

Rules of Procedures for the Board of Directors of Industrial and Commercial Bank of China Limited

Chapter I General Provisions

Article 1 In order to ensure the Board of Directors of the Industrial and Commercial Bank of China (“the Bank”) exercise powers independently and effectively in accordance with laws and regulations, guarantee the efficient and standard operation and scientific decision-making of the Board, and improve the Bank’s governance structure, the Rules is hereby formulated pursuant to the *Company Law of the People’s Republic of China* (the “Company Law”), the *Securities Law of the People’s Republic of China* (the “Securities Law”), the *Law of the People’s Republic of China on Commercial Banks*, the *Articles of Association of the Industrial and Commercial Bank of China Limited* (the “Articles of Association of the Bank”) and other pertinent laws, administrative regulations and codes, taking into account the Bank’s conditions.

Article 2 The Board of Directors shall report to the Shareholders’ General Meeting. The Board meeting is a major method adopted by the Board to discuss official business.

Attending the Board meeting is a basic way for directors to perform their responsibilities.

Chapter II Composition and Power of the Board of Directors

Article 3 The Board of Directors of the Bank is composed of twelve (12) to seventeen (17) directors, depending on the decision of the Shareholders’ General Meeting. Among the directors, independent directors shall be not less than three (3) persons, and directors from the Senior Management shall not exceed one third of all directors. Eligible members of the Party Committee can join the Board of Directors through legal procedures; eligible members of the Board of Directors can also join the Party Committee in accordance with relevant rules and procedures.

Article 4 The Board of Directors has one (1) Chairperson and one (1) Vice Chairperson. The Chairman and the Vice Chairman shall be assumed by directors, and shall be elected or removed by more than half of the directors.

The Chairman of the Board of Directors and the President of the Bank shall be separate individuals. The Chairman should not concurrently hold the position of legal representative or chief responsible officer of the controlling shareholder.

Article 5 The Board of Directors of the Bank shall have Strategy Committee, Corporate Social Responsibility and Consumer Protection Committee, Audit Committee, Risk Management Committee, Nomination Committee, Compensation Committee and Related Party Transactions Control Committee and other special committees. The board of directors may set up other special committees and adjust the existing committees whenever necessary.

Article 6 The Strategy Committee shall exercise the following functions and duties:

- (1) examining plans for strategic development and material overall strategic risk events, and making suggestions in that respect to the board of directors;
- (2) examining annual financial budgets and final accounts, making suggestions in that respect to the board of directors;

The English version is for reference only. Should there be any inconsistency between the English and Chinese versions, the latter shall prevail.

(3) examining the strategic capital allocation (such as capital structure and capital adequacy ratio) and asset-liability management targets, making suggestions in that respect to the board of directors;

(4) preparing plans for the overall development of different kinds of financial business and making suggestions in that respect to the board of directors;

(5) examining plans for significant restructuring and adjustments, making suggestions in that respect to the board of directors;

(6) being responsible for examining the making of significant investment and financing plans and proposals in that respect as submitted by the management, making suggestions in that respect to the board of directors;

(7) being responsible for examining the making of merger and acquisition plans and proposals in that respect as submitted by the management, making suggestions in that respect to the board of directors;

(8) examining the strategic development plan of domestic and overseas branches and offices, making suggestions in that respect to the board of directors;

(9) examining plans for strategic human resources development, making suggestions in that respect to the board of directors;

(10) examining plans for IT development and other special strategic development plans, making suggestions in that respect to the board of directors;

(11) examining strategic arrangements for social responsibility and annual social responsibility reports (ESG reports), and making suggestions to the board of directors;

(12) examining and assessing whether the corporate governance structure is sound so as to ensure that the financial accounting report, risk management and internal control of the Bank meet the Bank's standards for corporate governance; and

(13) other matters required by laws, administrative regulations, rules, relevant provisions of the securities regulatory authority of the locality where the shares of the Bank are listed, and as may be authorized by the board of directors.

Article 7 The Corporate Social Responsibility and Consumer Protection Committee shall exercise the following functions and duties:

(1) listening to and reviewing the Bank's policy objectives for its performance of social responsibility in respect of environment, society, governance (ESG) and services for rural revitalization, and corporate culture development, getting briefed on the Bank's implementation of social responsibility, and reporting to the board of directors;

(2) discussing major issues and studying policies of the Bank for the consumer protection, guiding and supervising the establishment and improvement of the management system for the consumer protection, examining the implementation of the Bank's consumer protection strategy, policies, objectives, and work reports and urging remedial actions, and making suggestions to the board of directors;

(3) examining the Bank's policy objectives for its green finance strategy, response to climate change and establishment of green bank and relevant matters and making suggestions to the board of directors;

(4) examining the Bank's development strategy and planning, basic management policy, annual operational plans as well as performance assessment measures for inclusive finance business, and making suggestions to the board of directors;

(5) other matters required by laws, administrative regulations, rules, relevant provisions of the securities regulatory authority of the locality where the shares of the Bank are listed, and as may be authorized by the board of directors.

Article 8 The Audit Committee shall exercise the following duties and powers:

(1) supervising the Bank's internal control system on an ongoing basis, reviewing the Bank's management rules and regulations and their implementation, and inspecting and evaluating the compliance and effectiveness of the Bank's significant business activities;

(2) reviewing the Bank's financial information and its disclosure, reviewing major financial strategies of the Bank and their implementation, supervising the financial operation, monitoring the accuracy of financial accounting reports and the effectiveness of the implementation of financial accounting report procedures by the management;

(3) inspecting, supervising and evaluating the Bank's internal audit work, supervising the Bank's internal audit system and its implementation, evaluating the work procedures and work effects of the internal audit department;

(4) Proposing to engage, renew, dismiss external auditors, taking appropriate measures to supervise the work of external auditors, reviewing the reports of external auditors, and ensuring that external auditors assume corresponding responsibilities for their audit work;

(5) supervising the Bank to ensure that the internal audit department has sufficient resources to operate, and coordinate the communication between the internal audit department and external auditors;

(6) Evaluating the mechanism for employees of the Bank to report financial accounting reports, internal control or other improper behaviors, and the mechanism for the Bank to conduct independent and fair investigations on reported matters and to take appropriate actions;

(7) reporting its decisions and suggestions to the board of directors;

(8) laws, administrative regulations, rules, and the regulations of the securities regulatory authority in the locality where shares of the Bank are listed and other matters authorized by the board of directors.

Article 9 The Risk Management Committee shall exercise the following functions and duties:

(1) examining and amending risk strategies, risk management policies, risk preference, overall risk management system and internal control procedures of the Bank, supervising and assessing the implementation and effectiveness thereof according to the overall strategy of the Bank, making suggestions in that respect to the board of directors;

(2) supervising the Bank's risk management system on an ongoing basis, supervising and assessing the establishment, organizational structure, working procedures and effects of the risk management department and making suggestions for improvement;

(3) supervising and assessing the risk control by the senior management in respect of strategy, credit, market, operation (case prevention), liquidity, compliance, reputation, information technology, interest rate in the banking book, control of country and climate risk, model risk and other new risks, and making suggestions for improving the Bank's risk management and internal control;

(4) conducting regular assessments on the risk policies, risk preference and overall risk management status of the Bank, making suggestions in that respect to the board of directors; Clarifying the requirements for risk data and reports in accordance with the risk management decision-making needs, ensuring that risk reports are competent for the Bank's business models, risk profile and internal management needs, and proposing request for improvement to the senior management members when the risk data and reports cannot meet the requirements;

(5) reviewing significant risk management affairs or transactions that are beyond the authority of the president or submitted by the president to the risk management committee for consideration, according to the authorization by the board of directors; and

(6) other matters required by laws, administrative regulations, rules, relevant provisions of the securities regulatory authority of the locality where the shares of the Bank are listed, and as may be authorized by the board of directors.

Article 10 The Nomination Committee shall exercise the following duties and powers:

(1) formulating standards and review procedures for the election of directors and senior management personnel, and submitting the proposed procedures and standards to the board of directors for approval;

(2) proposing to the board of directors the candidates for directors, president and the secretary of the board of directors;

(3) examining the candidates for senior management personnel nominated by the president, making suggestions to the board of directors;

(4) nominating the chairmen and members of special committees of the board of directors;

(5) listening to development plans for senior management personnel and key reserve talents;

(6) other matters required by laws, administrative regulations, rules, relevant regulations of securities regulatory authorities of the locality where the shares of the Bank are listed, and as may be authorized by the board of directors.

Article 11 The Compensation Committee shall exercise the following duties and powers:

(1) formulating performance evaluation rules on the duty performance by directors for the board of directors, and submitting them to the board of directors for approval; formulating and compensation plans for directors and submitting them to the board of directors for approval and then to the general meeting of shareholders for approval;

(2) organizing evaluation of directors by the board of directors; proposing the distribution of compensation of directors, and submitting it to the general meeting of shareholders for resolution upon the approval of the board of directors;

(3) formulating and examining evaluation measures and compensation plans for senior management personnel, evaluating the performances and acts of senior management personnel and submitting them to the board of directors for approval, and then to the general meeting of shareholders if the matter falls within the authority of the general meeting of shareholders;

(4) other matters required by laws, administrative regulations, rules, relevant regulations of securities regulatory authorities of the locality where the shares of the Bank are listed, and as may be authorized by the board of directors.

Article 12 The Related Party Transactions Control Committee shall exercise the following duties and powers:

(1) formulating the basic policies of the related party transactions management and supervising the implementation of the same;

(2) identifying the related parties of the Bank, and informing relevant staff of the Bank in a timely manner of the identified related parties;

(3) approving related party transactions and other matters relevant to related party transactions as authorized by the board of directors, and accepting the filings of statistical information on related party transactions;

(4) conducting an examination on related party transactions which are subject to the approval of the board of directors or the general meeting of shareholders, and submitting them to the board of directors or for the board of directors to submit to the general meeting of shareholders for approval;

(5) reporting to the board of directors information on implementation of the related party transactions management system and status of related party transactions;

(6) other matters required by laws, administrative regulations, rules, relevant provisions of the securities regulatory authority of the locality where the shares of the Bank are listed, and as may be authorized by the board of directors.

Article 13 The Bank has one Secretary to the Board, who shall be appointed or removed by the Board of Directors according to the suggestions of the Nomination Committee.

Article 14 The Board of Directors shall have an office under its leadership, which shall be responsible for preparing for general meetings of shareholders, the board meetings and meetings of special committees and relevant documents, taking minutes of such meetings, assisting the Board of Directors in enhancing corporate governance and conducting information disclosure properly, managing investor relations and other routine work of the Board of Directors and the special committees of the Board of Directors.

Personnel of the Board of Directors' Office shall have necessary professional knowledge so as to assist the Board performing its responsibilities.

Article 15 The Board of Directors shall exercise the following functions and powers:

(1) being responsible for convening the general meeting of shareholders and reporting its work to the general meeting of shareholders;

(2) implementing the resolutions of the general meeting of Shareholders;

(3) deciding on the business plan and investment proposal of the Bank, formulating the development strategy and supervising its implementation;

(4) formulating the annual financial budget and final accounts of the Bank;

(5) formulating plans for profit distribution and loss make-up of the Bank;

(6) formulating plans for the increase or decrease of the Bank's registered capital and financial restructuring plan;

(7) formulating plans for merger, division, dissolution and change of corporate form;

(8) developing the Bank's capital plan and assuming ultimate responsibility for capital or solvency management;

- (9) formulating plans for issuance of corporate bonds or other securities and public listing and capital replenishment plan;
- (10) formulating plans for major acquisitions of the Bank or for the purchase of the Bank's shares;
- (11) formulating share incentive plans and employee stock ownership plans;
- (12) developing plans for revising the Articles of the Bank, formulating rules of procedure for the general meeting of shareholders and the board of directors, examining and approving the working rules for the special committees of the board of directors and working rules for the president;
- (13) approving issues regarding the establishment of important legal person institutions;
- (14) reviewing and approving the Bank's material merger and acquisition, material external investment, material asset purchase, assets disposal and write-off, material asset mortgage and other non-commercial banking business, guarantee, material external donations and data governance, and so on, in accordance with laws and regulations, regulatory provisions and the Articles of the Bank, within the scope of authorization by the general meeting of shareholders;
- (15) engaging or dismissing president and the secretary of the board of directors, and deciding on their compensation, bonus and penalty issues; according to nomination by the nomination committee, determining chairmen and members of special committees of the board of directors;
- (16) engaging or dismissing vice president and other senior management personnel (except the secretary of the board of directors) who shall be engaged or dismissed by the board of directors under relevant laws according to the nomination of the president and deciding on their compensation, bonus and penalty issues;
- (17) formulating policies and basic management systems of the Bank, such as risk tolerance, risk management and internal control system, and supervising the implementation of such systems, and taking ultimate responsibility for Enterprise Risk Management;
- (18) deciding on the establishment of domestic tier-one branches, branches and business institutions directly under the head office, and overseas business institutions;
- (19) approving the internal audit rules, medium and long term audit plans, annual work plans and internal audit system; deciding on or authorizing the audit committee of the board of directors to decide on audit budget, compensation of personnel and engagement and dismissal of the principals;
- (20) formulating and implementing throughout the Bank clearly defined responsibility system and accountability system; regularly evaluating and improving corporate governance of the Bank;
- (21) being responsible for the Bank's information disclosure, and taking the ultimate responsibility for the authenticity, accuracy, completeness and timeliness of financial accounting reports;
- (22) submitting to the general meeting of shareholders the engagement or dismissal of the accounting firm that conducts periodic statutory audit of the financial accounting reports of the Bank;

(23) formulating related party transaction management system, examining and approving or authorizing the related party transaction control committee to approve related party transactions (except for those related party transactions that shall be examined and approved by a general meeting of shareholders in accordance with laws); making special report to the general meeting of shareholders on the implementation of related party transaction management system and the status of related party transactions;

(24) examining and approving proposals put forth by special committees;

(25) according to relevant regulatory requirements, listening to the work report made by the president and other senior management personnel of the Bank so as to ensure the directors obtain sufficient information in a timely manner in relation to performance of their duties; supervising and ensuring the president and other senior management personnel to perform their management duties effectively;

(26) reviewing the Bank's policy objectives and related matters for fulfilling social responsibilities in areas such as environment, society and governance (ESG);

(27) reviewing the Bank's green finance strategy and policy objectives for climate risk management and related matters;

(28) reviewing the Bank's development strategy planning, basic management policy, annual operational plan as well as appraisal and assessment measures, among others, for inclusive finance business;

(29) deciding on the Bank's consumer protection strategy, policies and objectives, safeguarding the lawful rights and interests of financial consumers and other stakeholders;

(30) establishing a mechanism to identify, review and manage the conflicts of interest between the Bank and the shareholders, especially the substantial shareholders;

(31) being responsible for the management of shareholders' affairs;

(32) establishing and implementing an accountability system for the performance of duties of the senior management members, and clarify the specific ways to investigate and hold persons concerned accountable for dereliction of duty and improper performance of duties;

(33) assuming the ultimate responsibility for consolidated management, formulating the overall strategic policy of the Bank's consolidated management, examining and approving the basic systems and measures for consolidated management, and establishing a regular review and evaluation mechanism for consolidated management;

(34) exercising other functions and powers vested by laws, administrative regulations, rules, regulatory provisions or the Articles of the Bank as well as authorized by the general meeting of shareholders.

Article 16 The Board of Directors shall establish strict examination and approval procedures by setting the scope of authority for conducting investment, purchase of assets, sales of assets, asset pledge, guarantee, entrustment of wealth management and related party transactions. Matters regarded as material investments shall be examined by experts and other professionals, and be submitted to the Shareholders' General Meeting for approval if its required according to the Articles of the Bank.

Article 17 When the Board of Directors disposes of fixed assets, if the sum of the value of the assets to be disposed of and the realized value of the fixed assets disposed of within four months prior to the disposal plan exceeds 33% of the fixed asset value in the balance sheet reviewed by the Shareholders' General Meeting recently, the Board shall not dispose of or agree to dispose of such fixed assets until it receives approval of the Shareholders' General Meeting.

The disposal of fixed assets hereof includes transfer of the interests of certain assets, but shall not include guarantee with fixed assets.

The effectiveness of disposal of fixed assets shall not be influenced by virtue of violation of the first section of this article.

Article 18 The Board of Directors shall practice a Code of Professional Ethics that sets high standards. Its Code of Professional Ethics shall serve the Bank's long-term interests.

Article 19 The Board of Directors shall listen to, on a regular basis, the report delivered by internal audit and compliance departments on internal audit and inspection results; assess the Bank's operations, and evaluate performance of the senior management based on the assessment results.

Article 20 The Board of Directors shall, in the course of its performance of its duties, considers fully the opinions of the external auditors of the Bank, and may engage professional institutions or persons to give opinions with relevant fees borne by the Bank.

Article 21 The Board of Directors shall check and approve the strategic objectives and value standards of the Bank, supervise the implementation of the development strategies, and regularly review these strategies to ensure they are in line with the operational condition and market environment. Party Committee research and discussion as preliminary procedure shall be performed before the board of directors or senior management decide on material operational management matters of the Bank.

Article 22 The Board of Directors shall strengthen the Bank's information disclosure, establish a sound information disclosure system, make public relevant information timely and accurately via the Bank's website, annual report and periodic report or other appropriate means, to guarantee the transparency of the corporate governance.

Article 23 The Board of Directors shall ensure that the Senior Management exercises appropriate supervision according to the policies formulated by the Board. Senior Management personnel shall have skills necessary for supervision of the affairs under his control. The business line managers responsible for supervising specific business fields and activities shall strictly implement the policies and procedures developed by the Board.

Article 24 The Board of Directors shall ensure that the compensation policy and the practice are consistent with the culture, long-term objectives and strategies and control environment of the Bank.

Article 25 In case it is necessary to remove the President, the Board of Directors shall report, in a timely manner, to and submit a written explanation to the board of supervisors.

Article 26 The Board of Directors shall be subject to the supervision by the board of supervisors, and shall not obstruct the board of supervisors from conducting inspection, audit and other activities according to its duties.

Article 27 The Bank shall take measures to protect directors' right to know, and ensure the truthfulness and completeness of information provided. The Bank shall inform all directors of the decisions of the Board of Directors according to the Articles of Association and the Rules, and provide them with relevant materials. The Bank shall take measures to protect directors' right to attend the Board meeting, and offer them with facilities necessary for performing their duties. Relevant personnel of the Bank shall actively assist directors exercising their powers without rejection, obstruction or concealment, nor shall they interfere in the directors' exercise of powers.

Under appropriate circumstances, directors may need independent professional opinions to perform their duties, with the fees being paid by the Bank. Relevant requirements shall be submitted to the Chairman or meeting of the Board or Special Committees of the Board in written form. Secretary to the Board shall select eligible persons or agencies in relevant procedures to provide directors with professional opinions.

Chapter III Procedures for Holding of Board Meetings

Section I Methods of Holding Board Meetings

Article 28 The Board meetings include regular Board meetings and interim Board meetings.

Article 29 The Board of Directors shall hold four (4) regular meetings every year, once a quarter in principle.

Article 30 Regular Board meetings include:

(1) Board meeting on annual business performance

The meeting is held within four (4) months after close of the Bank's financial year, mainly for review of the Bank's annual report, annual summarization, performance evaluation, determination of compensation, preparation for the Shareholders' General meeting, and other pertinent affairs. The Board meeting on annual business performance shall be held at such a time that can ensure the Bank's annual report is delivered to the shareholders within the period as provided by relevant laws, regulations, codes and the Articles of Association of the Bank, and the annual Shareholders' General Meeting is held within six (6) months after the close of the Bank's financial year.

(2) Board meeting on interim business performance

The meeting is held within two (2) months after the end of the first six (6) months of the Bank's financial year, mainly for review of the Bank's interim report.

(3) Board meeting on first-quarter business performance

The meeting is held in the second quarter, mainly for review of the Bank's report for the first quarter.

(4) Board meeting on third-quarter business performance

The meeting is held in the fourth quarter, mainly for review of the Bank's report for the third quarter and listening to the report on fulfilment of the work plan for the whole year.

The agenda items of the regular Board meetings above can be combined or divided, and new items can also be added as the case may be

Article 31 The Chairman of the Board of Directors shall convene and preside over the extraordinary board meeting within ten (10) days in one of the following circumstances:

- (1) when shareholders representing more than ten percent (10%) of the voting shares propose to do so;
- (2) when the chairman of the board of directors considers it necessary;
- (3) when more than one third (1/3) of the directors propose to do so;
- (4) when more than two (2) independent directors propose to do so;
- (5) when the board of supervisors proposes to do so;
- (6) when the president of the Bank proposes to do so.

Article 32 To hold an interim Board meeting according to the provision of the previous article, a written request proposal with signatures (seals) of the applicant shall be submitted to the Chairman directly or by the Office of the Board of Directors. The written request shall include the following contents:

- (1) the applicant's name;
- (2) reasons or objective bases;
- (3) time or period, venue, and way of the meeting;
- (4) clear and detailed proposals; and
- (5) contact methods of the applicant and request date, etc.

The contents of proposals shall conform to relevant provisions of the Rules, and relevant materials shall be submitted together with these proposals. Upon receipt of the aforesaid proposals and relevant materials, the Office of the Board of Directors shall submit them to the Chairman in a timely manner. If the Chairman considers contents of these proposals are unclear and vague and relevant materials insufficient, he/she may require the applicant to modify or supplement them.

Section II Presentation and Collection of Meeting Proposals

Article 33 The following persons or organizations may submit proposals to the Board of Directors:

- (1) shareholders representing more than ten percent (10%) of the voting shares;
- (2) the chairman of the board of directors;
- (3) more than one third (1/3) of the directors;
- (4) more than two (2) independent directors;
- (5) special committee of the board of directors;
- (6) the board of supervisors;
- (7) the president of the Bank.

Article 34 When holding a regular board meeting, the Secretary to the Board (or the Office of the Board of Directors under his/her instruction) shall be responsible for collecting the draft of proposals, and each proposer shall submit his/her proposals and relevant materials within twenty (20) days before the meeting is held. After sorting out these materials, the Secretary to the Board shall specify the venue, time and agenda items of the Board meeting and submit them to the Chairman.

Article 35 The proposer shall assist the Office of the Board of Directors submitting relevant proposals within the time limit, and shall be held responsible for the legality, accuracy and completeness of the proposals according to relevant laws, administrative regulations, codes and the Articles of Association of the Bank, and shall take the responsibility for interpretation of these proposals.

Article 36 A proposal shall be structurally complete, and include two parts – note and text. When necessary, it shall also introduce the modification and amendment according to directors’ suggestions.

Section III Meeting Notice and Communication before Meeting

Article 37 To hold a regular or an interim Board meeting, the Office of the Board of Directors shall send a written notice with its seal fourteen (14) days’ or seven (7) days prior to the meeting to all directors, supervisors, the President and the Secretary to the Board personally, or by fax, email or other means. If the notice is served not personally, confirmation is required.

If an interim board meeting is needed under urgent circumstances, the convener may issue the meeting notice orally or by telephone, without being subject to the above restrictions, in which case the convener shall give an explanation at the meeting.

Article 38 Written meeting notice shall include the following contents:

- (1) time and venue of the meeting;
- (2) methods of holding the meeting;
- (3) items to be reviewed (meeting proposals);
- (4) requirement that directors shall attend in person or entrust other directors to attend the meeting; and
- (5) liaison person and contact methods.

Oral meeting notice shall at least include Items (1) and (2) above, and the explanation that an interim board meeting shall be held as early as possible under the urgent circumstances.

Article 39 The Board meeting in general is notified according to the following requirements and methods:

- (1) Notification methods of the board meeting: personal service, fax, registered mail, and e-mail.
- (2) If the meeting notice is served personally, the receiver shall sign (or affix the seal) on the return receipt, and the date of signing shall be the date of service; if the meeting notice is served by fax, the fax date bearing on the fax report shall be the date of service; if the meeting notice is served by registered mail, the fifth workday upon delivery shall be the date of service; and if the meeting notice is served by e-mail, the time when the e-mail entering the receiver’s specified system shall be the date of service.

Article 40 After receiving the meeting notice, the person required to attend the meeting shall notify the Secretary to the Board or liaison person designated in the meeting notice whether they will participate in the meeting.

In case a director attends the meeting, and does not state before or at the meeting that he receives no meeting notice, then it is deemed that the meeting notice has been served on him.

Article 41 From the issue of the meeting notice to the holding of the meeting, the Secretary to the Board shall be responsible for or arrange for the communication and liaison with all directors, especially independent directors, to obtain their opinions or suggestions on relevant proposals and convey these opinions or suggestions to related proposers for their improvement of proposals in a timely manner. The Secretary to the Board shall also timely supplement the materials necessary for directors to make decisions on proposals,

including relevant background materials on the items of the meeting and other materials that help directors make reasonable, rapid and prudent decisions.

Article 42 When more than one third (1/3) of directors or two (2) or more independent directors consider the meeting materials insufficient or the demonstration unclear, they may jointly apply in a written form to the Board of Directors for delaying the Board meeting for one time, or postponing reviewing the proposal for one time, which the Board shall approve.

Article 43 Before holding of each Board meeting, corresponding special committees under the Board shall hold symposium in advance according to their working rules, make full preparation for their respective items, and provide directors with necessary materials or information by the Secretary to the Board. As to items falling in the responsibilities of Special Committees of the Board, the Chairman of the committee shall report to the Board on the discussion results.

Section IV Attendance at the Meeting

Article 44 The Board meeting shall not be held until more than half (1/2) of the directors are present. With respect to the proposal to be discussed in which some directors have substantial interest, the Board meeting shall not be held until more than half (1/2) of the directors without substantial interest therein are present. Whether directors have substantial interest in the proposal to be discussed shall be determined by the Board of Directors according to the laws, administrative regulations, codes, relevant provisions of the securities regulatory authority and stock exchange in the listing place of the Bank and the Articles of Association of the Bank.

Supervisors may attend board meetings as non-voting attendees. The Chairman, if considering necessary, may invite other relevant personnel to attend Board meetings as non-voting attendees. Non-voting attendees shall, upon the agreement of Chairman, have the right to express their comments or make explanations on relevant items, but have no right of voting.

Article 45 In principle, directors shall attend Board meetings personally. If a director is unable to attend a Board meeting in person for certain reasons, he/she shall review the meeting documents in advance, form pronounced opinions, and entrust in written other directors to attend the meeting on his/her behalf. The power of attorney shall include the following contents:

- (1) the names of the entrustor and the proxy;
- (2) the entrustor's brief opinion on each proposal;
- (3) the scope of authorization of the entrustor, the instructions on the voting intention of the proposal, and the effective date;
- (4) the signature and date of the entrustor;

If other directors are entrusted to sign written confirmation opinions on the periodic report on their behalf, special authorization shall be given in the power of attorney.

The entrusted director shall submit a written power of attorney to the chairperson of the meeting.

A director attending the meeting on another director's behalf shall exercise the rights of the director within the scope of authorization. If a director does not attend a meeting of the board of directors and does not entrust a representative to attend, he/she shall be deemed to have waived his right to vote at the meeting.

Article 46 The person entrusting another person to attend or being entrusted by another person to attend a Board meeting shall comply with the following principles:

(1) When reviewing related party transactions, unrelated directors shall not entrust related directors to attend the meeting on their behalf, nor shall related directors accept such entrustment;

(2) independent directors shall not entrust non-independent directors to attend on their behalf, nor shall non-independent directors accept the entrustment of independent directors;

(3) directors shall not fully authorize other directors to attend on their behalf without stating their personal opinions and voting intentions on the proposal, and relevant directors shall not accept entrustment of full authorization or unclear authorization;

(4) a director shall in principle accept the entrustment of at most two directors who are unable to attend a board meeting, nor shall a director entrust a director who has accepted the entrustment of two other directors to attend on his behalf.

Article 47 Directors shall attend at least two thirds (2/3) of the on-site Board meetings in person each year.

If a director fails to attend board meeting in person or by entrusting any other director as his/her proxy for two consecutive times, or attends less than two thirds (2/3) of total board meetings in person within one year, he/she shall be deemed as unable to perform his/her duties, and the board of directors shall propose the general meeting of shareholders to dismiss him/her.

Article 48 If a director needs to leave a Board meeting in process, he/she shall explain to the meeting Chairman and ask for a leave. The director shall entrust in written other director to exercise the right of voting on the remaining proposals. Otherwise, he/she shall be deemed abstention from voting on such proposals.

Section V Holding of Meetings

Article 49 The Board meeting shall be convened and presided by the Chairman.

If the Chairman is unable to or refuses to perform his/her responsibility of convening and presiding over a Board meeting, he/she may entrust the Vice Chairman to convene and preside over the meeting. If the Vice Chairman is unable to or refuses to perform his/her responsibility of convening and presiding over the Board meeting either, the meeting shall be convened and presided by a director appointed by more than half (1/2) of all directors.

Article 50 The Board meeting can be held on the spot, or via telephone, video or by adoption of written resolution. Adoption of written resolution refers to the way of meeting under which the proposals are reviewed and resolved by delivery to respective person or pass-on. Regular meetings shall not be held by adoption of written resolution.

If a Board meeting is held via telephone or video, the directors attending the meeting shall be ensured that they can clearly hear other directors' speech and communicate with them. The Board meeting held in such a manner shall be recorded on tape or film.

Article 51 The meeting Chairman shall open the meeting at the pre-set time. After opening of a meeting, directors present shall first reach a consensus on the agenda.

Article 52 After the directors present reach a consensus on the agenda, the meeting presided by the Chairman shall review the proposals one by one, and the proposers or their proxies shall report work or explain the proposals to the Board of Directors.

Article 53 The meeting Chairman shall request the directors present to raise pronounced opinions on each proposal.

With respect to the proposal that shall be approved by independent directors in advance according to the laws, administrative regulations, codes, and provisions of the securities regulatory authority or stock exchange in the listing place of the Bank, the Chairman shall read out the written confirmation of independent directors before discussion of relevant proposals.

Directors are entitled to express opinions on each proposal. Other persons requesting speech at the meeting shall seek for approval of the Chairman. In any circumstance that may obstruct the meeting from being held smoothly or influence directors' speech, the Chairman shall put an end to it in a timely manner.

Except as approved unanimously by all directors present, the Board meeting shall not vote on any proposal that is not included in the meeting notice. A director entrusted by other director to attend the meeting shall not vote on the proposal beyond the meeting notice on his/her behalf.

Article 54 Independent directors shall give objective, impartial and independent opinions on the matters discussed at the board meeting of the Bank, especially shall address their opinions to the Board meeting on the following matters:

- (1) significant related party transactions;
- (2) profit distribution plan;
- (3) appointment and dismissal of senior management personnel;
- (4) matters deemed by independent director as such that may cause significant loss to the Bank;
- (5) nomination and dismissal of directors;
- (6) compensations of directors and senior management personnel;
- (7) engagement or dismissal of the accounting firm that conducts periodic statutory audit of the financial accounting reports of the Bank;
- (8) other matters that may have a significant impact on the lawful rights and interests of the Bank, minority shareholders and financial consumers;
- (9) other matters as stipulated by laws, administrative regulations, rules, relevant regulations of securities regulatory authorities of the locality where the shares of the Bank are listed and the stock exchange, and the Articles of the Bank.

Independent directors shall expressly express the following opinions on the above matters:

- (1) consent;
- (2) reservation opinion and its reasons;
- (3) objection opinion and its reasons;
- (4) inability to express opinions and their obstacles.

Article 55 During review of proposals and listening to relevant reports, to understand the key points and process in detail, the Board of Directors may require persons in charge of relevant departments to attend the meeting as non-voting attendees to listen to and inquire about relevant matters, for the purpose of making correct resolutions. If unclear statement or problematic feasibility is found in review, the Board may require relevant departments to give an explanation, and may defer voting if necessary.

Article 56 Directors shall read meeting documents earnestly, and express independent and prudent opinions based on full understanding of relevant conditions. Directors may learn information necessary for decision-making from relevant persons and institutions such as the Board Office, meeting convener, president and other senior management personnel, special committees and law firm. They may also suggest the Chairman at the meeting to invite above persons and institution representatives to attend the meeting and make explanations.

Section VI Voting, Resolutions and Minutes

Article 57 After a proposal is fully discussed, the Chairman shall request in due time directors to vote on it.

Voting at the Board meeting may take the form of raising hands or registered ballot. Each director shall have one (1) vote.

Directors have three options for voting on a proposal, in favor, against, or abstention. Directors present shall select one of the above-mentioned options. If a director selects no or two (2) or above options, the chairman shall request the director to reselect. Any director refusing to reselect shall be deemed abstention. Any director who leaves the venue in the course of the meeting and does not return for voting shall be deemed abstention. Directors shall be prudent in voting and are not allowed to withdraw their votes once they cast their votes.

Article 58 Resolution of the Board of Directors shall be approved and adopted by more than half (1/2) of all directors, but for the following matters, the resolution shall be approved and adopted by more than two thirds (2/3) of all directors, and the Board meeting should not be held by adoption of written resolutions:

- (1) formulating the annual financial budget and final accounts of the Bank;
- (2) profit distribution plans or deficiency coverage plans;
- (3) capital replenishment plan;
- (4) plans for the increase or decrease of registered capital;
- (5) plans for merger, division, dissolution and change of corporate form;
- (6) plans for issuance of corporate bonds or other securities and public listing;
- (7) plans for purchase of the shares of the Bank;
- (8) amendments to the Articles of the Bank;
- (9) establishment of a legal persons, material merger and acquisition, material investment and material assets disposal and material guarantee matters and so on;
- (10) financial restructuring;
- (11) compensation plans for directors or senior management personnel;

(12) appointing or dismissing senior management personnel of the Bank who shall be appointed or dismissed by the board of directors under relevant laws, deciding on their compensation, bonus and penalty matters; appointing chairmen and members of special committees of the board of directors;

(13) submitting to the general meeting of shareholders the engagement or dismissal of the accounting firm that conducts periodic statutory audit of the financial accounting reports of the Bank;

(14) such other matters whereby more than half (1/2) of all directors consider will have a material adverse effect on the Bank and shall be approved and adopted by more than two thirds (2/3) of all directors.

Article 59 If a director or his/her related persons (as defined in the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited*) has any interest in any matters to be decided by the Board of Directors, the director shall avoid in the review of such matters at the Board meeting, and not vote on such matters in his/her name or on behalf of other directors; the director will not be included in the quorum of the meeting. The above-mentioned rule shall not apply if laws, administrative regulations, regulatory documents or relevant regulations of the securities regulatory bodies of the listing place otherwise provide otherwise.

When the directors present at the Board meeting and having no major interest are less than three (3) persons, the Board shall submit in time relevant proposal to the Shareholders' General Meeting for discussion. The Board shall state its review of the proposal and record opinions of the directors having no major interest.

Any resolution should be adopted at the foresaid Board meeting when more than half (1/2) of the directors having no major interest are in favor.

Article 60 When a Board meeting is held via telephone or video and directors cannot sign the minutes at the meeting, verbal voting shall be taken, and the written signature shall be made as soon as possible after the meeting. Verbal votes cast by directors shall have the equal effect with written signatures, provided that the written signatures after the meeting must be identical with verbal votes at the meeting. In case of inconsistency between written signatures and verbal votes, verbal votes shall prevail.

If a Board meeting is held by means of adoption of written resolutions, each director or its proxy shall express their opinions as affirmative, negative or abstained in writing. Once the number of directors who express affirmative opinion reaches the quorum, the content of the proposal shall become a resolution of the Board of Directors.

Article 61 After directors present cast their votes, relevant personnel at the Office of the Board of Directors shall collect the votes in time and count the votes in the presence of the ballot supervisor.

In an onsite meeting, video conference or teleconference, the chairman shall announce the counting result on the spot; when a meeting is held via adoption of written resolutions, the Secretary to the Board of Directors shall report the voting result to the chairman within three (3) working days after the end of the stipulated voting period and then inform directors of the voting result.

If a director casts his/her vote after the chairman announces the voting result or beyond the stipulated voting period, his/her vote shall not be counted.

Article 62 Directors shall take responsibilities for resolutions adopted by the Board of Directors. In case a resolution of the Board violates laws, administrative regulations or the Articles of Associations of the Bank and caused heavy losses to the Bank, the directors participating in the resolution adoption shall be liable for the compensation thereof; provided, however, that the director proved to vote against and kept a record in the minutes may be immune from the liability.

Article 63 If a proposal fails to be adopted and the relevant conditions and elements thereof are not changed substantially, the Board of Directors shall not convene meetings to review the same proposal within one month thereafter.

Article 64 The Chairman shall request to postpone the voting on an item if more than half (1/2) of the directors present or more than two independent directors deem the item unclear or unspecific, or it is impossible to make judgment due to such reasons as insufficient materials.

Directors who propose postponing the aforesaid voting shall put forward specific requirements on the conditions that trigger off the re-submission of the proposal for discussion.

Article 65 Secretary to the Board of Directors shall appoint an employee at the Office of the Board of Directors to make the minutes of Board meetings. Such minutes shall include the following contents:

- (1) numbering, time, venue and form of meeting;
- (2) delivery of meeting notice;
- (3) name of convener and chairman;
- (4) the attendance of directors personally or under entrustment;
- (5) proposals to be reviewed, key points addressed by each director on relevant items, and his/her main opinions and voting options;
- (6) voting method and result of each proposal (number of votes in favor, against and abstention);
- (7) other matters directors present consider recordable; and
- (8) other matters that shall be recorded in accordance with laws, administrative regulations and regulatory documents.

Minutes of the Board meeting and other meeting materials shall be kept as archives by Secretary to the Board in accordance with the archive management system of the Bank.

Article 66 Secretary to the Board of Directors is responsible for assigning personnel at the Office of the Board of Directors to sort out the items discussed at the meeting. Minutes of the Board meeting shall be provided to all directors present for review within five (5) working days after the meeting is closed. Any director who proposes to revise the minutes shall give their opinions in written within three (3) working days upon receipt of the minutes. After the minutes are finalized, the directors present or their representatives and the recorder shall sign the minutes.

If a director holds a dissenting opinion of the minutes, he/she may make a written statement when signing the minutes. If necessary, the director shall report to the regulatory authorities in a timely manner or may make a public announcement.

If a director neither signs the minutes pursuant to the aforesaid clause nor makes a written statement of his/her dissenting opinions, report to the regulatory authorities, or make public announcement, the director shall be deemed to fully agree to the minutes.

Article 67 For confidential contents of Board meetings, the participants and other persons who know about the information shall keep them confidential. The Bank reserves the right under the law to conduct accountability investigations against the violators.

Chapter IV Disclosure of Resolutions and Relevant Documents of the Board of Directors

Article 68 After the Board meeting, the Bank shall submit the resolutions of the Board (including the resolution that rejects all proposals) to the stock exchange in the listing place according to the requirements of the stock exchange. Resolutions shall be signed by all directors present.

When the stock exchange requires for the minutes of the Board meeting, the Bank shall provide as required.

Article 69 If a resolution of the Board of Directors relates to any matter that is subject to voting by the Shareholders' General Meeting or to any major matter that should be disclosed pursuant to the rules of the stock exchange, the Bank shall make timely disclosure thereof; if the resolution relates to other matters which the stock exchange deems necessary to be disclosed, the Bank shall also disclose them in time.

If a resolution of the Board relates to a major matter that should be disclosed pursuant to the rules of the stock exchange, and an announcement thereof is required in accordance with relevant provisions of China Securities Regulatory Commission or the guidelines on announcement format set by the stock exchange, the Bank shall separately disclose the announcement of resolution of the Board and that of relevant major matters.

Article 70 The announcement of a resolution of the Board of Directors shall include the following contents:

- (1) time and method of delivering the meeting notice;
- (2) time, venue and form of the meeting, and the description of compliance/non-compliance with relevant laws, administrative regulations, regulatory documents and the Articles of Association of the Bank;
- (3) number and name of directors absent and represent, reasons for absence, and the name of directors under entrustment;
- (4) number of votes in favor, against and abstention on each proposal, and directors' reasons for casting against or abstention;
- (5) name of the directors who shall avoid voting, reasons for avoiding, and compliance, when related party transactions are involved;
- (6) the independent directors' confirmation or opinions if necessary; and
- (7) specific contents of the matters reviewed and the resolutions adopted at the meeting.

Chapter V Implementation and Feedback of Resolutions of the Board of Directors

Article 71 Chairman of the Board shall urge relevant persons to implement resolutions of the Board, and inspect the implementation of the resolutions. The implementation of the Board resolutions shall be reported to the Board in a timely manner.

Chapter VI Supplementary Provisions

Article 72 Unless otherwise specified, the terms used in the Rules shall have the same meaning with their references in the Articles of Association of the Bank.

Article 73 In case of matters not dealt with in the Rules herein or any provisions of the Rules herein conflicts with any law, administrative regulation, regulatory document or the Articles of Association of the Bank, the relevant law, administrative regulation, regulatory document and the Articles of Association of the Bank shall prevail.

Article 74 The Rules shall be formulated and amended by the Board of Directors and be implemented after being adopted by the Shareholders' General Meeting with an ordinary resolution.

Article 75 Unless otherwise stated hereunder, the references "more than", "within", and "not more than" hereunder shall all include the number immediately following them; the references "less than", "outside", "beyond" and "before" shall exclude the number immediately following them.

Article 76 The Rules shall be interpreted by the Board of Directors.