

*Please note that these Rules of Procedures for Shareholders' Meetings are written in Chinese without an official English version. This English version is for reference only. In case of any inconsistency, the Chinese version shall prevail.*

# **Rules of Procedures for Shareholders' Meetings of China Merchants Bank Co., Ltd. (2025 Revision)**

## **CHAPTER 1 GENERAL PROVISIONS**

**Rule 1** In order to protect the lawful interests of China Merchants Bank Co., Ltd. (the "Bank"), its shareholders and creditors and regulate the organisation and acts of the shareholders' meetings of the Bank, the Bank has formulated these rules of procedures (the "Rules") according to the "Company Law of the People's Republic of China" (the "Company Law"), the "Commercial Banking Law of the People's Republic of China", the "Rules of Meetings Convened by Shareholders of Listed Companies", the "State Council Guidance on the Implementation of Pilot Scheme of Preference Shares", the "Guidelines for Articles of Association of Listed Companies" and other pertinent laws, regulations and normative documents as well as the "Articles of Association of China Merchants Bank Co., Ltd." (the "Articles").

## **CHAPTER 2 GENERAL PROVISIONS OF THE SHAREHOLDERS' MEETING**

**Rule 2** The shareholders' meetings of the Bank consists of all shareholders. The shareholders' meetings is the organ of power of the Bank and shall exercise its powers according to law.

**Rule 3** The shareholders' meeting shall exercise the following powers:

- (1) electing and replacing directors other than employee director, and deciding on matters concerning directors' remuneration;
- (2) examining and approving reports of the Board of Directors;
- (3) examining and approving the Bank's plans for profit distribution and loss make-up;
- (4) examining and approving proposals on changes in the use of proceeds;
- (5) adopting resolutions on the increase or reduction of the Bank's registered capital;
- (6) adopting resolutions on plans for issuance of bonds of the Bank, or authorising the Board of Directors to resolve on the issue of bonds of the Bank;
- (7) adopting resolutions on matters such as merger, division, dissolution, liquidation and change of corporate form of the Bank;
- (8) amending the Articles;
- (9) adopting resolutions on the engagement or removal or discontinuation of engagement of accounting firms that carry out regular statutory audit on the financial report of the Bank by the Bank;

- (10) examining proposals put forward by the shareholders who individually or jointly hold more than 1% of the total issued voting shares of the Bank;
- (11) examining proposal(s) on matter(s) relating to any single equity investment and other external investment, any single acquisition and disposal of fixed assets (including real estates and other fixed assets, and the term shall be construed accordingly), and any other assets involving an amount exceeding 10% of net asset value based on the latest published audited accounts of the Bank as well as any acquisition and disposal of significant asset(s), on an accumulated basis, during a period of one year (including but not limited to equity, fixed assets and other assets) involving an aggregate amount exceeding 30% of the total asset value based on the latest published audited accounts of the Bank;
- (12) examining and approving share incentive plans;
- (13) examining and approving rules of procedures for shareholders' meetings and meetings of the Board of Directors;
- (14) resolving on repurchase of shares of the Bank in accordance with the requirements of laws;
- (15) examining the restrictive measures on shareholders who breach their commitments;
- (16) examining and authorising the Board of Directors for a period of three years to decide on the issue of shares not exceeding 50% of the issued shares;
- (17) examining other issues that shall be approved by the shareholders' meeting as stipulated by laws, administrative regulations, regulatory requirements or the Articles.

The functions and powers of the shareholders' meeting stipulated in the Company Law and other laws, administrative regulations, regulatory provisions and the Articles shall not be delegated to the Board, other institutions or individuals.

**Rule 4** There are two types of shareholders' meeting: annual shareholders' meeting and extraordinary shareholders' meeting. The annual shareholders' meeting shall be held once a year within six months after the end of the previous accounting year. If, for any special reasons, a shareholders' meeting is postponed, a report setting out the reasons for such postponement shall be timely issued to the banking supervision and administration department under the State Council as well as the securities regulatory authority in the jurisdictions where the shares of the Bank are listed, and shall also be published.

An extraordinary shareholders' meeting may be convened from time to time. An extraordinary shareholders' meeting shall be convened within two months from the date of occurrence of any of the following events:

- (1) the number of directors is less than the minimum quorum stipulated in the Company Law or less than two-thirds of the number stipulated in the Articles;
- (2) the unrecovered loss of the Bank reaches one-third of the Bank's total paid-in share capital;
- (3) upon request in writing by shareholders individually or jointly holding more than 10% of the Bank's shares with voting rights;

- (4) the Board of Directors may deem necessary;
- (5) upon the request by more than half and not less than two independent directors;
- (6) upon the request by the Audit Committee under the Board of Directors;
- (7) other circumstances stipulated by laws, administrative regulations, departmental rules and the Articles.

The number of shares held referred to in (3) above shall be calculated on the date when the shareholders put forward a written request.

**Rule 5** The place for convening a shareholders' meeting shall be the registered office of the Bank or such other place as may be specified in the notice of the shareholders' meeting.

The Bank shall arrange for a venue and the shareholders' meeting shall be held in the form of on-the-spot meeting. The Bank will also provide facilities to the shareholders attending the shareholders' meeting through online voting in accordance with laws, administrative regulations and provisions of the security regulatory authority under the State Council, stock exchanges or the Articles. Shareholders attending the meeting by way of the above methods shall be deemed as to have attended the meeting.

**Rule 6** At the time of convening the shareholders' meeting, lawyers should be engaged to attend the shareholders' meeting and issue legal opinion on the following and make an announcement:

- (1) whether the convening of the shareholders' meeting and the convening procedures comply with the laws, administrative regulations and the Articles;
- (2) whether the qualifications of the person(s) attending the meeting and the convenor are lawful and valid;
- (3) whether the voting procedures and voting results of the shareholders' meeting are lawful and valid; and
- (4) legal opinions issued on other matters as requested by the Bank.

### CHAPTER 3 CONVENING OF A SHAREHOLDERS' MEETING

**Rule 7** The Board of Directors shall convene a shareholders' meeting according to the provisions of the Articles.

**Rule 8** Subject to approval by more than half of, and not less than two of, all the independent directors, independent directors shall have the right to propose to the Board of Directors to convene an extraordinary shareholders' meeting. As regards the proposal of independent directors in relation to convening an extraordinary shareholders' meeting, the Board of Directors shall give written replies on whether it agrees or disagrees to the convening of the extraordinary shareholders' meeting within 10 days after receiving the proposal according to the provisions of laws, administrative regulations and the Articles.

If the Board of Directors agrees to convene an extraordinary shareholders' meeting, it shall issue a notice on convening the shareholders' meeting within 5 days after passing of the board resolution. However, if otherwise prescribed in laws, administrative regulations, departmental rules and regulations of local securities regulatory authorities where shares of the Bank are listed, relevant provisions shall be observed. If the Board of Directors does not agree to convene an extraordinary shareholders' meeting, it shall state the reason and publish an announcement.

**Rule 9** The Audit Committee under the Board of Directors shall have the right to propose in writing to the Board of Directors to convene an extraordinary shareholders' meeting. The Board of Directors shall give written replies on whether it agrees or disagrees to the convening of the extraordinary shareholders' meeting within 10 days after receiving the proposal according to the provisions of laws, administrative regulations and the Articles.

If the Board of Directors agrees to convene an extraordinary shareholders' meeting, it shall issue a notice on convening the shareholders' meeting within 5 days after passing the board resolution. Changes to the original proposal as stated in the notice shall obtain the consent of the Audit Committee under the Board of Directors. However, if otherwise prescribed in laws, administrative regulations, departmental rules and regulations of local securities regulatory authorities where shares of the Bank are listed, relevant provisions shall be observed.

If the Board of Directors does not agree to convene an extraordinary shareholders' meeting or it does not reply within 10 days after receiving the proposal, it shall be deemed that the Board of Directors cannot perform or has failed to perform the duties to convene a shareholders' meeting and the Audit Committee under the Board of Directors may convene and preside over the meeting.

**Rule 10** The following procedures shall be complied with when shareholders request to convene an extraordinary shareholders' meeting or class meeting:

(1) The shareholders individually or jointly holding more than 10% of the voting shares at the proposed meeting may sign one or several same written requests proposing to the Board of Directors to convene an extraordinary shareholders' meeting or class meeting and stating the subjects to be considered at the meeting. The number of shares held referred to above shall be calculated on the date the shareholders submit their written request. The Board of Directors shall give written replies as to whether it agrees or disagrees to the convening of the extraordinary shareholders' meeting or class meeting within 10 days after receiving the request according to the provisions of laws, administrative regulations and the Articles.

If the Board of Directors agrees to convene an extraordinary shareholders' meeting or class meeting, it shall issue a notice on convening the shareholders' meetings or class meeting within 5 days after passing the board resolution. Any changes to the original proposal as stated in the notice shall be approved by the relevant shareholders. However, if otherwise prescribed in laws, administrative regulations, departmental rules and regulations of local securities regulatory authorities where shares of the Bank are listed, relevant provisions shall be observed.

(2) If the Board of Directors does not agree to convene an extraordinary shareholders' meeting or class meeting or it does not reply within 10 days after receiving the request, shareholders individually or jointly holding more than 10% of the voting shares at the proposed meeting shall have the right to propose in writing to the Audit Committee under the Board of Directors to convene an extraordinary shareholders' meeting or class meeting.

If the Audit Committee under the Board of Directors agrees to convene an extraordinary shareholders' meeting or class meeting, it shall issue a notice to convene the extraordinary shareholders' meeting or class meeting within 5 days after receiving the request. Any changes to the original request as stated in the notice shall be approved by the relevant shareholders. However, if otherwise prescribed in laws, administrative regulations, departmental rules and regulations of local securities regulatory authorities where shares of the Bank are listed, relevant provisions shall be observed.

If the Audit Committee under the Board of Directors fails to give notice of the shareholders' meeting or class meeting within the specified time limit, it shall be deemed as not convening or presiding over the meeting, in which case, the shareholders individually or jointly holding more than 10% of the shares of the Bank (such shares shall have voting rights at such proposed meeting) for more than 90 consecutive days may convene and preside over the meeting on their own.

Reasonable expenses incurred from the aforesaid case where shareholders convene the meeting by themselves due to the failure of the Board of Directors or Audit Committee under the Board of Directors to convene the meeting shall be borne by the Bank, and the same shall be deducted from the payment to those directors who failed to perform their duties.

**Rule 11** If the Audit Committee under the Board of Directors or shareholders decide(s) to convene a shareholders' meeting on their own, a written notice shall be sent to the Board of Directors and filed with the banking supervision and administration department under the State Council and stock exchange. Prior to publication of the announcement on the resolutions passed at the shareholders' meeting, the ratio of the voting shares held by shareholders convening the meeting to total voting shares shall not be less than 10%.

When issuing the notice of shareholders' meeting and the announcement on the resolutions passed at the shareholders' meeting, the Audit Committee under the Board of Directors or the shareholders convening the meeting shall submit the relevant evidence materials to the relevant stock exchanges.

**Rule 12** If the Audit Committee under the Board of Directors or shareholders convene(s) a shareholders' meeting on their own, the Board of Directors and the secretary of the Board of Directors shall cooperate accordingly. The Board of Directors shall provide the register of shareholders as at the date of the shareholding registration date. If the Audit Committee under the Board of Directors or shareholders convene(s) a shareholders' meeting on their own, the necessary expenses shall be borne by the Bank.

#### CHAPTER 4 PROPOSALS AND NOTICES OF A SHAREHOLDERS' MEETING

**Rule 13** The contents of the proposal shall be within the scope of authority for the shareholders' meeting, shall have definite subjects for discussion and specific matters for resolution and shall comply with the relevant provisions of laws, administrative regulations and the Articles.

**Rule 14** The nomination and election of non-employee directors shall comply with the following requirements:

- (1) the candidates for directors may be nominated by the Nomination Committee of the Board of Directors within the number of directors stipulated by the Articles; the candidates for directors may also be nominated to the Board of Directors by the shareholders individually or jointly holding more than 3% (or a lower ratio as stipulated by the banking regulatory authority of the State Council) of the total number of the Bank's issued and outstanding shares carrying voting rights.

- (2) the Nomination Committee of the Board of Directors shall conduct preliminary verification on the qualification and conditions of appointment of the candidates for directors, and propose the qualified candidates to the Board of Directors for consideration; and propose them to the shareholders' meeting by way of written resolutions after they are considered and approved by the Board of Directors. For candidates for directors nominated by the shareholders individually or jointly holding more than 3% (or a lower ratio as stipulated by the banking regulatory authority of the State Council) of the total issued voting shares of the Bank through interim proposals according to Article 73 of the Articles, the Nomination Committee of the Board of Directors shall conduct preliminary certification on their qualifications and conditions to serve as directors in accordance with the relevant laws, administrative regulations and the Articles, report the certification results to the convenor of the shareholders' meeting, and propose the interim proposals of the qualified candidates to the shareholders' meeting for consideration.
- (3) the candidates for directors shall, before the convening of the shareholders' meeting, make written undertakings, express their consent to their nomination, confirm the truthfulness and completeness of their publicly disclosed information and undertake that they will duly perform their duties upon election.
- (4) the Board of Directors, before the convening of the shareholders' meeting, shall disclose the detailed information on the candidates for directors to all the shareholders of the Bank in accordance with the laws, administrative regulations and the Articles, so as to ensure that the shareholders will have sufficient knowledge on the candidates when casting their votes.
- (5) for candidates for directors nominated by the shareholders individually or jointly holding more than 3% (or a lower ratio as stipulated by the banking regulatory authority of the State Council) of the total issued voting shares of the Bank according to Article 73 of the Articles, the Nomination Committee of the Board of Directors shall conduct preliminary certification on the qualifications and conditions of such candidates for directors to serve as directors in accordance with the relevant laws, administrative regulations and the Articles, report the certification results to the convenor of the shareholders' meeting, and submit interim proposal to the shareholders' meeting for consideration for the qualified candidates.
- (6) the number of directors nominated by the same shareholder and his/her/its related parties in principle shall not exceed one-third of the total number of the members of the Board of Directors, unless otherwise authorised by the State.
- (7) in the event that the above provisions apply to the nomination and election of independent directors and the shareholders nominate independent directors to the Board of Directors or nominate independent directors through interim proposals, such shareholders shall individually or jointly hold more than 1% of the total issued voting shares of the Bank. In addition, the nomination and election of independent directors shall also be subject to the provisions of Article 144 of the Articles.

**Rule 15** If the Bank convenes a shareholders' meeting, the Board of Directors and the Audit Committee under the Board of Directors have the right to submit proposals in writing to the Bank; the shareholders individually or jointly holding more than 1% of the total issued voting shares of the Bank shall have the right to submit interim proposals in writing to the Bank. However, if a shareholder nominates an executive director or a non-executive director by way of an interim proposal, he/she shall satisfy the shareholding ratio stipulated in Article 127 of the Articles.

Where shareholders referred to above submit interim proposals, the convenor shall issue a supplemental notice to the shareholders' meeting and announce the contents of the interim proposal within 2 days after receiving the proposal, and provide the contents of the proposal in the form of a supplemental circular or publication of an announcement not less than ten working days prior to the date of the shareholders' meeting. However, except that the interim proposals are in contravention of the laws, administrative regulations or the provisions of the Articles, or are not within the terms of reference of the shareholders' meeting.

Except for those stipulated in the preceding paragraphs, the convenor shall not amend the proposals stated in the notice of shareholders' meeting or include new proposals after the notice of the shareholders' meeting has been issued.

Any proposals which are not stated in the notice of shareholders' meeting or not in compliance with the provisions of Rule 13 of these Rules shall not be voted and passed as resolutions at the shareholders' meeting.

**Rule 16** When the Bank convenes a shareholders' meeting, a written notice shall be issued at least 10 working days or 20 days (whichever is longer, and excluding both the date of notice and the date of meeting) prior to the annual shareholders' meeting and at least 10 working days or 15 days (whichever is longer, and excluding both the date of notice and the date of meeting) prior to the extraordinary shareholders' meeting by the convenor to all the shareholders whose names are recorded on the register stating therein the matters to be considered at the meeting as well as the time and venue of the meeting. If any laws, administrative regulations and other regulatory documents have other provisions, such provisions shall apply.

**Rule 17** The notice of the shareholders' meeting shall include the following contents:

- (1) the time, venue and duration of the meeting;
- (2) the matters and proposals to be considered at the meeting;
- (3) providing a clear description stating that all the shareholders of ordinary shares (including shareholders of preference shares with recovered voting rights), shareholders with special voting rights and other shareholders shall have the right to attend the shareholders' meeting, and may appoint a proxy in writing to attend and vote at the meeting, and such proxy needs not be a shareholder of the Company;
- (4) the shareholding registration date for shareholders who have the right to attend the shareholders' meeting;
- (5) contact details of the contact person in relation to the shareholders' meeting;
- (6) the time and procedures for voting through the Internet or by other methods shall be clarified;
- (7) the deadline and address for the delivery of proxy form for the shareholders' meeting.

**Rule 18** If the matters relating to the election of directors are proposed to be discussed at a shareholders' meeting, the notice of the shareholders' meeting shall fully disclose details of the candidates for directors which shall include at least the following:

- (1) personal particulars including education background, working experience, part-time jobs, etc.;
- (2) any relationship with the Bank or the controlling shareholders and de facto controllers of the Bank;
- (3) the number of shares of the Bank held by him/her;
- (4) whether he/she was subject to any punishment or enforcement action by the securities regulatory authorities under the State Council, other relevant regulatory authorities and the stock exchange.

**Rule 19** The notice of the shareholders' meeting and relevant documents shall be delivered by hand or prepaid post to all the shareholders (whether or not such shareholders have a voting right at the shareholders' meeting). The address of the receiving party shall be the address recorded in the register of shareholders. For domestic shareholders, the delivery of the notice of shareholders' meeting and relevant documents may also be made by way of announcement; for shareholders of overseas listed foreign shares, the notice of shareholders' meeting, the circular to shareholders and relevant documents may, in accordance with laws, administrative regulations and the listing rules in the place where the Bank's shares are listed, be delivered on the Bank's website and the website of the Hong Kong Stock Exchange.

All shareholders of domestic shares shall be deemed as having received that notice of shareholders' meeting upon the publication of that announcement. Where the time of announcement is otherwise provided by laws, administrative regulations and other regulatory documents, such provisions shall apply.

Where the matters regarding the notice of preference shareholders' meeting are otherwise provided by the Articles or applicable laws, administrative regulations and the listing rules in the place where the Bank's shares are listed, such provisions shall apply.

**Rule 20** The shareholders' meeting and the resolutions of the meeting shall not become void even if there has been any accidental omission to deliver the notice of shareholders' meeting to a person having the right to receive the notice or that such person fails to receive the notice.

**Rule 21** After issuing the notice of the shareholders' meeting, the shareholders' meeting shall not be postponed or cancelled and the proposals stated in the notice of shareholders' meeting shall not be cancelled without any justified reasons. In the event of any postponement or cancellation, the convenor shall publish another announcement stating therein the reasons at least 2 working days prior to the original date of the meeting.

**CHAPTER 5 PROCEEDINGS AT THE SHAREHOLDERS' MEETING**

**Rule 22** The Bank's Board of Directors and other convenors shall adopt necessary measures to warrant the normal order of the shareholders' meeting. Any act which intervenes the shareholders' meeting, causes trouble and affects the lawful interests of shareholders shall be prohibited by adopting the necessary measures and the same shall be reported on a timely basis to the relevant department for inspection and punishment.

**Rule 23** All shareholders of the Bank's ordinary shares, those of preference shares with recovered voting rights recorded in the register on the record date shall have the right to attend the shareholders' meetings and exercise the voting rights in accordance with relevant laws, regulations and the Articles. Such shareholders may attend a shareholders' meeting in person, and also may appoint a proxy to attend and vote on their behalf.

In the event that a shareholder is a recognised clearing house (as defined in the Hong Kong Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) (or its nominee(s)), it may, as it sees fit, appoint one or more persons as its proxy to attend and vote at any shareholders' meeting or class meeting. In the event that more than one person is so appointed, the proxy form shall specify the number and class of the shares relating to each of such proxies. Such proxy may exercise the rights of such recognised clearing house (or its nominee(s)) on its behalf in the same manner as if it was an individual shareholder of the Bank.

**Rule 24** If a shareholder attends the meeting in person, he/she/it shall produce his/her/its own identity card or other valid documents or evidence to prove his/her/its identity. If a shareholder appoints a proxy to attend the meeting, the proxy shall produce his/her own and the appointor's valid identification documents and the shareholder's power of attorney.

Corporate shareholders shall attend the meeting by legal representatives or proxies appointed by legal representatives. If a legal representative attends the meeting, he/she shall produce his/her own identity card or other valid documents evidencing his/her capacity of legal representative; if a proxy is appointed to attend the meeting, the proxy shall produce his/her own identity card and the legal representatives of corporate shareholders shall produce the written power of attorney according to law.

**Rule 25** The form of proxy appointing another person to attend a shareholders' meeting produced by a shareholder shall state the following:

- (1) name of the appointor and its proxy;
- (2) the class and number of shares held by the appointor for whom the proxy represents;
- (3) the shareholder's detailed instructions, including instructions as to vote for or vote against or abstain from voting in relation to each matter on the agenda to be examined at the shareholders' meeting, etc.;
- (4) issuing date and validity period of the proxy form;
- (5) signature (or chop) of the appointor. If the appointor is a domestic corporate shareholder, the corporation's seal shall be affixed.

- Rule 26** Proxy forms provided by the Board of Directors of the Bank or the convenor to the shareholders in relation to appointing proxies shall provide that shareholders shall be free to elect and instruct a proxy to vote for or against accordingly and give separate instructions on each matter to be voted in relation to each subject for discussion.
- Rule 27** The proxy form for voting shall be placed at the registered office of the Bank or other places designated in the notice of meeting twenty-four hours before the time appointed for convening the meeting to discuss the relevant matter(s) or twenty-four hours before the time designated for voting. If the proxy form is signed by a person authorised by the appointor, the power of attorney to sign the proxy form or other authorisation documents shall be notarized. The power of attorney or other authorisation documents notarized together with the proxy forms for voting shall be placed at the registered office of the Bank or other places designated in the meeting notice.
- Rule 28** The register of the persons attending the meeting shall be prepared by the Bank. The register shall set out the names of the persons attending the meeting (or names of the entity he/she is from), their identity card numbers, numbers of shares held or representing voting rights, class of shares and names of the proxies (or names of the entity he/she is from).
- Rule 29** If, before voting, the entrusting party passed away, lost his/her ability to act, withdrew the entrustment, withdrew the authorisation on the proxy form or transferred all his/her shares, the vote cast by the proxy in accordance with the proxy form shall remain valid so long as the Bank has not received any written notice regarding such matters before the commencement of relevant meeting.
- Rule 30** The convenor and the lawyers appointed by the Bank shall jointly verify the legality of the shareholders' qualifications according to the shareholder register provided by the securities registration and clearing service provider and register the names of the shareholders and the number of shares held by them with voting rights. Registration of shareholders attending the meeting shall terminate before the chairperson of the meeting announces the number of persons and proxies attending the meeting on the spot and the total number of shares with voting rights.
- Rule 31** Where the shareholders' meeting requires the directors and the senior management members to attend the meeting as non-voting delegates, the directors and the senior management members shall attend as non-voting delegates and reply to the shareholders' queries.
- Rule 32** The shareholders' meeting shall be convened by the Board of Directors according to laws and shall be presided over by the chairman who will act as chairman of the meeting. If the chairman is unable to perform his/her duties or fails to perform his/her duties, the meeting shall be presided over by the deputy chairman (if the Bank has two deputy chairmen, by the deputy chairman jointly chosen by more than half of the directors). If the chairman or the deputy chairman is unable to perform his/her duties or fails to perform his/her duties, a director jointly chosen by more than half of the directors shall preside over the meeting and act as chairman of the meeting.

If a shareholders' meeting is convened by the Audit Committee under the Board of Directors, the meeting shall be presided over and chaired by the chairman of the Audit Committee under the Board of Directors. If the chairman of the Audit Committee under the Board of Directors is unable to perform its duties or fails to perform his/her duties, a member of the Audit Committee under the Board of Directors jointly chosen by more than half the members of the Audit Committee under the Board of Directors shall preside over the meeting and act as chairman of the meeting.

If a shareholders' meeting is convened by the shareholders, the convenor or a representative chosen by him/her shall preside over and chair the meeting.

During the shareholders' meeting, if the chairperson of the meeting violates the Rules such that the shareholders' meeting cannot proceed, a person shall be elected to act as chairman of the meeting and the meeting can proceed upon obtaining the consent of more than one half of the shareholders with voting rights attending the shareholders' meeting.

**Rule 33** At the annual shareholders' meeting, the Board of Directors shall submit their work reports for the previous year to the shareholders' meeting. Each independent director shall also submit his/her work report.

**Rule 34** The directors and senior management members shall make explanations and clarifications to the shareholders' queries and suggestions at the shareholders' meeting.

**Rule 35** Before voting, the chairperson of the meeting shall announce the number of shareholders and proxies attending the meeting in person and the total number of shares held with voting rights. The number of shareholders and proxies attending the meeting in person and the total number of shares held with voting rights recorded on the meeting register shall apply.

**Rule 36** The shareholders' meeting shall have meeting minutes, which shall be taken by the secretary of the Board of Directors. The minutes shall include the following:

- (1) time, place and agenda of the meeting and the name of the convenor;
- (2) names of the chairperson of the meeting and the directors, the president and other senior management members of the Bank attending as non-voting delegates;
- (3) number of voting shares held by shareholders of domestic shares (including proxies) and shareholders of overseas listed foreign shares (including proxies), shareholders of ordinary shares (including shareholders of preference shares with recovered voting rights) and shareholders of class shares attending the meeting and the proportion to the total number of shares of the Bank;
- (4) the course of examination of each proposal and abstract of speech by the shareholders of domestic shares and shareholders of domestic listed foreign shares, shareholders of ordinary shares (including shareholders of preference shares with recovered voting rights) and shareholders of class shares and voting results of each proposal by the shareholders of domestic shares and shareholders of overseas listed foreign shares;
- (5) queries or suggestions of the shareholders and the corresponding replies and explanations;
- (6) names of the lawyers, the vote-counter and the scrutineer(s);
- (7) other contents which should be set out in the minutes as stipulated in the Articles.

**Rule 37** The convenor shall warrant that the contents of the minutes are true, accurate and complete. The directors, secretary of the Board of Directors, convenor or their representatives and the chairperson of the meeting attending the meeting or attending as non-voting delegates shall sign the minutes. The minutes shall be kept together with the signature register of shareholders attending the meeting in person and proxy forms and valid materials relating to voting through internet or otherwise for permanently.

**Rule 38** The convenor shall warrant that the shareholders' meeting will proceed continuously until the conclusion of the final resolution is passed. If a shareholders' meeting is suspended or no resolution is made due to special reasons including force majeure, necessary measures shall be adopted in order to resume the shareholders' meeting as soon as practicable or directly adjourn the meeting and make an announcement in a timely manner. At the same time, the convenor shall submit a report to the securities regulatory authorities of the State Council of the jurisdiction where the Bank is situated or its local offices and the relevant stock exchange.

## CHAPTER 6 VOTING AND RESOLUTIONS AT SHAREHOLDERS' MEETING

**Rule 39** Shareholders of ordinary shares (including their proxies) shall exercise their voting rights according to the number of shares held with voting rights. Each share shall have one voting right. Unless otherwise required by the Articles or the Rules in respect of class voting with preference shares, the shares held by the shareholders of preference shares do not have any voting rights, and the voting rights of shareholders of preference shares with recovered voting rights shall be calculated as agreed in specific terms of issuance. In the event of class voting with preference shares, each preference share (excluding preference shares with recovered voting rights) shall have one voting right. Ordinary and preference shares of the Bank held by the Bank do not have any voting right and such shares shall not be counted in the total number of each class of voting shares at the shareholders' meeting.

When the shareholders' meeting considers material matters that may influence the interests of minority investors (excluding investors holding preference shares), the votes of minority investors shall be calculated separately. The result of such separate calculation shall be disclosed promptly.

When shareholders' purchase of shares with voting rights of the bank violates the provisions in Paragraphs 1 and 2 of Article 63 of the Securities Laws, the voting rights of shares exceeding the prescribed percentage shall not be exercised within 36 months after the purchase, and shall not be counted in the total number of shares with voting rights at the shareholders' meetings.

The Board of Directors of the Bank, independent directors, shareholders holding more than 1% of voting shares or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the securities regulatory authority of the State Council may publicly collect voting rights from shareholders. While collecting voting rights from the shareholders, sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom voting rights are being collected. No consideration or other form of de facto consideration shall be involved in the collection of voting rights from the shareholders. Except for statutory conditions, the Bank shall not impose any limitation related to minimum shareholdings on the collection of voting rights.

**Rule 40** Resolutions of shareholders' meeting shall be divided into ordinary resolutions and special resolutions.

To adopt an ordinary resolution, votes representing more than one half of the voting rights represented by the shareholders who have voting rights (including shareholders' proxies) present at the shareholders' meeting must be exercised in favor of the resolution.

To adopt a special resolution, votes representing two-thirds or more of the voting rights represented by the shareholders who have voting rights (including shareholders' proxies) present at the shareholders' meeting must be exercised in favor of the resolution.

**Rule 41** The following matters shall be resolved by an ordinary resolution at a shareholders' meeting:

- (1) work reports of the Board of Directors;
- (2) profit distribution plans and loss recovery plans formulated by the Board of Directors;
- (3) removal of any member of the Board of Directors, their remuneration and manner of payment;
- (4) annual report of the Bank;
- (5) matters other than those which are required by laws and administrative regulations or the Articles to be resolved by a special resolution.

**Rule 42** The following matters shall be approved by a special resolution at a shareholders' meeting:

- (1) the increase or decrease of registered capital and the issuance of shares of any class, warrants for share subscription and other similar securities;
- (2) the issuance of debentures of the Bank, or authorizing the Board of Directors to make resolutions on specific matters related to the issuance of debentures of the Bank;
- (3) the separation, merger, change of corporate form, dissolution or liquidation of the Bank;
- (4) amendments to the Articles;
- (5) removal of independent directors of the Bank;
- (6) examination and approval of share incentive plans;
- (7) any purchase or sale of our material assets within one year, or provision of guaranty to others on non-commercial bank businesses within one year where the amount exceeds 30% of the total amount of the Bank's assets as audited in the latest period;
- (8) deciding or authorising the Board of Directors to decide on matters relating to the issuance of preference shares and the issued preference shares of the Bank, including but not limited to making decisions on whether to conduct relevant repurchase, conversion or dividend distribution (but the Board of Directors shall not be authorised to decide on matters of cancellation of part or all of the dividend distribution) thereof;
- (9) authorizing the Board of Directors to decide within three years to issue not more than 50% of the issued shares;
- (10) any other matters resolved by the shareholders at a shareholders' meeting, by an ordinary resolution, to be of a nature that may have a material impact on the Bank and should be adopted by a special resolution;
- (11) other matters that need to be passed by special resolutions as stipulated by laws, regulations, regulatory provisions or the Articles.

**Rule 43** Except in special circumstances such as the Bank being in crisis, unless approved by a special resolution at a shareholders' meeting, the Bank shall not enter into any contract with any person other than the director, president or other senior management members pursuant to which the entire management or the Bank's business of any significance shall be vested to such person.

**Rule 44** When a shareholders' meeting examines related-party transactions, the interest-related shareholders shall not participate in voting and the number of shares with voting rights represented by them shall not be counted in the total number of valid votes; the voting result announcement of the shareholders' meeting shall fully disclose the voting by unrelated shareholders. If there are special circumstances under which the interest-related shareholders are unable to abstain from voting, the Bank may, after obtaining the consent of the relevant department, conduct voting according to the normal procedures and shall explain in detail in the voting result announcement of shareholders' meeting.

If, pursuant to the Company Law or the provisions of other laws and administrative regulations or the Hong Kong Listing Rules, any shareholder(s) has/have to abstain from voting on or is/are restricted to only vote for or against any individual proposal, any votes cast by such shareholders (or their proxies) violating the relevant stipulation or restriction shall not be counted in the total number of valid votes.

**Rule 45** The list of candidates for directors shall be submitted to the shareholders' meeting as a proposal for voting.

When taking a poll in respect of the election of directors at the shareholders' meeting, the cumulative voting system shall be adopted according to the provisions of the Articles or resolutions of shareholders' meetings. When the shareholders' meeting elects two or more independent directors, the cumulative voting system shall be implemented.

The cumulative voting system referred to in the preceding paragraph means at the shareholders' meeting where directors are elected, each share shall have the same number of voting rights as the number of directors to be elected. Shareholders' voting rights may be used collectively. Except as otherwise provided by laws, administrative regulations and rules, or the relevant cumulative voting system in the listing rules of the place where the Bank's shares are listed, the rules of the cumulative voting system are as follows:

- (1) where the cumulative voting system is adopted for the election of directors, the candidates shall be listed separately in different resolution and proposal groups for submission to the shareholders' meeting according to the categories of executive directors, non-executive directors and independent directors;
- (2) shareholders attending the shareholders' meeting shall have the same number of votes for each share held as the number of directors to be elected under each resolution and proposal group for which the cumulative voting system is adopted;
- (3) the shareholders may cast all their votes on one candidate or split them on a few candidates in the same resolution and proposal group. Shareholders shall vote within the limit of the number of votes of each resolution and proposal group.

Except for adopting the cumulative voting system to elect directors, the proposal on each candidate for directors shall be put forward and voted individually.

The shareholders' meeting may elect independent directors by competitive election. If the number of independent directors nominated in accordance with the Articles exceeds the number of directors to be elected, the directors with the most votes shall be elected in order according to the provisions of the Articles.

**Rule 46** Except for cumulative voting system, each of the proposals of the shareholders' meeting shall be voted in sequence, and different proposals concerning the same matter shall be voted in order when the proposals are submitted. Except in the event of force majeure or other special reasons resulting in the termination of the shareholders' meeting or that the failure of reaching the resolutions, any proposals proposed at the shareholders' meeting can not be set aside or reserve for voting.

When considering the issuance of preference shares, the shareholders' meeting shall vote on the following matters item by item:

- (1) class and number of preference shares in such issuance;
- (2) issuance methods, issuance targets and arrangement of placement to the existing shareholders;
- (3) par value, issuance price or pricing range and the determining basis;
- (4) methods for shareholders of preference shares to participate in profit distribution, including dividend rate and the determining basis thereof, conditions of dividend distribution, methods of dividend payment, any accumulation of dividends and any entitlement to the distribution of remaining profits;
- (5) terms of repurchase, including conditions, period, price and pricing principles of such repurchase and the entity to exercise the repurchase option (if any);
- (6) use of proceeds;
- (7) conditional share subscription contract entered into between the Bank and issuance targets (if any);
- (8) validity period of the resolution;
- (9) proposed amendments to the relevant terms in the Articles in relation to the profit distribution policy for shareholders of preference shares and shareholders of ordinary shares;
- (10) authorisation to the Board of Directors to deal with specific matters of the issuance;
- (11) other matters.

Shareholders of preference shares are not entitled to attend the shareholders' meeting of the Bank and their preference shares do not carry any voting rights. However, the Bank shall notify the shareholders of preference shares about the convening of shareholders' meeting upon the occurrence of any circumstances of class voting stipulated in the paragraph 3 under Article 105 of the Articles, subject to the procedures of notification to shareholders of ordinary shares as well as the rules on special procedures for the voting by class shareholders stipulated in Chapter 9 of the Articles, provided that there is neither the need of notification to shareholders of preference shares nor the need of class voting thereof, when a plan on cancellation of part or all of the dividend distribution to shareholders of preference shares or a proposal on issuance of ordinary shares is considered at the shareholders' meeting.

**Rule 47** When the proposals are being considered at the shareholders' meeting, the proposals shall not be amended; otherwise, the amended proposal shall be regarded as a new proposal and shall not be voted at such shareholders' meeting.

**Rule 48** Any voting at the shareholders' meeting shall be taken by way of the poll of registered voters. The Bank shall announce the poll results in accordance with provision of relevant laws, administrative regulations and the Hong Kong Listing Rules.

**Rule 49** The same voting right shall only be exercised by attending meeting in person, through the internet or any one of the other voting methods. The vote cast first shall apply if repeated voting occurs in relation to the same voting right.

**Rule 50** Before the proposals are being voted at shareholders' meeting, two shareholder representatives shall be elected to participate in vote counting and monitoring. If these shareholders are related in the matters to be considered, the relevant shareholders or their proxies shall not participate in the vote counting or monitoring.

When the proposals are being voted at the shareholders' meeting, lawyers, shareholders representatives shall be jointly responsible for vote counting and securitization and announcing the voting results on the spot. The voting results shall be recorded in the meeting minutes.

Shareholders or their proxies voting through the internet or by other methods shall have the right to check their own votes cast through the corresponding voting system.

**Rule 51** An on-site shareholders' meeting shall not end earlier than the one held through the internet (if applicable) or by other methods. The chairperson or host of the meeting shall announce the details and results of the voting on each proposal and shall announce whether a proposal is passed according to the voting results at the meeting.

**Rule 52** Before announcing the poll results officially, the Bank, the vote-counter, the voting scrutineer, shareholders and the internet service providers involved in the voting at the shareholders' meeting, through the internet or other methods shall assume confidentiality obligations.

**Rule 53** Shareholders present at the shareholders' meeting shall give one of the following comments to the proposals put forward for voting: for, against or abstention. Securities registration and clearing service providers serve as nominal shareholders of shares under the transactions in stock connect mechanisms between mainland China and Hong Kong, save those declare the intent of reporting as actual holders.

If the voting slip has not been completed or has been completed incorrectly or that the writing is illegible or not signed or that the voting slip has not been cast, it shall be treated that the voter has renounced his/her/its voting rights and the voting results of the relevant number of shares held by him/her/it shall be counted as "abstain".

**Rule 54** If the chairperson of the meeting has any doubt on the poll results, he/she may arrange for vote counting. If the chairperson of the meeting does not arrange for vote counting and the shareholders or their proxies attending the meeting object to the results announced by the chairperson, they shall have the right to demand vote counting immediately after announcement of the voting results, and the chairperson of the meeting shall arrange for vote counting immediately.

**Rule 55** Public announcement of the voting results of a shareholders' meeting, containing the number of shareholders and proxies of each class attending the meeting, the total number of voting shares held by them and its proportion to the total number of voting shares of the Bank, the form of voting, results of voting of each resolution and the detailed content of each proposal passed, shall be issued in time.

**Rule 56** If a proposal is not passed or a resolution passed at the previous shareholders' meeting is amended at such shareholders' meeting, it shall be set out as a special reminder in the announcement on resolutions of the shareholders' meeting.

## CHAPTER 7 SPECIAL PROCEDURES FOR VOTING BY SHAREHOLDERS OF DIFFERENT CLASSES

**Rule 57** Shareholders holding different classes of shares shall be shareholders of different classes.

Shareholders of different classes shall enjoy the rights and assume the obligations stipulated by the laws, administrative regulations and the Articles.

**Rule 58** If the Bank intends to change or abrogate the rights of shareholders of different classes, it may do so only after such change or abrogation has been approved by way of a special resolution of the shareholders' meeting and by a separate class meeting convened by the affected shareholders of that class in accordance with Rule 60 to Rule 64 hereof.

**Rule 59** Under the following circumstances, rights of shareholders of a certain class shall be deemed to have been changed or abrogated:

- (1) an increase or decrease in the number of shares of such class or an increase or decrease in the number of shares of a class having voting rights, distribution rights or other privileges equal or superior to those of the shares of such class, except the following circumstance: ordinary shareholders of domestic shares of the Bank transfer the shares held by them to overseas investors and such shares are listed and traded overseas as referred to in Article 22 of the Articles;
- (2) a re-classification of all or part of the shares of such class into the shares of another class, a conversion of all or part of the shares of another class into the shares of such class or the grant of a conversion right for such shares, except the circumstance as contemplated under Article 22 of the Articles when ordinary shareholders of domestic shares of the Bank transfer their shares to overseas investors and that such shares are listed and traded overseas;
- (3) cancellation or reduction of rights attached to such class of shares in relation to the accrued distributable profits or cumulative distributable profits;
- (4) a reduction or cancellation of rights attached to such class of shares in relation to the priority to distributable profits or property distribution during liquidation of the Bank;
- (5) increase, cancellation or reduction of share conversion rights, options, voting rights, transfer rights, pre-emptive rights to rights issues or rights to acquire securities of the Bank attached to that class of shares;
- (6) cancellation or reduction of rights attached to the class of shares to receive amounts payable by the Bank in a specified currency;
- (7) a creation of a new class of voting shares, distribution rights or other privileges equal or superior to the shares of that class;
- (8) an imposition of restrictions or additional restrictions on the transfer or ownership of shares of such class;
- (9) issue of rights to subscribe for, or convert into, the shares of such class or another class;
- (10) an increase in the rights and privileges of the shares of another class;

- (11) the restructuring plan of the Bank may result in disproportionate liabilities to be borne by shareholders of different classes during the restructuring;
- (12) an amendment to or abrogation of the terms stipulated in the Articles.

The change or abrogation of the rights of shareholders of preference shares is limited to the circumstances set forth in the paragraph 3 under Article 105 of the Articles.

**Rule 60** Shareholders of the affected class, whether they originally have voting right at shareholders' meeting or not, shall enjoy voting rights at class meeting of shareholders upon occurrence of events contemplated under Article 59 (2) to (8), (11) to (12) hereof. However, interested shareholders shall not have voting rights at class meeting of shareholders.

Interested shareholders referred to in this Article shall have the following meaning:

- (1) where the Bank has made a repurchase offer to all shareholders on a pro rata basis or made repurchase by means of an open offer at the stock exchange, "interested shareholders" refer to the controlling shareholders defined in Article 60 of the Articles;
- (2) where the Bank has made repurchases by means of agreement off the stock exchange, "interested shareholders" refer to the shareholders who are connected with that agreement;
- (3) for the purpose of the Bank's restructuring plan, "interested shareholders" refer to those shareholders who assume less responsibilities than other shareholders of the same class or those shareholders who enjoy different rights and interests from other shareholders of the same class.

**Rule 61** Resolutions of class meeting of shareholders shall be made only after it is adopted through voting by more than two-thirds of voting shares represented by the shareholders present at the class meeting of shareholders according to Rule 60 hereof.

**Rule 62** For convening class meetings of shareholders, the Bank shall issue a written notice in accordance with the requirements of the Articles, informing all shareholders of that class of shares recorded in the register of the matters to be considered at the meeting and the meeting date and place.

**Rule 63** A notice of class meeting of shareholders only needs to be sent to those shareholders who have voting right at the meeting. The procedures to convene class meeting of shareholders shall resemble that of shareholders' meeting as far as possible. Terms concerning the procedures to convene shareholders' meeting shall be applicable to class meeting of shareholders.

**Rule 64** Except shareholders of other classes of shares, shareholders of domestically listed domestic shares and shareholders of overseas listed foreign shares shall be regarded as shareholders of different classes. Shareholders of ordinary shares and shareholders of preference shares shall also be regarded as shareholders of different classes.

Special procedures for voting by shareholders of different classes shall not be applicable to the following circumstances:

- (1) after approval by the shareholders' meeting by special resolution(s), the Bank issues domestically listed domestic shares and overseas listed foreign shares every twelve months, whether separately or jointly, and the domestically listed domestic shares and overseas listed foreign shares to be issued shall not exceed 20% of the issued share capital of respective class of shares;

- (2) the plan to issue domestic shares and overseas listed foreign shares upon establishment of the Bank was completed within fifteen months from the date of approval by the securities regulatory organ of the State Council;
- (3) ordinary shareholders of domestic shares of the Bank transfer their shares to overseas investors and the shares are listed and traded overseas as referred to in Article 22 of the Articles.

## **CHAPTER 8 AUTHORISATION TO THE BOARD OF DIRECTORS BY SHAREHOLDERS' MEETING**

**Rule 65** The shareholders' meeting may grant authorisation to the Board of Directors by passing resolutions.

**Rule 66** Issues which require approval by shareholders' meeting as stipulated by laws, administrative regulations, departmental rules, relevant regulations of the securities regulatory authorities of the jurisdictions in which the shares of the Bank are listed as well as the Articles shall be considered and resolved at the shareholders' meeting in order to protect the decision right of the shareholders of the Bank. When considered necessary, reasonable and in compliance with relevant laws, any specific matters (including matters such as price and quantity that may change over time) related to the foregoing issues which are unable or unnecessary to be decided immediately at the shareholders' meeting may be decided by the Board of Directors upon authorisation by the shareholders at the meeting. The content of the authorisation shall be clear and specific.

An authorisation to the Board of Directors that falls into the scope of an ordinary resolution shall be approved by shareholders (including their proxies) representing more than one-half of the voting rights present at the shareholders' meeting. An authorisation to the Board of Directors that falls into the scope of a special resolution shall be approved by shareholders (including their proxies) representing more than two-thirds of the voting rights present at the shareholders' meeting. The contents of the authorisation shall be clear, definite and specific.

**Rule 67** When deciding on issues so authorised, the Board of Directors shall discuss and verify the matters thoroughly and may appoint intermediaries to provide advice, if necessary, to ensure scientific and reasonable decision-making on the matters.

The Board of Directors, in the course of decision-making, shall fulfill its obligation of information disclosure, under the supervision of the shareholders, the Audit Committee under the Board of Directors and the securities regulatory authority and the banking supervision and administration department under the State Council.

## **CHAPTER 9 IMPLEMENTATION OF RESOLUTIONS OF SHAREHOLDERS' MEETING**

**Rule 68** The distribution of cash profits (or shares) to shareholders of ordinary shares shall complete within two months after the date of shareholders' meeting in which the resolution of distribution is passed, or after the Board of Directors of the Bank formulates a specific plan based on the conditions and upper limit of interim dividends for a year as considered and approved by the shareholders' meeting.

**Rule 69** The Board of Directors shall submit specific progress reports to the shareholders' meeting in respect of those resolutions passed at the previous shareholders' meeting, the implementation of which is the responsibility of the Board of Directors. If such resolutions of the shareholders' meeting cannot be executed due to certain reasons, the Board of Directors shall explain the reasons.

**CHAPTER 10 SUPPLEMENTARY PROVISIONS**

**Rule 70** Articles regarding the notification procedures for shareholders' meeting in the Rules are applicable when shareholders of preference shares attend a shareholders' meeting for matters subject to class voting.

Relevant notice of a shareholders' meeting is only required to be delivered to the shareholders entitled to vote at such meeting.

The class meeting of shareholders of preference shares shall be convened in a procedure as similar to that of shareholders' meeting as possible. Articles regarding the notifying and convening procedures of shareholders' meeting in the Rules are applicable to the class meeting of shareholders of preference shares, and the articles regarding the voting procedures of class shareholders' meeting are applicable to the voting procedures for shareholders of preference shares.

The "recovery of voting rights" stated in the Rules refers to the recovery of rights owned by the shareholders of preference shares in requesting to convene, chairing or attending (sit in) or appointing proxies to attend shareholders' meeting, whereby they are entitled to vote with shareholders of ordinary shares, under the circumstances prescribed by the Articles.

Shareholders of preference shares with recovered voting rights shall attend shareholders' meeting pursuant to laws, administrative regulations, departmental rules, regulatory documents, the Articles and the applicable procedures same as that for shareholders of ordinary shares as stipulated in the Rules.

The calculation of the proportion of voting rights entitled by the shareholders of preference shares with recovered voting rights and the time limit on recovery will be determined by the Board of Directors in accordance with effective laws, administrative regulations, departmental rules, regulatory documents, the Articles and specific terms of issuance at the time, and will be announced to shareholders of preference shares promptly.

Only ordinary shares and preference shares with recovered voting rights shall be counted in calculations herein for requesting to convene extraordinary shareholders' meeting, convening and chairing shareholders' meeting, submitting interim proposal to shareholders' meeting and determining the shareholding ratio of relevant shareholders.

**Rule 71** These Rules shall be implemented with effect from the date of the Articles upon the approval by a resolution at the shareholders' meeting.

**Rule 72** The Board of Directors of the Bank has the rights to interpret these Rules.