

**CZBANK**  **浙商银行**

**CHINA ZHESHANG BANK CO., LTD.**

**浙商银行股份有限公司**

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

## **ARTICLES OF ASSOCIATION**

**Hangzhou, China  
June 2026**

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

# ARTICLES OF ASSOCIATION OF CHINA ZHESHANG BANK CO., LTD.

## Chapter I General Provisions

**Article 1** To safeguard the legitimate rights and interests of China Zheshang Bank Co., Ltd. (hereinafter referred to as “**our Bank**”), our shareholders, employees, and creditors, and to regulate the organization and activities of our Bank, Articles of Association are formulated in accordance with the *Company Law of the People’s Republic of China* (hereinafter referred to as the “**Company Law**”), the *Securities Law of the People’s Republic of China* (hereinafter referred to as the “**Securities Law**”), the *Commercial Bank Law of the People’s Republic of China* (hereinafter referred to as the “**Commercial Bank Law**”), the *State Council’s Guiding Opinions on Conducting Pilot Programs for Preferred Shares, Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (hereinafter referred to as the “**Hong Kong Listing Rules**”), the *Guidelines for the Articles of Association of Listed Companies*, the *Corporate Governance Code for Banking and Insurance Institutions*, and the *Rules for Shareholders’ Meetings of Listed Companies*.

**Article 2** Our Bank is a nationwide joint-equity commercial bank established pursuant to the *Company Law* and the *Commercial Bank Law* and upon approval of the former China Banking Regulatory Commission (CBRC Approval [2004] No. 91).

Our Bank was established through an initiative process and registered with the Zhejiang Provincial Administration for Market Regulation on July 26, 2004, obtaining its business license. Our Bank’s Unified Social Credit Code is: 91330000761336668H.

Promoters of our Bank include 15 legal entities such as Zhejiang Communications Investment Group Co., Ltd., China Wanxiang Holding Co., Ltd. and Traveller Automobile Group Co., Ltd..

**Article 3** Registered name of our Bank:

Full name in Chinese: 浙商银行股份有限公司, abbreviation: 浙商银行;

Full name in English: CHINA ZHESHANG BANK CO., LTD, abbreviation: CZBANK.

**Article 4** Address of our Bank:

No. 1788, Hongning Rd., Xiaoshan District, Hangzhou, Zhejiang Province, postal code: 311200, Tel: 0571-88268966, Fax: 0571-87659826.

**Article 5** Our Bank’s registered capital is RMB21,268,696,778.

**Article 6** The director who represents the Bank in executing the Bank’s affairs shall serve as our Bank’s legal representative, elected by the Board of Directors. The President of the Bank shall be the director who represents the Bank in executing the Bank’s affairs. Where a director who serves as the legal representative resigns, such resignation shall be deemed to constitute simultaneous resignation as the legal representative.

The appointment and change of the legal representative shall be carried out in accordance with the *Company Law* and relevant regulations of our Banking regulatory authority under the State Council.

**Article 7** The legal consequences of civil activities conducted by the legal representative in the name of our Bank shall be borne by our Bank.

Restrictions on the powers of the legal representative imposed by the Articles of Association or by the shareholders' meeting shall not be enforceable against bona fide third parties.

Where the legal representative causes damage to others in the performance of their duties, our Bank shall bear civil liability. After bearing civil liability, our Bank may seek compensation from the legal representative at fault in accordance with the law or the Articles of Association.

**Article 8** Our Bank is a joint stock limited company that has perpetual existence. The shareholders shall bear their liabilities to the extent of their respective shareholdings in our Bank and the Bank shall bear liability for its debts to the extent of all its assets.

**Article 9** Pursuant to the *Constitution of the Communist Party of China* and the *Regulations on the Work of primary-level Organizations of the Communist Party of China in State-Owned Enterprises*, our Bank establishes the CPC Zheshang Bank Committee (hereinafter referred to as the "**Zheshang Bank CPC Committee**"). The CPC Committee of our Bank shall have one Secretary, one or two Deputy Secretaries, and several other members. Our Bank shall establish Party working bodies, provide sufficient Party affairs staff, and guarantee the working funds for the Party organization.

The CPC Committee of our Bank adheres to the guidance of Marxism – Leninism, Mao Zedong Thought, Deng Xiaoping Theory, the important thought of the Three Represents, the Scientific Outlook on Development, and Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. It implements the Party's fundamental theories, basic line, and basic strategies, firmly upholds the "Two Establishments," and achieves the "Two Upholds." We uphold and strengthen the Party's overall leadership, uphold the principle that the Party exercises effective self-supervision and practice strict governance in every respects, and deeply practice the political lead and people orientation of financial work. We earnestly implement the spirit of Comrade Xi Jinping's important instructions and directives to our Bank during his tenure in Zhejiang, providing strong political and organizational guarantees for our Bank's high-quality development through high-quality Party building.

**Article 10** The Party Committee of our Bank plays a leading role in setting the direction, overseeing the overall situation, and ensuring implementation. It discusses and decides on major matters of our Bank in accordance with regulations, primarily fulfilling the following responsibilities:

- (I) Deeply study and implement Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era; uphold the Party Central Committee's centralized and unified leadership over financial work; strengthen our Bank's political development; adhere to and implement the fundamental, basic, and important systems of socialism with Chinese characteristics; ensure the implementation and supervision of Party and state policies within our Bank; and implement major strategic decisions of the Party Central Committee and the State Council, as well as important work arrangements from higher-level Party organizations and regulatory authorities.
- (II) Strengthen leadership and oversight in personnel selection and appointment. Uphold the standards of strong political integrity, strong competence, and strong work ethic. Focus on building our Bank's leadership team and developing the cadre and talent pools. Manage standards, procedures, evaluations, recommendations, and supervision. Combine the principle of Party control over cadres with the Board of Directors' lawful selection of managers and the lawful exercise of managerial authority in personnel appointments. Forge a high-caliber, professional financial cadre and talent pool that is loyal, clean, and responsible.
- (III) Discuss and deliberate on our Bank's reform, development, stability, major operational management matters, and significant issues affecting employees' vital interests, and provide opinions and suggestions. Support the shareholders' meeting, board of directors, and senior management in performing their duties according to law; support the work of the employee representative assembly.
- (IV) Fulfill the primary responsibility for exercising full and rigorous Party self-governance, resolutely advance the fight against corruption and promote integrity, support and cooperate with the resident disciplinary inspection and supervision team in fulfilling its oversight duties, extend full and rigorous Party self-governance to the grassroots level, and deepen the development of integrity-driven Zhejiang Bank.
- (V) Strengthen the construction of grassroots Party organizations and the Party member team within our Bank, fully leverage the role of Party branches as strongholds and the vanguard and exemplary role of Party members, and unite and lead all Party members, employees, and the masses to actively engage in our Bank's reform and development.
- (VI) Lead our Bank's ideological and political work, spiritual civilization development, and united front work. Guide our Bank's trade unions, Communist Youth League, and other mass organizations to carry out their work actively and effectively.
- (VII) Other important matters within the scope of the Party Committee's responsibilities.

**Article 11** Our Bank upholds and strengthens the Party’s comprehensive leadership over financial work, promotes the full integration of Party leadership into all aspects and stages of corporate governance and operational management, earnestly implements the series of institutional measures introduced by our Bank to “strengthen the Party’s comprehensive leadership,” and effectively transforms the Party’s political and organizational strengths into operational management efficiency. It is explicitly stipulated that deliberation by the Party Committee serves as a prerequisite procedure for major operational management decisions made by corporate governance bodies such as the Board of Directors.

**Article 12** Our Bank implements a leadership management system of “two-way entry and cross-appointment.” Qualified Party Committee members enter the Board of Directors and senior management through statutory procedures. Qualified Party members within the Board of Directors and senior management may enter the Party Committee in accordance with the Party Constitution and relevant regulations and procedures.

**Article 13** Upon its effective date, these Articles of Association shall constitute a legally binding document governing our Bank’s organization and conduct, as well as the rights and obligations between our Bank and its shareholders, and among shareholders themselves. The aforementioned parties may assert rights related to Bank matters pursuant to these Articles. Shareholders may sue our Bank, other shareholders, and our Bank’s directors and other senior management personnel based on these Articles of Association; our Bank may sue shareholders, directors, and other senior management personnel based on these Articles of Association.

The term “sue” in the preceding paragraph shall include instituting of legal proceedings with people’s court or filing with an arbitral authority for arbitration.

The term “senior executives” mentioned in the Articles of Association shall refer to the president, vice president, secretary of the Directors Board, chief financial officer, chief executives and other staff determined by the Board.

Personnel whose employment is subject to qualifications examined and verified by regulatory authorities shall obtain qualifications approval as required by regulatory authorities.

**Article 14** Our Bank is an independent corporate legal person with each branch operating within the authorization of our Bank in accordance with the laws and their civil liabilities shall be borne by our Bank.

**Article 15** If permitted by the laws and regulations, our Bank may invest in limited liability companies, joint-stock companies and other corporate bodies (including investments by way of new establishment). The liabilities of our Bank in the corporate bodies we invest are limited to the amount of investment or shares subscribed.

## **Chapter II Business Objectives and Scope**

**Article 16** The business objectives of our Bank are:

to honor credibility and operate lawfully on the basis of ensuring safety and being client-centred, setting development as the mainline, benefits as the criterion and returns as the goal, in an effort to offer quality and effective financial services to the society and create the greatest value for shareholders and a people-oriented environment for employee development.

**Article 17** Our Bank shall operate based on the principles of safety, liquidity, and profitability, exercising independent management, assuming its own risks, bearing its own profits and losses, and exercising self-discipline.

Our Bank's business activities are subject to supervision and regulation by the People's Bank of China, the National Financial Regulatory Administration, and other competent regulatory authorities.

**Article 18** Upon approval by the banking regulatory authority under the State Council and other regulatory authorities, and registration with the registration authority, our Bank's scope of business shall include:

Accepting public deposits; Granting short-term, medium-term, and long-term loans; Handling domestic and international settlements; Handling bill acceptance and discounting; Issuing financial bonds; Acting as an agent for the issuance, redemption, and underwriting of government bonds; Trading government bonds and financial bonds; Engaging in interbank lending; Trading and acting as an agent for trading foreign exchange; Engaging in bank card business; Providing letter of credit services and guarantees; Acting as an agent for collection and payment of funds and insurance business; Providing safe deposit box services; Conducting foreign exchange conversion and sale; Selling securities investment funds; Providing securities investment fund custody; Other businesses approved by the banking regulatory authority under the State Council and other regulatory authorities.

## **Chapter III Capital**

### **Section I Shares**

**Article 19** Our Bank's shares shall be issued in the form of stock certificates.

Our Bank shall issue common stock at all times. Our Bank may issue other types of shares, such as preferred stock, as required and subject to approval by the competent approval authority authorized by the State Council.

The term "preferred shares" as used in these Articles of Association refers to other shares established in accordance with the *Company Law*, in addition to the generally prescribed common shares. Holders of such shares shall have priority over common shareholders in the distribution of our Bank's profits and residual assets, but their rights to participate in our Bank's decision-making and management shall be restricted.

Unless otherwise specified, references to "shares" or "stocks" in Chapters III through XIII and Chapter XV of these Articles of Association refer to common shares and stock, and references to "shareholders" refer to common shareholders. Special provisions concerning preferred shares are set forth separately in Chapter XIV of these Articles of Association.

**Article 20** All shares issued by our Bank shall be par value shares with a par value of one Renminbi yuan per share.

The issuance of our Bank's shares shall be conducted in accordance with the principles of openness, fairness, and impartiality. Each share of the same class shall carry equal rights. For shares of the same class issued in the same offering, the terms and price per share shall be identical; subscribers pay the same amount per share for the shares subscribed.

**Article 21** Our Bank may issue shares to investors both within and outside the PRC after approval from the banking regulatory authority and securities regulatory authority under the State Council, and any other relevant regulatory authorities.

For the purposes of the preceding paragraph, the term “investors outside the PRC” refers to investors who are located overseas or the Hong Kong Special Administrative Region of the People’s Republic of China (hereinafter referred to as “**Hong Kong**”), the Macau Special Administrative Region of the PRC or Taiwan who subscribe for shares issued by our Bank. The term “investors within the PRC” refers to investors who are located within the PRC (excluding the aforementioned regions) who subscribe for the shares issued by our Bank.

**Article 22** Shares issued by our Bank to investors within the PRC and subscribed for in RMB shall be referred to as “domestic shares”. Shares issued by our Bank to investors outside the PRC and subscribed for in foreign currency shall be referred to as “foreign shares”. Foreign shares listed outside the PRC shall be referred to as “overseas listed foreign shares”.

With the approval of issuance by departments authorized by the State Council as well as the approval by domestic stock exchange, the shares listed and traded on domestic stock exchange are collectively referred to as domestic listed shares. The domestic listed shares issued by our Bank shall be referred to as “A shares”.

The shares listed and traded on foreign stock exchange with approval from departments authorized by the State Council and from foreign securities regulatory authorities, are collectively referred to as overseas listed shares.

Overseas listed shares issued by our Bank and listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as “**Hong Kong Stock Exchange**”) are referred to as H shares.

Foreign currencies referred to in the preceding paragraph shall mean the lawful currencies of other countries or regions other than RMB, which are recognized by the State Administration of Foreign Exchange for payment of share subscription to our Bank.

Domestic Listed Shares issued by our Bank are retained under centralized depository of the relevant securities depository institutions for safe custody; whereas the H shares of our Bank are mainly retained under the safe custody of entrusted Hong Kong securities clearing companies and such shares may also be held under the personal names of shareholders.

**Article 23** Upon its establishment in 2004, our Bank issued 1,500,730,000 shares to fifteen promoters, totaling RMB1,500,730,000, with a par value of RMB1 per share.

**Article 24** The total number of ordinary shares that our Bank can issue upon approval by the approval departments as authorized by the State Council is 21,268,696,778 shares.

Our Bank’s ordinary share capital structure is: 21,268,696,778 ordinary shares, among which 16,714,696,778 are domestic listed shares, representing 78.59% of the total ordinary shares issued by our Bank; and 4,554,000,000 H shares, representing 21.41% of the total ordinary shares issued by our Bank.

**Article 25** All shares of our Bank shall be contributed in cash by shareholders and the total number of shares shall comply with the relevant provisions of the *Company Law*, the *Commercial Bank Law* and other applicable regulations.

## **Section II Increase, Decrease, and Repurchase of Shares**

**Article 26** Our Bank may increase its capital in accordance with the provisions of laws and regulations and operational and developmental needs, and upon resolution by the shareholders' meeting with the following means:

- (I) Offering of shares to unspecified parties;
- (II) Placement of shares to specified parties;
- (III) Allotment of new shares to existing shareholders;
- (IV) Distribution of new shares to existing shareholders;
- (V) Capitalization of retained earnings;
- (VI) Other methods prescribed and permitted by laws and administrative regulations and the China Securities Regulatory Commission.

**Article 27** Our Bank's major shareholders shall provide our Bank with a long-term written commitment to supplement capital when necessary, which shall form part of our Bank's capital planning. Our Bank's major shareholders shall supplement our Bank's capital when necessary. Our Bank's shareholders, particularly major shareholders, shall support the Board of Directors' proposals and measures to enhance capital adequacy ratios and shall not obstruct other shareholders from supplementing our Bank's capital or the entry of qualified new shareholders. For substantial shareholders who violate their commitments, our Bank shall implement corresponding restrictive measures. The Board of Directors shall propose a resolution, which shall be executed after deliberation and approval by the shareholders' meeting. When the shareholders' meeting deliberates on the aforementioned matters, the substantial shareholder who violated the commitment or their shareholder representative shall abstain from voting.

**Article 28** Our Bank may reduce its registered capital. Any reduction shall be processed in accordance with the procedures stipulated in the *Company Law*, the *Commercial Bank Law*, and these Articles of Association; however, the capital after reduction shall not fall below the minimum capital threshold and minimum capital adequacy ratio requirements specified in the *Commercial Bank Law*.

When reducing its registered capital, our Bank will prepare a balance sheet and a property list.

Our Bank will notify creditors within ten days from the date the shareholders' meeting passes a resolution to reduce registered capital and shall publish the notice within thirty days in the media designated by our Bank for announcements or on the National Enterprise Credit Information Publicity System. A creditor may, within 30 days from the date of receipt of the notice or, if he/she did not receive a notice, within 45 days from the date of the announcement, require the Bank to pay its debt to him/her in full or to provide commensurate security.

Our Bank shall reduce the capital contribution or shares proportionally to the shareholders' shareholding ratio when reducing its registered capital, unless otherwise provided by law or these Articles of Association.

**Article 29** Our Bank shall not acquire its own shares. However, this shall not apply in any of the following circumstances:

- (I) Reduce our Bank's registered capital;
- (II) To merge with other companies holding shares in our Bank;
- (III) To use shares for employee stock ownership plans or equity incentive programs;
- (IV) Shareholders objecting to resolutions passed by the shareholders' meeting regarding our Bank's merger or division and requesting our Bank to repurchase their shares;
- (V) To convert shares into corporate bonds issued by our Bank that are convertible into shares;
- (VI) When necessary for our Bank to safeguard corporate value and shareholder interests.

Share repurchases under items (I) and (II) of paragraph 1 shall be approved by a resolution of the shareholders' meeting. Share repurchases under items (III), (V), and (VI) of paragraph 1 shall be approved by a resolution of the board of directors with attendance of more than two-thirds of the directors.

After acquiring its own shares pursuant to the preceding paragraph, our Bank shall cancel the shares acquired under item (I) within ten days from the date of acquisition; Shares acquired under items (II) and (IV) shall be transferred or canceled within six months; shares acquired under items (III), (V), and (VI) shall not exceed 10% of our Bank's total issued shares, and shall be transferred or canceled within three years.

Our Bank may acquire its own shares through public centralized trading or other methods approved by laws, administrative regulations, and the China Securities Regulatory Commission. Where our Bank acquires its own shares under the circumstances specified in subparagraphs (III), (V), and (VI) of the first paragraph, such acquisition shall be conducted through public centralized trading.

Where laws, administrative regulations, or relevant provisions of the securities regulatory authority where our Bank's shares are listed contain additional requirements for share repurchases, such requirements shall prevail.

When our Bank repurchases its own shares, it shall fulfill its information disclosure obligations in accordance with the *Securities Law* and the regulations of the securities regulatory authority where our Bank's shares are listed.

### **Section III Share Transfer and Pledge**

**Article 30** The transfer of shares of our Bank shall be registered with the share registration agency entrusted by our Bank.

The transfer of shares of our Bank shall comply with the regulations of the banking regulatory authority of the State Council and other relevant regulatory authorities.

**Article 31** Our Bank shall not allow our shares to become pledged.

**Article 32** Directors and senior management personnel of our Bank shall declare to our Bank their holdings of our Bank's shares (including preferred shares) and any changes thereto. During their tenure determined upon assumption of office, the shares transferred annually shall not exceed twenty-five percent of the total shares of the same class held by them. Shares held in our Bank shall not be transferred within one year from the date of listing of our Bank's shares for trading. Within six months after leaving their positions, the aforementioned persons shall not transfer the shares of our Bank held by them.

Where the relevant regulations of the securities regulatory authority in the place of listing of our Bank's shares impose additional restrictions on the transfer of overseas-listed shares, such regulations shall prevail.

**Article 33** If directors, senior management personnel, or shareholders holding more than five percent of our Bank's shares sell their shares or other equity securities within six months of purchase, or repurchase such securities within six months of sale, any resulting gains shall belong to our Bank, and our Bank's board of directors shall recover such gains. However, this shall not apply where a securities company holds more than five percent of the shares due to underwriting and purchasing the remaining shares after sale, or where other circumstances specified by the securities regulatory authority under the State Council exist.

The shares or other equity-based securities held by directors, senior management personnel, and natural person shareholders referred to in the preceding paragraph shall include shares or other equity-based securities held by their spouses, parents, children, or held through accounts of others.

If the Board of our Bank does not abide by the provisions as stipulated in the first paragraph, the shareholders may request the Board to act within 30 days. If the Board of our Bank fails to act within such period, the shareholders may institute a proceeding before the People's Court in his/her own name for the benefit of our Bank.

If the Board of the Bank does not abide by the provision above, the responsible Directors shall assume joint liabilities as stipulated by the laws.

If the relevant regulations of the securities regulatory authority in which our Bank's shares are listed have restrictions on dealings of overseas-listed shares, those provision(s) shall prevail.

## **Chapter IV Financial Assistance for Purchasing Shares of our Bank**

**Article 34** At no time shall our Bank or its subsidiaries (including our Bank's affiliated companies) shall not provide financial assistance to others for acquiring shares of the Bank or its parent company through means such as gifts, advances, guarantees, or loans, except where the Bank implements an employee stock ownership plan.

**Article 35** For the benefit of our Bank, upon resolution of the shareholders' meeting or resolution of the Board of Directors made in accordance with these Articles of Association or authorization by the shareholders' meeting, our Bank may provide financial assistance to others for acquiring shares of our Bank or its parent company. However, the cumulative total amount of such financial assistance shall not exceed ten percent of the total issued share capital. A resolution of the Board of Directors shall be passed by more than two-thirds of all directors.

Where any violation of the foregoing provisions causes loss to our Bank, the directors and senior management responsible shall bear liability for compensation.

## **Chapter V Shareholders and Shareholders' Meetings**

### **Section I Shareholders**

**Article 36** Shareholders of our Bank are persons who lawfully hold shares of our Bank and whose names (or designations) are registered in the register of members.

Our Bank shall establish the register of members based on the certificates provided by the securities registration and settlement institution. The register of members shall constitute conclusive evidence of the ownership of shares in our Bank. Shareholders shall enjoy rights and bear obligations according to the class of shares they hold; shareholders holding shares of the same class shall enjoy equal rights and bear the same obligations.

**Article 37** Unless otherwise provided for by laws, administrative regulations, departmental rules, normative documents, or our Bank's Articles of Association with respect to preferred shareholders, all shareholders of our Bank shall enjoy the following rights:

- (I) To receive dividends and other forms of profit distribution in proportion to their shareholdings;
- (II) To lawfully request, call, convene, preside over, participate in, or appoint shareholder proxies to attend shareholders' meetings, and exercise the corresponding right to speak and vote;
- (III) Supervise our Bank's business and propose suggestions or raise inquiries;
- (IV) To transfer, donate, or pledge their shares in accordance with laws, administrative regulations, and this Chapter;

- (V) To inspect and copy the Articles of Association, register of members, minutes of the general meetings, resolutions of meetings of the Board and financial accounting reports; and shareholders who satisfy the requirements may inspect the Bank's accounting books and accounting vouchers;
- (VI) Upon termination or liquidation of our Bank, participate in the distribution of our Bank's residual assets in proportion to their shareholding;
- (VII) Shareholders who object to resolutions passed by the shareholders' meeting regarding our Bank's merger or division may request our Bank to purchase their shares;
- (VIII) Other rights stipulated by laws, administrative regulations, departmental rules, and these Articles of Association.

If any person holding direct or indirect interests exercises rights attached to shares in our Bank without disclosing such interests to our Bank, our Bank shall not, solely on this basis, freeze or otherwise impair any rights of such person based on our Bank's share capital.

**Article 38** Shareholders requesting to inspect and copy the information or materials referred to in the preceding article shall comply with the provisions of laws and administrative regulations such as the *Company Law* and the *Securities Law*. Shareholders who individually or collectively hold more than three percent of our Bank's shares for a continuous period of one hundred and eighty days or more and request to inspect our Bank's accounting books and accounting vouchers shall submit a written request to our Bank, stating the purpose, and provide written documentation verifying the type and quantity of shares held in our Bank. Upon verification of the shareholder's identity, our Bank shall provide the requested information or materials. Our Bank may refuse to provide access if it has reasonable grounds to believe that the shareholder's purpose for inspecting the accounting books and vouchers is improper and may harm our Bank's legitimate interests.

**Article 39** Where resolutions of our Bank's shareholders' meeting or board of directors violate laws or administrative regulations, shareholders have the right to request the People's Court to declare them invalid.

Where the procedures for convening meetings of the shareholders' meeting or the board of directors, or the voting methods, violate laws, administrative regulations, or these Articles of Association, or where the content of resolutions violates these Articles of Association, shareholders have the right to request the People's Court to revoke such resolutions within sixty days from the date of their adoption. However, this shall not apply when there are only minor defects in the convening procedures or voting method of the general meeting or meeting of the Board, which do not materially affect the resolution.

Where the Board, shareholders and other stakeholders dispute the validity of a resolution of the general meeting, they shall promptly file a lawsuit with the people's court. Before the People's Court makes a judgement or ruling such as a revocation of the resolution, the stakeholders shall execute the resolution of the general meeting. The Bank, Directors and senior management shall perform their duties diligently to ensure the normal operation of the Bank.

Where the People's Court makes a judgement or ruling on a relevant matter, the Bank shall fulfil its obligation to disclose the information in accordance with the laws, administrative regulations, requirements of the China Securities Regulatory Commission and stock exchanges, fully explain the impact, and actively cooperate with the enforcement of the judgement or ruling after it has come into effect. Where corrections to prior events are involved, they will be handled in a timely manner and the corresponding information disclosure obligations will be fulfilled.

**Article 40** Resolutions of the shareholders' meeting or Board meeting of the Bank shall not be valid under any of the following circumstances:

- (I) No shareholders' meeting or Board meeting has been convened to pass a resolution;
- (II) The resolution is not voted on at the shareholders' meeting or Board meeting;
- (III) The number of persons attending the meeting or the number of voting rights held does not reach the number of persons or the number of voting rights held as provided for in the *Company Law* or the Articles of Association; or
- (IV) The number of persons agreeing to the resolution or the number of voting rights held does not reach the number of persons or the number of voting rights held as provided for in the *Company Law* or the Articles of Association.

**Article 41** Where directors or senior management personnel other than members of the Audit Committee violate laws, administrative regulations, or these Articles of Association while performing their duties for our Bank, causing losses to our Bank, shareholders holding individually or collectively more than one percent of our Bank's shares for a continuous period of one hundred and eighty days or more shall have the right to request the Audit Committee in writing to file a lawsuit with the People's Court; Where members of the Audit Committee cause losses to our Bank by violating laws, administrative regulations, or these Articles of Association while performing their duties, shareholders may request the Board of Directors in writing to initiate litigation with the People's Court.

If the Audit Committee or Board of Directors refuses to initiate litigation upon receiving the written request from shareholders as stipulated in the preceding paragraph, or fails to initiate litigation within thirty days of receiving the request, or if the situation is urgent and failure to initiate litigation immediately would cause irreparable damage to our Bank's interests, the shareholders specified in the preceding paragraph shall have the right to directly initiate litigation in their own name in the People's Court for the benefit of our Bank.

Where others infringe upon the lawful rights and interests of our Bank and cause losses to our Bank, the shareholders specified in the first paragraph of this Article may file a lawsuit with the People's Court in accordance with the provisions of the preceding two paragraphs.

If the director, supervisor or any other senior management of a wholly-owned subsidiary of the Bank violates any law or administrative regulation or breaches the Articles of Association in performing his or her duties, causing losses to the Bank, or in the event that a third party infringes upon the legal rights and interests of a wholly-owned subsidiary of the Bank, thereby causing the subsidiary to sustain a loss, shareholders that holds 1% or more of the shares in the Bank, either individually or collectively, for 180 or more consecutive days may request the supervisory committee or board of directors of the wholly-owned subsidiary in writing to institute a legal action in a People's Court or initiate a legal action in a People's Court in its own name pursuant to the *Company Law*.

If the Bank's wholly-owned subsidiary has not established a supervisory committee or any supervisor, but established an audit committee, the matter shall be dealt with in accordance with paragraphs 1 and 2 of this article.

**Article 42** If any director or member of senior management has violated the laws, administrative regulations or provisions of these Articles and has therefore impaired the interests of the shareholders, the shareholders may initiate legal proceedings at the People's Court.

**Article 43** Unless otherwise provided for by laws, administrative regulations, departmental rules, normative documents, or our Bank's Articles of Association with respect to preferred shareholders, all shareholders of our Bank shall bear the following obligations:

- (I) Comply with laws, administrative regulations, and regulatory requirements;
- (II) Comply with these Articles of Association and maintain our Bank's trade secrets;
- (III) Pay the capital contribution in accordance with the shares subscribed and the method of participation, using legally sourced proprietary funds to subscribe to shares in our Bank. Subscription shall not be made using non-proprietary funds such as entrusted funds or debt funds, except as otherwise provided by laws, regulations, or regulatory requirements;
- (IV) Maintain shareholding ratios and the number of holding entities in compliance with regulatory requirements; shall not entrust others to hold shares in our Bank or accept entrustment from others to hold such shares;
- (V) Not withdraw shares except as provided by laws and regulations;
- (VI) Truthfully disclose to our Bank information regarding financial status, equity structure, sources of investment funds, controlling shareholders, de facto controllers, related parties, concerted parties, ultimate beneficial owners, and investments in other financial institutions, in accordance with laws, regulations, and regulatory requirements;
- (VII) Shareholders shall promptly notify our Bank in writing of any changes in their controlling shareholders, de facto controllers, related parties, concerted parties, or ultimate beneficiaries, in accordance with laws, regulations, and regulatory requirements;
- (VIII) In the event of a shareholder's merger, division, imposition of measures such as suspension of business for rectification, designated trusteeship, receivership, or revocation, or entry into dissolution, liquidation, or bankruptcy proceedings, or changes to its legal representative, company name, business premises, scope of operations, or other material matters, the shareholder shall promptly notify our Bank in writing of the relevant circumstances in accordance with laws, regulations, and regulatory requirements;
- (IX) Where a shareholder's shares in our Bank are subject to litigation, arbitration, judicial enforcement measures, pledges, or de-pledges, the shareholder shall promptly notify our Bank in writing of the relevant circumstances in accordance with laws, regulations, and regulatory requirements;

- (X) Shareholders transferring or pledging their shares in our Bank, or engaging in related-party transactions with our Bank, shall comply with laws, regulations, and regulatory requirements and shall not harm the interests of other shareholders or our Bank. Strictly comply with laws, regulations, and regulatory requirements when pledging our Bank's shares as collateral for guarantees to themselves or others, and notify our Bank's Board of Directors in advance.

Shareholders holding director positions in our Bank, or shareholders directly, indirectly, or jointly holding or controlling 2% or more of our Bank's shares or voting rights, must apply to our Bank's Board of Directors for record prior to pledging our Bank's shares. The application shall include the reasons for the pledge, the number of shares pledged, the pledge term, the pledgee, and other basic information. The Board shall refuse to record any pledge deemed to have a significant adverse impact on our Bank's equity stability, corporate governance, risk management, or related-party transaction controls. Directors appointed by shareholders intending to pledge shares shall recuse themselves during Board deliberations on relevant recordation matters.

After completing the equity pledge registration, shareholders shall cooperate with our Bank's risk management and information disclosure requirements by promptly providing our Bank with relevant information concerning the pledged equity.

Shareholders shall not pledge their equity in our Bank if their outstanding loans from our Bank exceed the net equity value of their holdings as audited in the preceding fiscal year. When a shareholder pledges voting equity in our Bank reaching or exceeding fifty percent of their total voting equity holdings, their voting rights at the shareholders' meeting shall be restricted. The pledged portion of their equity shall not be exercised for voting purposes at the shareholders' meeting and shall not be counted toward the total number of shares held by shareholders attending the meeting. Directors recommended or nominated by such shareholders shall not exercise voting rights at board meetings and shall not be counted toward the number of attendees at board meetings;

- (XI) Shareholders, their controlling shareholders, and de facto controllers shall not abuse shareholder rights or exploit related-party relationships to harm the lawful rights and interests of our Bank, other shareholders, or stakeholders. Shareholders shall not seek improper benefits, interfere with the decision-making and management authority of the Board of Directors and senior management as provided for in these Articles of Association, bypass the Board of Directors and senior management to directly interfere with our Bank's operations and management; nor shall they abuse our Bank's independent legal status and the limited liability of shareholders to harm the interests of our Bank's creditors.

Shareholders who abuse their shareholder rights and cause losses to our Bank or other shareholders shall bear liability for compensation in accordance with the law. Where shareholders abuse our Bank's corporate legal personality and limited liability to evade debts, thereby seriously harming the interests of our Bank's creditors, they shall bear joint and several liability for our Bank's debts.

For shareholders who make false statements, abuse shareholder rights, or engage in other conduct detrimental to our Bank's interests, the banking regulatory authority under the State Council may restrict or prohibit our Bank from conducting related-party transactions with them, limit their equity holdings in our Bank, restrict the proportion of equity pledges, and may also restrict their rights to request convening of shareholders' meetings, voting rights, nomination rights, proposal rights, and disposal rights;

- (XII) In the event of a risk incident or major violation by our Bank, shareholders shall cooperate with regulatory authorities in investigations and risk resolution;
- (XIII) Other obligations that shareholders shall bear as stipulated by laws, regulations, regulatory requirements, and these Articles of Association.

Shareholders shall not be liable for any subsequent capital increases beyond the terms agreed upon by the subscribers at the time of subscription.

**Article 44** Our Bank shall not offer favorable terms of credit to our shareholders over other clients.

The credit balance of a single shareholder at our Bank shall not exceed 10% of the net capital of our Bank; the credit balance of a single shareholder and the group client for which such shareholder work shall be not more than 15% of the net capital of our Bank.

The margin deposits, pledged bank certificates of deposit and the amount of treasury bonds provided by shareholders and their affiliated parties may be deducted when the aforementioned credit balance is calculated.

**Article 45** Substantial shareholders shall disclose the information of affiliated parties to the Board in an authentic, accurate and complete manner and undertake to report to the Board in a timely manner when any changes take place in the affiliated relation.

**Article 46** Any investor together with its related parties and persons acting in concert who intend to hold for the first time or increase by in aggregate, severally or jointly, more than 5% of total capital or total shares of our Bank, shall report to the banking regulatory authority under the State Council for its approval in advance.

Any investor together with its related parties and persons acting in concert who hold, severally or jointly, more than 1% but less than 5% of total capital or total shares of our Bank, shall report to the banking regulatory authority under the State Council within 10 working days after obtaining the relevant equities.

Shareholders who should have obtained but failed to obtain approval from the banking regulatory authority under the State Council, or who failed to report to the banking regulatory authority under the State Council, shall not exercise rights such as the right to request the convening of a shareholders' meeting, voting rights, nomination rights, proposal rights, or disposal rights.

Should the banking regulatory authority under the State Council request such shareholders to transfer our Bank's shares held by them, such shareholders shall process with the transfer within the time limit required by the banking regulatory authorities under the State Council.

**Article 47** When a shareholder, particularly a substantial shareholder, has overdue credit facilities with our Bank, such shareholder shall not exercise voting rights at the shareholders' meeting, and the number of shares held by such shareholder shall not be counted toward the total number of shares represented by shareholders exercising voting rights at the meeting. Directors recommended or nominated by such shareholder shall not exercise voting rights at the board meeting and shall not be counted toward the number of directors present at the meeting.

## Section II Controlling Shareholders and De Facto Controllers

**Article 48** Our Bank's controlling shareholders and de facto controllers shall exercise their rights and fulfill their obligations in accordance with laws, administrative regulations, and the provisions of the China Securities Regulatory Commission and the stock exchange, safeguarding the interests of our Bank.

If our Bank has no controlling shareholder or de facto controller, our Bank's largest shareholder and its ultimate controller shall comply with the provisions of this section in accordance with laws, administrative regulations, and regulatory requirements.

**Article 49** Our Bank's controlling shareholders and de facto controllers shall comply with the following provisions:

- (I) to exercise their rights as shareholders in accordance with the law and not abuse their control or use their affiliation to prejudice the legitimate interests of the Bank or other shareholders;
- (II) to strictly implement the public statements and undertakings made and shall not change or waive them;
- (III) to fulfil information disclosure obligations in strict accordance with the relevant regulations, to proactively cooperate with the Bank in information disclosure and to inform the Bank in a timely manner of material events that have occurred or are proposed to occur;
- (IV) not to appropriate the Bank's funds in any way;
- (V) not to order, instruct or request the Bank and relevant personnel to provide guarantees in violation of laws and regulations;
- (VI) not to make use of the Bank's undisclosed material information to gain benefits, not to divulge in any way undisclosed material information relating to the Bank, and not to engage in insider trading, short-swing trading, market manipulation and other illegal and unlawful acts;
- (VII) not to prejudice the legitimate rights and interests of the Bank and other shareholders through unfair related transactions, profit distribution, asset restructuring, external investment or any other means;
- (VIII) to ensure the integrity of the Bank's assets, and the independence of personnel, finance, organisation and business, and not to affect the independence of the Bank in any way;
- (IX) other provisions prescribed by laws, administrative regulations, the requirements of the China Securities Regulatory Commission, the business rules of the stock exchanges and the Articles of Association.

Where a controlling shareholder or de facto controller of the Bank does not act as a Director of the Bank but actually carries out the affairs of the Bank, the provisions of the Articles of Association relating to the duties of loyalty and diligence of Directors shall apply.

Where a controlling shareholder or de facto controller of the Bank instructs a Director or senior management officer to engage in an act that is detrimental to the interests of the Bank or the shareholders, he/she shall be jointly and severally liable with such Director or senior management.

**Article 50** Where a controlling shareholder or de facto controller pledges the shares of the Bank that he/she holds or actually controls, he/she shall maintain the stability of the Bank's control and production operations.

**Article 51** Where a controlling shareholder or de facto controller transfers the shares of the Bank held by him/her, he/she shall comply with the restrictive provisions concerning the transfer of shares set out in the laws, administrative regulations and the requirements of the China Securities Regulatory Commission and the stock exchanges, as well as his/her undertakings in respect of the restriction on the transfer of shares.

### **Section III General Provisions on Shareholders' Meetings**

**Article 52** The shareholders' meeting, composed of all shareholders, is our Bank's supreme authority and shall exercise the following powers in accordance with the law:

- (I) Elect and replace directors other than employee directors, and determine matters concerning directors' compensation;
- (II) Review and approve the Board of Directors' reports;
- (III) Review and approve our Bank's profit distribution and loss compensation plans;
- (IV) Resolving on the increase or decrease of our Bank's registered capital;
- (V) Resolve on bonds or other securities, as well as listing plans; the shareholders' meeting may authorize the Board of Directors to resolve on bond issuance;
- (VI) Resolve on our Bank's merger, division, dissolution, liquidation, or change of corporate form;
- (VII) Resolve on the engagement or dismissal the accounting firm conducting our Bank's audit;
- (VIII) Amend these Articles of Association;
- (IX) Review and approve the rules of procedure for the shareholders' meeting and the board of directors;
- (X) Resolve on the acquisition of our Bank's shares in accordance with laws and these Articles of Association;
- (XI) Review proposals submitted by shareholders holding individually or collectively more than 1% of our Bank's voting shares;
- (XII) Deciding on the issuance of preferred shares; deciding or authorizing the Board of Directors to decide matters related to our Bank's issued preferred shares, including but not limited to redemption, conversion, and dividend distribution;

- (XIII) Review and approve changes in the use of raised funds;
- (XIV) Review equity incentive plans and employee stock ownership plans;
- (XV) Review matters concerning our Bank's purchase or sale of major assets in non-commercial banking operations within one year, or guarantees for non-commercial banking operations exceeding thirty percent of our Bank's most recent audited total assets;
- (XVI) Review and authorize the Board of Directors to decide within three years to issue shares not exceeding fifty percent of the issued shares. However, contributions made in non-monetary assets shall be subject to resolution by the shareholders' meeting;
- (XVII) Review fixed asset investments, external investments, related-party transactions, and other matters required to be submitted to the shareholders' meeting for deliberation under relevant laws, administrative regulations, departmental rules, provisions of the securities regulatory authority where our Bank's shares are listed, this Articles of Association, and other internal systems.

Matters within the scope of authority of the shareholders' meeting as described above shall be deliberated and decided by the shareholders' meeting. However, where necessary, reasonable, and lawful, the shareholders' meeting may authorize the board of directors to decide. The content of such authorization shall be clear and specific. Authorizations granted by the shareholders' meeting to the board of directors shall be approved by a majority of the voting rights held by shareholders (including shareholder proxies) present at the shareholders' meeting if the authorized matters fall under those requiring ordinary resolutions under these Articles of Association. If the authorized matters fall under those requiring special resolutions under these Articles of Association, they shall be approved by more than two-thirds of the voting rights held by shareholders (including shareholder proxies) present at the shareholders' meeting.

Where the Board of Directors decides to issue shares in accordance with the preceding paragraph, resulting in changes to our Bank's registered capital or the number of issued shares, no further vote by the shareholders' meeting shall be required to amend the relevant provisions of these Articles of Association.

Where these Articles of Association or the shareholders' meeting authorizes the Board of Directors to decide on the issuance of new shares, the Board resolution shall be adopted by a vote of more than two-thirds of all directors.

**Article 53** Except in special circumstances such as a crisis, our Bank shall not enter into any contract with any person other than directors, or senior management to entrust the management of all or any significant part of our Bank's business to such person without prior approval by the shareholders' meeting.

**Article 54** Shareholders' meetings shall be divided into annual shareholders' meetings and extraordinary shareholders' meetings. The annual shareholders' meeting shall be convened once a year and shall be held within six months after the end of the preceding fiscal year.

**Article 55** Our Bank shall convene an extraordinary general meeting within two months after the occurrence of any of the following circumstances:

- (I) When the number of directors falls below the legally prescribed number or two-thirds of the number specified in these Articles of Association;
- (II) When our Bank's unrecovered losses reach one-third of the total share capital;
- (III) When shareholders holding individually or collectively more than ten percent of the total voting shares (including preferred shares with restored voting rights, etc.) of our Bank request it;
- (IV) When deemed necessary by the Board of Directors;
- (V) When proposed by the Audit Committee;
- (VI) When proposed by more than half and not fewer than two independent directors;
- (VII) Other circumstances stipulated by laws, administrative regulations, departmental rules, or specified in these Articles of Association.

**Article 56** The location for convening our Bank's shareholders' meetings shall be our Bank's registered office or any other location specified in the notice of the shareholders' meeting. The shareholders' meeting shall be held in the form of an in-person meeting with a meeting venue established.

Our Bank shall also provide online voting to facilitate shareholder.

After the notice of the shareholders' meeting is issued, the venue for the in-person meeting shall not be changed without justifiable reasons. If a change is indeed necessary, the convener shall announce it at least two business days prior to the date of the in-person meeting and explain the reasons.

#### **Section IV Convening of Shareholders' Meetings**

**Article 57** Shareholders' meetings shall be convened by the board of directors in accordance with the law.

**Article 58** Where the Board of Directors fails or is unable to perform its duty to convene a shareholders' meeting, the Audit Committee shall promptly convene and preside over the meeting. Where the Audit Committee fails to convene and preside over the meeting, shareholders holding individually or collectively 10% or more of the total voting shares of our Bank (including preferred shares with restored voting rights, etc.) for a continuous period of ninety days or more may convene and preside over the meeting themselves.

**Article 59** Upon obtaining the consent of more than half of all independent directors, independent directors shall have the right to propose to the Board of Directors the convening of an extraordinary meeting of shareholders. Upon receiving such a proposal from independent directors, the Board of Directors shall, in accordance with laws, administrative regulations, and the provisions of these Articles of Association, provide written feedback within ten days of receipt, stating whether it agrees or disagrees to convene the extraordinary meeting. If the Board of Directors agrees to convene the extraordinary meeting of shareholders, it shall issue a notice of the meeting within five days after making the Board resolution. If the Board of Directors disagrees with convening the extraordinary meeting of shareholders, it shall explain the reasons and make an announcement.

**Article 60** The Audit Committee shall propose to the Board of Directors the convening of an extraordinary shareholders' meeting and shall submit such proposal to the Board of Directors in writing. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations, and these Articles of Association, provide written feedback on whether it agrees or disagrees to convene the extraordinary general meeting within ten days of receiving the proposal.

If the Board of Directors agrees to convene the extraordinary meeting, it shall issue a notice within five days after making the Board resolution. Any changes to the original proposal in the notice shall be subject to the consent of the Audit Committee.

If the Board of Directors refuses to convene an extraordinary shareholders' meeting, or fails to provide feedback within ten days of receiving the proposal, it shall be deemed that the Board of Directors is unable or unwilling to fulfill its duty to convene the meeting. In such cases, the Audit Committee may convene and preside over the meeting on its own.

**Article 61** Shareholders requesting the convening of an extraordinary general meeting or a class meeting shall follow the procedures below:

Shareholders holding individually or collectively 10% or more of our Bank's total voting shares (including preferred shares with restored voting rights, etc.) shall submit a written request to the Board of Directors, specifying the agenda items. The Board of Directors shall provide written feedback within ten days of receiving the request, indicating whether it agrees or disagrees to convene the extraordinary general meeting or class meeting.

Where the Board of Directors agrees to convene an extraordinary general meeting or a class meeting, it shall issue a notice of the meeting within five days after the Board resolution is made. Any changes to the original request in the notice shall be subject to the consent of the relevant shareholders.

Where the Board of Directors refuses to convene an extraordinary general meeting or a class meeting, or fails to respond within ten days of receiving the request, shareholders holding individually or collectively 10% or more of the total voting shares of our Bank (including preferred shares with restored voting rights, etc.) shall have the right to propose to the Audit Committee the convening of an extraordinary general meeting or a class meeting, and shall submit such request to the Audit Committee in writing.

If the Audit Committee agrees to convene an extraordinary general meeting or a class meeting, it shall issue a notice of the meeting within five days of receiving the request. Any changes to the original request shall be subject to the consent of the relevant shareholders.

If the Audit Committee fails to issue the notice within the prescribed period, it shall be deemed that the Audit Committee will not convene or preside over the shareholders' meeting or class shareholders' meeting. Shareholders who individually or collectively hold more than 10% of the total voting shares of our Bank (including preferred shares with restored voting rights, etc.) for a continuous period of ninety days or more may convene and preside over the meeting themselves.

**Article 62** Where the Audit Committee or shareholders decide to convene a shareholders' meeting on their own initiative, they shall notify the board of directors in writing and simultaneously file with the stock exchange.

Prior to the announcement of the resolution of the shareholders' meeting, the convening shareholders shall hold no less than ten percent of the total voting shares.

The Audit Committee or the convening shareholders shall submit relevant supporting materials to the stock exchange when issuing the notice of the shareholders' meeting and the announcement of the resolution of the shareholders' meeting.

**Article 63** For shareholders' meetings convened by the Audit Committee, or shareholders themselves, the Board of Directors and the Board Secretary shall cooperate. The Board of Directors shall provide the shareholder register as of the record date. If the Board of Directors fails to provide the register of members, the convener may apply to the securities registration and settlement institution to obtain it by presenting the relevant announcement of the notice convening the shareholders' meeting. The shareholder register obtained by the convener shall not be used for any purpose other than convening the shareholders' meeting.

**Article 64** For shareholders' meetings convened by the Audit Committee or shareholders themselves, the reasonable expenses incurred shall be borne by our Bank and deducted from the amounts owed by our Bank to the directors who failed to perform their duties.

## **Section V Shareholders' Meeting Proposals and Notices**

**Article 65** When our Bank convenes a shareholders' meeting, the Board of Directors, the Audit Committee, and shareholders holding individually or collectively more than one percent of the total voting shares of our Bank (including preferred shares with restored voting rights, etc.) shall have the right to propose matters for deliberation to our Bank. The Board of Directors shall submit the proposals to the shareholders' meeting for deliberation.

Shareholders holding individually or collectively more than one percent of the total voting shares of our Bank (including preferred shares with restored voting rights, etc.) may submit provisional proposals in writing to the convener at least ten days prior to the convening of the shareholders' meeting. Shareholders submitting a temporary proposal shall provide the convener with documentary evidence of holding at least one percent of our Bank's shares. The convener shall issue a supplementary notice for the shareholders' meeting within two days of receiving the proposal and announce the content of the provisional proposal, and submit it to the shareholders' meeting for deliberation. However, this shall not apply if the temporary proposal violates laws, administrative regulations, or the provisions of these Articles of Association, or falls outside the scope of authority of the shareholders' meeting.

Except as provided in the preceding paragraph, after issuing the notice for the shareholders' meeting, the convener shall not modify any proposal already listed in the notice or add new proposals.

Proposals not listed in the notice of the shareholders' meeting or that do not comply with these Articles of Association shall not be voted on or resolved at the shareholders' meeting.

**Article 66** Proposals submitted to the shareholders' meeting shall meet the following conditions:

- (I) The content shall not conflict with laws, regulations, rules, or the provisions of these Articles of Association, and shall fall within the scope of our Bank's business operations and the authority of the shareholders' meeting;

- (II) Have a clear agenda and specific resolution items;
- (III) Submitted to the Board of Directors in writing.

**Article 67** Our Bank's Board of Directors shall act in accordance with the principle of maximizing the interests of our Bank and its shareholders, and shall review proposals submitted to the shareholders' meeting in accordance with the provisions of the preceding article of these Articles of Association.

**Article 68** If the Board of Directors decides not to include a shareholder meeting proposal on the agenda, it shall explain the reason at that shareholder meeting.

**Article 69** Notices for shareholders' meetings include the following content:

- (I) Time, location, and duration of the meeting;
- (II) The matters and proposals to be considered at the meeting;
- (III) A clear statement that all common shareholders (including preferred shareholders whose voting rights have been restored), shareholders holding shares with special voting rights, are entitled to attend the shareholders' meeting, and may authorize proxies in writing to attend the meeting and participate in voting, without the proxy necessarily being a shareholder of our Bank;
- (IV) The record date for shareholders entitled to attend the meeting;
- (V) The time and location for submitting proxy voting forms for the meeting;
- (VI) Online or by other methods of voting time and procedures;
- (VII) The name and telephone number of the permanent contact person for meeting arrangements;
- (VIII) Other requirements stipulated by laws, regulations, and these Articles of Association.

**Article 70** Where the shareholders' meeting intends to deliberate on the election of directors, the notice of the shareholders' meeting shall fully disclose the detailed information of the candidates for directors, including at least the following:

- (I) Personal background, including educational background, work experience, and concurrent positions;
- (II) Whether there are any related party relationships with our Bank or its controlling shareholders and actual controllers;
- (III) Disclosure of the number of shares held in our Bank;
- (IV) Whether they have been subject to penalties by the securities regulatory authority under the State Council or other relevant departments, or disciplinary actions by the stock exchange.

Except when directors are elected by cumulative voting, each candidate for director shall be proposed as a separate item.

**Article 71** When convening an annual shareholders' meeting, our Bank shall notify each shareholder entitled to attend the meeting in writing of the time, place, and matters to be considered at least twenty Hong Kong business days prior to the meeting. When convening an extraordinary general meeting, our Bank shall notify each shareholder entitled to attend the meeting in writing of the time, place, and matters to be considered at least ten Hong Kong business days or fifteen days (whichever is longer) prior to the meeting.

**Article 72** Notice of a shareholders' meeting could be delivered to shareholders entitled to attend (regardless of whether they have voting rights at the meeting) by personal delivery or prepaid mail, with the address of the recipient being the address registered in the register of members. For shareholders of domestically listed shares, notice of the shareholders' meeting shall be given by way of public announcement.

The announcement referred to in the preceding paragraph shall be published on the website of the stock exchange and in media meeting the conditions stipulated by the securities regulatory authority of the State Council. Upon publication, all shareholders of domestically listed shares shall be deemed to have received notice of the relevant shareholders' meeting.

Subject to compliance with laws, regulations, departmental rules, normative documents, and relevant regulatory requirements, our Bank may also issue notices of shareholders' meetings to H-share shareholders through our Bank's website and the Hong Kong Stock Exchange website, or other methods permitted under the Hong Kong Listing Rules, in lieu of personal delivery or delivery by prepaid mail.

**Article 73** After a notice of a shareholders' meeting has been issued, the meeting shall not be postponed or canceled without justifiable reasons, and the proposals listed in the notice shall not be withdrawn. In the event of postponement or cancellation, the convener shall announce the reason at least two business days prior to the originally scheduled date.

## **Section VI Convening of Shareholders' Meetings**

**Article 74** The Board of Directors and other conveners shall take necessary measures to ensure the normal order of the shareholders' meeting. Any acts that disrupt the shareholders' meeting, provoke disturbances, or infringe upon the lawful rights and interests of shareholders shall be stopped, and the relevant authorities shall be promptly notified for investigation and handling.

All shareholders registered on the record date (including preferred shareholders whose voting rights have been restored) or their proxies shall have the right to attend the shareholders' meeting and exercise their voting rights in accordance with relevant laws, regulations, and these Articles of Association.

**Article 75** Individual shareholders attending meetings in person shall present their personal identification card or other valid documents or certificates proving their identity. Shareholders attending meetings through a proxy shall present their valid identification documents and a shareholder authorization letter.

Corporate shareholders shall be represented at the meeting by their legal representative or an agent authorized by the legal representative. When the legal representative attends the meeting, they shall present their ID card and valid proof of their legal representative status. When an agent attends the meeting, the agent shall present their ID card and a written power of attorney issued in accordance with the law by the legal representative of the corporate shareholder.

**Article 76** A proxy voting authorization form shall be made available at our Bank's registered office or at any other location specified in the notice convening the meeting at least twenty-four hours prior to the commencement of the relevant meeting for which the authorization applies, or at least twenty-four hours prior to the designated voting time. Where the proxy is authorized by the principal to be signed by another person, the power of attorney or other authorization document shall be notarized. The notarized power of attorney or other authorization document shall be made available simultaneously with the proxy at our Bank's registered office or at such other place as specified in the notice convening the meeting.

If the shareholder is a recognized clearing house (or its agent) as defined by the relevant regulations enacted from time to time in Hong Kong, such shareholder may authorize one or more persons deemed appropriate to act as its representative at any general meeting or any class meeting of shareholders or any creditors' meeting; however, if more than one person is authorized, the authorization document shall specify the number and class of shares covered by the authorization for each such person, and the authorization document shall be signed by an authorized officer of the recognized clearing house. The authorized person may attend the meeting on behalf of the recognized clearing house (or its agent) (without presenting share certificates, subject to notarized authorization and/or further evidence confirming formal authorization) and exercise rights as if such person were an individual shareholder of our Bank.

**Article 77** Any form of proxy issued by our Bank's Board of Directors to shareholders for appointing a shareholder proxy shall allow shareholders to freely choose to instruct the shareholder proxy to vote in favor, against, or abstain, and shall provide separate instructions for each matter to be voted on at the meeting. The proxy form shall state whether the proxy may vote at his or her discretion if the shareholder does not provide instructions.

A shareholder's authorization letter appointing another person to attend the shareholders' meeting shall contain the following information:

- (I) The name or title of the principal, and the type and quantity of shares held in our Bank;
- (II) The name of the proxy;
- (III) Specific instructions from shareholders, including instructions as to whether to vote for "for" or "against" or "abstained" from voting on, each item on the agenda of the general meeting as an item for consideration thereat, etc.;
- (IV) The date of issuance and terms of validity of the instrument of appointment;
- (V) The signature (or seal) of the principal. Where the principal is a corporate shareholder, the corporate seal shall be affixed.

**Article 78** If the principal has passed away, lost his ability to act, withdrawn the appointment, withdrawn the authorization of the signed power of attorney or has transferred his shares prior to voting, as long as our Bank has not received any written notice regarding these matters before the commencement of the relevant meeting, the vote cast by the proxy in accordance with the power of attorney shall remain valid.

**Article 79** Our Bank shall be responsible for preparing the meeting register for persons attending the shareholders' meeting. The meeting register shall record the name (or entity name), ID number, number of shares held or represented with voting rights, and name (or entity name) of the proxy for each person attending the shareholders' meeting.

**Article 80** The convener 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 chairman 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.

**Article 81** For shareholders' meetings, the Chairman shall preside over the meeting. If the Chairman is unable or fails to perform his duties, the Vice Chairman shall preside in order of seniority. If the Vice Chairman is unable or fails to perform his duties, a director jointly elected by a majority of directors shall preside over the meeting. Where no chairperson is designated, the shareholders present at the meeting may elect one person to serve as chairperson. If, for any reason, the shareholders are unable to elect a chairperson, the shareholder (including shareholder proxies) holding the largest number of voting shares present at the meeting shall serve as chairperson.

For a shareholders' meeting convened by the Audit Committee, the Chairperson of the Audit Committee shall preside over the meeting. If the Chairperson of the Audit Committee is unable to perform his/her duties or fails to perform them, a member of Audit Committee jointly elected by a majority of the member of the Audit Committee shall preside over the meeting.

For a shareholders' meeting convened by shareholders themselves, the convener shall preside or appoint a representative to serve as the chairperson and preside over the meeting.

If the chairperson violates the rules of procedure during a shareholders' meeting, preventing its continuation, the meeting may elect another person to serve as chairperson and continue the proceedings, provided that such election is approved by shareholders at the meeting holding a majority of the voting rights.

**Article 82** Our Bank shall formulate rules of procedure for shareholders' meeting, detailing the procedures for convening, holding, and voting at the meeting, including notice, registration, consideration of proposals, voting, ballot counting, announcement of voting results, formation of meeting resolutions, meeting minutes and their signing, public announcements, and the principles for authorizing the Board of Directors by the shareholders' meeting. The scope of authorizations shall be clearly defined and specific.

**Article 83** When the shareholders' meeting requires directors and senior management to attend, they shall attend the meeting and be available to receive inquiries from shareholders.

At the annual shareholders' meeting, the Board of Directors shall report to the shareholders' meeting on their work over the past year. Each independent director shall also deliver a work report.

Directors and senior management personnel provide explanations and clarifications to shareholders' inquiries and suggestions at the shareholders' meeting.

## **Section VII Voting and Resolutions at Shareholders' Meetings**

**Article 84** Shareholders (including shareholder proxies) shall exercise voting rights in proportion to the number of voting shares they represent, with each share carrying one vote, except for holders of class shares. However, shares held by our Bank itself shall not carry voting rights, and such shares shall not be counted toward the total number of voting shares present at the shareholders' meeting.

When the shareholders' meeting deliberates on major matters affecting the interests of small and medium-sized investors, the votes of such investors shall be counted separately. The results of the separate vote count shall be disclosed promptly.

Where a shareholder purchases voting shares of our Bank in violation of the Paragraphs 1 and 2 of Article 63 of the *Securities Law*, the portion of voting shares that have been purchased exceeding the prescribed proportion shall not be entitled to exercise voting rights for a period of thirty-six months following the purchase and shall not be included in the total number of voting shares present at the shareholders' meeting.

Our Bank's Board of Directors, independent directors, and shareholders holding more than one percent of voting shares, or investor protection institutions established in accordance with laws, administrative regulations, or the provisions of the China Securities Regulatory Commission, may publicly solicit shareholder votes. When soliciting votes, specific voting intentions and other relevant information shall be fully disclosed to the solicited shareholders. Soliciting shareholder votes through compensation or disguised compensation is prohibited. Except as provided by law, our Bank shall not impose minimum shareholding thresholds for vote solicitation.

**Article 85** While ensuring the legality and validity of the shareholders' meeting, our Bank shall provide modern information technology means, including online voting platforms, through secure, economical, and convenient online or other methods and channels to facilitate shareholder participation in the shareholders' meeting.

**Article 86** Resolutions of the shareholders' meeting shall be classified as ordinary resolutions or special resolutions.

An ordinary resolution of the shareholders' meeting shall be adopted by a majority vote of the voting rights held by the shareholders (including shareholder proxies) present at the meeting.

Special resolutions of the shareholders' meeting shall be adopted by a vote of more than two-thirds of the voting rights held by the shareholders (including shareholder proxies) present at the meeting.

**Article 87** The following matters shall be adopted by ordinary resolution of the shareholders' meeting:

- (I) Electing and replacing directors other than employee directors, and determining matters concerning directors' compensation;
- (II) Approval of the Board of Directors' report;
- (III) Approve our Bank's profit distribution and loss compensation plan;
- (IV) Resolving on the engagement, dismissal, or non-renewal of our Bank's accounting firm;
- (V) Matters not otherwise required to be adopted by special resolution under laws, administrative regulations, or these Articles of Association.

**Article 88** The following matters shall be approved by the shareholders' meeting through a special resolution:

- (I) Increasing or decreasing our Bank's registered capital;
- (II) Issuance bonds or other securities, or listing thereof, or authorization of the Board of Directors to resolve on specific matters concerning the issuance of bonds by our Bank;
- (III) Merger, division, spin-off, dissolution, liquidation, or change of corporate form of our Bank;
- (IV) Amendment of these Articles of Association;
- (V) Removal of independent directors;
- (VI) Reviewing equity incentive plans;
- (VII) Reviewing matters where our Bank purchases or sells significant assets in non-commercial banking operations within one year, or where the guarantee amount for non-commercial banking operations exceeds thirty percent of our Bank's most recent audited total assets;
- (VIII) Authorizing the Board of Directors to decide within three years to issue shares not exceeding fifty percent of the issued shares;
- (IX) Other matters stipulated by laws, regulations, regulatory requirements or these Articles of Association, or determined by the shareholders' meeting through an ordinary resolution to have a material impact on our Bank and requiring approval by a special resolution.

**Article 89** When the shareholders' meeting deliberates on matters related to related-party transactions, related shareholders shall not participate in the voting, and the number of shares with voting rights represented by them shall not be included in the total valid votes. The announcement of the shareholders' meeting resolution shall fully disclose the voting situation of non-related shareholders.

**Article 90** The lists of candidates of directors shall be submitted to the shareholders' meeting for voting in the form of a proposal.

When voting on the election of directors at a shareholders' meeting, cumulative voting may be implemented in accordance with the provisions of these Articles of Association or resolutions of the shareholders' meeting.

When electing two or more independent directors, the shareholders' meeting shall implement cumulative voting.

When deliberating on proposals for the election of directors, the shareholders' meeting shall vote on each candidate individually. The board of directors shall disclose the resumes and basic information of the candidate directors to the shareholders.

**Article 91** Except for the cumulative voting system, the shareholders' meeting shall vote on all proposals individually. Where different proposals exist on the same matter, voting shall proceed in the order in which the proposals were submitted. Except where the shareholders' meeting is suspended or unable to adopt resolutions due to force majeure or other special reasons, the shareholders' meeting shall not defer or fail to vote on any proposal.

**Article 92** When deliberating proposals at a shareholders' meeting, no amendments shall be made to the proposals. If changed, it shall be deemed a new proposal and shall not be voted on at that shareholders' meeting.

**Article 93** 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 prevail if repeated voting occurs in relation to the same voting right.

**Article 94** Except where the Chairman, acting in good faith, determines that resolutions concerning procedural or administrative matters may be voted on by a show of hands, all votes cast by shareholders at a shareholders' meeting must be conducted by a recorded vote.

**Article 95** If the issue required to be voted by ballot relates to election of chairman or termination of meeting, voting by ballot shall be conducted immediately; in respect of other issues required to be voted by ballot, the chairman may determine the time of voting by ballot, and the meeting may proceed to discuss other issues, and the voting results shall still be deemed as resolutions passed at the said meeting.

**Article 96** Shareholders attending the shareholders' meeting shall express one of the following opinions on proposals submitted for voting: in favor, against, or abstain. This shall not apply to the securities registration and settlement institution acting as the nominee holder for stocks under the Mainland-Hong Kong Stock Connect mechanism, which shall report in accordance with the actual holder's instructions.

Voting ballots that are blank, incorrectly filled out, illegible, or not cast shall be deemed as the voter waiving their voting rights, and the voting results for the shares held shall be counted as "abstention."

**Article 97** Before voting on a proposal at a shareholders' meeting, two shareholder representatives shall be elected to participate in counting and supervising the votes. Shareholders and their proxies with a conflict interest in the matter under consideration shall not participate in counting or supervising the votes.

When voting on proposals at the shareholders' meeting, the counting and supervision of votes shall be jointly conducted by the lawyer, shareholder representatives, and other relevant persons appointed in accordance with the Hong Kong Listing Rules. The voting results shall be announced on the spot and recorded in the meeting minutes.

Shareholders of our Bank or their proxies who vote via the internet or other means shall have the right to verify their voting results through the corresponding voting system.

**Article 98** Pursuant to applicable laws, regulations and listing rules of the location where our Bank's shares are listed, if any shareholder must abstain from voting on any resolution or is restricted to declaring only affirmative vote or only dissenting vote on any resolution, any vote declared by the said shareholder or proxy thereof against the relevant provision or restriction shall not be counted in the voting result.

**Article 99** The on-site shareholders' meeting shall not conclude earlier than the online or other voting methods. The chairperson shall announce the voting status and results for each proposal and declare whether the proposal is passed based on the voting results. Such determination shall be final and shall be recorded in the meeting minutes.

Prior to the formal announcement of poll results, all relevant parties involved in the on-site, online, and other voting methods-including our Bank, vote counters, vote scrutineers, shareholders, and online service providers-shall bear confidentiality obligations regarding the voting situation.

**Article 100** If the chairperson of the meeting has any doubts regarding the results of a resolution submitted for voting, they may organize a vote counting. If the chairperson does not conduct a recount, any shareholder or shareholder proxy present at the meeting who objects to the chairperson's announced results shall have the right to immediately request a recount upon the announcement, and the chairperson shall conduct the recount promptly.

**Article 101** If a vote count is conducted at a shareholders' meeting, the results of the vote count shall be recorded in the meeting minutes.

The minutes, together with the attendance register of members and the proxy documents of proxy attendees, shall be kept at the registered office of our Bank.

**Article 102** Resolutions of the shareholders' meeting shall be announced in a timely manner in accordance with the requirements of the relevant regulatory authorities. The announcement shall specify the number of shareholders and proxies present at the meeting, the total number of shares with voting rights held and the proportion of our Bank's total shares with voting rights, the voting method, the voting results for each proposal, and the detailed content of each resolution passed.

**Article 103** Where a proposal is not passed, or where this shareholders' meeting amends the resolution of the previous shareholders' meeting, a special notice shall be included in the announcement of the shareholders' meeting resolution.

**Article 104** Before voting, the chairman 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 prevail.

**Article 105** The shareholders' meeting held by our Bank will retain legal counsel to issue a legal opinion on the following matters and make a public announcement:

- (I) Whether the procedures for convening and holding the meeting comply with laws, administrative regulations, and regulations of these Articles of Association;
- (II) Whether the qualifications of attendees and the convener are legally valid;
- (III) Whether the voting procedures and results of the meeting are lawful and valid;
- (IV) Legal opinions on other relevant matters requested by our Bank.

**Article 106** Shareholders' meetings shall have meeting resolutions and meeting minutes. Directors and the chairperson present or attend the meeting shall sign the meeting resolutions. Directors, the secretary to the Board, the convener or their representative, and the chairperson present at the meeting shall sign the meeting minutes. The convener shall ensure the authenticity, accuracy, and completeness of the minutes. Meeting resolutions and minutes shall be permanently archived by our Bank together with the signature register of shareholders present in person, proxy authorizations for proxy attendance, and valid material on voting conducted via online or other means.

**Article 107** The secretary to the Board shall be responsible for the minutes of the shareholders' meeting. The minutes shall record the following:

- (I) The date, time, location, agenda, and name or title of the convener;
- (II) The name of the meeting chairperson, as well as the names of directors and senior management attending or observing the meeting;
- (III) The number of shareholders and proxies present, the total number of shares with voting rights held, and the proportion of our Bank's total shares with voting rights;
- (IV) The deliberation process, key points of discussion, and voting results for each proposal;
- (V) Shareholders' inquiries, suggestions, and corresponding responses or explanations;
- (VI) Names of attorneys, vote counters, and counting overseer;
- (VII) Any other matters deemed necessary by the shareholders' meeting or required by these Articles of Association to be included in the meeting minutes.

**Article 108** The convener shall ensure the continuous conduct of the shareholders' meeting until a final resolution is formed. Where the meeting is suspended or unable to adopt resolutions due to force majeure or other special circumstances, necessary measures shall be taken to promptly resume the meeting or directly terminate the session, with timely public announcement. Concurrently, the convener shall report to the local branch of the State Council's securities regulatory authority and the securities exchange where our Bank is located.

**Article 109** Where the shareholders' meeting passes a proposal concerning cash dividends, bonus shares, or capitalization of capital reserves, our Bank shall implement the specific plan within two months after the conclusion of the shareholders' meeting.

## **Chapter VI Special Procedures for Class Shareholder Voting**

**Article 110** Shareholders holding different classes of shares shall be classified shareholders.

Class shareholders shall enjoy rights and fulfill obligations pursuant to laws, regulations and the Articles of Association.

All class shareholders of our Bank shall enjoy equal rights to receive dividends or other forms of distributions.

If the share capital of our Bank includes shares without voting rights, the said shares shall be specified as "Without Voting Right".

If the share capital includes shares with different voting rights, then each class of shares (except those with most preferential voting right) shall be specified as "Restricted Voting Right" or "Limited Voting Right".

**Article 111** Our Bank may only alter or abolish the rights of class shareholders upon passing a special resolution at the shareholders' meeting and obtaining approval from the affected class shareholders at separate meetings convened in accordance with Articles 113 to 117.

**Article 112** The following circumstances shall be deemed as change or annulment of the rights of a certain class of shareholders:

- (I) To increase or decrease the number of shares of such class, or to increase or decrease 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;
- (II) To change all or part of the shares of such class into shares of another class or to change all or part of the shares of another class into shares of that class or to grant relevant conversion rights;
- (III) To cancel or reduce rights to accrued dividends or cumulative dividends attached to shares of such class;
- (IV) To reduce or cancel rights attached to the shares of such class to preferentially receive dividends or to receive distributions of assets in a liquidation of our Bank;

- (V) To increase, cancel or reduce share conversion rights, options, voting rights, transfer rights, pre-emptive placing rights, or rights to acquire securities of our Bank attached to the shares of such class;
- (VI) To cancel or reduce rights to receive payables by our Bank in a particular currency attached to the shares of such class;
- (VII) To create a new class of shares with voting rights, distribution rights or other privileges equal or superior to those of the shares of such class;
- (VIII) To restrict the transfer or ownership of the shares of such class or to impose additional restrictions;
- (IX) To issue rights to subscribe for, or to convert into, shares of such class or another class;
- (X) To increase the rights and privileges of the shares of another class;
- (XI) To restructure our Bank in such a way as to cause shareholders of different classes to bear liabilities disproportionately during the restructuring;
- (XII) To amend or cancel any clause of this Chapter.

**Article 113** Affected class shareholders, regardless of whether they originally had voting rights at the shareholders' meeting, shall have voting rights at the class shareholders' meeting when matters involving items (II) to (VIII) and (XI) to (XII) of the preceding article are concerned; however, interested shareholders shall not have voting rights at the class shareholders' meeting.

The meaning of "interested shareholders" referred to in the preceding paragraph is as follows:

- (I) Where our Bank issues a repurchase offer to all shareholders on an equal pro rata basis pursuant to Article 29 of these Articles of Association, or repurchases its own shares through public trading on a securities exchange, "interested shareholders" shall mean controlling shareholders as defined in Article 264 of these Articles of Association;
- (II) Where our Bank repurchases its own shares through an agreement outside the securities exchange in accordance with Article 29 of these Articles of Association, "interested shareholders" shall mean shareholders related to such agreement;
- (III) Under a restructuring scheme of our Bank, an "interested shareholder" is a shareholder who assumes a relatively less proportion of obligation than any other shareholder of that class or who has an interest different from that of any other shareholder of that class.

**Article 114** Resolutions of a class general meeting shall be approved by more than two-thirds of the voting shares represented by shareholders of that class present at the meeting in accordance with the preceding Article.

**Article 115** When convening a class shareholders' meeting, our Bank shall issue written notice in accordance with the notice period requirements for convening a general meeting as stipulated in these Articles of Association, informing all registered shareholders of the relevant class of shares of the matters to be considered at the meeting, as well as the date and location of the meeting.

The required quorum for a separate class general meeting (other than its adjourned meeting) to change the rights of any class of shares shall be the holders of at least one-third of the issued shares of the class.

**Article 116** The notice of a class general meeting only needs to be served to the shareholders with the right to vote at the said meeting.

Unless otherwise provided in these Articles of Association, a class shareholders' meeting shall be conducted in procedures as similar as possible to those for a shareholders' meeting. The provisions of these Articles of Association concerning the procedures for convening a shareholders' meeting shall apply to a class shareholders' meeting.

**Article 117** Apart from holders of other classes of shares, holders of domestic listed shares and overseas listed shares are deemed to be shareholders of different classes.

The special procedures for class shareholder voting shall not apply in the following circumstances:

- (I) Where approved by a special resolution of the general meeting, our Bank issues domestic listed shares and overseas listed shares separately or simultaneously at intervals of twelve months, and the proposed number of domestic listed shares and overseas listed shares to be issued does not exceed twenty percent of the outstanding shares of that class respectively;
- (II) Our Bank's plan to issue domestic listed shares and overseas listed shares at the time of establishment is completed within 15 months from the date of approval of the securities regulatory authority under the State Council.

## **Chapter VII Directors and Board of Directors**

### **Section I Directors**

**Article 118** Directors of our Bank shall be natural persons elected by the shareholders' meeting. Directors need not hold shares in our Bank. The procedures for director nomination and election are as follows:

- (I) Within the number of directors specified in these Articles of Association, the Nomination and Compensation Committee may propose a list of director candidates corresponding to the number of positions to be filled;
- (II) The Nomination and Compensation Committee shall conduct a preliminary review of the qualifications and eligibility of director candidates. Qualified candidates shall be submitted to the Board of Directors for deliberation. Upon approval by the Board of Directors, director candidates shall be proposed to the shareholders' meeting in the form of a written proposal;

- (III) Director candidates shall make a written commitment prior to the shareholders' meeting, agreeing to accept the nomination, confirming the authenticity and completeness of publicly disclosed information, and pledging to faithfully perform their duties as directors upon election;
- (IV) The Board of Directors shall disclose detailed information about the director candidates to shareholders prior to the shareholders' meeting in accordance with laws, regulations, and the Articles of Association, ensuring shareholders have sufficient understanding of the candidates when voting;
- (V) The shareholders' meeting shall vote on each director candidate individually;
- (VI) In the event of a temporary addition of directors, the nomination shall be proposed by the Nomination and Compensation Committee or by shareholders meeting the nomination criteria and submitted to the Board of Directors for deliberation. The shareholders' meeting shall elect or replace such directors.

**Article 119** Directors not serving as employee representatives shall be elected or replaced by the shareholders' meeting and may be removed from office by the shareholders' meeting before the expiration of their term. Each director's term shall be three years. Directors may be re-elected upon expiration of their term. A director's term shall commence on the date of assumption of office and shall end upon expiration of the current Board of Directors' term.

Directors may concurrently serve as our Bank president or other senior management personnel. However, the total number of directors concurrently serving as our Bank president or other senior management personnel, together with directors serving as employee representatives, shall not exceed one-half of the total number of directors of our Bank.

Shareholders holding individually or collectively more than three percent of our Bank's total voting shares shall have the right to propose one candidate for a non-independent director. Where a candidate for director nominated by the same shareholder and its affiliates is already serving as a director, shareholder may not nominate another candidate for director until the incumbent's term expires or is replaced.

The Nomination and Remuneration Committee of the Board shall have the authority to propose candidates for non-independent directors.

The Nomination and Remuneration Committee of the Board shall exercise its director nomination authority independently and prudently, avoiding undue influence from shareholders.

Written notice of the intention to nominate a director candidate, written notice of the candidate's willingness to accept the nomination, and relevant written materials regarding the candidate's background shall be delivered to our Bank no earlier than the day following the issuance of the notice of the shareholders' meeting and no later than seven days prior to the meeting.

Subject to compliance with relevant laws and regulations, the shareholders' meeting may remove any director before the expiration of his or her term by ordinary resolution (provided that any claims that may be asserted under any contract shall not be affected thereby).

Shareholders holding individually or collectively one percent or more of our Bank's total voting shares shall have the right to recommend one candidate for independent director to our Bank, to be nominated to the shareholders' meeting by the Board of Directors or the Audit Committee of the Board. The same shareholder and its affiliates may only recommend one candidate for independent director. In principle, the directors nominated by the same shareholder and its affiliates shall not exceed one-third of the total members of the Board of Directors, unless otherwise stipulated by laws, regulations, or other provisions.

The Board's Nomination and Remuneration Committee and Audit Committee may propose candidates for independent directors.

Shareholders and their affiliates who have nominated non-independent directors may not nominate independent directors.

**Article 120** Directors shall comply with laws, administrative regulations, and the provisions of these Articles of Association. They shall owe a duty of diligence to our Bank and shall perform their duties with the reasonable care ordinarily expected of a prudent manager, acting in the best interests of our Bank. Directors owe the following duties of diligence to our Bank:

- (I) Exercise the rights conferred by our Bank prudently, conscientiously, and diligently to ensure that our Bank's commercial conduct complies with national laws, administrative regulations, and economic policies, and that its business activities do not exceed the scope specified in its business license;
- (II) To be accountable to our Bank and all shareholders in performing their duties, treating all shareholders fairly;
- (III) Diligently review all operational and financial accounting reports of our Bank, promptly understand our Bank's business operations and management status, continuously monitor our Bank's operational and management conditions, and have the right to request senior management to comprehensively, timely, and accurately provide relevant materials reflecting our Bank's operational and management status or to provide explanations on related issues;
- (IV) Exercise the management and disposal authority lawfully vested in them personally, free from manipulation by others;
- (V) Sign written confirmation opinions on our Bank's securities offering documents and periodic reports. Ensure the truthfulness, accuracy, and completeness of information disclosed by our Bank;
- (VI) Accept supervision and reasonable recommendations from the Audit Committee regarding the performance of duties. Provide relevant information and data truthfully to the Audit Committee shall not obstruct the exercise of authority by the Audit Committee, or members of the Audit Committee;
- (VII) Attend Board meetings punctually, conduct thorough reviews of matters under consideration, express independent, professional, and objective opinions, and cast votes independently based on prudent judgment;

- (VIII) Bear responsibility for Board resolutions;
- (IX) Supervise the senior management's implementation of resolutions passed by the shareholders' meeting and the Board of Directors;
- (X) Actively participate in training organized by our Bank and regulatory authorities to understand directors' rights and obligations, familiarize themselves with relevant laws, regulations, and supervisory requirements, and continuously maintain the professional knowledge and capabilities necessary to fulfill their duties;
- (XI) Uphold high standards of professional ethics and consider the legitimate rights and interests of stakeholders;
- (XII) Diligently and prudently perform duties, ensuring sufficient time and energy are devoted to fulfilling responsibilities;
- (XIII) Other due diligence obligations stipulated by laws, administrative regulations, departmental rules, and this Articles of Association.

**Article 121** Directors shall comply with laws, administrative regulations, the provisions of these Articles of Association and owe a duty of loyalty to our Bank, and shall take measures to avoid conflicts of interest between their personal interests and those of our Bank. Directors shall not use their authority to seek improper benefits. Directors owe the following duties of loyalty to our Bank:

- (I) Not to misappropriate our Bank's property or embezzle its funds;
- (II) Not to deposit our Bank's assets or funds into accounts opened in their own name or in the name of any other individual;
- (III) Not to use their authority to bribe others or receive other illegal income;
- (IV) No person shall directly or indirectly enter into contracts or conduct transactions with our Bank without reporting to the board of directors or shareholders' meeting and obtaining a resolution from the board of directors or shareholders' meeting in accordance with these Articles of Association;
- (V) No employee shall use their position to accept business opportunities that should rightfully belong to our Bank for their own or another person's benefit, unless such actions are reported to the Board of Directors or the shareholders' meeting and approved by a resolution of the shareholders' meeting, or unless our Bank is unable to utilize such business opportunities pursuant to laws, administrative regulations, or these Articles of Association;
- (VI) Shall not engage in proprietary trading or operate businesses similar to those of our Bank for others without reporting to the Board of Directors or the shareholders' meeting and obtaining approval through a resolution of the shareholders' meeting;
- (VII) Shall not accept commissions related to transactions with our Bank for personal gain;

- (VIII) Shall not disclose our Bank's confidential information without authorization; however, such information may be disclosed to a court or other competent regulatory authority under the following circumstances:
1. When required by law;
  2. When required by public interest;
  3. When required to protect the director's own legitimate interests;
- (IX) Directors shall not exploit their related party relationships to harm our Bank's interests;
- (X) Other fiduciary duties prescribed by laws, administrative regulations, departmental rules, and these Articles of Association.

Any income obtained by a director in violation of this Article shall belong to our Bank; if such violation causes losses to our Bank, the director shall bear liability for compensation.

The provisions of paragraph (IV) of the first clause of this Article shall apply to contracts or transactions entered into between our Bank and close relatives of directors or senior management personnel, enterprises directly or indirectly controlled by directors, senior management personnel, or their close relatives, or other related parties with whom directors or senior management personnel have other related party relationships.

**Article 122** Save as specified in the Articles of Association or legally authorized by the Board, no director shall act on behalf of our Bank or the Board in his own name. If a director acts in his own name but a third party may reasonably think the said director is acting on behalf of our Bank or the Board, the said director shall make a prior statement of his standpoint and capacity.

**Article 123** If any director himself or any other enterprise in which he holds a position has any direct or indirect connected relation in any contract, transaction or arrangement (exclusive of engagement contract) already concluded or under planning with our Bank, he shall responsively disclose the nature and extent of the said connected relation to the Board regardless whether the relevant matters are subject to approval by the Board in normal circumstances.

**Article 124** Directors shall devote sufficient time to perform their duties and personally attend at least two-thirds of the board meetings in person each year. If unable to attend in person for any reason, they may delegate another director of the same category to attend in writing. When deliberating on related-party transaction matters, non-related directors shall not delegate related directors to attend on their behalf.

Unless approved by a vote of the shareholders' meeting, a director who fails to attend two consecutive board meetings in person and does not appoint another director to attend on their behalf shall be deemed unable to perform their duties, and the board shall propose their removal to the shareholders' meeting.

**Article 125** A director may resign before the expiration of his or her term. A director's resignation shall be submitted to our Bank in writing. The resignation shall take effect on the date our Bank receives the resignation report, and our Bank shall disclose the relevant information within two trading days.

If directors are not re-elected upon expiration of their term, or if a director resigns during their term, thereby affecting our Bank's normal operations or causing the number of Board members to fall below the statutory minimum or two-thirds of the number specified in these Articles of Association, the original director shall continue to perform their duties in accordance with laws, administrative regulations, departmental rules, and these Articles of Association until the newly elected director assumes office. If our Bank is undergoing major risk resolution, directors may not resign without regulatory approval.

If the number of directors falls below the minimum required by the *Company Law* or the minimum required for board voting due to a director being removed by the shareholders' meeting, death, resignation of an independent director due to loss of independence, or other circumstances preventing the performance of director duties, the powers of the board of directors shall be exercised by the shareholders' meeting until the number of directors meets the requirements.

Upon expiration of a director's term, or if the number of directors falls below the minimum required by the *Company Law* or two-thirds of the number specified in these Articles of Association, our Bank shall promptly initiate the director election process and convene a shareholders' meeting to elect directors.

**Article 126** Our Bank shall establish a management system for director resignations, specifying safeguards for pursuing accountability and compensation for unfulfilled public commitments and other outstanding matters. Upon the effective date of resignation or expiration of term, directors shall complete all handover procedures with the Board of Directors. Their fiduciary duties to our Bank and shareholders shall not automatically terminate upon the expiration of their term but shall remain effective for a reasonable period as stipulated in these Articles of Association. Liabilities incurred by directors during their tenure in the performance of their duties shall not be exempted or terminated upon resignation.

**Article 127** The shareholders' meeting may resolve to remove a director, with such removal taking effect on the date of the resolution. Where a director is removed without just cause before the expiration of his or her term, such director may claim compensation from the company.

**Article 128** Where a director causes damage to others in the performance of his/her duties for our Bank, our Bank shall bear liability for compensation; where the director acts with intent or gross negligence, he/she shall also bear liability for compensation.

A director shall bear liability for damages caused to our Bank by violating laws, administrative regulations, departmental rules, or the provisions of these Articles of Association while performing duties for our Bank.

**Article 129** The provisions of these Articles of Association concerning the duties of directors shall apply to our Bank's president, and other senior management personnel.

## Section II Independent Directors

**Article 130** An independent director of our Bank refers to a director who does not hold any other position in our Bank besides that of director, and who has no direct or indirect interests with our Bank, its major shareholders, or actual controllers, or any other relationship that may impair their ability to make independent and objective judgments. Independent directors shall conscientiously perform their duties in accordance with laws, administrative regulations, the China Securities Regulatory Commission, the stock exchange, and these Articles of Association. They shall participate in decision-making, exercise oversight and checks and balances, provide professional advice within the Board of Directors, safeguard the overall interests of our Bank, and protect the lawful rights and interests of minority shareholders.

Independent directors shall meet the following basic requirements:

- (I) Qualify to serve as a director of a commercial bank or listed company in accordance with laws, administrative regulations, and other relevant provisions;
- (II) Be able to perform duties independently, free from influence by our Bank's major shareholders, actual controllers, or other institutions or individuals with interests in our Bank;
- (III) Possess fundamental knowledge of commercial bank and listed company operations, and be familiar with relevant laws, regulations, rules, and regulations;
- (IV) Possess at least five years of work experience in law, economics, finance, accounting, or other fields necessary for performing the duties of an independent director;
- (V) Ensure sufficient time and energy to effectively perform duties as an independent director;
- (VI) Serve as an independent director for no more than five domestic or foreign enterprises;
- (VII) Serve as an independent director for no more than three domestic listed companies;
- (VIII) May not concurrently serve as an independent director for more than two commercial banks;
- (IX) Possess good personal integrity and have no record of major dishonesty or other adverse conduct;
- (X) Meet other conditions stipulated by laws, administrative regulations, CSRC regulations, stock exchange business rules, and this Articles of Association.

**Article 131** The following persons shall not serve as independent directors of our Bank:

- (I) Natural persons who directly or indirectly hold more than one percent of our Bank's issued shares, or who are among our Bank's top ten shareholders, along with their spouses, parents, and children;

- (II) Personnel employed by shareholders holding directly or indirectly more than one percent of our Bank's issued shares or by our Bank's top five shareholders, and their spouses, parents, or children;
- (III) Personnel employed by our Bank or its subsidiaries, and their spouses, parents, children, or primary social relations;
- (IV) Individuals employed by subsidiaries of our Bank's controlling shareholders or de facto controllers, and their spouses, parents, or children;
- (V) Individuals with significant business dealings with our Bank, its controlling shareholders, de facto controllers, or their respective subsidiaries; or individuals employed by entities with significant business dealings and their controlling shareholders or de facto controllers;
- (VI) Personnel providing financial, legal, consulting, sponsorship, or similar services to our Bank, its controlling shareholders, de facto controllers, or their respective subsidiaries, including but not limited to all project team members, reviewers at all levels, signatories on reports, partners, directors, senior management, and principal officers of the service-providing intermediary institutions;
- (VII) Individuals who have been subject to any of the circumstances listed in items (I) through (VI) within the past twelve months;
- (VIII) Any other individuals due to lack of independence, as stipulated by relevant laws, administrative regulations, departmental rules, regulations of the securities regulatory authority where our Bank's shares are listed, or as determined by competent regulatory authorities.

Independent directors shall conduct annual self-assessments of their independence and submit the results to the board of directors. The board shall annually evaluate the independence of incumbent independent directors, issue a special opinion, and disclose it concurrently with the annual report.

**Article 132** An independent director shall work at least 15 working days in our Bank every year. If any independent director does not meet the condition of independence or has any other circumstance disqualifying him as independent director, so that the number of independent directors falls short of the quorum as specified in the Articles of Association, our Bank shall supplement independent directors pursuant to relevant regulations.

**Article 133** As members of the board of directors, independent directors shall owe duties of loyalty and diligence to our Bank and all shareholders, and shall prudently perform the following duties:

- (I) Participate in board decision-making and express clear opinions on matters under discussion;
- (II) Supervise potential material conflicts of interest between our Bank and its controlling shareholders, de facto controllers, directors, or senior management to protect the lawful rights and interests of minority shareholders;

- (III) Provide professional and objective advice on our Bank's business development to enhance the quality of board decision-making;
- (IV) Other duties prescribed by laws, administrative regulations, the China Securities Regulatory Commission, and these Articles of Association.

**Article 134** In addition to the powers enjoyed by directors of the Bank, independent directors shall also possess the following special powers:

- (I) Independently engage intermediaries to conduct audits, consultations or verifications on specific matters concerning the Bank;
- (II) To propose to the Board of Directors the convening of an extraordinary shareholders' meeting;
- (III) To propose convening board meetings;
- (IV) Publicly solicit shareholder rights in accordance with the law;
- (V) To issue an independent opinion on the impact of preferred share issuance on the rights of all categories of shareholders of the Bank;
- (VI) To issue independent opinions on matters that may prejudice the interests of the Bank or its minority shareholders;
- (VII) Other powers as prescribed by laws, administrative regulations, the China Securities Regulatory Commission, and these Articles of Association.

Where independent directors exercise the powers listed in items (I) to (II) of the preceding paragraph, they shall obtain the consent of a majority of all independent directors; where they exercise the power listed in item (III) of the preceding paragraph, they shall obtain the consent of at least two independent directors.

Where independent directors exercise the powers listed in the first paragraph, the Bank shall disclose such exercise in a timely manner. Where the aforementioned powers cannot be exercised normally, the Bank shall disclose the specific circumstances and reasons.

**Article 135** The following matters shall be submitted to the Board of Directors for deliberation only after obtaining the consent of a majority of all independent directors of the Bank:

- (I) Related party transactions that should be disclosed;
- (II) Proposals for the Bank or related parties to alter or waive commitments;
- (III) Decisions and measures taken by the board of directors of the acquired listed bank in relation to the acquisition;
- (IV) Other matters stipulated by laws, administrative regulations, the China Securities Regulatory Commission, and these Articles of Association.

**Article 136** The Bank shall establish a dedicated meeting mechanism comprising solely independent directors. Matters such as related party transactions deliberated by the Board of Directors shall be subject to prior approval by the dedicated meeting of independent directors.

The Bank shall convene special meetings of independent directors periodically or as required. Matters listed in Article 134(I) to (III) and Article 135 of these Articles of Association shall be reviewed by the special meeting of independent directors.

Special meetings of independent directors may, as necessary, deliberate on other matters concerning the Bank. Such meetings shall be convened and chaired by an independent director jointly nominated by a majority of the independent directors. Where the convening director fails or is unable to perform their duties, two or more independent directors may convene the meeting themselves and nominate a representative to preside.

Minutes shall be duly prepared for the special meeting of independent directors, and the opinions of independent directors shall be recorded therein. Independent directors shall sign to confirm the minutes.

The Bank shall provide convenience and support for the convening of special meetings of independent directors.

**Article 137** To ensure that the independent directors can perform their functions and powers effectively, our Bank shall provide them with necessary work conditions.

**Article 138** An independent director shall be removed by resolution of the shareholders' meeting upon the recommendation of the Audit Committee where any of the following circumstances apply:

- (I) Where changes in their position render them ineligible to serve as an independent director and they have not tendered their resignation;
- (II) Where the number of Board meetings attended in person within one year is less than two-thirds of the total number of Board meetings held;
- (III) Other circumstances where the law or regulations stipulate that the individual is unsuitable to continue serving as an independent director.

Where an independent director fails to attend two consecutive Board meetings in person and does not authorise another independent director to attend on their behalf, the Board shall propose convening a shareholders' meeting within thirty days of such occurrence to remove the independent director from office.

Where an independent director fails to attend three consecutive Board meetings in person, it shall be deemed a failure to perform duties. The Bank shall convene a shareholders' meeting within three months to remove such director from office and elect a new independent director.

**Article 139** The term of office for independent directors are the same as that of the Bank's other directors. Upon the expiration of their term, they may be re-elected for consecutive terms, but their total tenure shall not exceed six years. Where the resignation of an independent director results in the proportion of independent directors on the Board falling below one-third, the resigning director shall continue to perform their duties until a new independent director assumes office, except where the resignation or removal is due to loss of independence. The Bank shall complete the replacement within sixty days of the date of the independent director's resignation or removal.

### **Section III Board**

**Article 140** The Bank shall establish a Board of Directors, which shall be accountable to the shareholders' meeting.

**Article 141** The Board of Directors shall be composed of nineteen directors, with independent directors constituting no less than one-third of the Board members. The Board shall include one employee representative of the Bank; the employee director shall be democratically elected and removed by the Bank's employees through the employee representatives' meeting or other appropriate means, and senior management shall not concurrently serve as employee representative directors.

**Article 142** The Board of Directors shall exercise the following powers:

- (I) To convene the shareholders' meeting and to submit proposals and report on its work to the shareholders' meeting;
- (II) To implement the resolutions of the shareholders' meeting;
- (III) To formulate the Bank's development plans and strategies, and to supervise their implementation;
- (IV) To decide on the Bank's annual operational and assessment indicators, and to approve the Bank's annual business plans;
- (V) To review and approve the Bank's annual financial budgets and final accounts proposals;
- (VI) To formulate the Bank's profit distribution plans and plans for making up for losses;
- (VII) To formulate plans for the increase or reduction of the Bank's registered capital, the issuance of bonds or other securities, and listing;
- (VIII) To prepare plans for major acquisitions of the Bank, repurchase of the Bank's shares, or merger, division, spin-off, dissolution, liquidation and change of the corporate form of the Bank;
- (IX) To approve the establishment and dissolution of the Bank's important branches, internal departments and overseas institutions;

- (X) To appoint or remove the President of the Bank in accordance with regulatory provisions; to appoint or remove the Secretary to the Board of Directors and other personnel who shall be appointed or removed by the Board of Directors upon the nomination of the Chairman of the Board, in line with market-oriented and professional requirements; to appoint or remove the Bank's Vice Presidents, Chief Financial Officer and other personnel who shall be appointed or removed by the Board of Directors upon the nomination of the President; to decide on the remuneration, rewards and penalties for the aforementioned personnel; and to supervise the performance of duties by the senior management;
- (XI) To decide on or approve, within the scope of authority granted by the shareholders' meeting and in accordance with laws, regulations, regulatory provisions and the Articles of Association, the Bank's external investments, acquisition and disposal of assets in non-commercial banking business, large-value credit extensions, asset mortgages, guarantees in non-commercial banking business, disposal of non-performing assets, write-off of bad debts, external donations, related-party transactions, data governance and other matters;
- (XII) To determine compliance management objectives, perform compliance management duties, and assume ultimate responsibility for the effectiveness of compliance management;
- (XIII) To approve the Bank's basic management systems, formulate the Bank's risk appetite, risk management and internal control policies, and assume ultimate responsibility for comprehensive risk management;
- (XIV) To approve the Bank's annual internal audit work report;
- (XV) To formulate the Bank's capital plan and assume ultimate responsibility for capital or solvency management;
- (XVI) To approve the Bank's capital adequacy planning and implementation plan;
- (XVII) To regularly evaluate and improve the Bank's corporate governance;
- (XVIII) To formulate proposals for the amendment of the Articles of Association, formulate the rules of procedure for shareholders' meeting and for the Board of Directors, and to review and approve the working rules for the special committees under the Board of Directors;
- (XIX) To decide on matters of information disclosure of the Bank, and to assume ultimate responsibility for the truthfulness, accuracy, completeness and timeliness of the Bank's accounting and financial reporting systems;
- (XX) To propose to the shareholders' meeting the engagement or dismissal of the accounting firm that undertakes the Bank's audit services;
- (XXI) To hear the work reports of the Bank's President and inspect the President's work, and to supervise and ensure the senior management effectively performs its management duties;

- (XXII) To approve material related-party transactions and other related-party transactions that shall be approved by the Board of Directors in accordance with laws, regulations, normative documents, relevant provisions of the securities regulatory authorities of the place where the Bank's shares are listed and the Articles of Association, as well as under the authorization of the shareholders' meeting;
- (XXIII) To report regulatory opinions from regulatory authorities and the Bank's rectification status;
- (XXIV) To protect the legitimate rights and interests of financial consumers and other stakeholders;
- (XXV) To establish a mechanism for the identification, review and management of conflicts of interest between the Bank and its shareholders, especially its major shareholders;
- (XXVI) To assume management responsibility for shareholder affairs;
- (XXVII) To apply to a people's court for bankruptcy on behalf of the Bank, as authorized by the shareholders' meeting;
- (XXVIII) To determine the green credit development strategy and the strategy, policies and goals for consumer rights protection, to approve the green credit targets and green credit reports formulated and submitted by the senior management, and to regularly hear thematic reports from the senior management on the implementation of consumer rights protection work;
- (XXIX) To comply with the requirements for consolidated supervision of the banking industry regulatory authority under the State Council, to assume ultimate responsibility for the Bank's consolidated management, to be responsible for formulating the overall strategic guidelines for the Bank's consolidated management, to review and supervise the formulation and implementation of specific plans for consolidated management, and to establish a mechanism for regular review and evaluation;
- (XXX) Other powers granted by laws, administrative regulations, departmental rules, the Articles of Association or the shareholders' meeting.

The powers of the Board of Directors shall be exercised collectively by the Board of Directors. The powers of the Board of Directors stipulated by the *Company Law* may not, in principle, be delegated to the Chairman of the Board, directors, other institutions, or individuals.

**Article 143** The Board of Directors shall provide an explanation to the shareholders' meeting regarding any non-standard audit opinion issued by the certified public accountant on the Bank's financial reports.

**Article 144** The Board shall formulate rules of procedure for Board meetings, which shall be implemented after approval by the shareholders' meeting, to ensure the efficiency of the Board's work and scientific decision-making.

**Article 145** The Board shall establish its authority over matters such as external investments, asset acquisitions and disposals, asset pledges, related-party transactions, and external donations, implementing rigorous review, decision-making, and authorisation procedures. For major investment projects, the Board shall organise evaluations by relevant experts and professionals, and submit matters requiring approval by the shareholders' meeting to the shareholders' meeting for approval in accordance with these Articles.

Where the Board of Directors proposes to dispose of fixed assets, and the anticipated value of such disposal, when aggregated with the value realised from fixed assets disposed of within the preceding four months, exceeds thirty-three percent of the value of fixed assets as shown in the most recent balance sheet reviewed by the shareholders' meeting, the Board shall not dispose of or consent to the disposal of such fixed assets without the approval of the shareholders' meeting.

Disposals of the fixed assets mentioned herein include transfer of some asset interests, but do not include guarantee provided by pledge of fixed assets.

The effectiveness of our Bank's disposal of the fixed assets shall not be affected by any breach of the foregoing provisions in Paragraph 1 of this Article.

**Article 146** The Board shall have one chairman and may have vice chairman. The chairman and vice chairman shall be directors of our Bank and shall be elected and removed by more than half of all the directors after proposal by the Nomination & Remuneration Committee to the Board based on the actual condition of our Bank.

The Vice-Chairman shall assist the Chairman in his duties. Where the Chairman is unable to perform his duties or fails to perform them, the Vice-Chairman perform his duties. Where the Vice-Chairman is unable to perform his duties or fails to perform them, a Director shall be jointly elected by more than half of the Directors to perform his duties.

The president of our Bank shall not serve concurrently as chairman.

**Article 147** The Chairman shall exercise the following powers:

- (I) To preside over shareholders' meetings and to convene and preside over Board meetings;
- (II) To supervise and inspect the implementation of resolutions passed by the Board;
- (III) To sign legal instruments of stocks, bonds and other marketable securities of our Bank;
- (IV) To sign important documents of the Board and other documents which should be signed by the legal representative of our Bank;
- (V) To exercise powers and functions of the legal representative;
- (VI) To exercise other functions and powers conferred by the Board.

**Article 148** The Chairman is responsible for proposing motions and arranging votes at board meetings. During the inter-session period of the Board, the Board may, as the case may be, authorize the chairman to exercise parts of powers and functions of the Board.

**Article 149** Regular meetings of the Board of Directors shall be convened at least four times annually. Such meetings shall be convened and chaired by the Chairman. Notice of the meeting date, venue and agenda items shall be given to all directors at least fourteen days prior to the meeting. Notice of the date, venue and agenda items for extraordinary meetings of the Board of Directors shall be given to all directors at least five days prior to the meeting.

**Article 150** The Chairman shall convene an extraordinary meeting of the Board of Directors in any of the following circumstances:

- (I) When the Chairman deems it necessary;
- (II) Upon proposal by more than one-third of the directors or by two or more independent directors;
- (III) Upon proposal by the Audit Committee;
- (IV) Upon proposal by the President;
- (V) Upon request by shareholders holding, individually or collectively, ten percent or more of the total voting shares of the Bank.

The Chairman shall convene and preside over an extraordinary meeting of the Board of Directors within ten days of receiving such a proposal.

**Article 151** Notice of board meeting shall include:

- (I) Time and place of the meeting;
- (II) Duration of the meeting;
- (III) Causes and subject matters;
- (IV) Issue date of the notice.

**Article 152** Our Bank holds separate meetings for the chairman and independent non-executive directors so that the independent non-executive directors can give relatively objective judgments and opinions and better supervise and check & balance over the executive directors.

**Article 153** A Board meeting shall be attended by more than half of the directors. Save as otherwise specified in the Articles of Association, resolutions made by the Board shall be passed by more than half of all directors.

**Article 154** Directors shall attend Board meetings in person. If any director cannot attend the meeting for any reason, he may authorize in writing another director of the same class to act on his behalf. However, a director shall not act on behalf of more than two directors at one Board meeting.

Where a director fails to attend a Board meeting and does not appoint a proxy to act on his behalf, the said director shall be deemed as having waived his right to vote at the meeting but this does not mitigate or exempt the legal responsibilities which should be borne by him in relation to the resolutions made by the Board.

**Article 155** Where a director has an association with an enterprise or individual involved in a matter to be resolved at a board meeting, such director shall promptly report in writing to the board. Related party directors with interests shall not vote on the relevant proposal, nor proxy votes for other directors. Such Board meetings shall be validly convened with a majority of non-related directors. Resolutions shall be passed by majority non-related directors.

Matters requiring approval by a majority of two-thirds or more of the directors shall be approved by a majority of two-thirds or more of the non-related directors.

Where fewer than three non-related directors are present at a board meeting, the matter shall be submitted to the shareholders' meeting for consideration.

Where a director or any of their close associates (as defined in the Hong Kong Listing Rules) has a material interest in a matter to be resolved at a board meeting, such director shall not exercise voting rights on that resolution during the board's deliberation of the matter, nor shall they proxy votes on behalf of other directors, nor shall they be counted towards the quorum for the meeting, except where otherwise provided by laws, regulations, normative documents, or the relevant provisions of the securities regulatory authority where the Bank's shares are listed.

**Article 156** Voting on Board meetings may be conducted by a show of hands or by open ballot. Every director shall have the right to one vote.

**Article 157** Board meetings may adopt either in-person voting (including telephone or video conferencing) or circulation voting, with each director holding one vote. Provided directors are afforded sufficient opportunity to express their views, resolutions may be adopted through circulation voting. Directors participating in Board or Board committee meetings via telephone, video conferencing or similar means shall be deemed to have attended in person.

Resolutions on the following significant matters shall not be adopted by means of circulation voting and must be passed by a majority of not less than two-thirds of all directors:

- (I) Formulating the Bank's profit distribution and loss compensation plan;
- (II) Formulating remuneration schemes;
- (III) Formulating plans for increasing or decreasing the Bank's registered capital, issuing bonds or other securities, and listing;
- (IV) Formulating proposals for the Bank's merger, division, spin-off, dissolution, liquidation, or change of corporate form;
- (V) Appointing or dismissing senior management personnel;
- (VI) Within the scope of authorisation by the shareholders' meeting, deciding or approving the Bank's major external investments, significant asset disposals relating to non-commercial banking operations, and guarantees for non-commercial banking operations;
- (VII) Formulating proposals for amendments to these Articles of Association;

- (VIII) Capital replenishment plans, significant equity changes, and major matters such as financial restructuring;
- (IX) Other matters stipulated by laws, regulations, or these Articles of Association.

**Article 158** Board meetings shall produce resolutions and minutes, which shall be signed by the directors present and the minute-taker. Where a director has reservations regarding the minutes, they may append a statement to that effect at the time of signing. Board resolutions and minutes shall be permanently archived as part of the Bank's records.

**Article 159** The minutes of the board meeting shall include:

- (I) Date, place, name of the person to convene the meeting and the chairmen;
- (II) Names of the directors attending the meeting and the names of the directors (proxies) appointed by other directors to attend the board meeting;
- (III) Agenda of the meeting;
- (IV) Main points of the speeches of directors;
- (V) Methods and results of the voting for each proposal (the voting results shall indicate the numbers of the votes of for, against or abstention).

**Article 160** Directors shall bear responsibility for resolutions of the Board of Directors. Where a resolution of the Board of Directors contravenes laws, regulations, rules, the provisions of these Articles of Association, or resolutions of the shareholders' meeting, thereby causing the Bank to suffer significant losses, the directors participating in the resolution shall be liable to the Bank for compensation. However, a director may be exempted from liability if it is proven that they expressed dissent during the vote and such dissent was recorded in the minutes.

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

**Article 161** The Bank's Board of Directors shall establish specialised committees including the Strategic and Sustainable Development Committee, Audit Committee, Risk and Related Party Transaction Control Committee, Nomination and Remuneration Committee, Consumer Rights Protection Committee, and Inclusive Finance Development Committee. All members of specialised committees shall be directors. Chairpersons and members shall be nominated by the Chairman and elected by the Board of Directors. Specialised committees shall be accountable to the Board of Directors and shall perform their duties in accordance with these Articles of Association and the authorisation granted by the Board of Directors. Proposals shall be submitted to the Board of Directors for deliberation and decision. The Board of Directors shall be responsible for formulating the working procedures of specialised committees to regulate their operations.

The Audit Committee, Risk and Related Party Transaction Control Committee, Nomination and Remuneration Committee, and Consumer Rights Protection Committee shall be chaired by independent directors. Among these, the Audit Committee shall comprise directors who do not hold senior management positions within the Bank, with independent directors constituting a majority. The convener shall be an accounting professional. Independent directors shall constitute a majority of the Risk and Related Party Transaction Control Committee and the Nomination and Remuneration Committee and shall serve as conveners. At least one member of the Nomination and Remuneration Committee shall be of a different gender. Directors serving as chairpersons of the Audit Committee and the Risk and Related Party Transaction Control Committee shall work for the Bank for no fewer than twenty working days per annum.

**Article 162** The principal responsibilities of the Strategy and Sustainable Development Committee shall be:

- (I) Formulating the Bank's operational objectives, medium-to-long-term development plans, and development strategies;
- (II) To organise the formulation of the Bank's annual business plan;
- (III) Supervise and inspect the implementation of annual business plans and investment proposals;
- (IV) To evaluate the implementation of the Bank's development plans and propose revisions;
- (V) To deliberate on the Bank's overarching plans, major policies and fundamental systems concerning environmental, social and governance (ESG) aspects of sustainable development; to review the annual social responsibility report (ESG report); to periodically assess the implementation of the ESG development strategy; and to guide and supervise the establishment and refinement of relevant work management systems;
- (VI) Research green finance development strategies, review green finance objectives formulated and reports submitted by senior management, and oversee and evaluate the implementation of the Bank's green finance development strategy;
- (VII) Other matters authorised by the Board of Directors.

**Article 163** The Bank's Board of Directors shall establish an Audit Committee to exercise the powers of the Supervisory Board as stipulated in the *Company Law* and regulatory systems. The Audit Committee shall comprise five members, with employee representatives on the Board eligible to serve as members. Members and the convener of the Audit Committee shall be elected by the Board of Directors.

**Article 164** The primary responsibilities of the Audit Committee shall be:

- (I) To oversee and evaluate the Bank's internal controls;
- (II) To oversee and evaluate the external audit process, and to propose the appointment or replacement of external audit firms;

- (III) To oversee and evaluate internal audit work, to be responsible for coordination between internal and external audits;
- (IV) Review the Bank's financial information and disclosures;
- (V) Other matters stipulated by relevant laws, administrative regulations, departmental rules, the securities regulatory authority or stock exchange where the Bank's shares are listed, or authorised by the Board of Directors.

**Article 165** The following matters shall be submitted to the Board of Directors for deliberation only after obtaining the approval of a majority of all members of the Audit Committee:

- (I) Disclosure of financial information in financial accounting reports and periodic reports, and internal control evaluation reports;
- (II) Appointing or dismissing the accounting firm undertaking the Bank's audit work;
- (III) Appointing or dismissing the Bank's Chief Financial Officer;
- (IV) Changes to accounting policies or estimates, or corrections of material accounting errors, arising from reasons other than changes in accounting standards;
- (V) Other matters stipulated by laws, administrative regulations, the China Securities Regulatory Commission, and these Articles of Association.

**Article 166** The Audit Committee shall convene at least once every quarter. Extraordinary meetings may be convened upon the proposal of two or more members, or when deemed necessary by the convener. Meetings of the Audit Committee shall only be held with the attendance of more than two-thirds of its members.

Resolutions of the Audit Committee shall be adopted by a majority vote of its members.

Voting on resolutions of the Audit Committee shall be conducted on a one-member-one-vote basis.

Minutes of Audit Committee resolutions shall be prepared in accordance with regulations, and members present at the meeting shall sign the minutes.

**Article 167** The principal responsibilities of the Risk and Related Party Transaction Control Committee shall be:

- (I) To oversee the Bank's senior management in controlling risks;
- (II) To assess the Bank's risk profile;
- (III) To propose improvements to the Bank's risk management and internal control systems;
- (IV) To accept the filing of general related party transactions;

- (V) To review and endorse major related party transactions of the Bank, or transactions requiring declaration, announcement and/or independent shareholder approval in accordance with the relevant regulations of the securities regulatory authority where the Bank's shares are listed, and to submit them to the Board of Directors for approval;
- (VI) Other matters authorised by the Board of Directors.

For the purposes of these Articles, "Material related party transactions" refer to transactions where the single transaction amount between the Bank and a single related party exceeds one percent of the Bank's net capital at the end of the preceding quarter, or where the cumulative amount reaches or exceeds five percent of the Bank's net capital at the end of the preceding quarter.

Where the cumulative transaction amount between the Bank and a related party reaches the threshold specified in the preceding paragraph, any subsequent related party transaction that cumulatively reaches 1% or more of the Bank's net capital at the end of the preceding quarter shall be reclassified as a significant related party transaction.

General related-party transactions refer to all related-party transactions other than significant related-party transactions.

**Article 168** Principal Responsibilities of the Nomination and Remuneration Committee:

- (I) To propose recommendations to the Board regarding its composition based on the Bank's operational circumstances, asset scale and shareholding structure;
- (II) To formulate selection criteria and procedures for directors and senior management personnel, and submit recommendations to the Board of Directors;
- (III) To propose candidates for Chairman and Vice-Chairman to the Board of Directors, and assess candidates for directors and senior management positions including President, Vice-Presidents, secretary to the Board, and Chief Financial Officer, evaluating their qualifications;
- (IV) To draft assessment criteria for directors and senior management personnel, conduct performance evaluations, and formulate and review policies and schemes concerning remuneration determination mechanisms, decision-making processes, payment arrangements, and clawback provisions for directors and senior management personnel;
- (V) To review and/or approve matters relating to share schemes as described in the Hong Kong Listing Rules;
- (VI) Other matters stipulated by relevant laws, administrative regulations, departmental rules, securities regulatory authorities in the Bank's listing jurisdiction, or as authorised by the Board.

**Article 169** The Nomination and Remuneration Committee shall make recommendations to the Board of Directors on the following matters:

- (I) Nominating or appointing or removing directors;
- (II) Appointing or dismissing senior management personnel;
- (III) Remuneration of directors and senior management personnel;
- (IV) Formulating or amending equity incentive schemes and employee share ownership schemes, including the achievement of conditions for beneficiaries to receive or exercise their entitlements;
- (V) Arranging shareholding schemes for directors and senior management personnel in subsidiaries proposed for spin-off;
- (VI) Other matters stipulated by laws, administrative regulations, the China Securities Regulatory Commission, and these Articles of Association.

Where the Board of Directors does not adopt or fully adopt the recommendations of the Nomination and Remuneration Committee, it shall record the Committee's opinions and the specific reasons for non-adoption in the Board resolution and disclose such information.

**Article 170** The primary responsibilities of the Consumer Rights Protection Committee shall be:

- (I) Submitting consumer rights protection work reports and annual reports to the Board of Directors; undertaking relevant work pursuant to Board authorisation; deliberating and deciding on related matters; and examining major issues and key policies concerning consumer rights protection;
- (II) Guide and supervise the establishment and refinement of the consumer rights protection management system, ensuring that relevant regulations align with corporate governance, corporate culture development, and business development strategies;
- (III) Supervise the comprehensiveness, timeliness, and effectiveness of senior management and the consumer rights protection department's work based on regulatory requirements and the implementation of consumer rights protection strategies, policies, objectives, and operational progress;
- (IV) Convene regular consumer rights protection meetings to review reports from senior management and the consumer rights protection department. Examine relevant audit reports, regulatory communications, and internal assessment outcomes pertaining to consumer rights protection, urging senior management and relevant departments to promptly implement corrective measures for identified issues;
- (V) Provide guidance on major disclosures concerning consumer rights protection work;
- (VI) Other matters authorised by the Board of Directors.

**Article 171** Main duties of the Inclusive Finance Development Committee:

- (I) To formulate the strategic development planning and basic management system of inclusive finance business of our Bank;
- (II) To deliberate the annual operation plans of inclusive finance business department, and the appraisal methods, etc.;
- (III) To guide and supervise effective implementation of the annual operation plans of inclusive finance business department;
- (IV) To deal with other matters as authorized by the Board.

**Article 172** Various special committees may appoint intermediaries to provide professional advice, with reasonable costs to be borne by our Bank.

**Article 173** The Board of Directors shall establish an Office to handle the daily affairs of the shareholders' meeting, the Board of Directors, and the various specialised committees of the Board of Directors.

#### **Section V The Secretary of the Board of Directors**

**Article 174** The Board of our Bank shall have a secretary, who is a senior executive of our Bank and is responsible to the Board.

**Article 175** Directors or senior executives of our Bank may serve concurrently as secretary of the Board of our Bank. Any accountant of the accounting firm engaged by our Bank shall not act in the capacity of the secretary of the Board of our Bank.

In the event a director serves concurrently as secretary of the Board, where any act requires to be executed by the director and the secretary of the Board separately, the said director serving concurrently as secretary of the Board shall not execute the said act in both capacities.

**Article 176** The secretary of the Board shall have good personal qualities and work ethics and be able to faithfully perform his duties and handle public affairs.

**Article 177** The principal duties of the Secretary to the Board shall be:

- (I) To prepare and submit reports and documents required by competent regulatory authorities for the Board of Directors and shareholders' meetings;
- (II) To prepare board meetings and shareholders' meetings, and to be responsible for the minutes of such meetings and the safekeeping of meeting documents and records;
- (III) To ensure that the persons who have the right of access to the relevant documents and records of our Bank obtain those documents and records in a timely manner;
- (IV) To keep the share register, the seal of the Board, etc. and to deal with affairs involving equity management of our Bank;

- (V) To be responsible for the information disclosure of our Bank, and to ensure that information disclosure of our Bank is legal, responsive, true and complete;
- (VI) To provide advice for our Bank in making significant decisions; and
- (VII) To perform other duties as authorized by the Board or specified in the Articles of Association.

**Article 178** The secretary of the Board and the person-in-charge of the Board's office shall be nominated by the chairman and be appointed or dismissed by the Board.

## **Chapter VIII President**

**Article 179** The Bank's operational management shall implement a system of responsibility under the leadership of the Board of Directors. The Bank shall have one President and several Vice Presidents. Where necessary, other senior management personnel may be appointed to assist the President in his duties.

The President shall be proposed by the Chairman to the Board of Directors, and appointed or dismissed by the Board of Directors.

**Article 180** Persons who are not permitted to serve as senior executives of commercial banks according to the *Company Law* and Law of the People's Republic of China on Commercial Banks shall not serve as president of our Bank.

**Article 181** The president shall serve a term of three years and may be re-elected for successive terms. A president, before his term of office expires, shall not unjustifiably be dismissed by the Board.

Vice presidents and other senior executives shall assist the president with his work. Where the president is unable to exercise his powers and functions, he may designate a vice president to act on his behalf.

**Article 182** The President shall be accountable to the Board of Directors and shall exercise the following functions and powers:

- (I) To preside over the operation and management of the Bank and report to the Board of Directors on his or her work;
- (II) To organize the implementation of resolutions of the Board of Directors, the Bank's annual business plan, and its investment plans;
- (III) Within the scope of authorization, to decide on matters arising in the Bank's day-to-day operations, including external investments, purchases of fixed assets, asset mortgages, and other guarantees;
- (IV) To formulate proposals for the establishment, adjustment, or dissolution of the Bank's branches, internal departments, and overseas institutions;
- (V) To formulate the Bank's basic management systems and measures;

- (VI) In accordance with the requirements of market-oriented and professional management, to request the Board of Directors to appoint or dismiss the Bank's Vice Presidents, Chief Financial Officer, and other personnel who are required to be appointed or dismissed by the Board of Directors;
- (VII) To appoint or dismiss other personnel of the Bank, other than those who are required to be appointed or dismissed by the Board of Directors;
- (VIII) To authorize members of the senior management, heads of internal functional departments, branches, directly administered institutions, and overseas institutions to engage in business activities;
- (IX) To formulate or determine matters relating to the wages, benefits, rewards, and disciplinary sanctions of the Bank's employees;
- (X) To propose the convening of interim meetings of the Board of Directors and submit matters for deliberation;
- (XI) In the event of a material emergency involving the Bank, to take emergency measures and immediately report the same to the competent regulatory authorities and the Board of Directors; and
- (XII) To exercise other functions and powers as may be conferred by the Articles of Association or by the Board of Directors.

**Article 183** The President shall, upon request by the Board of Directors, report to the Board of Directors on the conclusion and execution of major contracts, the utilisation of funds, and the Bank's profits and losses. The President must guarantee the authenticity of such reports.

**Article 184** The president shall listen to the opinions of the Trade Union and the employees before making decisions on issues concerning the personal interests of the employees, such as salaries, welfare, safety, labor protection, labor insurance, appointment or dismissal.

**Article 185** The president shall formulate work rules of the president according to the powers and functions specified in the Articles of Association and shall be implemented after being approved by the Board.

**Article 186** The president shall fulfill the obligation of honesty and diligence in accordance with laws, regulations and the Articles of Association.

**Article 187** In the principle of combining efficiency with risks, personal interests and collective interests and short-term and long-term performances, our Bank adopts a performance-based remuneration system for the president and a long-term incentive and restriction mechanism including stock ownership incentive and stock option incentive.

**Article 188** The Vice Presidents of the Bank may tender their resignation or be dismissed before the expiration of their term of office; however, they may not leave office until the completion of the departure audit.

The rights and obligations of the Vice Presidents, as well as the specific procedures and measures for their appointment, resignation, and dismissal, shall be set forth in the service contracts entered into between the Vice Presidents and the Bank.

## **Chapter IX Qualifications and Duties of Directors and Senior Management Personnel**

**Article 189** The qualifications for appointment of directors and senior management personnel of the Bank shall comply with the provisions of laws, regulations, departmental rules, normative documents, relevant regulatory authorities and these Articles of Association. Directors and senior management personnel shall undergo qualification review by the banking regulatory authority under the State Council in accordance with the aforementioned provisions.

**Article 190** The provisions of Article 126 of these Articles of Association concerning the management system for departing personnel shall also apply to senior management personnel.

The provisions of these Articles concerning the fiduciary and duty of care obligations of directors shall also apply to senior management personnel.

**Article 191** Persons holding administrative positions other than directors or supervisors in the Bank's controlling shareholder entity shall not serve as senior management personnel of the Bank.

Senior management personnel of the Bank shall receive remuneration solely from the Bank and shall not be paid by the controlling shareholder.

**Article 192** Where a senior management personnel causes damage to others in the performance of their duties for the Bank, the Bank shall bear liability for compensation; where such senior management personnel acts with intent or gross negligence, they shall also bear liability for compensation.

Senior management personnel shall bear liability for compensation where they violate laws, administrative regulations, departmental rules or the provisions of these Articles of Association in the performance of their duties for the Bank, thereby causing losses to the Bank.

Senior management personnel shall faithfully perform their duties and safeguard the best interests of the Bank and all shareholders. Where senior management personnel fail to faithfully perform their duties or breach their fiduciary duties, thereby causing damage to the interests of the Bank and its public shareholders, they shall bear liability for compensation in accordance with the law.

**Article 193** In addition to the eligibility requirements stipulated in these Articles of Association, no person shall serve as a director or senior management personnel of the Bank if they fall under any of the following circumstances:

- (I) Persons lacking full capacity for civil conduct or persons with limited capacity for civil conduct;

- (II) Having been sentenced for crimes of embezzlement, bribery, misappropriation of property, misappropriation of funds, or disruption of the socialist market economy order, where the period of execution has not yet expired for five years; or having been deprived of political rights due to criminal offences, where the period of execution has not yet expired for five years, or having been granted a suspended sentence, where the probationary period has not yet expired for two years;
- (III) Having served as a director, factory manager, or general manager of a company or enterprise undergoing bankruptcy liquidation and bearing personal responsibility for its bankruptcy, where less than three years have elapsed since the completion of the bankruptcy liquidation of that company or enterprise;
- (IV) Where an individual served as the legal representative of a company or enterprise whose business licence was revoked or which was ordered to close due to unlawful conduct, and bears personal responsibility, the period shall not exceed three years from the date of revocation of the business licence or the order to close;
- (V) Where an individual has been listed by a People's Court as a discredited person subject to enforcement due to failure to settle substantial debts upon maturity;
- (VI) Where a person has been subject to a securities market ban imposed by the China Securities Regulatory Commission, and the period of such ban has not yet expired;
- (VII) Persons publicly identified by a securities exchange as unsuitable to serve as directors or senior management personnel of listed companies, where the relevant period has not yet expired;
- (VIII) Persons removed from office by other commercial banks or organisations for failure to fulfil their fiduciary duties;
- (IX) Individuals employed by shareholders or shareholder entities whose loans from the Bank (excluding loans secured by bank certificates of deposit or government bonds) exceed the audited net equity value of their holdings in the preceding year;
- (X) Individuals employed by persons or enterprises with overdue loans outstanding to the Bank;
- (XI) Persons under investigation by judicial authorities for criminal offences where proceedings remain unresolved;
- (XII) Persons prohibited by laws or regulations from holding leadership positions in enterprises;
- (XIII) Non-natural persons;
- (XIV) Persons who have been adjudged by relevant regulatory authorities to have violated securities regulations involving fraudulent or dishonest conduct, where less than five years have elapsed since such adjudication;

- (XV) Persons otherwise prohibited by laws, regulations, departmental rules, normative documents, relevant regulatory authorities, or this Articles of Association from serving as directors, senior management personnel, or other enterprise leaders.

Any election, appointment, or engagement of directors or senior management personnel in contravention of this Article shall be null and void. Should any director or senior management personnel become subject to any circumstance described herein during their tenure, the Bank shall terminate their position and cease their duties.

**Article 194** In addition to the obligations prescribed by laws, regulations, relevant regulatory authorities, and these Articles of Association, the directors and senior management of the Bank shall, in exercising the powers conferred upon them by the Bank, also owe the following obligations to each shareholder:

- (I) Not to cause the Bank to exceed the scope of business specified in its business licence;
- (II) To act in good faith and with the Bank's best interests as their primary consideration;
- (III) Not to deprive the Bank of its property in any form, including but not limited to opportunities beneficial to the Bank;
- (IV) Not to deprive shareholders of their individual rights, including (but not limited to) distribution rights and voting rights, except in relation to the Bank's reorganisation submitted to the shareholders' meeting for approval in accordance with these Articles of Association.

**Article 195** The fiduciary duties of the Bank's directors and senior management personnel shall not necessarily terminate upon the conclusion of their term of office. Their obligation to maintain the confidentiality of the Bank's trade secrets shall remain effective after the conclusion of their term of office until such secrets become public information. The duration of other obligations shall be determined in accordance with principles of fairness, taking into account the length of time between the occurrence of the event and the departure, as well as the circumstances and conditions under which the relationship with the Bank ended.

**Article 196** The Bank shall not extend unsecured loans to related parties; the terms for secured loans extended to related parties shall not be more favourable than those for similar loans extended to other borrowers.

The term "related parties" as referred to in the preceding paragraph means:

- (I) Directors, managers, credit officers of the Bank and their close relatives;
- (II) Companies, enterprises, and other economic organisations in which the persons listed in the preceding item have invested or hold senior management positions.

**Article 197** Where the Bank provides loans in contravention of the preceding Article, the recipient of the funds shall immediately repay them, irrespective of the loan terms.

## **Chapter X Financial, Accounting Systems, Profit Distribution and Auditing**

### **Section I Financial Accounting System and Profit Distribution**

**Article 198** The Bank shall establish its financial accounting system in accordance with laws, regulations, and the provisions of relevant state authorities, and shall disclose financial accounting reports to shareholders and directors.

**Article 199** The Bank's accounting year shall be the calendar year, namely from 1 January to 31 December. The Bank shall prepare the annual report within four months of the end of each financial year, its interim report within two months of the end of the first six months of each financial year. These reports shall be submitted to the relevant state authorities including the local offices of the State Council's securities regulatory authority and the stock exchange, in accordance with the law.

Where the securities regulatory authority of the place where the Bank's shares are listed has separate provisions, such provisions shall prevail.

The Board of Directors shall present to shareholders at each annual shareholders' meeting the financial accounting reports required to be prepared by the Bank under relevant laws, regulations, departmental rules, and normative documents.

The Board of Directors shall, at least twenty days prior to the convening of the annual shareholders' meeting, make available for inspection by shareholders the Bank's audited financial accounting reports at the Board of Directors' Office. Each shareholder of the Bank shall be entitled to receive the financial accounting reports referred to in this Chapter.

Unless otherwise provided in these Articles, the Bank shall, at least twenty-one days prior to the annual shareholders' meeting, dispatch the aforementioned report together with the Board of Directors' report. Such dispatch shall be made to H-share shareholders in a manner compliant with the Hong Kong Listing Rules. Where the securities regulatory authority of the Bank's listing jurisdiction prescribes otherwise, such provisions shall prevail.

**Article 200** The financial accounting report this year shall include the following items:

- (I) Balance sheet;
- (II) Income statement;
- (III) Cash flow statement;
- (IV) Statement of changes in stockholders' equity;
- (V) Notes to the financial statements.

**Article 201** The financial reports of our Bank shall be prepared in accordance with the PRC accounting standards and regulations as well as the international accounting standards or the accounting standards of the overseas listing place. If there are any major differences between the financial statements prepared in accordance with the two accounting standards, such differences shall be stated in the notes to the financial statements. Our Bank shall distribute the after-tax profit of the relevant fiscal year as per the less of the after-tax profits in the aforesaid two financial statements.

**Article 202** The interim results or financial data announced or disclosed by our Bank shall be prepared in accordance with the PRC accounting standards and regulations as well as the international accounting standards or the accounting standards of the overseas listing place.

**Article 203** The Bank shall not maintain any accounting books or records other than those required by law. The Bank's assets shall not be deposited in accounts opened in the name of any individual.

**Article 204** The financial officers of our Bank shall have the qualifications specified under the *Accounting Law* and the *Commercial Bank Law*.

**Article 205** Our Bank shall distribute profits after income tax in the following order:

- (I) To make up for the losses of previous years;
- (II) To set aside 10% as statutory reserve fund;
- (III) To make allocations to general reserve;
- (IV) To set aside discretionary reserve fund; and
- (V) To pay dividends to shareholders.

The payment of dividends on preference shares should be subject to laws, rules, departmental regulations, and relevant provisions of the securities regulatory authorities in the place where the Bank's shares are listed and the preference shares are issued or listed, and the Articles of the Association.

**Article 206** No further contribution may be required when the accumulated amount of statutory reserve funds of our Bank reaches more than 50% of our registered capital.

Where the Bank's statutory reserve is insufficient to cover losses from prior years, losses shall first be covered by the current year's profits before making the statutory reserve extraction as stipulated in the preceding paragraph. Following extraction of the statutory reserve, the decision to extract discretionary reserves shall be made by the shareholders' meeting.

Where the shareholders' meeting distributes profits to shareholders in contravention of the *Company Law*, shareholders must return the unlawfully distributed profits to the Bank. Where losses are incurred by the Bank, shareholders and directors or senior management personnel bearing responsibility shall be liable for compensation.

The Bank's reserves shall be used to offset losses, expand the scale of operations, or be converted to increase the registered capital.

When utilising reserves to cover losses, discretionary reserves and statutory reserves shall be employed first; should these prove insufficient, capital reserves may be utilised in accordance with regulations.

Shares held by the Bank in itself shall not participate in profit distribution.

**Article 207** When converting statutory reserves to increase registered capital, the retained portion of such reserves shall not be less than twenty-five percent of the Bank's registered capital prior to the conversion.

**Article 208** The profit distribution policy for ordinary shareholders of the Bank shall be as follows:

- (I) The Bank will implement a sustainable and stable dividend distribution policy. The Bank shall emphasize reasonable investment returns to investors and take its sustainable development into account when distributing dividends. The Bank shall give priority to distribution of dividends in cash subject to compliance with the principle of continuous profitability, regulatory requirements and its normal operation and long-term development.
- (II) Particulars of the profit distribution policy are as follows:
  1. Form of profit distribution and its interval: The Bank may distribute profits in proportion to the shareholdings of Shareholders, and may make dividend distributions either in cash or in shares or a combination of both. If the Bank satisfies the conditions for cash dividends, it shall give priority to make profit distribution in the form of cash dividends. The Bank shall, in principle, distribute profits once a year. Where conditions allow, the Bank may distribute interim dividends.
  2. Specific conditions and ratios for the Bank's cash dividends: Should the Bank's capital adequacy ratio fall below the minimum standard required by national regulatory authorities, cash dividends shall generally not be distributed to shareholders for that year. Provided that the capital adequacy ratio meets regulatory requirements, cash dividends may be distributed in any year where distributable profits remain after legally offsetting losses, extracting reserves, general provisions, and paying preferred share dividends. The cumulative cash dividends distributed to the Bank's ordinary shareholders over the preceding three years shall not be less than thirty percent of the average annual distributable profits attributable to ordinary shareholders during that period. The specific annual cash dividend ratio shall be determined by the Bank in accordance with relevant laws, regulations, normative documents, the provisions of these Articles of Association, and the Bank's operational circumstances, and shall be subject to approval by the Bank's shareholders' meeting.
  3. Conditions for the Bank's distributing dividends in shares: Where the operating income of the Bank grows rapidly and the Board considers that the share price of the Bank does not reflect its share capital, the Bank may propose and execute a share dividend distribution proposal in addition to payment of the cash dividend distribution above.

4. The Bank's Board of Directors shall formulate differentiated cash dividend policies in accordance with the procedures stipulated in the Bank's Articles of Association, taking into comprehensive consideration the characteristics of the industry in which the Bank operates, its stage of development, its business model, profitability, debt repayment capacity, and whether there are significant capital expenditure arrangements and investor returns. Such policies shall be differentiated according to the following circumstances:
  - (1) If the Bank is at the mature stage of development and has no significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 80% when the profit distribution is made;
  - (2) If the Bank is at the mature stage of development and has significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 40% when the profit distribution is made;
  - (3) If the Bank is at the growing stage and has significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 20% when the profit distribution is made;

If it is difficult to distinguish the Bank's stage of development and the Bank has significant capital expenditure arrangement, the profit distribution may be dealt with pursuant to the preceding provisions.

5. The Bank shall not distribute profits to the ordinary shareholders before ensuring the full satisfaction of annual dividend as agreed to preference shareholders.

(III) Deliberation Procedures for Profit Distribution:

1. When formulating profit distribution proposals, the Bank's Board of Directors shall thoroughly research and deliberate matters including the timing, conditions, minimum ratio, adjustment criteria, and decision-making procedures for cash dividends. Where independent directors consider that a specific cash dividend proposal may prejudice the interests of the Bank or its minority shareholders, they shall have the right to issue an independent opinion. Where the Board does not adopt, or does not fully adopt, the opinions of independent directors, it shall record the independent directors' opinions and the specific reasons for non-adoption in the Board resolution and disclose them. Prior to the shareholders' meeting deliberating on the specific cash dividend proposal, the Bank shall proactively engage with shareholders, particularly minority shareholders, through multiple channels to fully hear their views and requirements, and promptly address their concerns. The Bank's Audit Committee shall oversee the Board's formulation of the profit distribution plan and its decision-making procedures.

When convening the annual shareholders' meeting to deliberate on the annual profit distribution plan, the Bank may consider and approve the conditions, maximum ratio, and maximum amount for interim cash dividends in the following year. The maximum amount for interim dividends in the following year deliberated at the annual shareholders' meeting shall not exceed the net profit attributable to the Bank's shareholders for the corresponding period. The Board of Directors shall formulate specific interim dividend plans in accordance with the resolution of the shareholders' meeting, subject to the conditions for profit distribution.

2. Should the Bank meet the conditions for cash dividends but fail to propose a cash dividend scheme, or should the cumulative profits distributed in cash over the preceding three years fall below thirty percent of the average annual distributable profits realised during that period, the Board of Directors shall provide a special explanation regarding the specific reasons for not distributing cash dividends, the precise purpose of the Bank's retained earnings, and the projected investment returns. Following the independent directors' opinions, this shall be submitted to the shareholders' meeting for deliberation and disclosed on the Bank's designated media. The Bank shall provide shareholders with online voting facilities for this purpose.
- (IV) **Reasons for Not Distributing Cash Profits:** The Bank shall disclose the profit distribution proposal for the relevant year in its annual report. Where the Bank has made a profit during the reporting period, but the Board of Directors has not proposed a cash profit distribution, the Board announcement approving the annual report shall include a detailed explanation of the reasons for not distributing dividends, the purpose for retaining the funds not used for dividends within the Bank, and the next steps proposed to enhance investor returns.
- (V) **Adjustment of Profit Distribution Policy:** The Bank may adjust its profit distribution policy in the event of force majeure such as war or natural disasters, significant changes in the Bank's external operating environment that materially impact its production and operations, or substantial alterations in the Bank's own operational circumstances. When adjusting the profit distribution policy, the Board shall prepare a dedicated discussion paper detailing the rationale for the adjustment. This written justification report shall be reviewed by the independent directors before submission to the shareholders' meeting. Approval requires a majority of two-thirds of the voting rights held by shareholders present at the meeting. The Bank shall provide online voting facilities for shareholders. When deliberating policy changes to the profit distribution scheme, the shareholders' meeting shall give due consideration to the views of minority shareholders.
- (VI) If there is any shareholder illegally taking up the Bank's capital, the Bank shall deduct the cash dividends allocated to such shareholder to repay the amount of capital taken.

- (VII) The Bank shall disclose in detail within its annual report the formulation and implementation of its cash dividend policy, stating whether it complies with the provisions of the Bank's Articles of Association or the shareholders' meeting resolution; whether the dividend criteria and ratio are explicit and clear; and whether the relevant decision-making procedures and mechanisms are sound and well-established; where the Bank does not distribute cash dividends, it shall disclose the specific reasons and the measures proposed to enhance investor returns in the next phase; whether minority shareholders have had sufficient opportunity to express their opinions and demands; and whether the lawful rights and interests of minority shareholders have been adequately protected. Where adjustments or changes are made to the cash dividend policy, detailed explanations shall also be provided regarding the compliance and transparency of the conditions and procedures for such adjustments or changes.

**Article 209** Capital reserve includes the following:

- (I) Premium arising from issue above the par value of the stock;
- (II) Other revenues required by the financial authority under the State Council to be stated as capital reserve.

**Article 210** Following the resolution of the profit distribution plan by the Bank's shareholders' meeting, alternatively, the Board formulating a specific plan based on the interim dividend conditions and ceiling approved by the annual shareholders' meeting for the following year, it shall complete the distribution of dividends (or shares) within two months.

**Article 211** Cash dividends and other monies paid by our Bank to holders of domestic listed shares shall be stated, announced and paid in RMB. Cash dividends and other monies paid by our Bank to holders of foreign shares shall be stated and announced in RMB and paid in the currency of the country where such foreign shares are listed. Foreign currency needed by our Bank to pay cash dividends and other monies to holders of foreign shares shall be obtained pursuant to relevant state regulations on foreign exchange.

Save as otherwise specified in relevant laws and regulations, if the cash dividends and other monies are paid in foreign currencies, the exchange rate shall be the mean of central parity rate published on the website of People's Bank of China 7 working days before announcement of the dividends and other monies.

**Article 212** Monies paid for any shares before dunning by our Bank shall have interests, but the shareholders are not entitled to dividends announced later for the said monies.

Provided that the relevant PRC laws, regulations and departmental rules are observed, our Bank may exercise the right to seize dividends not collected, but the said right shall only be exercised after expiry of the applicable validity period.

Our Bank's power to cease sending dividend warrants to holders of overseas listed shares by post will not be exercised until such dividend warrants had been so left uncashed on two consecutive occasions. Such power may also be exercised after the first occasion on which such a dividend warrant is returned undelivered.

Our Bank is entitled to sell the overseas listed shares of those shareholders uncontactable in a manner deemed appropriate by the Board, subject to the following terms:

1. Dividends have been distributed by our Bank for the said shares for at least three times in 12 years, but are not claimed in the said period;
2. After expiry of the 12-year period, our Bank has published an announcement on one or more newspapers, stating our intention to dispose of the shares, and notified the securities regulatory authority at the location where our Bank's shares are listed.

**Article 213** The Bank shall appoint a paying agent for shareholders holding overseas listed shares. The paying agent shall collect dividends and other amounts payable by the Bank in respect of overseas listed shares on behalf of the relevant shareholders.

The paying agent appointed by the Bank shall comply with the requirements of the laws of the place where the Bank's shares are listed or the relevant provisions of the stock exchange.

## **Section II Internal Audit**

**Article 214** The Bank implements a vertically managed internal audit system, clearly defining the leadership structure, responsibilities and authority, staffing, funding guarantees, utilisation of audit results, and accountability for internal audit work. The Bank employs full-time audit personnel to conduct internal audit supervision of the Bank's financial receipts and expenditures and business operations.

**Article 215** The Bank's internal audit system is implemented after approval by the Board of Directors and disclosed externally.

**Article 216** The Bank's internal audit department shall supervise and inspect the Bank's business activities, risk management, internal controls, financial information and other matters. The internal audit department shall be accountable to the board of directors, and the head of internal audit shall be appointed and dismissed by the board of directors. During the supervision and inspection of the Bank's business activities, risk management, internal controls, and financial information, the internal audit department shall accept the supervision and guidance of the Audit Committee. Should the internal audit department discover any significant issues or leads, it shall report directly to the Audit Committee.

**Article 217** When the Audit Committee communicates with external audit entities such as accounting firms and state audit institutions, the internal audit department shall actively cooperate and provide necessary support and collaboration.

**Article 218** The Audit Committee shall participate in the appraisal of the head of internal audit.

**Article 219** Senior management of the Bank shall ensure and support the implementation of the Bank's internal audit system and the fulfilment of duties by internal audit personnel. They shall promptly provide the internal audit department with materials and information concerning the Bank's financial position, risk status, and internal control status as required by internal audit, and shall not interfere with, obstruct, or impede the audit activities conducted by the internal audit department in accordance with its responsibilities.

### **Section III Appointment of Accounting Firms**

**Article 220** The Bank shall engage an accounting firm complying with the *Securities Law* to conduct audits of accounting statements, verification of net assets, and other related advisory services, with a term of one year which may be renewed.

**Article 221** The Bank shall provide the appointed accounting firm with true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials, and shall not refuse, conceal or falsify any information.

**Article 222** The audit fees payable to the accounting firm shall be determined by the shareholders' meeting.

**Article 223** The decision to engage, dismiss, or not renew the engagement of the accounting firm shall be made by the shareholders' meeting. The board of directors shall not appoint an accounting firm prior to the shareholders' meeting decision.

**Article 224** Where the Bank dismisses or does not renew the appointment of an accounting firm, it shall give prior notice to the accounting firm. When the shareholders' meeting votes on dismissing the accounting firm, the accounting firm shall be permitted to present its views. Where the accounting firm proposes to resign, it shall explain to the shareholders' meeting whether the Bank has engaged in any improper conduct.

## **Chapter XI Mergers, Divisions, Dissolution and Liquidation**

### **Section I Mergers and Divisions**

**Article 225** Our Bank may be merged or divided pursuant to laws. A merger of our Bank may be in two forms: merger by absorption or merger by the establishment of a new company.

**Article 226** Where the consideration paid by the Bank in a merger does not exceed ten percent of its net assets, no resolution of the shareholders' meeting shall be required, except as otherwise provided in these Articles.

Where the Bank merges pursuant to the preceding paragraph without a resolution of the shareholders' meeting, it shall be subject to a resolution of the board of directors.

**Article 227** Our Bank's merger and division shall comply with the *Company Law* and the *Commercial Bank Law*.

**Article 228** In respect of the merger or division of our Bank, the Board shall propose a plan and have it adopted following the procedure specified in the Articles of Association, and go through relevant examination and approval formalities pursuant to laws. Any shareholder objecting to the merger or division of our Bank shall have the right to require our Bank or the shareholders approving the merger or division of our Bank to purchase his shares at a fair price. Resolution on merger or division of our Bank shall be archived as document for reference by the shareholders.

Save as otherwise provided for by the securities regulatory authority at the location where our Bank's shares are listed, the aforementioned documents shall be served by mail to the holders of overseas listed shares.

**Article 229** For the merger of the Bank, the merging parties shall enter into a merger agreement and prepare a balance sheet and an inventory of assets. The Bank shall notify creditors within ten days of the merger resolution being passed and shall publish the notice within thirty days in the media designated by the Bank for such announcements or on the National Enterprise Credit Information Publicity System. Creditors may demand debt repayment or equivalent security from the Bank within thirty days of receiving notification, or within forty-five days of the announcement date if unnotified.

Upon the Bank's merger, the claims and liabilities of the merging parties shall be assumed by the surviving company or the newly established company.

**Article 230** Upon the Bank's division, its assets shall be apportioned accordingly.

Upon the Bank's division, the parties involved shall execute a division agreement and prepare a balance sheet and property inventory. The Bank shall notify creditors within ten days of the date on which the resolution to split is made and shall publish an announcement within thirty days in the media designated by the Bank for the publication of announcements or on the National Enterprise Credit Information Publicity System.

Debts incurred by the Bank prior to the division shall be assumed on a joint and several basis by the companies resulting from the division in accordance with the agreement reached, except where otherwise stipulated in written agreements concluded with creditors regarding debt settlement prior to the division.

**Article 231** Where the Bank remains in deficit after offsetting losses in accordance with the provisions of Article 206(V) of these Articles of Association, it may reduce its registered capital to cover such deficit. Where registered capital is reduced to offset losses, the Bank shall not distribute dividends to shareholders nor exempt shareholders from their obligations to contribute capital or pay share subscriptions.

Where the registered capital is reduced in accordance with the preceding paragraph, the provisions of Article 28, Paragraph 3 of these Articles of Association shall not apply; however, an announcement shall be made within thirty days from the date of the shareholders' meeting resolution to reduce the registered capital in the media designated by the Bank for publication of announcements or on the National Enterprise Credit Information Publicity System.

Following a reduction in registered capital pursuant to the preceding two paragraphs, the Bank shall not distribute profits until the aggregate amount of statutory and discretionary reserves reaches fifty percent of the registered capital.

**Article 232** Where registered capital is reduced in contravention of the *Company Law* or other relevant provisions, shareholders shall return any funds received, and any reduction in shareholder contributions shall be restored to its original state. Where losses are incurred by the Bank, shareholders and directors or senior management bearing responsibility shall be liable for compensation.

**Article 233** When a company issues new shares to increase its registered capital, shareholders shall not enjoy pre-emptive subscription rights, unless otherwise provided in these Articles of Association or decided by a resolution of the shareholders' meeting.

**Article 234** Where the Bank merges or splits and the registered particulars change, it shall apply to the registration authority for amendment registration in accordance with the law; where the Bank is dissolved, it shall apply for cancellation registration in accordance with the law; where a new company is established, it shall apply for company establishment registration in accordance with the law.

Where a company increases or reduces its registered capital, it shall apply to the company registration authority for amendment registration in accordance with the law.

## **Section II Dissolution and Liquidation**

**Article 235** The Bank shall be dissolved and liquidated in the following circumstance:

- (I) Resolution of dissolution by the shareholders' meeting;
- (II) Dissolution required due to merger or division;
- (III) The revocation of its business license, an order to cease operations, or its deregistration in accordance with the law;
- (IV) Where the Bank encounters severe operational difficulties, and continued existence would cause substantial loss to shareholders' interests, and such difficulties cannot be resolved through other means, shareholders holding not less than ten percent of the voting rights of the Bank may petition the People's Court to dissolve the Bank;
- (V) Failure to discharge debts upon maturity, resulting in a declaration of bankruptcy in accordance with the law.

Where the Bank encounters any of the dissolution grounds specified in the preceding paragraph, it shall publicise the dissolution grounds through the National Enterprise Credit Information Publicity System within ten days.

**Article 236** Our Bank's dissolution and liquidation shall comply with the *Company Law* and the *Commercial Bank Law*.

**Article 237** Where the Bank is dissolved pursuant to Article 235(I), (III) or (IV) of these Articles of Association, it shall undergo liquidation. The directors shall be the persons responsible for the liquidation of the company and shall establish a liquidation committee within fifteen days from the date on which the grounds for dissolution arise, commencing the liquidation process.

The liquidation committee shall be composed of directors, unless otherwise provided for in these Articles of Association or unless the shareholders' meeting resolves to elect other persons.

Where the persons responsible for liquidation fail to perform their liquidation duties in a timely manner and thereby cause losses to the Bank or its creditors, they shall bear liability for compensation.

Where the Bank is dissolved pursuant to Article 235(V) of these Articles of Association, bankruptcy liquidation shall be conducted by the People's Court in accordance with relevant legal provisions.

**Article 238** Where the Board of Directors resolves to liquidate the Bank (except where liquidation is due to the Bank being declared bankrupt), it shall state in the notice convening the shareholders' meeting for this purpose that the Board has conducted a comprehensive investigation into the Bank's circumstances and is satisfied that the Bank can settle all its debts within twelve months of the commencement of liquidation.

Upon the passing of the resolution for liquidation by the shareholders' meeting, the powers of the Bank's board of directors shall cease immediately.

The liquidation committee shall act in accordance with the instructions of the shareholders' meeting, reporting to the shareholders' meeting at least once annually on the committee's income and expenditure, the Bank's business, and the progress of the liquidation, and shall submit a final report to the shareholders' meeting upon completion of the liquidation.

**Article 239** The liquidation committee shall notify creditors within ten days of its establishment and shall publish a notice within sixty days in the media designated by the Bank for the publication of announcements or on the National Enterprise Credit Information Publicity System. Creditors shall declare their claims to the liquidation panel within thirty days of receiving the notice, or within forty-five days of the date of the public notice if they did not receive the notice.

When filing claims, creditors shall explain the relevant matters concerning the claims and provide supporting evidence. The liquidation committee shall register the claims.

During the claim filing period, the liquidation committee shall not make any repayments to creditors.

**Article 240** During the liquidation period, the liquidation committee shall exercise the following powers:

- (I) To liquidate the assets of our Bank and prepare the balance sheet and a property inventory;
- (II) To inform creditors by notice or announcement;
- (III) To deal with the outstanding businesses of our Bank relating to liquidation;
- (IV) To pay outstanding taxes and the taxes arising during liquidation;
- (V) To settle claims and debts;
- (VI) To distribute the residual assets of the Bank after settling its debts;
- (VII) To represent our Bank in civil proceedings.

**Article 241** After completing the inventory of the Bank's assets, preparing the balance sheet and inventory of assets, the liquidation committee shall formulate a liquidation plan and submit it to the shareholders' meeting, the relevant competent authority, or the People's Court for confirmation.

The Bank's assets shall be settled in the following order:

- (I) Payment of liquidation expenses;
- (II) Payment of employees' wages, social insurance contributions and statutory compensation;
- (III) Payment of principal and interest on individual savings deposits;
- (IV) Payment of outstanding taxes;
- (V) settlement of the Bank's debts;
- (VI) Distribution to shareholders according to type and proportion of shares held.

During the liquidation period, the Bank shall continue to exist but shall not engage in business activities unrelated to the liquidation. The Bank's assets shall not be distributed to shareholders until the obligations specified in the preceding paragraph have been discharged.

**Article 242** Where, after clearing the Bank's assets and preparing the balance sheet and inventory of assets, the liquidation committee finds that the Bank's assets are insufficient to discharge its debts, it shall, with the consent of the banking regulatory authority under the State Council, apply to the people's court for bankruptcy liquidation in accordance with the law.

After the People's Court has accepted the bankruptcy application, the liquidation committee shall transfer the liquidation affairs to the bankruptcy administrator appointed by the People's Court.

**Article 243** Upon completion of the Bank's liquidation, the liquidation committee shall prepare a liquidation report. The report shall be submitted to the shareholders' meeting or the relevant competent authority for confirmation, and shall be submitted to the Bank's registration authority to apply for cancellation of the company registration.

**Article 244** Members of the liquidation group perform their liquidation duties, and bear the duties of loyalty and diligence.

Members of the liquidation committee who neglect their liquidation duties and cause losses to the bank shall bear liability for compensation; those who cause loss to creditors through willful misconduct or gross negligence shall bear liability for compensation.

**Article 245** Where our Bank is declared bankrupt according to law, it shall carry out bankruptcy liquidation according to the laws and regulations concerning bankruptcy liquidation.

## Chapter XII Notices and Announcements

**Article 246** Notices issued by the Bank shall take the following forms:

- (I) By personal delivery;
- (II) By pre-paid mail or fax and email;
- (III) By public notice;
- (IV) By announcement on the website designated by our Bank and relevant regulators in accordance with the laws, regulations, departmental rules, normative documents, relevant regulations of the supervisory authority and the Articles of Association;
- (V) Other forms approved by the securities regulatory authority where the Bank's shares are listed or as stipulated for in these Articles of Association.

Notwithstanding any other provisions in these Articles of Association concerning the form of issuance or notification for any document, notice or other corporate communication, subject to compliance with the relevant regulations of the securities regulatory authority where the Bank's shares are listed, the Bank may elect to issue corporate communications in the manner specified in sub-paragraph (IV) of paragraph 1 of this Article, thereby substituting the requirement to deliver written documents to each shareholder of overseas-listed shares by hand or by postage-paid mail. The aforementioned corporate communications refer to any documents issued or to be issued by the Bank for shareholders' reference or action, including (but not limited to) annual reports (containing annual financial statements), interim reports (containing interim financial statements), directors' reports (together with balance sheets and profit and loss accounts), notices of shareholders' meeting, circulars, and other communications.

**Article 247** If the notice of our Bank is sent by personal delivery, the recipient shall affix signature (or seal) to the return on service and the signing date shall be the date of service; if the notice of our Bank is sent by post, the fifth workday after handover to the post office shall be the date of service; if the notice of our Bank is sent by fax or email, the sending date of fax or email shall be the date of service; if the notice of our Bank is sent by announcement, the date of first announcement shall be the date of service. Where relevant announcements are published on the newspapers complying with relevant regulations, the said notices shall be deemed as received by all relevant persons once the said notices are announced.

If the securities regulatory authority at the location where our Bank's shares are listed have special provisions, such provisions shall apply.

**Article 248** Where, by accident, a notice of meeting is not sent to a person entitled to receive it, or such person does not receive the notice, the meeting convened and the resolutions passed in accordance with these Articles of Association shall not be invalidated solely on that account.

**Article 249** If the securities regulatory authority at the location where our Bank's shares are listed stipulates that our Bank shall send, post, distribute, announce or otherwise provide relevant documents of our Bank in English and Chinese; if our Bank has made appropriate arrangement to confirm whether the shareholders hope to receive only the English version or the Chinese version, our Bank may (as per the intent stated by the shareholders) send only the English version or the Chinese version to the related shareholders within the range allowed by the applicable laws and regulations and pursuant to the applicable laws and regulation.

**Article 250** Our Bank shall issue announcements and disclose information to the holders of domestic listed shares through the newspapers and websites for information disclosure designated by laws, regulations or relevant domestic supervisory authorities. If our Bank is required to issue announcements to the holders of H shares according to the Articles of Association, relevant announcements shall also be published by means specified in Hong Kong Listing Rules.

### **Chapter XIII Procedure for Amending the Articles of Association**

**Article 251** The Bank shall amend its Articles of Association in any of the following circumstances:

- (I) Where provisions of the Articles conflict with amendments to relevant laws and administrative regulations such as the *Company Law* or the *Commercial Bank Law*;
- (II) Changes render our Bank's circumstance inconsistent with the matters recorded in the Articles of Association;
- (III) The shareholders' meeting resolves to amend the Articles of Association.

**Article 252** Amendments to the Articles of Association approved by resolution of the shareholders' meeting shall be subject to approval by the competent regulatory authority; where such amendments involve company registration, change registration shall be processed in accordance with the law.

**Article 253** The Board of Directors shall amend these Articles of Association in accordance with the resolution of the shareholders' meeting to amend the Articles of Association and the approval opinion of the competent regulatory authority.

Where amendments to the Articles of Association constitute information required to be disclosed under laws and regulations, they shall be announced in accordance with the relevant provisions.

### **Chapter XIV Special Provisions for Preference Shares**

**Article 254** Unless otherwise specified in laws, rules, departmental regulations, regulations of the securities regulatory authorities in the place where the shares of the Bank are listed or this Chapter, the rights and obligations of preference shareholders and management of preference shares shall be governed by the provisions relating to ordinary shares (including H shares) in the Articles of Association.

**Article 255** The number of preference shares issued by the Bank shall not exceed 50% of the total number of ordinary shares of the Bank, and the capital raised from the issue of preference shares shall not be more than 50% of the net assets of the Bank prior to the relevant issuance (excluding the preference shares that have been redeemed or converted).

**Article 256** In accordance with relevant rules on regulatory capital for commercial banks, the Bank may formulate terms governing the mandatory conversion of the preference shares into ordinary shares, namely, upon the occurrence of certain trigger events, the Bank shall convert the preference shares into ordinary shares in accordance with the conversion price and conversion amount as determined at the time of issuance of the preference shares. In circumstances when the preference shares are mandatorily converted into ordinary shares, the Bank shall report such conversion to banking regulatory authorities under the State Council for review and approval.

**Article 257** The preference shares issued by the Bank shall not have any put option, and the preference shareholders shall have no right to require the Bank to redeem preference shares. Subject to the approval of the banking regulatory authorities under the State Council and upon compliance with the relevant requirements, the Bank has the right to redeem all or part of the preference shares after the fifth year following the date of the relevant issuance of the preference shares. The redemption period of the preference shares commences on such date as agreed upon at the time of issuance of the preference shares and ends on the date of redemption or conversion of all the preference shares. The total number of outstanding preference shares shall be written down accordingly upon redemption of preference shares.

The exercise by the Bank of its right to redeem the preference shares shall be subject to the fulfilment of the following conditions:

- (I) the Bank shall use capital instruments of the same or superior quality to replace the preference shares to be redeemed and such replacement shall only be made at a time at which the Bank has a sustainable income generating capability; or
- (II) the capital position of the Bank immediately after redemption of the preference shares will remain significantly higher than the regulatory capital requirements prescribed by the banking regulatory authorities under the State Council.

The redemption price of offshore preference shares will be an amount equal to the issue price plus the amount of dividend declared but unpaid for the then current period.

**Article 258** Holders of the Bank's preference shares of the Bank shall enjoy the following rights:

- (I) Priority over ordinary shareholders in the distribution of dividends;
- (II) Priority over ordinary shareholders in the distribution of the Bank's residual assets upon liquidation;
- (III) In circumstances specified in Article 260 of these Articles of Association, the Bank's preference shareholders may attend the Bank's shareholders' meeting and exercise voting rights;
- (IV) To have their voting rights restored in accordance with the procedures set out in Article 261 of these Articles of Association when the circumstances specified therein arise;

- (V) The right to propose suggestions or raise questions regarding the Bank's business operations;
- (VI) The right to inspect the Bank's Articles of Association, register of members, bond stubs, minutes of shareholders' meetings, resolutions of the Board of Directors, and financial accounting reports;
- (VII) Other rights to which preferred shareholders are entitled as stipulated by laws, regulations, departmental rules, and these Articles of Association.

**Article 259** For the purposes of calculating a shareholder's shareholding ratio or number of shares held for the following matters, only ordinary shares and preference shares with restored voting rights shall be counted:

- (I) Requesting the convening of an extraordinary general meeting;
- (II) Convening and chairing shareholders' meeting;
- (III) Submission of proposals or extraordinary proposals to the shareholders' meeting;
- (IV) Nominating directors of the Bank who are not employee representatives;
- (V) identifying controlling shareholder(s) according to the relevant provisions of the Articles of Association;
- (VI) identifying person(s) restricted from serving as independent directors of the Bank according to the related provisions of the Articles of Association;
- (VII) identifying the ten largest shareholders of the Bank and the number of shares held by them and the shareholder(s) holding 5% or more of the shares of the Bank in accordance with *the Securities Law of the People's Republic of China* and relevant regulations; and
- (VIII) other circumstances provided under laws, rules, departmental regulations and the Articles of Association.

**Article 260** Except in the following circumstances, holders of the Bank's preference shares shall not attend shareholders' meetings and their shares shall carry no voting rights:

- (I) amendments to the Articles of Association that relate to preference shares;
- (II) reduction of the registered capital of the Bank by more than 10% on a single or aggregate basis;
- (III) merger, division, dissolution or change of corporate form of the Bank;
- (IV) issuance of preference shares by the Bank; and
- (V) Other circumstances stipulated by laws, regulations, departmental rules, and these Articles of Association.

Where any of the foregoing circumstances arise, the Bank shall convene a shareholders' meeting and notify the holders of preference shares, following the procedures for notifying holders of ordinary shares as stipulated in these Articles. Holders of preference shares shall vote separately from holders of ordinary shares on the aforementioned matters, with each preference share entitling its holder to one vote; provided that preference shares held by the Bank itself shall not carry voting rights.

Resolutions relating to the above matters shall be approved by more than two-thirds of the votes held by ordinary shareholders present at the meeting (including preference shareholders with restored voting rights) and by more than two-thirds of the votes held by preference shareholders present at the meeting (excluding preference shareholders with restored voting rights).

**Article 261** Where the Bank fails to pay preferred share dividends as agreed for three consecutive fiscal years or two consecutive fiscal years, preferred shareholders shall be entitled to attend the Bank's shareholders' meeting and vote alongside ordinary shareholders from the day following the shareholders' meeting's approval of the proposal to withhold profit distribution for that year. Preferred shareholders' voting rights shall remain restored until the Bank has paid the full dividend for that year.

The formula for calculating the ordinary share voting rights restored to overseas preference shares shall be as follows:  $Q = V/P \times \text{conversion rate}$ , with the restored voting rights rounded down to the nearest whole number.

Where: Q represents the voting rights restored to each overseas preferred shareholder for each overseas preferred share converted into H-share ordinary voting rights; V denotes the total value of overseas preferred shares held by each overseas preferred shareholder whose voting rights are restored; P denotes the conversion price, initially determined by the overseas preference share issuance plan approved at the Bank's shareholders' meeting and denominated in Hong Kong dollars. This is calculated based on the Renminbi mid-market exchange rate (against Hong Kong dollars) published by the China Foreign Exchange Trade System on the trading day preceding the announcement date of the board resolution approving the overseas preference share issuance plan, rounded up to two decimal places; The adjustment method for conversion price P shall be determined in accordance with the terms agreed upon at the time of the preferred shares' issuance; the conversion exchange rate shall be calculated based on the Renminbi exchange rate midpoint published by the China Foreign Exchange Trade System on the trading day preceding the announcement date of the board resolution approving the Overseas Preferred Shares Issuance Scheme, using Hong Kong dollars and the currency of the Overseas Preferred Shares issuance as the reference.

**Article 262** The dividend rate for the issued and outstanding preference shares of the Bank consists of the benchmark rate and the fixed spread. The dividend rate may be adjusted at different intervals. During a specified period after issuance of the preference shares, the dividend rate will remain the same and during any adjusted dividend rate period, the dividend rate will remain the same.

Preference shareholders shall rank in priority to the ordinary shareholders in terms of dividend distribution and the preference shares shall be entitled to the dividend rate and distribution of profits in accordance with the agreed terms. Dividends to the preference shareholders shall be payable in cash.

After receiving the dividends at the prescribed dividend rate, the preference shareholders shall not be entitled to any distribution of residual profits of the Bank together with the ordinary shareholders. In accordance with the relevant rules on regulatory capital of commercial banks, the Bank shall have the right to cancel dividends in whole or in part and this will not constitute an event of default. Any amount of dividends not paid to the preference shareholders in full by the Bank will not be accumulated to the following dividend periods.

**Article 263** In the event of liquidation of the Bank as a result of dissolution, bankruptcy or other reasons, the remaining assets of the Bank after liquidation in accordance with laws, rules, departmental regulations and paragraphs (I) to (V) under Article 241 shall be distributed first to the preference shareholders. Preference shareholders will be entitled to an amount equal to the aggregate value of the preference shares then issued and outstanding plus any declared but unpaid dividends for the then current period. If there are insufficient remaining assets, the distribution will be made ratably according to the aggregate value of the preference shares held by each preference shareholder as a proportion of the aggregate value of all preference shares of the Bank.

## **Chapter XV Supplementary Provisions**

### **Article 264 Definitions**

- (I) A controlling shareholder refers to a shareholder whose shareholding exceeds fifty percent of the total share capital of the joint-stock company, or a shareholder whose shareholding, though not exceeding fifty percent, carries sufficient voting rights to exert a significant influence on the resolutions of the shareholders' meeting.
- (II) An de facto controller refers to a natural person, legal person, or other organisation that is able to exercise actual control over the Bank's conduct through investment relationships, agreements, or other arrangements.
- (III) A substantial shareholder shall mean a shareholder holding or controlling five percent or more of the Bank's shares or voting rights, or holding less than five percent of the total capital or shares but having a significant influence on the Bank's management and operations. The shareholding ratios of a shareholder and its affiliates or parties acting in concert shall be aggregated.

The term "significant influence" in the preceding paragraph includes, but is not limited to, nominating or appointing directors or senior management to the Bank; influencing the Bank's financial and operational management decisions through agreements or other means; and other circumstances recognised by the banking regulatory authority under the State Council.

- (IV) The term "related party" as referred to in Articles 44, 45, 46 of these Articles of Association and subparagraph (III) of this Article means parties that control, jointly control or exert significant influence over another party, as well as two or more parties that are under the control, joint control or significant influence of a common party, as defined in Accounting Standard for Business Enterprises No. 36: Related Party Disclosures. However, enterprises under state control shall not be deemed related parties solely on the basis of shared state holding. "Acting in concert" refers to the act or fact whereby an investor, through agreements or other arrangements, jointly with other investors, increases the number of voting rights over the Bank's shares that it can control. "Persons acting in concert" refers to the relevant investors who have reached an agreement to act in concert.

- (V) The banking regulatory authority of the State Council refers to the National Financial Regulatory Administration, or its authorised branches.
- (VI) The term “accounting firm” as used in these Articles of Association shall have the same meaning as “auditor” under the Hong Kong Listing Rules.
- (VII) The term “senior management” as used in these Articles shall mean the President, Vice-Presidents, and other senior management personnel as recognised by the regulatory authorities.
- (VIII) The term “total number of shares carrying voting rights” as used in these Articles of Association shall include only ordinary shares and preference shares with restored voting rights.
- (IX) Cumulative voting refers to the system whereby, in the election of directors at a shareholders’ meeting, each share carries a number of votes equal to the number of directors to be elected, and shareholders may concentrate their voting rights.

**Article 265** Issues not covered in the Articles of Association shall be handled pursuant to the PRC laws and regulations and in line with the actual conditions of our Bank.

**Article 266** The Board of Directors shall formulate rules of procedure for the shareholders’ meeting, the Board of Directors (including its specialised committees), in accordance with the principles established in these Articles of Association. The rules of procedure for the shareholders’ meeting, the Board of Directors, shall be approved by the shareholders’ meeting.

**Article 267** In these Articles of Association, the terms “or more”, “or less than”, and “before” shall include the number specified; the terms “beyond” “or less”, “excluding”, “after”, “below” “more than” shall exclude the number specified.

**Article 268** The Board of our Bank shall be responsible for the interpretation of the Articles of Association.

**Article 269** These Articles of Association shall take effect upon deliberation and adoption by the shareholders’ meeting and approval by the banking regulatory authority under the State Council.