with the authorization of the Shareholders’ general meeting;</p>	Article 165	<p>The Board shall exercise the following duties and powers according to law:</p> <p>(1) to determine the Bank’s business development strategies and supervise the implementation of such strategies, to determine the Bank’s business plans and investment plans;</p> <p>(2) to consider the Bank’s annual report and manage the Bank’s external information disclosure;</p> <p>(3) to convene Shareholders’ general meetings and report its work to the Shareholders’ general meetings;</p> <p>(4) to implement the resolutions of the Shareholders’ general meeting;</p> <p>(5) to prepare the Bank’s annual financial budgets, final accounts, and venture capital distribution plan;</p> <p>(6) to prepare profit distribution plan and plan for making up the losses;</p> <p>(7) to assess and evaluate the performance of the duties of the Directors and senior management officers and the Board of Supervisors shall ultimately be responsible for reporting the evaluation results to the Shareholders’ general meeting;</p> <p>(8) to formulate plans for increase or reduction of the registered capital, issuance of bonds or other securities and listing plan of the Bank;</p> <p>(9) to consider and approve the Bank’s plans for external investments, acquisitions and sales of assets, asset collateral, external guarantees, entrusted wealth management and related party transactions and data governance in accordance with the authorization of the Shareholders’ general meeting;</p>	Amended in accordance with the Administrative Measures for the Related Party Transactions of Banking and Insurance Institutions

ANNEX 11 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Existing Article No.	Existing Contents of Article	Article No. after Amendment	Contents after Amendment	Basis/ Explanation for Amendment
	<p>(10) to formulate plans for material acquisitions or repurchases of shares of the Bank or merger, division, dissolution and alternation of corporate form of the Bank and submit it to the Shareholders' general meeting for approval;</p> <p>(11) to decide on the establishment, merger and revocation of internal management departments and branch offices of the Bank;</p> <p>(12) to consider and approve material related party transactions <u>within the scope of authorization of the Shareholders' general meeting;</u></p> <p>(13) to appoint or dismiss the President of the Bank and the secretary to the Board based on the nomination by the Chairman of the Board; to appoint or dismiss other senior management officers such as the Vice President of the Bank and the persons in charge of finance based on the nomination by the President of the Bank;</p> <p>(14) to formulate the Bank's capital plan and to bear the ultimate responsibility for management of capital or solvency;</p> <p>(15) to formulate the Bank's risk tolerance, risk management and internal control policies, to bear the ultimate responsibility for comprehensive risk management and to formulate the Bank's main management system;</p> <p>(16) to regularly assess and improve the Bank's corporate governance;</p> <p>(17) to formulate the basic management system of the Bank;</p>		<p>(10) to formulate plans for material acquisitions or repurchases of shares of the Bank or merger, division, dissolution and alternation of corporate form of the Bank and submit it to the Shareholders' general meeting for approval;</p> <p>(11) to decide on the establishment, merger and revocation of internal management departments and branch offices of the Bank;</p> <p>(12) to consider and approve material related party transactions;</p> <p>(13) to appoint or dismiss the President of the Bank and the secretary to the Board based on the nomination by the Chairman of the Board; to appoint or dismiss other senior management officers such as the Vice President of the Bank and the persons in charge of finance based on the nomination by the President of the Bank;</p> <p>(14) to formulate the Bank's capital plan and to bear the ultimate responsibility for management of capital or solvency;</p> <p>(15) to formulate the Bank's risk tolerance, risk management and internal control policies, to bear the ultimate responsibility for comprehensive risk management and to formulate the Bank's main management system;</p> <p>(16) to regularly assess and improve the Bank's corporate governance;</p> <p>(17) to formulate the basic management system of the Bank;</p>	

ANNEX 11 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Existing Article No.	Existing Contents of Article	Article No. after Amendment	Contents after Amendment	Basis/ Explanation for Amendment
	<p>(18) to formulate amendment proposals to the Articles of Association, the rules of procedure for Shareholders' general meetings and the rules of procedure for Board meetings, and to consider and approve the working procedures of the special committees under the Board;</p> <p>(19) to be responsible for the Bank's information disclosure and take the ultimate responsibilities for the truthfulness, completeness, accuracy and promptness of the Bank's accounting and financial reporting system;</p> <p>(20) to listen to the work report and examine the work of the President of the Bank;</p> <p>(21) to approve the Bank's annual internal audit plans and audit budgets;</p> <p>(22) to determine the chairman and members of each special committee under the Board of Directors based on the nomination by the Nomination and Remuneration Committee;</p> <p>(23) to consider and approve the proposals put forward by each special committee under the Board of Directors;</p> <p>(24) to determine the Bank's long-term incentive schemes, remuneration plans and salary plans;</p> <p>(25) to propose to the Shareholders' general meeting to engage, renew or replace the accounting firm which conducts audit for the Bank;</p>		<p>(18) to formulate amendment proposals to the Articles of Association, the rules of procedure for Shareholders' general meetings and the rules of procedure for Board meetings, and to consider and approve the working procedures of the special committees under the Board;</p> <p>(19) to be responsible for the Bank's information disclosure and take the ultimate responsibilities for the truthfulness, completeness, accuracy and promptness of the Bank's accounting and financial reporting system;</p> <p>(20) to listen to the work report and examine the work of the President of the Bank;</p> <p>(21) to approve the Bank's annual internal audit plans and audit budgets;</p> <p>(22) to determine the chairman and members of each special committee under the Board of Directors based on the nomination by the Nomination and Remuneration Committee;</p> <p>(23) to consider and approve the proposals put forward by each special committee under the Board of Directors;</p> <p>(24) to determine the Bank's long-term incentive schemes, remuneration plans and salary plans;</p> <p>(25) to propose to the Shareholders' general meeting to engage, renew or replace the accounting firm which conducts audit for the Bank;</p>	

ANNEX 11 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Existing Article No.	Existing Contents of Article	Article No. after Amendment	Contents after Amendment	Basis/ Explanation for Amendment
	<p>(26) to have the right to stop the decisions made by the President and other senior management officers of the Bank that may cause significant business risks or losses to the Bank;</p> <p>(27) to carry out performance appraisals for the President and other senior management officers of the Bank and determine their remuneration, rewards and penalties and payment methods and decide on the remuneration and payment methods of independent Directors;</p> <p>(28) to formulate the Bank’s policy on the protection of consumer rights and interests, and regularly listen to and consider the senior management’s report on the protection of consumer rights and interests, and safeguard the legitimate rights and interests of financial consumers and other interested parties;</p> <p>(29) to consider and approve the money laundering risk management report, develop money laundering risk management strategies and supervise the implementation of the strategies and assume the ultimate responsibility for money laundering risk management;</p> <p>(30) to establish the mechanisms for identifying, reviewing and managing conflicts of interest between the Company and its shareholders, especially substantial shareholders;</p> <p>(31) to assume responsibility for management of shareholders’ matters;</p> <p>(32) other duties and powers conferred by the laws, administrative regulations, department rules and regulations, the Articles of Association and the Shareholders’ general meeting or required by the supervisory authority for the Board to exercise.</p>		<p>(26) to have the right to stop the decisions made by the President and other senior management officers of the Bank that may cause significant business risks or losses to the Bank;</p> <p>(27) to carry out performance appraisals for the President and other senior management officers of the Bank and determine their remuneration, rewards and penalties and payment methods and decide on the remuneration and payment methods of independent Directors;</p> <p>(28) to formulate the Bank’s policy on the protection of consumer rights and interests, and regularly listen to and consider the senior management’s report on the protection of consumer rights and interests, and safeguard the legitimate rights and interests of financial consumers and other interested parties;</p> <p>(29) to consider and approve the money laundering risk management report, develop money laundering risk management strategies and supervise the implementation of the strategies and assume the ultimate responsibility for money laundering risk management;</p> <p>(30) to establish the mechanisms for identifying, reviewing and managing conflicts of interest between the Company and its shareholders, especially substantial shareholders;</p> <p>(31) to assume responsibility for management of shareholders’ matters;</p> <p>(32) other duties and powers conferred by the laws, administrative regulations, department rules and regulations, the Articles of Association and the Shareholders’ general meeting or required by the supervisory authority for the Board to exercise.</p>	

ANNEX 11 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Existing Article No.	Existing Contents of Article	Article No. after Amendment	Contents after Amendment	Basis/ Explanation for Amendment
	<p>The Board may resolve on such matters by approval of more than half of all Directors save for major matters described in items (6), (8), (10), (12), (13), (14), (18), (24) and (27) or otherwise stipulated under laws, administrative regulations, department rules and the Articles of Association, for which approval of more than two-thirds of all Directors is required.</p> <p>The Board shall seek advice from the Bank's Party Committee before making decisions on the Bank's major matters.</p>		<p>The Board may resolve on such matters by approval of more than half of all Directors save for major matters described in items (6), (8), (10), (12), (13), (14), (18), (24) and (27) or otherwise stipulated under laws, administrative regulations, department rules and the Articles of Association, for which approval of more than two-thirds of all Directors is required.</p> <p>The Board shall seek advice from the Bank's Party Committee before making decisions on the Bank's major matters.</p>	

ANNEX 11 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Existing Article No.	Existing Contents of Article	Article No. after Amendment	Contents after Amendment	Basis/ Explanation for Amendment
Article 180	<p>Voting by means of <u>communications</u> is also allowed at Board meetings provided that:</p> <p>(1) <u>the issues to be voted on by means of communications shall be notified to all Directors at least three days before the voting, and the relevant background information of topics for discussion at the meeting and other relevant information and data to facilitate Directors' decision making shall be provided;</u></p> <p>(2) <u>voting by means of communications should adopt the form of voting once for one issue, and it is not allowed to ask Directors to vote only once for several issues;</u></p> <p>(3) <u>when voting by means of communications is necessary, the proposal thereof should specify the reasons for the adoption and that such form of voting complies with the Articles of Association or the rules of procedure for Board meetings.</u></p> <p>However, voting by <u>communications</u> is not allowed for material issues like profit distribution plan, remuneration plan, material external investment, plan for material disposal of assets, and appointment or dismissal of the President and other senior management officers, capital replenishment plan, material changes in interest equity and financial restructuring.</p>	Article 180	<p>Voting by means of <u>circular resolutions</u> is also allowed at Board meetings.</p> <p>However, voting by <u>circular resolutions</u> is not allowed for material issues like profit distribution plan, remuneration plan, material external investment, plan for material disposal of assets, and appointment or dismissal of the President and other senior management officers, capital replenishment plan, material changes in interest equity and financial restructuring.</p>	Amended in accordance with the Corporate Governance Guidelines for Banking and Insurance Institutions

ANNEX 11 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Existing Article No.	Existing Contents of Article	Article No. after Amendment	Contents after Amendment	Basis/ Explanation for Amendment
Chapter VII Supervisors and Board of Supervisors		Chapter VII Supervisors and Board of Supervisors		
Section 3 Board of Supervisors		Section 3 Board of Supervisors		
Article 255	<p>The voting of the meetings of the Board of Supervisors shall be held by a show of hands or by open ballot, <u>or by means of communications provided that the attending Supervisors can fully express their opinions at the meeting.</u></p> <p>The voting results relating to resolutions and reports shall be announced and recorded in the meeting minutes by the Board of Supervisors. Resolutions of the meeting of the Board of Supervisors shall be approved by more than two thirds of the members of the Board of Supervisors. If the Supervisors disagree in principle in relation to any resolution or report, such disagreement shall be set out in the said resolution or report.</p>	Article 255	<p>The voting of the meetings of the Board of Supervisors shall be held by a show of hands or by open ballot, <u>or by means of circular resolutions.</u></p> <p>The voting results relating to resolutions and reports shall be announced and recorded in the meeting minutes by the Board of Supervisors. Resolutions of the meeting of the Board of Supervisors shall be approved by more than two thirds of the members of the Board of Supervisors. If the Supervisors disagree in principle in relation to any resolution or report, such disagreement shall be set out in the said resolution or report.</p>	Amended in accordance with the Corporate Governance Guidelines for Banking and Insurance Institutions

- Notes:*
1. The above amendment table does not show the adjustment to the numbering of the cross-reference clauses in accordance with the current amendments to the Articles of Association, and the amendments of individual figures to Chinese characters and the amendments of punctuation marks in order to standardize the presentation of the figures in the Articles of Association.
 2. The above proposed amendments to the Articles of Association, after being approved at this general meeting, shall also be reported to CBIRC Gansu Office for approval and shall take effect from the date of approval.