

Articles of Association of China Construction Bank Corporation (Amended in 2011)

*(These Articles of Association are made in accordance with *The Companies Law of the PRC* (“Companies Law”), *The Commercial Banking Law of the PRC* (“Commercial Banking Law”), *The Securities Law of the PRC* (“Securities Law”), *Special Provisions of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies* (“Special Provisions”), *Essential Clauses in Articles of Association of Companies Seeking a Listing Outside the PRC* (“Essential Clauses”), *Zhengjianhaihan [1995] No. 1 Reply on Opinions Concerning the Supplement and Amendment to Articles of Association by Companies to Be Listed in Hong Kong* (“Zhengjianhaihan”), *Opinions on Further Promotion of Regulated Operation and Deepening Reform of Companies Listed Overseas* (“Opinions”) and *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (“Listing Rules”).)*

TABLE OF CONTENTS

Chapter 1	General Provisions	3
Chapter 2	Purpose and Scope of Business	5
Chapter 3	Shares and Registered Capital	5
Chapter 4	Reduction of Capital and Repurchase of Shares	7
Chapter 5	Financial Aid for the Purchase of Shares in the Bank	10
Chapter 6	Share Certificates and Register of Shareholders	12
Chapter 7	Transfer of Shares	17
Chapter 8	Rights and Obligations of Shareholders	18
Chapter 9	Shareholders' General Meeting	23
Chapter 10	Special Procedures for Voting by Classes of Shareholders	40
Chapter 11	Board of Directors	43
Chapter 12	Independent Directors	54
Chapter 13	Special Committees of the Board	59
Chapter 14	Secretary to the Board of Directors	62
Chapter 15	Senior Management	64
Chapter 16	Board of Supervisors	68
Chapter 17	Qualifications and Obligations of Directors, Supervisors, President and Other Senior Management	76
Chapter 18	Financial and Accounting Rules, Profits Distribution and Audit	85
Chapter 19	Appointment of Accounting Firm	90
Chapter 20	Information Disclosure	93
Chapter 21	Employment and Human Resource	94
Chapter 22	Merger and Division	95
Chapter 23	Dissolution and Liquidation	96
Chapter 24	Amendments to Articles of Association	99
Chapter 25	Dispute Resolution	100
Chapter 26	Notice	101
Chapter 27	Interpretation	101
Chapter 28	Supplementary Provisions	102

Chapter 1 General Provisions

Article 1 China Construction Bank Corporation (the “Bank”) is a joint stock company incorporated with limited liability in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Law of the People’s Republic of China on Commercial Banks (the “Law on Commercial Banks”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Special Regulations of the State Council concerning Overseas Offering and Listing of Shares by Joint Stock Limited Companies (the “Special Regulations”), the Mandatory Provisions for Articles of Association of Companies Listed Abroad (the “Mandatory Provisions”) as well as other relevant laws, regulations and rules.

The Bank was founded by means of promotion with the approval of the State Council and the Yin Jian Fu [2004] No. 143 approval issued by the China Banking Regulatory Commission (the “CBRC”), and the Bank was registered with the State Administration for Industry and Commerce and obtained its business license on September 17, 2004. The number of the business license is 1000001003912.

Promoters of the Bank are: Central Huijin Investment Ltd., China Jianyin Investment Limited, State Grid Corporation of China, Shanghai Baosteel Group Corporation and China Yangtze Power Co., Ltd.

Article 2 The registered Chinese name of the Bank is 中國建設銀行股份有限公司;
Chinese name in short: 中國建設銀行;
English name of the Bank is China Construction Bank Corporation; and
English name in short: CCB.

Article 3 Domicile of the Bank: 25 Finance Street, Beijing, 100032;
Tel: (86-10)67597114
Facsimile: (86-10)66212862

Article 4 The chairman of the Board of Directors of the Bank is the legal representative of the Bank.

Article 5 The Bank is a joint stock limited company without a term of business.

Article 6 The capital of the Bank shall be divided into shares of equal value. The shareholders shall be responsible for the Bank to the extent of the shares held by them. The Bank shall bear the liabilities for its debts with all its assets.

Article 7 The Bank is operated according to the principles of safety, liquidity and efficiency and implements independent management, independent assumption of risks, independent assumption of profit and loss, and self-discipline.

Article 8 The Articles of Association (the “Articles”) are formulated by the Bank in accordance with the Company Law, the Law on Commercial Banks, the Securities Law, the Special Regulations, other applicable laws, regulations and rules, as well as the relevant provisions of the local securities regulatory authorities where shares of the Bank are listed.

The Articles shall be a legally binding document that regulates the organization and the acts of the Bank, as well as the rights and obligations between the Bank and its shareholders and among the shareholders from the date when it becomes effective.

Article 9 The Articles shall be of binding force upon the Bank, its shareholders, directors, supervisors, the president and other members of the senior management of the Bank. The aforesaid personnel may claim their rights in relation to the Bank in accordance with the Articles.

Shareholders shall have the right to take legal proceedings against the Bank; the Bank shall have the right to take legal proceedings against its shareholders; shareholders shall have the right to take legal proceedings against other shareholders; and shareholders and the Bank shall have the right to take legal proceedings against directors, supervisors, presidents and other members of the senior management of the Bank pursuant to the provisions of the Articles.

The term “legal proceedings” mentioned in the preceding paragraph shall include the commencement of legal proceedings before a court or application for arbitration to an arbitration organization.

Article 10 The “members of the senior management of the Bank” referred to in the Articles shall include the president, vice president, chief financial officer, chief risk officer, chief information officer, chief audit officer, secretary to the Board of Directors and other members of the management of the Bank appointed by the Board.

Article 11 In light of the needs of business development and with the approval of the banking regulatory institution of the State Council, the Bank may set up branches at home and abroad.

Branches of the Bank shall not have the qualification of legal persons and shall carry out their operations according to the authorization of the Bank and accept the uniform management of the Bank.

Article 12 The Bank may invest in other limited liability companies and joint stock limited companies and shall be responsible for the invested companies to the extent of the capital contributions it has made.

Chapter 2 Purpose and Scope of Business

Article 13 The operation purpose of the Bank is to operate steadily, prevent risks, be trustworthy, forge ahead in an innovative way, provide good-quality and efficient financial services, create good returns for all shareholders and boost economic development and social advancement.

Article 14 With the approval of the banking regulatory institution of the State Council, other regulatory authorities and the company registration authorities, the business scope of the Bank covers: taking of public deposits; granting of short, medium and long term loans; conducting of domestic and international settlement; conducting of acceptance and discounting of negotiable instruments; issuance of financial bonds; acting as agents for issuance, honoring and underwriting of government bonds; trading of government bonds and financial bonds; conducting of inter-bank lending; trading of foreign exchanges and trading of foreign exchanges as a proxy; conducting of bank card business; providing of L/C service and guarantee; acting as agents for collection, payment and issuance business; providing of safe-deposit box service; and any other businesses as approved by the banking regulatory institution of the State Council and other regulatory authorities.

Chapter 3 Shares and Registered Capital

Article 15 The Bank shall have ordinary shares at all time. Ordinary shares issued by the Bank shall include domestic shares and foreign shares. With the approval of competent authorities authorized by the State Council, the Bank may have other classes of shares in accordance with the actual needs.

Article 16 All shares issued by the Bank shall have a par value of RMB1 per share.

The “RMB” mentioned above refers to legal currency of the People’s Republic of China (the “PRC”).

Article 17 With the approval of securities regulatory authorities of the State Council, the Bank may issue shares to domestic and overseas investors.

The “overseas investors” mentioned above refer to the investors of foreign countries and regions including Hong Kong, Macau and Taiwan who have subscribed for the shares issued by the Bank. The term “domestic investors” refers to those investors who have subscribed for shares issued by the Bank in P.R. China other than those regions mentioned above.

Article 18 Shares issued by the Bank to domestic investors and subscribed for in RMB shall be referred to as “domestic shares”. Domestic shares listed in the PRC shall be referred to as “domestic listed shares”.

Shares issued by the Bank to overseas investors and subscribed for in foreign currency shall be referred to as “overseas foreign shares”. Overseas foreign shares listed abroad shall be referred to as “overseas listed foreign shares”.

The “foreign currency” mentioned above refers to legal currencies of other countries or regions other than RMB that is approved by the State Regulatory Authority of Foreign Exchange and may be used to pay as the share capital to the Bank.

Domestic shares that are approved by the State Council or the relevant authorities to be listed in overseas stock exchange and overseas listed foreign shares shall be of the same category and be collectively referred to as “overseas listed shares”.

Article 19 With the approval of the competent authorities authorized by the State Council and the Shareholders’ General Meeting of the Bank, the total number of ordinary shares that the Bank may issue is 250,010,977,486. The number of shares issued to the promoters when the Bank was incorporated is 194,230,250,000, representing 77.69% of the total ordinary shares of the Bank may issue.

Article 20 After the incorporation, the Bank issued 55,780,727,486 ordinary shares, including 46,187,069,880 overseas listed foreign shares (including those issued due to exercise of over-allotment option), representing 18.47% of the total ordinary shares that the Bank may issue; 9,593,657,606 domestic listed shares, representing 3.84% of the total ordinary shares that the Bank may issue.

After the share issuance mentioned aforesaid, the composition of the Bank’s share capital is as follows: 250,010,977,486 ordinary shares, including 240,417,319,880 overseas listed shares, representing 96.16% of the total number of ordinary shares that the Bank may issue; 9,593,657,606 domestic listed shares, representing 3.84% of the total ordinary shares that the Bank may issue.

Article 21 After the plan for issuing overseas listed shares and domestic shares by the Bank is approved by the securities regulatory authority of the State Council, the Board of Directors of the Bank may arrange for implementation of such plan by means of separate issues.

The plan for issuance of overseas listed shares and domestic shares separately in accordance with the aforesaid provision may be implemented by the Bank respectively within fifteen (15) months upon the date of approval by the securities regulatory authority of the State Council.

Article 22 Where the Bank issues the overseas listed shares and domestic shares within the total shares defined in the issuance plan, every such issue of shares shall be fully subscribed for at one time. Where special circumstances make it impossible for full subscription at one time, the shares may be issued in several phases, subject to the approval of the securities regulatory authority of the State Council.

Article 23 The registered capital of the Bank is RMB250,010,977,486.

Article 24 According to the demands of operation and business development, the Bank may, in accordance with relevant provisions in the Articles, increase its capital.

The Bank may increase its capital by means of the following ways:

- (1) issuing new shares to non-specific investors;
- (2) placing new shares to existing shareholders;
- (3) allotting of new shares to existing shareholders;
- (4) converting capital reserve to share capital;
- (5) any other methods permitted by laws, regulations and rules.

After being approved according to the Articles, the Bank's issuing of new shares shall be handled in accordance with the procedures provided for in relevant state laws, regulations and rules.

Chapter 4 Reduction of Capital and Repurchase of Shares

Article 25 The Bank may reduce its registered capital in accordance with the provisions of the Articles.

Article 26 The Bank shall prepare its balance sheet and lists of assets when it proposes to reduce the registered capital.

The Bank shall notify its creditors within ten (10) days of adopting the resolution to reduce the registered capital and shall publish an announcement of the resolution in newspaper within thirty (30) days. Creditors shall, within thirty (30) days of receiving the written notice (for those who have received the written notice), or within forty-five (45) days from the date of public announcement (for those who have not received the written notice), be entitled to request the Bank to discharge its debts obligations or provide corresponding security.

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

Article 27 On the basis that there is no contravention of laws, administrative regulations and listing rules, and after being approved under the procedures stipulated by the Articles and obtaining approvals from relevant competent authorities of the State, the Bank may repurchase its outstanding shares under the following circumstances:–

- (1) cancelling shares for the purpose of reducing the registered capital of the Bank;
- (2) merging with any other companies holding shares of the Bank;
- (3) granting the shares to employees of the Bank as a reward;
- (4) being requested to repurchase the shares held by the shareholders who vote against the merger or division resolutions adopted at the Shareholders' General Meeting;
- (5) any other circumstances permitted by laws, regulations and rules.

Where the Bank repurchases its shares under circumstances (1) to (3) of paragraph 1 above, a resolution of the Shareholder's General Meeting shall be made. Where the Bank repurchases its shares under circumstance (1), it shall cancel the shares within ten (10) days from the date of repurchase. Where the Bank repurchases its shares under circumstances (2) and (4), it shall transfer or cancel the shares within six (6) months. The total par value of shares canceled shall be deducted from the registered capital of the Bank, and the Bank shall apply to the original company registration authority for change of registered capital after being approved by the banking regulatory institution of the State Council.

The shares repurchased under circumstance (3) of paragraph 1 above shall not exceed five percent (5%) of the total outstanding shares of the Bank; the funds for repurchase shall be from the after-tax profits of the Bank and the shares repurchased shall be transferred to employees within one (1) year.

Article 28 The Bank may repurchase its shares in any of the following ways after being approved by relevant authorities of the State:

- (1) making a repurchase offer pro rata to all shareholders;
- (2) repurchasing by means of open transaction at a securities exchange;
- (3) repurchasing by means of contractual agreement outside a securities exchange;
- (4) any other ways as permitted by laws and administrative regulations or by relevant authorities.

Article 29 When the Bank repurchases its shares by a contractual agreement outside a securities exchange, prior approval shall be obtained from the Shareholders' General Meeting in accordance with the procedures provided under the Articles. Upon the prior approval of the Shareholders' General Meeting in the same way, the Bank may rescind or change the contract for shares repurchase through agreement concluded in the manner set forth above or waive any of its rights under such contract.

The contracts for the share repurchase referred in the preceding paragraph shall include (but not limited to) agreements whereby obligations of repurchased shares are undertaken and rights of repurchased shares are acquired.

The Bank shall not assign the contracts for share repurchase or any of its rights under such contracts.

Article 30 Unless the Bank has already entered the liquidation stage, it shall comply with the following stipulations when repurchasing its issued and outstanding shares:

- (1) where the Bank repurchases its shares at the par value, the amount thereof shall be deducted from the book value of the distributable profits of the Bank and the proceeds from the new shares issuance for the purpose of repurchasing old shares;
- (2) where the Bank repurchases its shares at a price higher than the par value, the portion equivalent to the aggregate par value thereof shall be deducted from the book balance of the distributable profits of the Bank and the proceeds from the new shares issuance for purpose of repurchasing the old shares. The portion beyond the aggregate par value thereof shall be treated in accordance with the following methods:

- (a) where the shares repurchased are issued at par value, such portion shall be deducted from the book balance of the distributable profits of the Bank;
 - (b) where the shares repurchased are issued at a price higher than the par value, such portion shall be deducted from the book balance of the distributable profits of the Bank and the proceeds from the new shares issuance for purpose of repurchasing the old shares. However, the amount deducted from the proceeds from the new shares issuance shall neither exceed the total premium obtained from the issuance of old shares, nor exceed the balance of the Bank's premium account (or capital reserve account) (including the premium from the new shares issuance) at the repurchase;
- (3) The amounts by the Bank for the following purposes shall be paid from the Bank's distributable profits:
- (a) obtaining the right to repurchase its shares;
 - (b) modifying any contract concerning shares repurchase;
 - (c) relieving itself from its obligations under any repurchase contract.
- (4) after the total par value of the shares cancelled is deducted from the registered capital of the Bank in accordance with relevant regulations, the amount deducted from the distributable profits and used for the repurchase of par value portion of the repurchased shares shall be booked in the premium account (or capital reserve account) of the Bank.

Chapter 5 Financial Aid for the Purchase of Shares in the Bank

Article 31 The Bank or its subsidiaries shall not at any time offer any financial aid by any means to purchasers or prospective purchasers of the Bank's shares. Such purchasers of the shares of the Bank as mentioned above shall include those who directly or indirectly assume the obligations due to purchase of the shares of the Bank.

The Bank or its subsidiaries shall not offer any financial aid at any time by any means in order to reduce or relieve the obligations of the aforesaid obligors.

This article does not apply to the circumstances as provided in Article 33 of this chapter.

Article 32 The “financial aid” referred to in this chapter shall include but not limited to the following ways:

- (1) donation;
- (2) security (including the assumption of liabilities as a guarantor or posting property to secure the obligator’s performance of obligations), compensation (excluding the compensation arising from the Bank’s fault), relief or waiver of rights;
- (3) providing loans or entering into contracts in which the Bank performs its obligations prior to other parties, changing of parties to such loans and contracts; transferring of rights in such contracts, etc.;
- (4) financial aid provided by the Bank in any other forms when the Bank is unable to pay its debts or has no net assets or is in such circumstance that financial aid will lead to substantial decrease of net assets.

The assumption of obligations referred to in this chapter shall include the assumption of obligations which may change the obligor’s financial status arising from the conclusion of a contract, or the making of an arrangement (whether or not the aforesaid contract or arrangement is enforceable, or whether or not such obligations are assumed by the obligor individually or jointly with other persons), or from other manners.

Article 33 The following acts shall not be deemed as the acts forbidden under Article 31 of this chapter:

- (1) where the Bank provides the relevant financial aid in good faith for the benefit of the Bank and the main purpose of the financial aid is not for the purchase of shares of the Bank, or the financial aid is an incidental part of an overall plan of the Bank;
- (2) lawful distribution of the Bank’s property in the form of dividends;
- (3) distribution of dividends in the form of shares;
- (4) reduction of registered capital, shares repurchase, adjustment of shareholding structure, etc., in accordance with the Articles;
- (5) provision of loans by the Bank within its business scope and in the ordinary course of business (provided that the provision does not lead to a reduction in the net assets of the Bank or that even if it constitutes a reduction, the financial aid would be paid out of the Bank’s distributable profits);

- (6) provision of funds by the Bank for an employee share ownership plan (provided that the provision does not lead to a reduction in the net assets of the Bank or that even if it constitutes a reduction, the financial aid would be paid out of the Bank's distributable profits).

Chapter 6 Share Certificates and Register of Shareholders

Article 34 The shares of the Bank shall be in registered form.

Share certificates of the Bank shall state the following major items:

- (1) the name of the Bank;
- (2) the incorporation date of the Bank;
- (3) the class, par value and number of shares represented by the share certificate;
- (4) the serial number of the share certificate;
- (5) other items that should be stated pursuant to the Company Law, Special Regulations and relevant regulations of the local securities regulatory authorities where shares of the Bank are listed.

Article 35 When the Bank's overseas listed shares are listed in the Stock Exchange of Hong Kong Limited ("SEHK"), the Bank shall ensure that the certificates for shares listed on the SEHK carry the following statements:

- (1) The share transferee and the Bank (including its shareholders), as well as the Bank and its shareholders shall agree to comply with, by entering into an agreement, and satisfy, the provisions in the Company Law, Special Regulations and the Articles of the Bank;
- (2) The share transferee shall reach an agreement with the shareholders, directors, supervisors and presidents and other members of the senior management of the Bank, and the Bank (representing the Bank itself and each director, each supervisor, the president and each of other members of the senior management of the Bank) shall reach an agreement with each shareholder, that any dispute and claim arising from the Articles as well as any dispute and claim in connection with the Bank's affairs arising from the rights and obligations specified in the Company Law and other Chinese laws, regulations, rules shall be settled through arbitration according to the Articles, and any submission for arbitration shall be deemed as an authorization to the arbitral tribunal for public hearing and announcement of its award. The arbitration award shall be the final;

- (3) The share transferee shall reach an agreement with the Bank and its shareholders that the shares of the Bank may be freely transferred by holders, unless otherwise specified in laws, regulations, rules and relevant provisions of the local securities regulatory authorities where shares of the Bank are listed;
- (4) The share transferee shall authorize the Bank to enter into an agreement with each of the directors and members of the senior management of the Bank on behalf of the transferee, under which such directors and members of the senior management of the Bank shall undertake to comply with and perform their obligations to shareholders as specified in the Articles of the Bank.

The Bank shall instruct and procure its share registrar to refuse to register the subscription, purchase or transfer of shares in the name of a shareholder unless the shareholder provides to the share registrar a completed form which must (contain the aforesaid statements, for subscription, purchase or transfer of shares.

Article 36 The share certificate shall be signed by the chairman of the Board of Directors. Where the signatures of other members of the senior management of the Bank are required by the local securities regulatory authorities where shares of the Bank are listed, the share certificate shall also be signed by such other senior management members of the Bank. The share certificate of the Bank shall come into force after the Bank's seal is affixed thereto or printed thereon. Affixing the seal of the Bank on the share certificates shall be authorized by the Board of Directors. The signatures of the chairman of the Board of Directors, or other members of the senior management of the Bank on the share certificates may also be in printed form. Provisions of the local securities regulatory authorities where shares of the Bank are listed shall be applicable where shares of the Bank are issued and transacted in a paperless manner.

Article 37 The Bank shall maintain a register of shareholders to record the following items:

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

Unless proven to the contrary, the register of shareholders shall be the sufficient proof to substantiate that the shareholder holds the shares of the Bank.

Article 38 The Bank may maintain the register of shareholders of its overseas listed shares abroad and entrust a foreign agent to manage it in accordance with the understanding and agreement reached between the securities regulatory institution of the State Council and the overseas securities regulatory authorities. The original of register of shareholders of overseas listed shares listed in Hong Kong shall be maintained in Hong Kong.

The Bank shall keep a duplicate of the register of shareholders of overseas listed shares at its residence. The entrusted foreign agent shall ensure that the original and the duplicate of the register of shareholders of overseas listed shares are consistent at all times.

If the original and duplicate of the register of shareholders of overseas listed shares are inconsistent, the original shall prevail.

Article 39 The Bank shall keep a complete register of shareholders:

The register of shareholders shall include the following parts:

- (1) the register of shareholders maintained at the domicile of the Bank other than those as provided in items (2) and (3) of this paragraph;
- (2) the register of shareholders of overseas listed shares of the Bank maintained at the locality of the overseas stock exchange;
- (3) the register of shareholders maintained in such other places as the Board of Directors may deem necessary for listing purposes.

Article 40 Each part of the register of shareholders shall not overlap with each other. In respect of the transfer of certain registered shares registered in any part in the register of shareholders, such shares shall not be registered as other parts of the register of shareholders during the period of existence of such shares.

The change or the rectification of any part of the register of shareholders shall be made in accordance with local laws where such part of the register of shareholders is maintained.

Article 41 Registration of change in the register of shareholders due to shares transfer shall not be allowed within thirty (30) days before the Shareholders' General Meeting is held or within five (5) days prior to the record day on which the Bank decides to distribute dividends.

Article 42 If the Bank intends to hold a Shareholders' General Meeting, distribute dividends, conduct liquidation or other activities where the equity interests need to be confirmed, the Board of Directors or the convener of the Shareholders' General Meeting shall decide the date for determination of equity interests. Shareholders whose names appear on the register of shareholders at the end of that day shall be shareholders of the Bank.

Article 43 Anyone who has dispute over the register of shareholders and requires to register his/her name in the register of shareholders or to delete his/her name from the register of shareholders may apply to the competent court for rectification of the register of shareholders.

Article 44 Where the share certificate (hereinafter referred to the "original share certificate") held by any shareholder registered in the register of shareholders or by any person who requests to register his/her name in the register of shareholders is lost, the shareholders may apply to the Bank for reissuing of new share certificate concerning the shares that the original share certificate represents.

Application for reissuing of the share certificate from shareholders of domestic shares whose share certificate is lost shall be dealt with in accordance with Article 144 of the Company Law.

Applications for reissuing of the share certificate from shareholders of overseas listed shares whose share certificate is lost shall be dealt with in accordance with laws where the original register of shareholders for overseas listed shares is deposited, rules of the local securities regulatory authorities where the Bank's shares are listed or other relevant regulations.

Where the share certificate held by shareholders of overseas listed shares listed in Hong Kong is lost, the application for reissuing shall comply with the following requirements:

- (1) The applicant shall file the application in the standard form specified by the Bank and enclose the notarized certificate or the statutory declaration documents. The notarized certificate or the statutory declaration documents shall include the reason for the application, the circumstance and proof of how the share certificate is lost, and the declaration that no one else may request to register as shareholder of the shares represented by the original share certificate;
- (2) Before the Bank decides to reissue the new share certificate, the Bank has to ensure that it has not received any declaration requesting for registration as the shareholder of such shares except from the applicant.

- (3) If the Bank decides to reissue the new share certificate to the applicant, it shall publish an announcement on reissuing such share certificate on the newspapers specified by the Board.

The period of announcement shall be ninety (90) days and the announcement shall be republished at least once every thirty (30) days;

- (4) Before the Bank publishes the announcement on its intention to reissue the new share certificate, it shall submit a copy of the announcement to be published to the stock exchange where its shares are listed. After the stock exchange gives its reply confirming that such announcement has been displayed in the stock exchange, the announcement may be published. The display period of the announcement in the stock exchange is ninety (90) days;

If the application for reissuing of new share certificate has not been consented by the registered shareholders of relevant shares represented by the original share certificate, the Bank shall mail the copy of the announcement to be published to such shareholders;

- (5) If the ninety (90)-day period for the announcement and display as defined in item (3) and item (4) of this article lapses and the Bank has not received any objection against such reissuing of new share certificate from any person, then the Bank may reissue such new share certificate in accordance with the application of the applicant;
- (6) When the Bank reissues the new share certificate according to this article, it shall immediately cancel the original share certificate and shall record such cancellation and reinsurance in the register of shareholders;
- (7) All costs and expenses incurred by the Bank's cancellation of the original share certificate and reinsurance of new share certificate shall be borne by the applicant. The Bank shall have the right to refuse to take any action before the applicant provides any reasonable guarantee for payment.

Article 45 After the Bank reissues the new share certificate in accordance with the Articles, the names of the bona fide purchasers who obtain the aforesaid new share certificate or the shareholders who are subsequently registered as the owners of such shares (provided that he/she is a bona fide purchaser) shall not be deleted from the register of shareholders.

Article 46 The Bank shall assume no obligation to compensate those who suffered loss due to the Bank's cancellation of the original share certificate or reissuing of new share certificate, unless such persons can prove fraud on the part of the Bank.

Chapter 7 Transfer of Shares

Article 47 Unless otherwise specified by laws, regulations and rules or relevant regulations of the local securities regulatory authorities where shares of the Bank are listed, the shares of the Bank may be transferred freely without any lien attached.

Article 48 To transfer the shares of the Bank, the transferor shall deal with the registration procedures at the shares registration organization appointed by the Bank.

Article 49 All paid-up overseas listed shares listed in Hong Kong may be freely transferred in accordance with the Articles. However, the Board may refuse to recognize any transfer documents without stating any reason unless the following conditions are met:

- (1) HKD2.5 (for each transfer instrument) or such higher fee as determined by the Board of Directors (such fee shall not exceed what specified in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Listing Rules")) shall be paid to the Bank, to register share transfer instruments and other documents that are pertinent to share ownership or will affect share ownership;
- (2) the transfer instruments only involve the overseas listed shares listed in Hong Kong;
- (3) the required stamp duty has been paid for transfer instruments;
- (4) the relevant share certificate(s), as well as the evidence reasonably required by the Board of Directors certifying that the transferor has the right to transfer the shares, shall be provided;
- (5) if shares are to be transferred to joint holders, the number of shareholders jointly registered shall not exceed four (4);
- (6) relevant shares of the Bank are not attached with any lien of any company.

If the Bank refuses to register the share transfer, the Bank shall send a notice of refusal to the transferor and the transferee within two (2) months from the date on which the transfer application is officially filed.

Article 50 For transfer of all overseas listed shares, a written transfer instrument in the general or ordinary form or in such other form as accepted by the Board of Directors shall be adopted. The written transfer document may be signed manually. If the shareholders are the authorized clearing house as defined in the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) or its agent, the written transfer instrument may be signed in printed form.

Chapter 8 Rights and Obligations of Shareholders

Article 51 Shareholders of the Bank shall be persons who lawfully hold the shares of the Bank and whose names are registered in the register of shareholders.

Shareholders shall enjoy rights and undertake obligations according to the class and proportion of shares held by them. Shareholders who hold the same class of shares shall enjoy equal rights and undertake equal obligations.

If more than two persons are registered as joint shareholders of any share, they shall be regarded as common owners of relevant shares, but shall be subject to the following provisions:

- (1) the Bank shall not register more than four (4) persons as joint shareholders of any shares;
- (2) all joint shareholders of any shares shall assume joint and several liabilities for all amount payable for relevant shares;
- (3) if one of the joint shareholders dies, then only the other surviving persons of the joint shareholders shall be deemed by the Bank as owners of the relevant shares; however, the Board of Directors shall have right to request the surviving shareholders to provide death certification documents that it deems appropriate for the purpose of amending the register of shareholders;
- (4) for joint shareholders of any shares, only the joint shareholder whose name appears first in the register of shareholders shall have right to receive relevant share certificate from the Bank, to receive notice from the Bank, to attend the Shareholders' General Meeting of the Bank or to exercise all voting rights concerning the relevant shares. The notice delivered to the aforesaid person shall be deemed to have been delivered to all the joint shareholders of relevant shares.

Article 52 Shareholders of ordinary shares of the Bank shall have the following rights:

- (1) collect dividends and other forms of benefits distributed on the basis of the number of shares held by them;
- (2) attend or entrust proxy to attend Shareholders' General Meetings and exercise voting rights;
- (3) supervise business operation of the Bank and put forward suggestions or inquiries accordingly;
- (4) transfer, donate and pledge shares or dispose of shares in other ways in accordance with laws, regulations, rules, relevant regulations of the local securities regulatory authorities where shares of the Bank are listed as well as the Articles;
- (5) obtain relevant information in accordance with the Articles, including:
 - (a) obtain the Articles after paying relevant costs and expenses;
 - (b) review without being charged and make copies of the following documents after paying reasonable costs therefor:
 - 1 all parts of the register of shareholders;
 - 2 the status of share capital of the Bank;
 - 3 reports on the aggregate par value, quantity, highest and lowest price of each class of shares repurchased by the Bank since the preceding fiscal year, as well as all the expenses paid by the Bank therefor;
 - 4 minutes of Shareholders' General Meeting, resolutions of meetings of Board of Directors and resolutions of meetings of Board of Supervisors;
 - 5 audited financial accounting reports of the Bank as well as reports of the Board of Directors and the Board of Supervisors;
 - 6 copies of the latest annual declaration form that have been presented to State Administration for Industry and Commerce or other competent institution for filing;

The Bank shall make the aforesaid documents available in the domicile of the Bank or some place in Hong Kong for free reference of the public and shareholders, and for shareholders to copy such documents upon charging reasonable fees.

- (6) participate in the distribution of the Bank's remaining property in proportion to the number of shares held by shareholders when the Bank is dissolved or liquidated; and
- (7) other rights given by laws, regulations, rules, relevant provisions of the local securities regulatory authorities where the Bank's shares are listed as well as the Articles.

Article 53 Shareholders of ordinary shares of the Bank shall undertake the following obligations:

- (1) abide by the Articles and resolutions of the Shareholders' General Meeting;
- (2) pay share capital according to the number of shares subscribed by them and the method of capital injection;
- (3) not to return purchase of their shares except under the circumstances provided by laws, regulations and rules;
- (4) support the reasonable measures proposed by the Board of Directors to raise the capital adequacy ratio when such ratio of the Bank is below the statutory standard;
- (5) other obligations imposed by laws, regulations, rules and the Articles.

Shareholders shall not assume any responsibilities for further capital contribution other than the conditions agreed to by the subscriber of relevant shares on subscription.

Article 54 Any entity or individual that proposes to purchase more than five percent (5%) of total outstanding shares of the Bank shall obtain a prior approval from the banking regulatory institution of the State Council.

If a shareholder holds more than five percent (5%) of total outstanding shares of the Bank (hereinafter referred to as the "excess shares") without obtaining a prior approval from the banking regulatory authority of the State Council, before obtaining the said approval, such shareholders' rights specified in Article 52 herein based on the excess shares shall be restricted on the aspects including but not limited to:

- (1) the excess shares have no voting rights at the Shareholders' General Meeting (including voting of a certain class of shareholders);

- (2) the excess shares have no right to nominate candidates for directors and supervisors as specified in the Articles.

If the approval from the banking regulatory institution of the State Council has been obtained, such shareholder shall hold excess shares according to the approval.

If the approval from the banking regulatory institution of the State Council has not been obtained, such shareholder shall transfer the excess shares within the term specified by the banking regulatory institution of the State Council.

Notwithstanding the above provisions, the shareholder holding excess shares shall not be restricted in the way when exercising the shareholders' rights specified in items (1) and (6) of Article 52 herein.

Article 55 The controlling shareholders of the Bank have a fiduciary duty to the Bank and other shareholders. The controlling shareholders shall strictly comply with laws, regulations, rules and the Articles when exercising their rights as investors, and shall not abuse their controlling status to gain improper benefits, or cause detriments to rights and interests of the Bank, other shareholders and creditors.

Besides the obligations as required by laws, regulations, rules or relevant regulations of the local securities regulatory authorities where shares of the Bank are listed, the controlling shareholders shall not use its voting power to make any decisions that impair the interests of all or some of the shareholders concerning the following aspects when they exercise their rights as shareholders:

- (1) exempt the responsibility of any director or supervisor to act in good faith for maximum benefit of the Bank;
- (2) approve any director or supervisor to deprive the property of the Bank (for their own or others' benefits) in any form, including but not limited to the opportunities favorable to the Bank; and
- (3) approve any director or supervisor to deprive individual rights and interests of other shareholders (for their own or others' benefits) including but not limited to any distribution rights, voting rights, but excluding the restructuring of the Bank which is submitted to and approved by the Shareholders' General Meeting in accordance with the Articles.

Article 56 The controlling shareholders shall strictly comply with laws, regulations, rules, relevant regulations of the local securities regulatory authorities where the shares of the Bank are listed as well as the conditions and procedures provided by the Articles when they nominate candidates for director and supervisor of the Bank. The candidates for director and supervisor nominated by the controlling shareholders shall have relevant professional knowledge as well as decision-making and supervision capacity. The resolution on personnel election by the Shareholders' General Meeting or resolution on engagement by the Board of Directors does not require any approval of any shareholder. The appointment and removal of members of the senior management of the Bank by shareholders superseding the Shareholders' General Meeting and Board of Directors shall be deemed as invalid.

Article 57 The "controlling shareholder(s)" herein shall refer to the person(s) satisfying any of the following conditions:

- (1) the person may elect more than half of the directors when acting alone or in concert with others;
- (2) the person may exercise or control the exercise of more than thirty percent (30%) of the total voting shares of the Bank when acting alone or in concert with others;
- (3) the person holds more than thirty percent (30%) of issued and outstanding shares of the Bank when acting alone or in concert with others; or
- (4) the person may de facto control the Bank in any other manners when acting alone or in concert with others.

The term "acting in concert" herein shall mean that two or more persons, through legal means such as agreement (verbal or written), cooperation, affiliate relations, enlarge their control proportion in the shares of the Bank or reinforce their control in the Bank and take actions expressing the same will when exercising the voting rights of the Bank.

The circumstances for "expressing the same will" as referred to above shall include joint presentation of proposals, joint nomination of directors, entrustment of exercising the voting rights which do not state the voting intention but excluding the circumstance where proxy is publicly collected.

Article 58 The loans conditions that the Bank offers to the shareholders shall not be more favourable to those of the same type of loans that the Bank offers to other borrowers.

Article 59 Shareholders who hold more than five percent (5%) of outstanding shares with voting rights of the Bank and owe overdue loans to the Bank shall be restricted from exercising voting rights during the overdue period.

Article 60 When the Bank has the liquidity problem specified by prevailing laws, regulations and rules, shareholders who have borrowed money from the Bank and hold more than five percent (5%) of outstanding shares with voting rights of the Bank shall immediately repay their borrowings due and prepay those undue.

Article 61 The Bank shall not accept the shares of the Bank of Directors as collateral for any pledge.

Shareholders who hold more than five percent (5%) issued and outstanding shares of the Bank shall serve a prior notice to the Board if they provide their shares of the Bank as guarantee for themselves or others.

Article 62 Transactions between the Bank and the shareholders shall be conducted based on the principles of fairness, voluntary, arm's length, and paying consideration, and the Bank shall disclose relevant transactions according to relevant regulations.

Chapter 9 Shareholders' General Meeting

Article 63 The Shareholders' General Meeting is the organ of power of the Bank and shall exercise functions and powers according to the law.

Article 64 The Shareholders' General Meeting shall legally exercise functions and powers on the following matters:

- (1) to decide on the Bank's business policies and investment plans;
- (2) to elect and replace directors and decide on remuneration of relevant directors;
- (3) to elect and replace supervisors who are to be appointed from among the shareholders' representatives and external supervisors, and to decide on the remuneration of relevant supervisors;
- (4) to review and approve the report of the Board of Directors;
- (5) to review and approve the report of the Board of Supervisors;
- (6) to review and approve the Bank's annual financial budgets and final account plans;

- (7) to review and approve the Bank's profit distribution plan and loss offsetting plan;
- (8) to make resolutions on the Bank's increase or reduction of registered capital;
- (9) to make resolutions on the Bank's merger, division, dissolution, liquidation and other matters;
- (10) to make resolutions on the issuance and listing of corporate bonds and other securities;
- (11) to make resolutions on the Bank's major acquisitions and repurchase of shares;
- (12) to make resolutions on the Bank's engagement, removal or non-renewal of the accounting firm;
- (13) to amend the Articles and other basic documents of corporate governance;
- (14) to review the proposals presented by the shareholders independently or collectively holding more than 3% issued and outstanding shares of the Bank;
- (15) to review and approve the Bank's significant equity investment, bond investment, asset purchase, asset disposal, asset write-off, asset mortgage, and other non-commercial banking business guarantee;
- (16) to review other matters that shall be decided by the Shareholders' General Meeting according to the laws, regulations, rules, regulations issued by the local securities regulatory authorities where shares of the Bank are listed and the Articles.

Resolutions made by the Shareholders' General Meeting shall not violate the provisions in relevant laws, administrative regulations, rules, regulations issued by the local securities regulatory authority where shares of the Bank are listed and the Articles.

Article 65 Matters that shall be resolved at the Shareholders' General Meeting in accordance with laws, regulations, rules, relevant regulations of the local securities regulatory authorities where the Bank's shares are listed and provisions in the Articles shall be discussed and resolved by the shareholders at the Shareholders' General Meeting, to guarantee the decision-making rights of the Bank's shareholders on such matters. However, if necessary and under reasonable and lawful circumstances, the Shareholders' General Meeting may authorize the Board of Directors to make decision on specific matters that are related to those to be resolved but cannot or need not be resolved promptly at the Shareholders' General Meeting.

For the authorization to the Board of Directors by shareholders at a Shareholders' General Meeting, if matters authorized shall be adopted by means of an ordinary resolution, they shall be approved by more than half (1/2) of the voting rights held by the shareholders (including shareholder proxies) present at the meeting. If matters authorized shall be approved by means of special resolution, they shall be approved by more than two thirds (2/3) of the voting rights held by the shareholders (including shareholder proxies) present at the meeting. The content of authorization shall be clear and specific.

Article 66 The Bank shall not enter into a contract with any person other than directors, supervisors, presidents and other members of the senior management of the Bank for the delegation of the management of the whole or the substantial business of the Bank without the prior approval of a Shareholders' General Meeting.

Article 67 The Shareholders' General Meeting are categorized into annual shareholders' general meeting and extraordinary shareholders' general meeting.

The Shareholders' General Meeting is generally convened by the Board of Directors unless otherwise specified in the Articles.

- (1) The annual shareholders' general meeting is held on a yearly basis and convened within the six months from the end of a fiscal year. In the event that an annual shareholders' general meeting needs to be postponed due to special reasons, a report shall be presented to the banking regulatory institution of the State Council and the local securities regulatory authorities where shares of the Bank are listed, explaining the reasons for such postponement, and an announcement shall be issued to the public.
- (2) In any of the following circumstances, the Bank shall hold an extraordinary general meeting within two months from the date of the occurrence of the same circumstance:
 - (a) the number of directors is less than two thirds (2/3) of the number specified in the Articles or less than the minimum quorum provided in the Company Law;
 - (b) the Bank's uncovered losses account for one third (1/3) of the total share capital;
 - (c) shareholders who individually or jointly hold more than ten percent (10%) of the voting shares in the Bank submit a written request. The number of shares held shall be as of the date when the written request is submitted;
 - (d) the Board of Directors considers it necessary to hold such a meeting;
 - (e) the Board of Supervisors proposes to hold such a meeting;

- (f) more than half (1/2) of the Independent Directors propose to hold such a meeting;
- (g) other circumstances provided by banking regulatory institution of the State Council;
- (h) other circumstances provided in the applicable laws, regulations, rules, regulations issued by the local securities regulatory authorities where shares of the Bank are listed and the Articles.

The Shareholders' General Meeting may be held by means of either spot meeting or non-spot meeting. The Bank may choose any of the means in accordance with the Articles and *Procedural Rules for Shareholders' General Meeting of China Construction Bank Corporation*.

Article 68 The Bank shall issue a notice in writing forty-five (45) days prior to the holding of a Shareholders' General Meeting, and inform all registered shareholders of the date, the venue and the matters to be considered at the meeting. Shareholders who intend to attend the Shareholders' General Meeting shall deliver a written reply confirming the attendance to the meeting to the Bank twenty (20) days prior to the holding of the meeting.

Article 69 The following provisions shall be complied with when submitting proposals at the Shareholders' General Meeting:

- (1) The following institutions or persons may submit proposals to the Shareholders' General Meeting:
 - (a) proposals of Shareholders' General Meeting shall be presented by the Board of Directors in general;
 - (b) the Board of Supervisors and the shareholders who, either individually or jointly, hold more than three percent (3%) shares of the Bank shall have the right to submit proposals to the Bank;
 - (c) the Board of Supervisors shall be responsible for submitting proposals when it considers necessary to convene an extraordinary general meeting;
 - (d) if shareholders who hold, individually or jointly, more than ten percent (10%) of total issued and outstanding voting shares of the Bank propose to convene an extraordinary general meeting, the proposing shareholders shall be responsible for submitting proposals no matter whether the meeting is convened by the Board of Directors or not;

- (e) if more than half (1/2) of the Independent Directors propose the Board of Directors to convene an extraordinary general meeting, these Independent Directors shall be responsible for submitting proposals.
- (2) Shareholders who, either individually or jointly, hold more than three percent (3%) shares of the Bank may present interim proposals to the convener in writing twenty (20) days prior to the holding of a Shareholders' General Meeting. After receiving an interim proposal, the convener shall, if such proposal meets the relevant criteria, include it in the agenda of the Shareholders' General Meeting and inform other shareholders of the same as soon as possible. If an interim proposal is not included in the agenda of a Shareholders' General Meeting, the convener shall explain the reason(s) at the Shareholders' General Meeting. Save from the above aforesaid circumstances, the convener shall neither modify the proposals listed in nor add new proposals to the notice of a Shareholders' General Meeting after the notice of the Shareholders' General Meeting has been issued.

Article 70 Proposal on candidates for directors and supervisors shall comply with the following provisions:

- (1) The following institutions or persons may raise proposals on candidates for directors and supervisors to the Shareholders' General Meeting:
 - (a) shareholders who individually or jointly hold more than five percent (5%) of total voting shares of the Bank shall have the right to raise proposals on candidates for directors (including Independent Directors) and non-employee supervisors (including external supervisors);
 - (b) The Board of Directors shall have the right to raise proposals on candidates for directors (including Independent Directors);
 - (c) The Board of Supervisors shall have the right to raise proposals on candidates for non-employee supervisors (including external supervisors) and Independent Directors;
 - (d) Shareholders who individually or collectively hold more than one percent (1%) of total voting shares of the Bank shall have the right to raise proposals on candidates for Independent Directors and external supervisors.

The number of candidates nominated in the proposal shall comply with the Articles, which shall not exceed the number of positions to be elected.

- (2) Procedures for nominating candidates for directors and supervisors
- (a) Proposals on nomination raised by the shareholders, the Board of Directors and the Board of Supervisors which have the right of nomination shall be presented to the convener of the Shareholders' General Meeting before the meeting notice is sent; after the meeting notice is sent, the interim nomination proposals raised by shareholders who individually or jointly hold more than five percent (5%) of total voting shares of the Bank shall be presented to the convener of the Shareholders' General Meeting thirty-five (35) days before the meeting is held;
 - (b) Candidates for directors (including that of Independent Directors) nominated by the Board of Directors to the Shareholders' General Meeting shall be examined by the Nomination and Remuneration committee of the Board of Directors and approved with a resolution of the Board of Directors; the candidates for non-employee supervisor (including that of external supervisors) nominated by the Board of Supervisors to the Shareholders' General Meeting shall be examined by the duty performance supervision committee of the Board of Supervisors and approved with a resolution of the Board of Supervisors;
 - (c) For candidates for directors (including that of Independent Directors) nominated by shareholders who have such right and candidates of Independent Directors nominated by the Board of Supervisors, their incumbency qualifications and conditions shall be examined by the Nomination and Remuneration committee of the Board of Directors in accordance with relevant laws and regulations as well as the Articles, and the examination results shall be reported to the convener of the Shareholders' General Meeting; those who satisfy the incumbency qualifications and conditions shall be presented to the Shareholders' General Meeting for review. For candidates of non-employee supervisors (including that of external supervisors) nominated by shareholders who have such right, their incumbency qualifications and conditions shall be examined by the duty performance supervision committee of the Board of Supervisors in accordance with relevant laws and regulations as well as the Articles, and the examination results shall be reported to the convener of the Shareholders' General Meeting; those who satisfy the incumbency qualifications and conditions shall be presented to the Shareholders' General Meeting for review.

Article 71 Proposals of the Shareholders' General Meeting shall meet the following conditions:

- (1) the contents shall not conflict with laws, regulations, rules and the Articles, and shall fall within the Bank's business scope and the authority of the Shareholders' General Meeting;
- (2) it shall have a clear topic and specific matters for resolution;
- (3) it shall be submitted to the Board of Directors in writing (except in the circumstance that the Shareholders' General Meeting is not convened by the Board of Directors in accordance with the Articles).

Article 72 The Board of Directors shall include matters that satisfy the criteria set out in Articles 69, 70 and 71 above onto the agenda of the Shareholders' General Meeting.

The Shareholders' General Meeting shall not pass any resolution for the proposals not satisfying the above provisions.

Article 73 Based on the written replies received twenty (20) days prior to holding of the Shareholders' General Meeting, the Bank shall calculate the number of voting shares held by shareholders who intend to attend the meeting. If the voting shares held by the above shareholders account for more than half of the total voting shares, the Bank may hold the Shareholders' General Meeting; if the voting shares held by the above shareholders account for less than half (1/2) of the total voting shares, the Bank shall notify shareholders again of the matters to be discussed, date and the venue of the meeting by way of announcement fifteen (15) days prior to the holding of the Shareholders' General Meeting; the meeting proposals released in the second announcement shall be consistent with that contained in the former announcement. After the announcement is issued, the Bank may hold the Shareholders' General Meeting. Extraordinary general meeting shall not resolve on any matters not listed in the public notice.

Article 74 Notice of the Shareholders' General Meeting shall satisfy the following requirements:

- (1) It shall be made in writing;
- (2) It shall indicate the venue, the date and the time of the meeting;

- (3) It shall state the matters to be discussed at the meeting, adequately disclose the contents of all proposals, and if a matter decided at a previous Shareholders' General Meeting is to be changed, list the complete information of the matter concerned as provided in the former resolution (listing only the amendments is not adequate);
- (4) It shall provide shareholders with all materials and explanations necessary for shareholders to make advisable decisions on the matter to be discussed; this principle shall include (but not limit to) that where the Bank proposes merger, share repurchase, capital restructuring or other restructurings, it shall provide the concrete conditions and contracts (if any) of the proposed transaction and make careful explanation on the reason and result of the transaction in case;
- (5) If any director, supervisor, president or other members of the senior management of the Bank has conflicts of interests in the matters to be discussed, the notice shall disclose the nature and degree of such conflicts of interests; if the matters to be discussed exert different influence on any director, supervisor, the president or other member of the senior management of the Bank from that on other shareholders, the notice shall explain the difference;
- (6) It shall include the full text of any special resolutions to be adopted at the meeting;
- (7) It shall clearly state that any shareholder entitled to attend and vote at the Shareholders' General Meeting may entrust one or more proxies to attend and vote at the meeting on his/her behalf, and that the proxy/proxies may not be a shareholder of the Bank;
- (8) It shall indicate the time and place, for the delivery of the power of attorney for proxy;
- (9) It shall indicate the date for the determination of rights of shareholders that are entitled to attend the Shareholders' General Meeting;
- (10) It shall indicate the names and telephone numbers of the standing contacts for the meeting;
- (11) It shall clarify the voting time and procedures for such means, if any shareholder attends the Shareholders' General Meeting by Internet or other methods.

Article 75 The notice of the Shareholders' General Meeting shall be delivered to the shareholders (regardless of whether the shareholder has voting rights at the meeting or not) by courier or by post-paid to the address recorded in the register of shareholders. For holders of domestic shares, the notice of Shareholders' General Meeting may also be issued by announcement.

The announcement mentioned in the preceding paragraph shall be published on one or more newspapers designated by the securities regulatory institution of the State Council forty-five (45) to fifty (50) days prior to holding of the meeting. Once the announcement is published, the holders domestic shares shall be deemed as having received the notice of Shareholders' General Meeting. In practical and feasible case, the Chinese and English versions of the announcement shall be published in a major Chinese newspaper and an English newspaper of Hong Kong respectively on the same day.

Article 76 The advertent failure to serve a notice of meeting to any shareholder who has the right to receive such notice, or any failure by any such shareholders to receive such notice, shall not affect the validity of the Shareholders' General Meeting convened and the resolutions passed.

Article 77 Any shareholder who has the right to attend and vote at the Shareholders' General Meeting shall have the right to appoint one or more persons (not necessarily shareholder(s)) as his/her proxy to attend and vote at the meeting. Such proxy may exercise the following rights in accordance with the shareholder's entrustment:

- (1) the right to speak;
- (2) the right to vote.

Article 78 Shareholders shall appoint proxy in a written form, which shall be signed by the principal or his/her agent authorized by the shareholder in writing. If the principal is a legal person, the document shall be affixed with the legal person's seal or signed by its director or duly appointed agent. The power of attorney for proxy shall state the following contents:

- (1) Name of the principal and the proxy;
- (2) The number of shares held by the principal for whom the proxy represents;
- (3) Whether the proxy has the voting rights;
- (4) Instruction of the principal on whether to cast an affirmative or negative vote or abstain from each item listed on the meeting agenda;

- (5) Whether the principal has voting rights over interim proposals that may possibly be included into the agenda of the Shareholders' General Meeting and specific instruction on the vote to be casted;
- (6) The issuance date and effective period of the power of attorney;
- (7) The signature of the principal or the person entrusted by the principal in writing. The corporate seal or signature of directors or the person formally entrusted shall be given if the principal is a legal person shareholder.

Article 79 The power of attorney for proxy shall be placed at the domicile of the Bank or other place designated in the meeting notice twenty-four hours prior to the holding of relevant meeting or twenty-four hours prior to the given voting time. If the power of attorney is signed by a person authorized by the principal, the power of attorney for signature authority and other relevant authorization documents shall be notarized. The notarized power of attorney or other relevant authorization documents shall be placed at the domicile of the Bank or other place designated in the meeting notice together with the power of attorney for proxy.

If the principal is a legal person, its legal representative or other person authorized by its board of directors and other decision-making agency shall attend the Bank's Shareholders' General Meeting on behalf of the principal.

If the shareholder is a recognized clearing house or its agent, the shareholder may authorize one or more persons it deems appropriate to attend the Shareholders' General Meeting or the meeting for a certain class of shareholders on its behalf; and if more than two persons are authorized, the power of attorney shall explicitly indicate the number and class of shares each proxy presents. Persons obtaining the above authorization may exercise corresponding rights on behalf of the recognized clearing house or its agent in the same way as that of a natural personal shareholder of the Bank.

Article 80 The blank standard power of attorney issued by the Board to the shareholders for appointment of proxies shall enable the shareholders to select and instruct the proxy to cast an affirmative, negative vote or to abstain from voting, and give specific instruction to the proxies on the voting of each meeting item. The power of attorney shall indicate that the proxy may vote at his own discretion if the shareholder makes no instruction.

Article 81 If the principal dies, loses his/her civil capacity, cancels the authorization, withdraws the authorization to sign the power or attorney, or transfers relevant shares have been transferred prior to the voting, the proxy's voting in accordance with the power of attorney remains valid as long as the Bank does not receive the written notice on such matters before the commencement of the relevant meeting.

Article 82 The Bank shall hold the Shareholders' General Meeting at the Bank's domicile or other definite place.

Article 83 The Shareholders' General Meeting shall not revise any proposal during the process of review, otherwise, the revision shall be deemed as a new proposal and shall not be voted on this Shareholders' General Meeting.

Article 84 Resolutions of the Shareholders' General Meeting are divided into ordinary resolutions and special resolutions.

The ordinary resolutions adopted at a Shareholders' General Meeting shall be approved by more than half of the voting rights represented by shareholders (or proxies) attending meeting.

The special resolutions adopted at a Shareholders' General Meeting shall be approved by more than two thirds of the voting rights represented by shareholders (or proxies) attending meeting.

Article 85 When voting at the Shareholders' General Meeting, a shareholder (inclusive of the proxy) shall exercise the voting rights according to the number of voting shares the Shareholder represents, with each share representing one vote. However, shares held by the Bank itself do not have voting rights, and shall not be included into the total number of voting rights of shares attending a Shareholders' General Meeting.

Article 86 The Shareholders' General Meeting shall adopt registered ballot for voting.

Article 87 It is not necessary for a shareholder (including the proxy) with two or more voting rights to exercise all voting rights with affirmative votes or negative votes or abstention.

Article 88 In case the number of negative votes equals to that of affirmative votes, the chairman of the Shareholders' General Meeting shall have a casting vote.

Article 89 The following matters shall be approved by ordinary resolutions passed at a Shareholders' General Meeting:

- (1) The Bank's business policies and investment plans;
- (2) Work reports of the Board of Directors and the Board of Supervisors;

- (3) Profit distribution plan and plan of making up losses drafted by the Board;
- (4) Election and removal of the members of the Board of Directors and the Board of Supervisors (except the employee representative supervisors), as well as the remuneration, payment method and professional liability insurance for them;
- (5) The Bank's annual budget, final accounts and annual report;
- (6) The Bank's significant acquisitions, except for those that shall be approved by the Shareholders' General Meeting with special resolutions;
- (7) The Bank's significant equity investment, bond investment, asset purchase, asset disposal, asset write-off, asset mortgage and other non-commercial banking business guarantee, except for those that shall be approved by the Shareholders' General Meeting with special resolutions;
- (8) Engagement, removal or non re-engagement of accounting firm;
- (9) Other matters other than those required to be approved with special resolutions as provided by laws, regulations, rules, provisions of local securities regulatory authorities where shares of the Bank are listed and Articles.

Article 90 The following matters shall be approved by special resolutions passed at a Shareholders' General Meeting:

- (1) Increase or reduction of the Bank's share capital, issuance of any class of shares, warrants or other similar securities;
- (2) Repurchase of the Bank's shares;
- (3) Issuance of convertible bonds by the Bank;
- (4) Issuance of subordinated bonds by the Bank;
- (5) Issuance of corporate bonds;
- (6) Division, merger, dissolution or liquidation of the Bank;
- (7) Purchase or sale of material assets or provision of guarantee by the Bank of which the total amount in a year exceeds 30% of the Bank's audited total assets in the latest period;
- (8) Share incentive plan;

- (9) Revision to the Articles, the Procedural Rules for Shareholders' General Meeting of China Construction Bank Corporation, the Procedural Rules for The Board of Directors of China Construction Bank Corporation and the Procedural Rules for The Board of Supervisors of China Construction Bank Corporation;
- (10) Other matters approved by ordinary resolutions in the Shareholders' General Meeting that are considered to have material impact on the Bank shall be approved by special resolutions.

Article 91 In case a connected transaction is reviewed at the Shareholders' General Meeting, the connected shareholders shall not vote, the voting shares represented by them shall not be included into the total effective voting shares of the Shareholders' General Meeting.

The "connected transaction" as mentioned in the preceding paragraph shall mean those defined by the local securities regulatory authorities where shares of the Bank are listed.

Article 92 If any shareholder cannot exercise the voting right regarding a certain proposal in accordance with the Listing Rules, or is restricted to cast either affirmative or negative vote, the vote cast by such shareholder or the proxy, which violates the aforesaid provisions or restrictions, shall not be counted into the voting result.

Article 93 In case the Board of Supervisors or shareholders request the convening of an extraordinary general meeting or Shareholders' General Meeting for a certain class of shareholders, the following procedures shall be followed. The Shareholders' General Meeting for a certain class of shareholders refers to the Shareholders General Meeting held by the Bank in accordance with Chapter 10 herein for the purpose of altering or abrogating the rights of a class of shareholders.

- (1) The Board of Supervisors shall propose the holding of an extraordinary general meeting or a meeting for a certain class of shareholders to the Board of Directors in writing. The Board of Directors shall revert in writing whether to approve the holding of an extraordinary general meeting or a meeting for a certain class of shareholders or not according to the applicable laws, regulations and the Articles within ten days after the proposal is received.

In case the Board of Directors approves the holding of an extraordinary general meeting or a meeting for a certain class of shareholders, it shall issue corresponding meeting notice within five (5) days after the resolution is made, and changes to the proposal shall be agreed by the Board of Supervisors.

In case the Board of Directors refuses to hold an extraordinary general meeting or a meeting for a certain class of shareholders, or makes no feedback within ten (10) days after receiving the proposal, the Board of Directors shall be deemed as incapable of fulfilling or failing to fulfill the obligation of holding such meeting, in which case the Board of Supervisors may convene and preside over such meeting on its own initiative.

- (2) The shareholders who independently or jointly, hold more than ten percent (10%) voting shares in the Bank may request the Board of Directors to hold an extraordinary general meeting or a meeting for a certain class of shareholders with a written request. The Board of Directors shall revert in writing whether to approve or not approve the holding of an extraordinary general meeting or a meeting for a certain class of shareholders according to the applicable laws, regulations and the Articles within ten (10) days after the request is received.

In case the Board of Directors approves the holding of an extraordinary general meeting or a meeting for a certain class of shareholders, it shall issue corresponding meeting notice within five (5) days after the resolution is made, and changes to the proposal shall be agreed by the relevant shareholders.

In case the Board of Directors refuses the holding of an extraordinary general meeting or a meeting for a certain class of shareholders, or makes no feedback within ten (10) days after receiving the proposal, the shareholders who independently or jointly, hold more than ten percent (10%) voting shares of the Bank may request the Board of Supervisors to hold an extraordinary general meeting or a meeting for a certain class of shareholders in a written form.

In case the Board of Supervisors approves the holding of an extraordinary general meeting or a meeting for a certain class of shareholders, it shall issue corresponding meeting notice within five (5) days after the request is received, and changes to the proposal shall be agreed by the relevant shareholders.

In case the Board of Supervisors fails to issue the notice of extraordinary general meeting or the meeting for a certain class of shareholders in the prescribed period, the Board of Supervisors shall be deemed as refusing to convene and preside over such meeting. Shareholders who independently or jointly, hold more than ten percent (10%) voting shares in the Bank for more than ninety (90) successive days may convene and preside over such meeting on its own initiative.

- (3) In case the Board of Directors, within fifteen (15) days after receiving the aforesaid written request, does not issue an announcement for convening the meeting or decide not to convene an extraordinary general meeting or the Shareholders' General Meeting for a certain class of shareholders, the Board of Supervisors or proposing shareholders may convene the meeting by themselves four (4) months after the Board of Directors receives the request, and the convening procedures shall be similar to that convened by the Board of Directors as far as possible. If both the Board of Supervisors and proposing shareholders decide to hold an extraordinary general meeting or the Shareholders' General Meeting for a class of shareholders, the meeting shall be convened by the proposing shareholders.
- (4) In case the Board of Supervisors or the proposing shareholders decide to convene an extraordinary general meeting or a meeting for a certain class of shareholders on its own initiative, they shall inform the Board of Directors in writing and file relevant information with the banking regulatory institution of the State Council and the local securities regulatory authorities where shares of the Bank are listed according to relevant provisions. A notice on holding of an extraordinary general meeting or the meeting for a certain class of shareholders shall be issued thereafter, with contents of the notice of the meeting satisfying the following conditions:
- (a) No new contents shall be added to the proposal otherwise, the Board of Supervisors or the proposing shareholders shall submit requests again to the Board of Directors for holding of the Shareholders' General Meeting or the meeting for a certain class of shareholders in accordance with the above procedures;
- (b) The venue of the meeting shall be at the place where the Bank locates.

In case the Board of Supervisors or the proposing shareholders convene and hold the extraordinary general meeting or the meeting for a certain class of shareholders is due to failing by the Board of Directors to hold such meeting at the above requests, the reasonable expense shall be born by the Bank; in case the failure of the Board of Directors to hold such meeting is caused by the fault of a director, the above reasonable expense incurred from convening and holding of the extraordinary general meeting or the meeting for a certain class of shareholders by the Board of Supervisors or the proposing shareholders shall be deducted from the remuneration that shall be paid to the defaulted directors by the Bank.

Article 94 Except otherwise provided in the Articles, the Shareholders' General Meeting shall be convened by the Board of Directors, and the chairman of the Board of Directors shall preside over and chair the meeting; if the chairman is unable or fails to perform his/her duties, the vice chairman of the Board of Directors shall chair and preside over the meeting; if the chairman and the vice chairman are both unable or fail to perform their duties, a director voted by more than half of the directors shall preside over and chair the meeting.

The Shareholders' General Meeting convened by the Board of Supervisors shall be presided over by the chairman of the Board of Supervisors. The supervisor elected by a majority of the supervisors shall preside over the meeting if the chairman of the Board of Supervisors fails or is unable to perform his/her duties.

The Shareholders' General Meeting convened by shareholders shall be chaired and presided over by the shareholder (inclusive of the proxy) who holds the most voting shares.

Article 95 When voting on proposals at the Shareholders' General Meeting, two shareholder representatives and one supervisor shall be elected to count votes and scrutinize the ballot. If any shareholder or supervisor has any interest in the matter under review, they or their proxies shall not participate in the counting and scrutinizing.

After voting on the proposals is completed at the Shareholders' General Meeting, the lawyer, shareholder representatives and supervisor representatives shall jointly be responsible for counting the votes and inspecting the process. The results shall be announced at the meeting in general case, and be recorded in the minutes of the meeting.

The Bank's shareholders or their proxies who vote through Internet or other methods may inquire their own voting result through corresponding voting system.

Article 96 If the chairman of the meeting questions the voting results, he/she may re-count the number of ballots; if the chairman of the meeting has not proceed with the counting of votes, shareholders or proxies present the meeting shall have the right to request for counting the ballots should they question the voting results, in which case the chairman of the meeting shall tally the count the ballots immediately.

Article 97 Any contents of the resolutions passed at a Shareholders' General Meeting which violate the applicable laws or administrative regulations shall be invalid.

If the convening procedure or voting method of the Shareholders' General Meeting violates the applicable laws, administrative regulations or the Articles, or resolution contents violate the Articles, shareholders may, within sixty (60) days upon the date of adoption of the resolution, request the people's court to rescind the resolutions.

Article 98 In case a proposal on election of directors is approved at the Shareholders' General Meeting, the qualification of the newly-appointed directors shall be reported to the banking regulatory institutions of the State Council for approval. The newly-appointed directors' term of office shall start from the date when his qualification is approved by the banking regulatory institutions of the State Council.

Article 99 If the ballots are counted at the Shareholders' General Meeting, the tally results shall be recorded into the minutes of the meeting.

Article 100 Article 100 The chairman of the meeting shall decide whether a resolution is approved by the Shareholders' General Meeting pursuant to the Articles and the voting results; and the decisions of the chairman are final.

Resolutions of the Shareholders' General Meeting shall be made in writing, announced at the meeting and recorded into the minutes of the meeting.

Article 101 The Shareholders' General Meeting shall have the meeting minutes. The minutes of a Shareholders' General Meeting shall record the following contents:

- (1) the number of voting shares held by shareholders (or their proxies) present at the Shareholders' General Meeting, and their percentages in total shares of the Bank;
- (2) time and venue of the meeting;
- (3) name of the chairman of the Shareholders' General Meeting, and the agenda;
- (4) main views of each addressor on the matters reviewed;
- (5) voting results of each matter (signed by the tally clerk);
- (6) resolutions on proposals raised by shareholders, name of the proposing shareholder(s), the shareholding proportion and contents of the proposal;
- (7) inquiries and suggestions of shareholders and the corresponding answers or explanations given by the directors and supervisors;
- (8) other matters that shall be included into the minutes in accordance with the Articles or of which the meeting thinks should be recorded.

Article 102 Minutes of a Shareholders' General Meeting shall be signed by directors present at the meeting and the recorder, and together with the attendance roster and the power of attorney for proxy shall be kept by the secretary to the Board of Directors as the Bank's archives at the Bank's domicile.

Article 103 The Shareholders' General Meeting shall be witnessed by a lawyer, and the lawyer shall issue the relevant legal opinion.

Article 104 Shareholders may inspect the duplicates of minutes of the meeting free of charge during office hours of the Bank. If any shareholder requests for duplicates of relevant meeting minutes, the Bank shall deliver the duplicates to such shareholder within seven (7) days upon the receipt of reasonable fees.

Chapter 10 Special Procedures for Voting by A Certain Class of Shareholders

Article 105 Shareholders are classified into different classes according to the classes of shares they hold.

Holders of domestic listed shares and holders of overseas listed shares are deemed as shareholders of different classes.

Shareholders of different classes shall enjoy rights and assume obligations in accordance with laws, regulations, rules and relevant regulations of the local securities regulatory authorities where shares of the Bank are listed as well as the Articles.

Article 106 If the Bank proposes to change or nullify certain rights of a certain class of shareholders, it should obtain the special resolutions for approving the same passed at a Shareholders' General Meeting and at the meeting held by and for the class of shareholders being affected which is convened according to Article 108 to Article 112.

Article 107 Under the following circumstances, rights of a certain class of shareholders shall be deemed to be changed or nullified:

- (1) To increase or reduce the quantity of certain class of shares, or increase or reduce the quantity of other class(es) of shares which enjoy the same or more voting rights, distribution rights or other privileges as compared with this class of shares;
- (2) To convert part or whole of certain class of shares into other class(es), convert part or whole of other class(es) of shares into this class, or grant of such conversion rights;

- (3) To nullify or reduce the rights of certain class of shares to receive payable dividends or cumulative dividends;
- (4) To reduce or nullify the privileged rights of a class of shares to acquire dividends or obtain property distribution during liquidation of the Bank;
- (5) To increase, nullify or reduce the conversion, selection, voting, transfer or privileged allotment rights of a class of shares or the rights to obtain securities issued by the Bank;
- (6) To nullify or reduce the rights of a class of shares to receive amounts payable by the Bank in a particular currency attached to shares of such class;
- (7) To establish new class(es) of shares which enjoy the same or more voting rights, distribution rights or other privileges as compared with a certain class of shares;
- (8) To restrict the transfer and ownership of a certain class of shares, or increase the restrictions;
- (9) To grant the share subscription options or share conversion options of this or another class of shares;
- (10) To increase the rights or privileges of other class(es) of shares;
- (11) Any restructuring scheme of the Bank that may result in the assumption of disproportionate responsibilities by different classes of shareholders during the restructuring;
- (12) To revise or nullify the provisions in the Articles.

Article 108 The shareholders of the class of share that is affected, whether or not having voting right at the former Shareholders' General Meeting, shall have the voting right on the matters specified in Items (2) to (8) and (11) to (12) of Article 107 at the meeting for this class of shareholders, but the shareholders with conflict of interests therein shall have no voting rights at the meeting for this class of shareholders.

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

- (1) where the Bank issues repurchase tender offer at the same proportion to all shareholders pursuant to Article 28 of the Articles or repurchase the Bank's shares through public transaction on the stock exchanges, the "shareholders with conflict of interests" shall mean the controlling shareholders defined in Article 57 of the Articles;

- (2) where the Bank repurchases shares with acquisition agreements outside the stock exchange pursuant to Article 28 of the Articles, the “shareholders with conflict of interests” shall mean the shareholders who are relevant to the aforementioned agreements;
- (3) If the Bank’s restructuring plan is concerned, the “shareholders with conflict of interests” shall mean the shareholders who assume the liability in a lower proportion than other shareholders of the same class or those who own different interests as compared with other shareholders of the same class.

Article 109 Resolutions of the meeting for a certain class of shareholders shall be approved by more than two thirds (2/3) of the voting rights represented by shareholders of that class present at the meeting according to Article 108.

Article 110 The provisions on the procedures for the notice of Shareholders’ General Meeting herein shall be applicable to the Shareholders’ General Meeting for a certain class of shareholders.

Notice of the Shareholders’ General Meeting for a certain class of shareholders shall only be delivered to shareholders who have the rights to vote at such meeting.

Article 111 The procedure to convene a Shareholders’ General Meeting for a certain class of shareholders shall be similar to that of Shareholders’ General Meeting to the extent practical. Provisions in the Articles which are related to the procedure to convene a Shareholders’ General Meeting shall apply to the Shareholders’ General Meeting for a certain class of shareholders.

Article 112 The special voting procedure at a meeting for a certain class of shareholders shall not be applicable for the following cases:

- (1) upon the approval of the Shareholders’ General Meeting with special resolutions, the Bank independently or simultaneously issuing domestic shares and overseas listed shares at intervals of twelve months, of which the number of the domestic shares and overseas listed shares intended to be issued is not more than 20% of the issued and outstanding shares of the respective class;
- (2) the Bank’s plan on issuing domestic shares and overseas listed shares at the time of incorporation, which is completed within 15 months upon approval of the securities regulatory institution of the State Council.

The domestic shares mentioned herein do not include overseas listed shares.

Chapter 11 Board of Directors

Article 113 The Bank shall have a Board, which is the executive agency of the Shareholders' General Meeting and shall be responsible to it.

Article 114 The Board of Directors shall consist of seventeen (17) directors, in which there shall be one chairman and one vice chairman.

Members of Board of Directors shall consist of executive directors, non-executive directors, and non-executive directors shall include independent non-executive directors (hereinafter referred to as "Independent Directors").

The number of executive directors shall be no less than one fourth (1/4) and no more than one third (1/3) of the total number of the Board of Directors.

The number of Independent Directors shall comply with relevant provisions of regulatory authority.

More than two thirds (2/3) of board members shall be non-executive directors.

No more than two (2) members from the controlling shareholders' chairman of the board, vice chairman of the board and executive director shall concurrently hold positions of chairman of board, vice chairman of board or executive director of the Bank.

Legal representative of controlling shareholder shall not assume the position of the chairman of the Board of Directors of the Bank concurrently.

Article 115 Directors shall be elected by the Shareholders' General Meeting. The term of office of a director shall be three (3) years, effective to the date of the annual shareholders' general meeting of the Bank. A director may serve consecutive terms if he/she is reelected.

Directors need not hold shares of the Bank.

The qualification of directors shall be reported to the banking regulatory institution of the State Council for approval.

Non-executive directors shall have sufficient time and necessary knowledge and competence to perform their duties.

The written notice concerning intention of nominating director candidates and candidates' willingness to accept nomination shall be presented to the Bank no earlier than the next day after issuance of notice of Shareholders' General Meeting and no later than seven (7) days before the date of the Shareholders' General Meeting.

If the number of directors elected through voting at the Shareholders' General Meeting exceeds the maximum number for directors as specified by the Articles, candidates with the highest votes shall be elected as directors according to the maximum number specified in the Articles.

Chairman of the Board of Directors and vice chairman of the Board of Directors shall be assumed by directors, and elected and removed by more than half of the directors. The term of office of chairman and vice chairman shall be three (3) years, and they may serve consecutive terms if being re-elected.

Article 116 The Bank shall take measures to protect directors' right of information. For matters that need to be decided by the Board of Directors, the Bank shall timely notify directors and provide sufficient information in accordance with relevant provisions. If directors consider the information to be insufficient, they may request the Bank to supplement. If more than one fourth (1/4) of all directors or more than two (2) non-executive directors consider that the information to be insufficient or the elaboration is unclear, they may jointly propose to postpone the convening of board meeting or review of such matter, and the Board of Directors shall adopt it.

Article 117 The Bank shall take measures to protect directors' right to attend board meetings.

The Bank shall provide directors with necessary work conditions for performing their duties and powers, and the secretary to the Board shall positively provide support for directors to perform duties and powers.

When directors are exercising their functions and powers, the relevant personnel of the Bank shall cooperate and shall not reject, hinder or conceal anything, or interfere with the directors in their exercising of such functions and powers.

Article 118 A director may resign prior to the expiry of his/her term of office. When a director intends to resign, he/she shall submit a written resignation to the Board of Directors.

If the resignation of a director causes the number of directors to be less than two thirds (2/3) of the number of directors stipulated in the Articles or less than the minimum quorum specified by the Company Law, his/her resignation shall become effective after a new director is elected and fills up the vacancy resulting from the resignation.

Except for circumstance in the preceding paragraph, a director's resignation shall become effective upon the delivery of his/her resignation to the Board of Directors.

If the case mentioned in Clause 2 of this Article occurs, the Board of Directors shall convene an extraordinary general meeting as soon as possible to elect new directors to fill up the vacancy.

The Shareholders' General Meeting may remove any director before expiration of his/her term of office in accordance with relevant laws, regulations and rules (but the director's right to raise any claim in accordance with any contract shall not be affected).

Article 119 The Bank may establish necessary professional liability insurance system for directors to lower the possible risks arising from directors' normal performance of their duties and powers.

The Bank may sign a loss indemnification agreement with directors to indemnify directors provided such directors are in compliance with laws and regulations, and perform the duties and powers with loyalty, diligence and in good faith.

Article 120 The Board shall perform its duties in accordance with laws, regulations, rules, relevant provisions of the local securities regulatory authorities where the shares of the Bank are listed, the Articles and resolutions of Shareholders' General Meeting.

Article 121 The Board of Directors shall exercise the following functions and powers:

- (1) be responsible for convening the Shareholders' General Meeting and reporting its work to the Shareholders' General Meeting;
- (2) implement resolutions of the Shareholders' General Meeting;
- (3) determine the Bank's development strategy, and supervise its implementation;
- (4) decide on the business plan, investment plan and risk capital distribution plan of the Bank;
- (5) prepare annual financial budget and final accounts of the Bank;
- (6) prepare profit distribution plan and plan for making up losses of the Bank;
- (7) prepare plans for the increase or decrease of the Bank's registered capital, issuance of the Bank's convertible bonds, subordinated bonds, corporate bonds or other securities and listing;

- (8) prepare plans for the Bank's major acquisition and repurchase of shares;
- (9) prepare plans for merger, division, dissolution and liquidation of the Bank;
- (10) decide on the Bank's equity investment, bond investment, asset acquisition, asset disposal, asset written-off, asset mortgage and other non-commercial banking business guarantees within the scope authorized by the Shareholders' General Meeting;
- (11) decide on the setting up of the Bank's internal management departments;
- (12) decide on the setting up of domestic tier-one branches and overseas branches;
- (13) appoint or remove president, chief audit officer and secretary to the Board of Directors, and determine their remuneration, reward and penalty;
- (14) engage or remove vice president and other members of the senior management of the bank (excluding chief audit officer and the secretary to the Board of Directors) nominated by the president, and decide on their remuneration, reward and penalty;
- (15) formulate the Bank's basic management systems, and supervise the implementation of these systems;
- (16) decide on risk management policies and internal control policies of the Bank, and supervise the implementation of such systems;
- (17) propose the engagement, termination or re-engagement of accounting firm to the Shareholders' General Meeting;
- (18) make special report to the Shareholders' General Meeting on the implementation of connected transaction management system and the status of connected transactions;
- (19) listen to work reports of the Bank's president, and supervise, check and assess his/her work and adopting accountability system;
- (20) assess and evaluate duty performance of members of the senior management of the Bank;
- (21) listen to work reports of chief audit officer and persons in charge of internal audit department of the Bank, and exam, supervise, check and assess internal audit works;

- (22) regularly evaluate and continuously improve corporate governance of the Bank;
- (23) formulate the amendments to the Articles, the *Procedural Rules for Shareholders' General Meeting of China Construction Bank Corporation* and the *Procedural Rules for the Board of Directors of China Construction Bank Corporation*, and formulate other systems, rules and measures of the Board of Directors; and
- (24) exercise other functions and powers vested by laws, regulations, rules, and regulations of relevant regulatory authorities, and the Articles as well as those authorized by the Shareholders' General Meeting.

Article 122 The authority of the Board of Directors on equity investment, bond investment, asset acquisition, asset disposal, asset written-off, asset mortgage and other non-commercial banking business guarantees by means of the Bank's assets shall be decided by the Shareholders' General Meeting and the Board of Directors shall establish strict examination and decision procedures for exercising the above authority.

For major equity investment, bond investment, asset acquisition, asset disposal, asset written-off, asset mortgage and other noncommercial banking business guarantees, relevant experts and professionals shall be organized to review these matters, and shall be reported to the Shareholders' General Meeting for approval.

For equity investment, bond investment, asset acquisition, asset disposal, asset written-off, asset mortgage and other non-commercial banking business guarantees within a certain limit, the Board of Directors may grant limited authority to the chairman of Board of Directors, one or more directors or presidents.

The Board of Directors shall formulate specific authorization system, which shall become effective after being reported to and approved by the Shareholders' General Meeting.

When disposing of fixed assets, if the expected value of the fixed assets to be disposed of plus total value of the fixed assets that have been disposed of four (4) months before such disposal proposal exceeds thirty-three percent (33%) of the fixed assets value in the latest balance sheet reviewed by the Shareholders' General Meeting, the Board of Directors shall not dispose of or approve the disposal of such fixed assets until it is approved by the Shareholders' General Meeting.

The disposal of fixed assets referred to in this article includes the transfer of rights and interests of some assets, but excludes the provision of guarantee with fixed assets.

The effectiveness of transaction conducted by the Bank to dispose of fixed assets shall not be affected by the violation of Clause 5 in this article.

Article 123 The Board shall give explanations to the Shareholders' General Meeting for audit reports with qualified opinion, adverse opinion or disclaimer of opinion issued by certified public accountants with respect to financial reports of the Bank.

Article 124 When removing the president of the Bank within his/her term of office, the Board shall inform the Board of Supervisors in time and make a written explanation to the Board of Supervisors.

Article 125 The Board shall accept the supervision from the Board of Supervisors, and shall not prevent or hinder the Board of Supervisors from conducting activities such as inspection, auditing, etc. according to its functions and powers.

The Board shall notify supervisors to attend board meetings as non-voting attendees.

Article 126 The chairman of the Board of Directors shall exercise the following functions and powers:

- (1) preside over the Shareholders' General Meeting, and convene and preside over meeting of Board of Directors;
- (2) ensure that all directors at the meeting of Board of Directors are appropriately informed of current matters;
- (3) ensure that directors can timely receive sufficient information and relevant information received is complete and reliable;
- (4) supervise and inspect the implementation of resolutions of the Board of Directors;
- (5) sign certificates of shares, bonds and others securities of the Bank;
- (6) sign important documents of the Board of Directors and other documents that shall be signed by legal representatives of the Bank;
- (7) exercise other functions and powers of a legal representative;
- (8) exercise special disposition right for Bank affairs in accordance with laws, regulations, rules and in the interest of the Bank under emergency of force majeure including severe natural disaster, and report to the Board of Directors and Shareholders' General Meeting after the event in a timely manner;
- (9) other functions and powers granted by the Board of Directors.

When the chairman of the Board of Directors cannot or fails to perform his/her functions and powers, the vice chairman shall act on his/her behalf; when the vice chairman cannot or fails to perform his/her functions and powers, a director elected by more than half (1/2) of all the directors shall act on his/her behalf.

Article 127 The meetings of Board of Directors shall include regular board meeting and interim board meeting.

The regular board meetings shall be convened by the chairman at least four (4) times a year. Written notice shall be delivered to all directors and supervisors fourteen (14) days prior to date of the regular board meeting. The notice shall state the proposals of the meeting.

The chairman of the Board of Directors shall issue a notice for convening an interim board meeting within seven (7) days under one of the following circumstances:

- (1) when the chairman of the Board of Directors considers it necessary;
- (2) when more than one third (1/3) of the directors propose to do so;
- (3) when the Board of Supervisors proposes to do so;
- (4) when more than half (1/2) of the Independent Directors propose to do so;
- (5) when the president of the Bank proposes to do so;
- (6) when shareholders who individually or jointly hold more than ten percent (10%) of the voting shares in the Bank propose to do so in writing.

The Board of Directors office shall give a written notice to all directors and supervisors five (5) days before the convening of the interim board meeting. In case an interim board meeting shall be held as soon as possible under emergency, the meeting notice may be sent at any time by telephone or oral means, but the convener shall make an explanation at the meeting.

Article 128 A meeting of Board of Directors may be held by means of on-site meeting or written resolutions.

If on-site meeting is adopted, telephone, video or other instant communication means may be adopted to provide convenience for directors to attend the meeting. Directors who attend the meeting by the aforesaid means shall be deemed as attending the on-site meeting, but directors who attend the meeting on site shall be more than half (1/2) of the present directors.

Article 129 The notice of board meeting shall contain the following contents:

- (1) venue, date and time of the meeting;
- (2) duration of the meeting;
- (3) agenda, reason for holding the meeting, topics for discussion and relevant materials;
- (4) date of issuance of meeting notice;
- (5) except for meetings convened by the chairman of Board, the meeting notice shall state that the meeting is not convened by the chairman of Board and the basis for convening the board meeting.

The notice of board meeting shall be made in Chinese, and may be attached with an English translation if necessary.

Article 130 The board meeting shall only be held when more than half (1/2) of the directors attend the meeting. If shareholders who hold more than ten percent (10%) of total outstanding shares of the Bank or directors who have material conflict of interests in the matters to be discussed by the Board, relevant matters shall not be resolved by way of written resolutions or delivered to special committee of the Board for handling; instead, the Board shall convene a board meeting for such matters, and the meeting shall only be held when more than half (1/2) of the directors, who have no material conflict of interests with the matters to be discussed, attend the meeting. Independent Directors and their associates (as defined in the Listing Rules) who have no material interest with the transactions shall attend the board meeting.

Every director shall have one voting right. Voting by show of hands or by ballot may be adopted at the board meeting.

When negative votes equal affirmative votes, the chairman of the Board shall be entitled to one casting vote.

Article 131 Resolutions of the Board of Directors may be adopted when more than half (1/2) of the directors agree through voting, except for the following material matters that shall be agreed by more than two thirds (2/3) of all directors through voting and shall not be voted on by means of written proposal:

- (1) profit distribution plan;
- (2) repurchase of the Bank's shares;
- (3) issuance of convertible bonds of the Bank;
- (4) issuance of subordinated bonds of the Bank;
- (5) issuance of corporate bonds;
- (6) major investment;
- (7) plans of major asset acquisition, asset disposal and asset written-off;
- (8) engagement or removal of the senior management of the Bank;
- (9) change of the Bank's registered capital;
- (10) plans of merger, division, dissolution, and liquidation of the Bank;
- (11) annual budget and final accounts of the Bank;
- (12) appointment, removal or renewal of accounting firm;
- (13) authorization management measures of the Board of Directors to president of the Bank;
- (14) revision of the Articles; and
- (15) other matters considered by the Board of Directors by an ordinary resolution that will have material impact on the Bank and require the adoption by a special resolution, or matters that require the adoption by a special resolution in accordance with relevant provisions of the local securities regulatory authorities where the Bank's shares are listed.

Article 132 If the board meeting is held by means of written proposal, if the Board has sent the proposal to all directors, and the number of directors who agree with signatures has reached the quorum required for making a resolution, the contents in the proposal shall become a resolution of the Board upon the delivery of such written document that have been agreed by directors with signatures to the secretary to the Board.

Article 133 In case directors have material conflict of interests in the matters to be discussed by the Board of Directors, the resolution for approving such matters shall only be adopted when more than half (1/2) of the directors who have no material conflict of interests with the matters agree.

In case a director has material conflict of interests in the matter to be discussed by the Board of Directors, this director shall withdraw from considering such matter and leave the meeting place temporarily. The Board of Directors, when necessary, may make a resolution that such director need not withdraw. When the Board of Directors is deciding whether to approve the said matter, such director shall not be counted into the quorum of the meeting.

In case the Board of Directors cannot make a resolution on the matter to be discussed due to the withdrawal of relevant director who has material conflict of interests with the matter, the Board of Directors shall make a resolution to present the proposal to the Shareholders' General Meeting for consideration, and shall submit such proposal on a timely basis. Such resolution shall describe the consideration of the Board of Directors on the proposal, and record the opinions on the proposal from directors who have no material conflict of interests with the matter.

Resolutions made by the Board of Directors on matters within the authority of Shareholders' General Meeting shall not be implemented before being reported to the Shareholders' General Meeting for approval.

Article 134 Directors shall attend the board meeting in person. If a director cannot attend the meeting in person due to some reason, he/she may entrust another director in writing to attend the meeting on his/her behalf. The power of attorney shall specify the proxy's name, entrusted matters, the scope of authority and the valid term, and shall be affixed with the signature or seal of the entrustor.

The director who attends the meeting of the Board of Directors on behalf of another director shall exercise the right of the entrustor within the scope of authorization. If a director neither attends the meeting of the Board of Directors nor entrusts a proxy to be present on his/her behalf, he/she shall be deemed to have given up his/her voting rights at that meeting.

If a director neither attends the meeting of the Board of Directors in person nor entrusts other directors to attend the meeting for two (2) consecutive times, or fails to attend the regular meeting of the Board of Directors in the meeting site for two (2) consecutive times, such director shall be deemed to be unable to perform his/her duties, and the Board of Directors, the Board of Supervisors or shareholders who individually or jointly hold more than five percent (5%) of the voting shares in the Bank shall propose the Shareholders' General Meeting to remove and replace such director.

The expenses arising from directors' attendance of meeting of the Board of Directors shall be paid by the Bank, including transportation expenses from director's domicile to meeting site, local transportation expenses and accommodation expenses during the meeting.

The rental expenses incurred for the meeting site shall be paid by the Bank.

Article 135 Minutes of the board meetings shall be made in Chinese for the matters discussed at such meetings. Directors present at the meeting and the recorder shall sign their names on the minutes. Directors shall be responsible for the resolutions of the board of meetings. If any resolution of the Board violates any laws, regulations, rules, Articles or resolutions made by Shareholders General Meeting and causes the Bank to suffer significant losses, the directors who took part in the resolution shall be liable for compensation to the Bank, while the directors who are certified by the meeting minutes as having expressed his opposition to such resolution when it was put to vote shall not be liable for the losses.

The minutes of board meeting shall contain the following contents:

- (1) date and place of the meeting as well as names of the convener and chairman;
- (2) names of directors who attend the meeting, directors who entrust other persons to attend the meeting and their proxies;
- (3) agenda of the meeting;
- (4) key points of directors' speeches, including any doubt or objection raised by any director (for meeting held by means of written proposal, written feedbacks from directors shall be prevailed);
- (5) voting method and result for each matter discussed (the voting result shall specify number of affirmative votes, negative votes or abstaining votes as well as the voting of every director).

Article 136 The minutes of the board meetings shall be kept as archives of the Bank by the secretary to the Board.

Article 137 Resolutions of the Board and relevant minutes shall be reported to relevant regulatory authorities for filing after the meeting in accordance with relevant laws, regulations, rules and provisions of the local securities regulatory authorities where the Bank’s shares are listed.

Article 138 The Board of Directors shall have a specialized office under its leadership, which shall be responsible for the preparation of Shareholders’ General Meetings, the board meetings and meetings of special committees under the Board of Directors, disclosing information, and managing other routine work of the Board of Directors and its special committees.

Chapter 12 Independent Directors

Article 139 The Bank shall establish an Independent Director system. The term “Independent Director(s) of the Bank” refers to directors who do not hold any positions in the Bank other than director, and those who have no relationship with the Bank or its major shareholders that may affect their independent and objective judgment.

Independent Directors shall possess relatively high professional qualities and good reputation, and shall satisfy all the following conditions:

- (1) having bachelor degree or above, or holding relevant senior professional title;
- (2) having more than ten (10) years work experiences in law, economy, finance, accounting or other working experiences helpful for performing the duties of an Independent Director;
- (3) being familiar with operation and management of commercial banks and relevant laws, regulations and rules;
- (4) being able to read, understand and analyze credit statistical reports and financial reports of commercial banks.

Article 140 In addition to the persons prohibited from serving as directors of the Bank, the following persons may not serve as Independent Directors of the Bank either:

- (1) natural person shareholders who directly or indirectly hold more than one percent (1%) of total outstanding shares of the Bank or persons who hold positions in legal person shareholders who directly or indirectly hold more than one percent (1%) of total outstanding shares of the Bank as well as their close relatives;
- (2) persons who hold positions in the Bank or its affiliates, their close relatives and major social relationship;
- (3) persons who, at any time within the previous three years, have fallen into one of two items listed above;
- (4) persons who hold positions in institutions which have business relationship, including businesses of law, accounting, audit and management consultation, or interest relationship with the Bank or its affiliates as well as their close relatives, except such close relatives whose independence to the Bank will not be affected due to the aforesaid positions;
- (5) any other persons that may be controlled or significantly affected through all kinds of means by the Bank as well as their close relatives;
- (6) person who used to be responsible for a high-risk financial institution and there is no proof proving that such person has no responsibilities for the cancellation or loss of assets of such institution;
- (7) person whose application or registration for the position as Independent Director is rejected by the banking regulatory institution of the State Council or the local securities regulatory authorities where the shares of the Bank are listed;
- (8) person whose other qualifications do not comply with the provisions of the local securities regulatory authorities where the shares of the Bank are listed.

Close relatives in this article refer to spouse, parents, children, siblings, grandparents, grandparents-in-law, grandchildren and grandchildren-in-law; and major social relationship refers to parents of spouse, spouse of children, spouse of sibling and sibling of spouse, etc..

Article 141 The Board, the Board of Supervisors and shareholders who individually or jointly hold more than one percent (1%) of total outstanding shares of the Bank may nominate candidates for Independent Directors, who shall be elected by the Shareholders' General Meeting. The qualification of persons who hold the position as Independent Director shall be subject to review and approval by the banking regulatory institution of the State Council and the local securities regulatory authorities where the shares of the Bank are listed.

The term of office of an Independent Director shall not be more than six (6) years.

Article 142 Independent Directors shall work for the Bank for at least fifteen (15) working days each year.

An Independent Director may entrust another Independent Director to attend board meetings on his/her behalf, but he/she should attend in person at least two thirds (2/3) of total board meetings held within one (1) year.

If an Independent Director fails to attend board meetings in person for three (3) consecutive times, or attends in person less than two thirds (2/3) of total number of board meetings held within one (1) year, the Board of Directors, the Board of Supervisors or shareholders who individually or jointly hold more than five percent (5%) of total outstanding shares with voting rights of the Bank shall propose the Shareholders' General Meeting to remove or replace such Independent Director.

Article 143 In addition to the functions and powers of a director vested by the Company Law and other relevant laws, regulations, rules, relevant regulations of the local securities regulatory authorities where the Bank's share are listed and the Articles, Independent Directors shall have the following functions and powers:

- (1) approve major connected transactions before submitting to the Board for discussion, and engage an intermediary agency to issue an independent financial advisory report as the basis for his/her judgment before making judgment;
- (2) propose to the Board to appoint or remove an accounting firm;
- (3) propose to the Board to convene an extraordinary Shareholders' General Meeting;
- (4) propose to convene a board meeting;
- (5) appoint external auditing and consulting agencies independently.

The exercising of the aforesaid duties and powers in item (1) herein by an Independent Director shall be approved by more than half (1/2) of the total number of Independent Directors.

Major connected party transaction in this Article refers to a single transaction between the Bank and a connected person in an amount that accounts for more than one percent (1%) of the latest audited net capital of the Bank, or the transaction between the Bank and a connected person, after which the balance with the connected person accounts for more than five percent (5%) of the latest audited net capital of the Bank.

When calculating the transaction balance of a connected person, close connected of related natural persons shall be calculated in aggregation, and connected persons of connected legal persons or other organizations shall also be calculated in aggregation.

Connected persons mentioned herein refer to natural persons, legal persons or other organizations that constitute connected persons of the Bank in accordance with relevant provisions of the local securities regulatory authorities where the Bank's shares are listed.

Close relatives in this article refer to grandparents (grandparents-in-law), parents, grandchildren (grandchildren-in-law), spouse, siblings and their spouses, grown-up children and their spouses, parents of spouse, siblings of spouse and their spouses, siblings of parents and their spouses as well as grown-up children of siblings of parents and their spouses.

Article 144 Independent Directors shall give objective, impartial and independent opinions on the discussed matters of the Bank, and they shall express their opinions to the Shareholders' General Meeting and the board meeting especially on the following matters:

- (1) major connected transactions;
- (2) nomination, appointment and removal of directors;
- (3) appointment and removal of senior management of the Bank;
- (4) remuneration of directors and senior management of the Bank;
- (5) profit distribution plan;
- (6) existing or new borrowing or other fund transactions of the Bank to or with shareholders, actual controller and its connected persons of the Bank, the total amount of which exceeds one percent (1%) of the latest audited net capital of the Bank, and whether or not the Bank has adopted effective measures to recover these arrears;
- (7) matters deemed by Independent Directors as such that may impair the rights and interests of minority shareholders;

- (8) matters deemed by Independent Directors as such that may cause significant losses to the Bank;
- (9) other matters stipulated in the Articles.

Article 145 Independent Directors shall submit their personal annual performance reports to the Shareholders' General Meeting to explain their performance of duties.

Independent Directors may directly report to the Shareholders' General Meeting, the securities regulatory institution of the State Council and other relevant institutions.

Article 146 To ensure effective performance of duties by Independent Directors, the Bank shall provide the following necessary conditions for Independent Directors:

- (1) Ensure that Independent Directors have the same right of information as other directors. For matters that need to be decided by the Board of Directors, the Bank shall notify Independent Directors in advance pursuant to statutory limit of time and provide sufficient information at the same time. If Independent Directors consider that the information is insufficient, they may request the Bank to supplement. If two (2) or more Independent Directors consider that the information is insufficient or the elaboration is unclear, they may jointly propose in writing to the Board of Directors to postpone the convening of board meeting or review of such matter, and the Board of Directors shall adopt it.

The Bank and Independent Directors shall keep the documents provided by the Bank to Independent Directors in a proper way.

- (2) Provide necessary working conditions for Independent Directors to perform their duties. The secretary to the Board of Directors shall actively provide support for Independent Directors to perform their duties;
- (3) Ensure active co-operation of relevant personnel of the Bank when Independent Directors are performing their duties without any refusal, hindering, concealment or intervention of their independent performance;
- (4) Assume reasonable expenses incurred from engaging intermediary agencies and performing their duties by Independent Directors;
- (5) Establish necessary liability insurance system for Independent Directors, to lower possible risks arising from normal duty performance of Independent Directors.

Chapter 13 Special Committees of the Board of Directors

Article 147 The Board of Directors of the Bank shall have the Strategy Development Committee, the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee and the Connected Transactions Control Committee. The Board of Directors may set up other special committees whenever necessary. Special committees under the Board of Directors shall be responsible to and report to the Board of Directors, and assist the Board of Directors in performing its duties and powers according to the authorization of the Board of Directors.

Special committees shall maintain communication and cooperation.

Article 148 The Strategy Development Committee shall consist of at least five (5) directors, and the chairman shall be assumed by the chairman of the Board of Directors.

Main duties and powers of the Strategy Development Committee are:

- (1) prepare the Bank's strategy and development plan, supervise and evaluate the implementation of plan, and provide suggestions to the Board of Directors;
- (2) examine the Bank's annual operation plan and financial budget, and submit them to the Board of Directors for consideration;
- (3) examine the report on implementation of annual operation plan and financial budget;
- (4) evaluate coordinative development of various businesses, and provide suggestions to the Board of Directors;
- (5) examine significant organizational adjustment and institutional layout plan, and provide suggestions to the Board of Directors;
- (6) examine major investment and financing plan of the Bank, and provide suggestions to the Board of Directors;
- (7) other duties and powers authorized by the Board of Directors.

Article 149 The Audit Committee shall consist of at least five (5) directors, and the chairman shall be assumed by an Independent Director. The Audit Committee shall only be composed of non-executive directors and Independent Directors shall account for majority of the committee, and at least one (1) Independent Director shall have appropriate professional qualification or specialize in accounting or financial management.

Main duties and powers of the Audit Committee are:

- (1) supervise financial reports of the Bank, and examine the Bank's accounting information and disclosure of its major events;
- (2) supervise and evaluate internal control of the Bank;
- (3) supervise the compliance of core businesses, management systems and major operation activities of the Bank;
- (4) supervise and evaluate internal audit of the Bank;
- (5) supervise and evaluate external audit of the Bank, propose to the Board of Directors on engagement or replacement of independent audit agency, and responsible for the communication and co-ordination between internal auditors and external auditors;
- (6) report its work to the Board of Directors, and maintain communication and co-operation with other special committees;
- (7) other duties and powers authorized by the Board of Directors.

Article 150 The Risk Management Committee shall consist of at least three (3) directors.

Main duties and powers of the Risk Management Committee are:

- (1) examine the Bank's risk management policies and internal control policies according to the overall strategy of the Bank, and supervise and evaluate implementation and effect of these polices;
- (2) guide the building of risk management and internal control system of the Bank;
- (3) supervise and evaluate the setting, organization, work procedures and effect of risk management departments, and make recommendations for improvement;
- (4) review the Bank's risk and internal control report, carry out regular evaluation on the Bank's risk and internal control, and give opinions on the improvement of the Bank's risk management and internal control;
- (5) evaluate relevant work of senior management of the Bank in charge of risk management;
- (6) other duties and powers authorized by the Board of Directors.

Article 151 The Nomination and Remuneration Committee shall consist of at least five (5) directors, and the chairman shall be assumed by an Independent Director. Independent Directors shall account for majority of the committee.

Main duties and powers of the Nomination and Remuneration Committee are:

- (1) organize the formulation of standards and procedures for the election of directors and senior management members of the Bank, and submit the proposed procedures and standards to the Board of Directors for approval;
- (2) propose to the Board of Directors on candidates for directors, president, chief audit officer and the secretary to the Board of Directors;
- (3) propose to the Board of Directors on candidates for members of special committees of the Board of Directors;
- (4) review the candidates for senior management of members the Bank nominated by the president and make suggestions to the Board of Directors;
- (5) formulate development plans for the senior management members and fostering plans for the key backup talents;
- (6) review the Bank's remuneration management system submitted by the president, and submit it to the Board of Directors for decision;
- (7) organize the preparation of performance evaluation methods for directors and remuneration distribution methods for directors and supervisors, and submit them to the Board of Directors for review;
- (8) organize the preparation of performance evaluation methods and remuneration distribution methods for members of the senior management of the Bank, and submit them to the Board of Directors for decision;
- (9) organize performance evaluation on directors, propose the distribution of remuneration of directors, and submit it to the Board of Directors for review;
- (10) based on to the evaluation on supervisors conducted by the Board of Supervisors, propose the distribution of remuneration of supervisors, and submit it to the Board of Directors for review;

- (11) organize performance evaluation for members of the senior management of the Bank, make suggestions on remuneration distribution plan for members of the senior management of the Bank, and submit it to the Board of Directors for decision;
- (12) supervise the implementation of the Bank's performance evaluation system and remuneration system;
- (13) other responsibilities authorized by the Board of Directors.

Article 152 The Related Party Transactions Control Committee shall consist of at least three (3) directors, and the chairman shall be assumed by an Independent Director. Non-executive directors shall account for majority of the committee. Members of the Related Party Transactions Control Committee shall not include directors nominated by controlling shareholders.

The Related Party Transactions Control Committee shall apply a withdrawal system in discussion, but if necessary, a resolution on no withdrawal may be made when the committee is reviewing specific matters.

Main duties and powers of the Related Party Transactions Control Committee include:

- (1) confirm related parties of the Bank, report them to the Board of Directors and the Board of Supervisors, and timely notify relevant bank staff of related parties confirmed;
- (2) conduct preliminary examination on major connected transactions, submit them to the Board of Directors for approval, and report to the Board of Supervisors at the same time;
- (3) review and approve general connected transactions or accept the filing of general connected transactions;
- (4) other responsibilities authorized by the Board of Directors.

Chapter 14 Secretary to the Board of Directors

Article 153 The Bank shall have one (1) secretary to the Board of Directors, who shall be responsible to the Board of Directors.

Article 154 The secretary to the Board of Directors shall be a natural person who has necessary professional knowledge and experience, and shall be nominated by the chairman of the Board of Directors and appointed by the Board of Directors:

The qualification of the secretary to the Board of Directors shall be reported to the banking regulatory institution of the State Council for review and approval.

Main duties and powers of the secretary to the Board shall include the following:

- (1) assist directors in handling daily work of the Board of Directors; in-charge of the board office; provide directors with or remind them of and ensure that directors understand the regulations, policies and requirements of relevant regulatory authorities in relation to the Bank's operation; responsible for the communication between directors and relevant departments of the Bank; ensure that directors can obtain necessary information and documents in performing their duties; and assist directors and the president in observing laws, regulations, rules, relevant regulations of the local securities regulatory authorities where the Bank's shares are listed, the Articles and other relevant provisions regarding the performance of their duties;
- (2) organize and prepare documents of the Shareholders' General Meeting and the board meetings; responsible for minutes of meetings; ensure that decisions made at meetings are in compliance with statutory procedures; grasp the implementation of resolutions of the Board of Directors on his/her own initiative; and reply questions from directors on relevant meeting procedures and applicable rules;
- (3) organize and arrange a comprehensive, official and tailor-made notice for the newly appointed directors when they accept the appointment for the first time who shall subsequently, receive necessary introduction and information about their professional development, to ensure these newly-appointed directors can have an appropriate understanding of the Bank's operation and businesses, and be fully acquainted with their responsibilities under laws, regulations, rule and relevant provisions of the local securities regulatory authorities where the Bank's shares are listed as well as the Bank's business and management policies;
- (4) co-ordinate information disclosure to enhance the information transparency of the Bank;
- (5) co-ordinate and organize market promotion, coordinate reception of visitors, handle investor relationship, maintain contact with regulatory authorities, intermediary investors, agencies and news media, and co-ordinate public relationship;
- (6) ensure that the Bank has a complete set of organizational documents and records;
- (7) ensure that the Bank prepares and submits the reports and documents required by the competent authorities according to laws;

- (8) as the coordinator between the Bank and the local securities regulatory authorities where the Bank's shares are listed, responsible for organizing the preparation and timely delivery of documents required by the local securities regulatory authorities where the Bank's shares are listed, and responsible for receiving relevant tasks assigned by such authorities and organizing to complete these tasks;
- (9) ensure that the Bank's register of shareholders is properly set up, and ensure that persons entitled to obtain relevant minutes and documents of the Bank could obtain them in a timely manner;
- (10) ensure that the identity of Independent Directors are clearly specified in the Bank's address books containing names of directors;
- (11) handle any other matters authorized by the Board of Directors.

Article 155 The secretary to the Board of Directors shall be assumed by a specially-appointed person in principle. A director or members of the senior management of the Bank may serve concurrently as the secretary to the Board of Directors, provided that he/she ensures that he/she has adequate energy and time required for effectively performing his/her duty as the secretary to the Board.

The Bank's president, chief audit officer, supervisors and CPAs of accounting firm engaged by the Bank shall not concurrently serve as secretary to the Board of Directors.

If an action is required to be taken by a director and the secretary to the Board of Directors respectively, a director who concurrently serves as the secretary to the Board of Directors shall not take such action in both capacities simultaneously.

Chapter 15 Senior Management

Article 156 The Bank shall have one (1) president, several vice presidents and, if necessary, chief financial officer, chief risk officer, chief information officer and other members of the senior management of the Bank to support the work of president. Chief financial officer, chief risk officer and chief information officer may be assumed by vice presidents.

The Bank shall have one (1) chief audit officer, who shall be a member of the senior management of the Bank.

The Bank shall have one (1) secretary to the Board of Directors, who shall be a member of the senior management of the Bank.

President, vice presidents and members of the senior management shall be appointed or removed by the Board of Directors. The chairman of the Board of Directors shall not serve as president of the Bank concurrently.

The appointment of members of the senior management of the Bank shall be conducted according to relevant laws, regulations and the Articles. Any organization or individual shall not intervene in normal appointment procedures for members of the senior management of the Bank. The Bank shall select members of the senior management including president and vice presidents through various means in an open and transparent way. The Bank shall sign contracts with members of the senior management of the Bank.

The qualification of president, vice presidents and other members of the senior management of the Bank shall be reported to the banking regulatory institution of the State Council for review and approval.

Article 157 The term of office of president shall be three years. The president may serve consecutive terms if re-elected.

Article 158 The president shall be responsible to the Board of Directors and shall perform the following functions and powers:

- (1) preside over the operation and management of the Bank and organize the implementation of resolutions of the Board of Directors;
- (2) submit operation and investment plans of the Bank to the Board of Directors, and organize the implementation of the plans upon approval of the Board of Directors;
- (3) draft schemes for setting up the Bank's internal management departments;
- (4) draft basic management systems of the Bank;
- (5) formulate specific rules of the Bank;
- (6) propose to the Board of Directors to engage or remove vice presidents and other members of the senior management of the Bank (except chief audit officer and the secretary to the Board or Directors);
- (7) engage or remove persons in charge of the internal functional departments and branches of the Bank other than those to be engaged or removed by the Board of Directors;
- (8) authorize members of the senior management of the Bank (except chief audit officer and the secretary to the Board of Directors) and persons in charge of internal functional departments and branches to conduct operation activities;

- (9) establish president accountability system, and conduct evaluation of business performance over managers of business departments, managers of functional departments and heads of branches of the Bank;
- (10) propose the convening of interim board meetings;
- (11) adopt emergency measures and promptly report them to the banking regulatory institution of the State Council, the Board of Directors and the Board of Supervisors, in case any significant unexpected incident such as a run on the Bank happens to at the Bank;
- (12) other functions and powers that should be exercised by the president according to laws, regulations, rules, the Articles, and decisions of the Shareholders' General Meeting and the Board of Directors.

The vice presidents and other members of the senior management of the Bank shall assist the president with his work; where the president is unable to exercise his functions and powers, such functions and powers shall be exercised by vice presidents or other members of the senior management of the Bank on behalf of the president in order.

Article 159 The chief audit officer shall be appointed or removed by the Board of Directors, he/she shall be responsible to the Board and report to the Board of Directors, the Board of Supervisors and the president. The functions and powers of chief audit officer shall be determined by the Board of Directors in accordance with the Articles. If necessary, the chief audit officer may report material problems to the banking regulatory institution of the State Council.

Article 160 The president who is not a director may attend board meetings as a non-voting attendee.

Article 161 The president shall establish and improve internal control mechanism focusing on internal rules and systems as well as operational risk control system according to the needs of the Bank's operation.

Article 162 The president shall regularly report to the Board of Directors on business performance, significant contracts, financial position, risk status and business prospects of the Bank in a timely, authentic, accurate and integral manner, and he/she shall answer inquiries from the Board of Directors and special committees of the Board of Directors.

Article 163 The president shall accept supervision of the Board of Supervisors, and shall regularly provide information on business performance, significant contracts, financial position, risk status and business prospects of the Bank to the Board of Supervisors. The president shall not hinder the Board of Supervisors from conducting activities such as examination and audit according to its functions and powers.

Article 164 The president may, if necessary, hold a president work meeting when performing his/her duties and powers. Other members of the senior management of the Bank may propose to hold such meeting. When the president is unable to perform his/her functions and powers, other members of the senior management of the Bank acting on the president's behalf may decide to hold a president work meeting.

Article 165 The president work meeting shall be attended by president, vice presidents, chief financial officer, chief risk officer, chief information officer, chief audit officer and other members of the senior management of the Bank appointed by the Board of Directors.

Article 166 The president shall formulate "terms of reference of the president" and implement such rules after being approved by the Board of Directors.

The president shall formulate terms of reference of other members of the senior management of the Bank (except chief audit officer and secretary to the Board of Directors), and submit to the Board of Directors for filing.

Article 167 The operational and management activities conducted by the president within his/her functions and powers shall not be intervened.

Article 168 The Board of Directors shall discuss and decide on matters submitted by the president for approval in a timely manner.

Article 169 Other members of the senior management of the Bank shall perform their obligations with faithfulness and diligence according to laws, regulations, rules and relevant regulations of the local securities regulatory authorities where the Bank's shares are listed as well as the Articles.

The Bank may establish necessary liability insurance system for members of the senior management of the Bank to lower possible risks arising from normal performance of duties and powers of senior management of the Bank.

Article 170 The president and other members of the senior management of the Bank may request for resignation before their terms of office expire, and the specific procedures and measures for their resignation shall be specified in the employment contract between the aforesaid persons and the Bank. These persons shall not leave their positions until their exit audits are completed.

Chapter 16 Board of Supervisors

Article 171 The Bank shall set up a Board of Supervisors. The Board of Supervisors shall be the supervisory body of the Bank and shall be responsible to the Shareholders' General Meeting. The Board of Supervisors shall supervise financial affairs of the Bank, and shall supervise the Board of Directors, the senior management of the Bank and their members, to prevent them from infringing shareholders' rights and interests by abusing their functions and powers.

Article 172 The Board of Supervisors shall consist of nine (9) supervisors, among which, there shall be a chairman of the Board of Supervisors. The term of office of a supervisor shall be three (3) years, and he/she may serve consecutive terms if reelected.

The qualification of a supervisor shall be in accordance with applicable laws, regulations, rule and relevant provisions of the banking regulatory institution of the State Council or other regulatory authority as well as the Articles of the Bank.

The chairman of the Board of Supervisors shall possess professional knowledge and working experience at least in accounting, audit, finance or law.

The chairman of the Board of Supervisors shall be elected or dismissed by more than half (1/2) of all supervisors and may serve consecutive terms if re-elected.

Article 173 Members of the Board of Supervisors shall include four (4) shareholder representative supervisors, two (2) external supervisors, and three (3) employee representative supervisors.

Shareholder representative supervisors and external supervisors shall be elected and removed by the Shareholders' General Meeting; and employee representative supervisors shall be elected and removed by employee representative union in a democratic way. Before the term of office of a supervisor expires, the Shareholders' General Meeting and employee representative organ shall not remove the supervisor without any reason.

A supervisor may request for resignation before his/her term of office expires, and his/her resignation shall be handled by referring to the provisions on resignation of directors herein.

Article 174 Directors and members of the senior management of the Bank shall not serve as supervisors concurrently.

Article 175 The Bank shall adopt measures to protect supervisors' right of information, and timely provide relevant information and documents to Board of Supervisors in accordance with relevant regulations.

Article 176 The Board of Supervisors shall exercise the following functions and powers:

- (1) supervise the performance and due diligence of the Board of Directors, the senior management of the Bank and their members;
- (2) require directors and members of the senior management of the Bank to rectify their acts which are detrimental to the interests of the Bank (if any);
- (3) conduct exit audits on directors and senior management of the Bank when necessary;
- (4) inspect and supervise financial activities of the Bank;
- (5) examine such financial information as financial report, business report and profit distribution plan to be submitted to the Shareholders' General Meeting by the Board of Directors, and in case of doubt, may engage certified public accountants and practicing auditors in the name of the Bank to help re-examine the information;
- (6) supervise the business decision-making, risk management and internal control of the Bank and guide the internal audit work of the Bank;
- (7) raise inquiries or suggestions on the matters adopted by the Board of Directors in a resolution;
- (8) make inquiries to directors and senior management of the Bank;
- (9) propose to convene an extraordinary general meeting, convene and preside over the Shareholders' General Meeting in case the Board of Directors fails to perform its duties and powers to convene Shareholders' General Meeting as required by the Company Law;
- (10) raise proposals to the Shareholders' General Meeting;
- (11) negotiate with directors and senior management of the Bank or take legal proceedings against them on behalf of the Bank;

- (12) formulate the amendments to the *Procedural Rules for the Board of Supervisors of China Construction Bank Corporation*, and formulate other systems, rules and measures of the Board of Supervisors;
- (13) propose candidates for non-employee representative supervisors (including external supervisors) and Independent Directors;
- (14) supervise acts of directors and members of the senior management of the Bank in performing their duties, and propose the removal of directors or members of the senior management of the Bank who violate laws, regulations, Articles of the Bank or resolutions of the Shareholders' General Meeting;
- (15) other functions and powers as stipulated by laws, regulations, rules, relevant provisions of relevant regulatory authority or the Articles of the Bank.

Supervisors may attend board meetings as non-voting attendees, and may raise inquiries and suggestions on the matters decided by the Board of Directors in a resolution. The Board of Supervisors may, if necessary, assign supervisors to attend the meetings held by senior management of the Bank as non-voting attendees.

Article 177 The chairman of the Board of Supervisors shall perform the following functions and powers:

- (1) convene and preside over meetings of the Board of Supervisors;
- (2) organize the performance of duties and powers of the Board of Supervisors;
- (3) approve and sign reports, resolutions and other important documents of the Board of Supervisors;
- (4) report on the work of the Board of Supervisors to the Shareholders' General Meeting;
- (5) other functions and powers according to laws, regulations, rules or the Articles.

When the chairman of the Board of Supervisors is unable to or fails to perform his/her functions and powers, a supervisor elected by more than half (1/2) of the supervisors shall perform the functions and powers on his/her behalf.

Article 178 The meeting of the Board of Supervisors shall be convened by the chairman at least four (4) times a year. The Board of Supervisors shall inform all supervisors with a written notice ten (10) days prior to the meeting. The notice shall state the reason for holding the meeting.

Article 179 The chairman of the Board of Supervisors shall issue a notice for convening an interim meeting of the Board of Supervisors within seven (7) business days in one of the following circumstances:

- (1) the chairman of the Board of Supervisors considers necessary;
- (2) when more than one third (1/3) of the supervisors propose to do so;
- (3) when all external supervisors propose to do so;
- (4) when shareholders who individually or jointly hold more than ten percent (10%) of total outstanding shares with voting rights of the Bank propose to do so.

The chairman of the Board of Supervisors shall notify all supervisors in writing ten (10) days before the convening of the interim meeting of the Board of Supervisors; but if urgent, the holding of the interim meeting of the Board of Supervisors may not be restricted by such limit of time .

Article 180 The provisions on the convening methods of board meetings stipulated in Article 128 herein shall be applicable to meetings of the Board of Supervisors.

Article 181 The notice of a meeting of the Board of Supervisors shall be made in Chinese, and may be attached with an English version if necessary. The notice shall specify the place, date, time, duration, subject matter and topics of the meeting as well as the date of the notice.

Article 182 Supervisors shall attend the board meeting in person. If a supervisor cannot attend the meeting in person due to some reason, he/she may entrust another supervisor in writing to attend the meeting on his/her behalf. The proxy letter shall specify the scope of authority. The supervisor who attends the meeting on behalf of another supervisor shall exercise the right of the entrustor within the scope of authorization. If a supervisor neither attends the meeting nor entrusts a proxy to be present on his/her behalf, he/she shall be deemed to have given up his/her voting rights at that meeting.

The meeting of the Board of Supervisors shall only be held with more than half (1/2) of all the supervisors present at the meeting.

If a supervisor neither attends the meeting in person nor entrusts other supervisors to attend the meeting for two (2) consecutive times, it shall be deemed that such supervisor cannot perform his/her duties and powers, and the Board of Supervisors or shareholders who individually or jointly hold more than five percent (5%) of total outstanding shares with voting rights of the Bank shall propose to the Shareholders' General Meeting or employee representative union to remove and replace such supervisor.

The expenses arising from supervisors' attending meetings shall be paid by the Bank, including transportation expenses from supervisor's domicile to meeting site, local transportation expenses and accommodation expenses during the meeting.

The rental expenses incurred for the meeting site shall be paid by the Bank.

Article 183 All members of the Board of Supervisors shall have the right to speak at meetings of the Board of Supervisors; and the Board of Supervisors shall review proposals presented by any supervisor.

Article 184 Resolutions of the Board of Supervisors shall be approved by more than half (1/2) of the supervisors through voting.

Article 185 In case of a meeting of the Board of Supervisors held by means of written proposal, if the Board of Supervisors has sent the proposal to all supervisors, and the number of supervisors who agree with signatures has reached the quorum required for making a resolution, the contents in the proposal shall become a resolution of the Board of Supervisors upon the delivery of such written documents that have been agreed by supervisors with signatures to the office of the Board of Directors.

Article 186 Minutes shall be made in Chinese for all meetings of the Board of Supervisors and shall be signed by all supervisors present or their proxies and the recorder. Supervisors shall have the right to ask to record their qualified opinions in the minutes.

Resolutions of the Board of Supervisors and relevant minutes shall be reported to relevant regulatory authority for filing in accordance with relevant laws, regulations, rules and provisions of the local securities regulatory authorities where the Bank's shares are listed.

Article 187 If the Board of Supervisors finds that the Board of Directors, senior management of the Bank or their members conduct any acts against laws, regulations, relevant provisions of relevant regulatory authority, the Articles and other basic management systems of the Bank, it shall propose relevant responsible person to be imposed with punishment and timely issue a notice for correcting such acts within

the specified period; the Board of Directors, senior management of the Bank and their members shall promptly be imposed with punishment or correct their faults, and report the results in writing to the Board of Supervisors. If the Board of Directors, the senior management of the Bank and their members refuse or put off the adoption of punishment and correction measures, the Board of Supervisors shall report it to the Shareholders' General Meeting, and propose an extraordinary general meeting.

If the Board of Supervisors finds that the Board of Directors and senior management of the Bank fail to apply the accounting principles of prudence, calculate interest receivables in a strict manner or set aside sufficient provisions for impairment, it shall propose to carry out rectification. If the Board of Supervisors finds any abnormal fluctuation in the operation of the Bank, it shall make an inquiry to the Board of Directors and senior management of the Bank.

Article 188 The audit results obtained by the internal audit department in respect of the internal functional departments and branches of the Bank shall be submitted to the Board of Supervisors in a timely and complete manner.

The Board of Supervisors shall have the right to request the Board of Directors, president or the internal audit department to give explanations if it has any doubt about the audit result submitted by the internal audit department.

Article 189 The Board of Supervisors shall have the right to request directors, president, other members of the senior management of the Bank and relevant departments to provide relevant information and notes. The Board of Supervisors shall have the right to refer to the books of accounts, records or vouchers of the Bank, and the right to know information from relevant personnel and departments of the Bank. Relevant personnel and departments shall provide support.

Article 190 A copy of the dividend distribution plan prepared by the Board of Directors shall be sent to the Board of Supervisors, and the latter shall give opinions on the plan.

Article 191 For the purpose of performing its functions and powers, the Board of Supervisors may, if necessary, engage professional institutions such as law firms or accounting firms to provide help. The reasonable expenses incurred shall be borne by the Bank.

Article 192 Supervisors shall comply with laws, regulations, rules and the Articles herein and perform the duty of supervision in a faithful manner.

The Bank shall establish necessary liability insurance systems for supervisors to lower possible risks arising from normal performance of duties and powers of supervisors.

Article 193 The Bank shall set up an external supervisor system. An external supervisor of the Bank refers to a supervisor of the Bank who holds no position in the Bank other than supervisor and has no relationship with the Bank or any of its major shareholders which may affect his/her independent and objective judgment.

Article 194 An external supervisor shall work for the Bank for at least fifteen (15) working days each year. External supervisors shall have the rights of supervisors, supervise the Board of Directors, senior management of the Bank and their members, and conduct work within the scope authorized by the Board of Supervisors.

If an external supervisor attends in person less than two thirds (2/3) of all meetings of the Board of Supervisors in a year, the Board of Supervisors or shareholders who individually or jointly hold more than five percent (5%) of total outstanding shares with voting rights of the Bank shall propose the Shareholders' General Meeting to remove him/her.

The provisions on the qualifications of Independent Directors in Article 139 and Article 140 herein shall be applicable to external supervisors.

The Bank shall provide external supervisors with necessary work conditions. When external supervisors are exercising their duties and powers, relevant personnel of the Bank shall cooperate and shall not reject, hinder or hide any matter, or interfere with the external supervisors in their exercising of such duties and powers.

Article 195 The Board of Supervisors shall set up a Duty Performance Supervision Committee and Finance and Internal Control Supervision Committee; and it may establish other special committees when necessary. Special committees under the Board of Supervisors shall be responsible to the Board of Supervisors, and assist the latter in performing its duties and powers.

Article 196 The Duty Performance Supervision Committee shall consist of at least three (3) supervisors, and the chairman shall be assumed by the chairman of the Board of Supervisors.

Main duties and powers of Duty Performance Supervision Committee are:

- (1) formulate rules and systems, work plans, implementation plan for supervising the duty performance and due diligence of the Board of Directors, the senior management and their members, and implement them or organize the implementation after being approved by the Board of Supervisors;

- (2) comment or report on the duty performance and due diligence of the Board of Directors, the senior management and their members, and submit to the Board of Supervisors for consideration;
- (3) formulate plan of leave audit for directors and members of the senior management of the Bank when necessary, and organize its implementation after being approved by the Board of Supervisors;
- (4) propose to the Board of Supervisors on the candidates for non-employee representative supervisors (including external supervisors), Independent Directors and members of special committees under the Board of Supervisors;
- (5) organize the preparation of evaluation methods for the Bank's supervisors, and submitting to the Board of Supervisors for consideration;
- (6) organize the evaluation for the Bank's supervisors, and submit to the Board of Supervisors for consideration;
- (7) carry out research and work on events, documents, and information notified and provided by the Board of Directors, and members of the senior management of the Bank;
- (8) other matters assigned by the Board of Supervisors.

Article 197 The Finance and Internal Control Supervision Committee shall consist of at least three (3) supervisors.

Main duties and powers of Finance and Internal Control Supervision Committee are:

- (1) formulate rules and systems, work plans, implementation plan of supervision and examination for the Board of Supervisors on supervising finance and internal control, and implement them or organize the implementation after being approved by the Board of Supervisors;
- (2) propose supervisory opinions on finance and internal control, and submit to the Board of Supervisors for review;
- (3) consider the Bank's annual financial reports, business reports and profit distribution plans prepared by the Board of Directors, and make recommendations to the Board of Supervisors;

- (4) when necessary, prepare the implementation plan for auditing the Bank's operation decision, risk management and internal control, and organize the implementation after being approved by the Board of Supervisors;
- (5) when necessary, propose to the Board of Supervisors on engaging external audit institution to conduct audit on the Bank's finance;
- (6) study and deal with events, documents and information notified and provided by the Board of Directors and members of the senior management of the Bank;
- (7) other matters assigned by the Board of Supervisors.

Article 198 The Board of Supervisors shall set up an office as its administrative body. The office of the Board of Supervisors shall be responsible for daily works of the Board of Supervisors and its special committees, including specific implementation of supervision, preparation for meetings of the Board of Supervisors, design of agenda, preparation of related documents and making of minutes. Staff engaged by the office shall have relevant professional knowledge to ensure the performance of supervision duties and powers by the Board of Supervisors.

Chapter 17 Qualifications and Obligations of Directors, Supervisors, President and Other Senior Management

Article 199 None of the following persons may hold the position of director, supervisor, president or other members of the senior management of the Bank:

- (1) those without capacity or with limited capacity for civil conduct;
- (2) those sentenced to criminal punishment for embezzlement, bribery, seizure of property, appropriation of property or disrupting socialist market economic orders, or those deprived of political rights for crimes committed;
- (3) directors or managers of bankrupt and liquidated companies or enterprises who were personally responsible for the bankruptcy of such companies or enterprises,;
- (4) legal representatives of companies or enterprises that have the business license revoked for violation of law, and such legal representatives bear personal liability;
- (5) those who are terminated by other commercial banks or organizations due to their failure in the performance of faithfulness obligation;
- (6) those with relatively large amount of personal debts that have fallen due but have not been repaid;

- (7) those investigated by judicial authorities for crimes committed and the cases have not been closed;
- (8) those unable to assume the position of leadership in enterprises as provided by laws, regulations and rules;
- (9) non-natural persons;
- (10) those judged by competent authorities as having violated the provisions of relevant securities laws and regulations, and involving fraudulent or dishonest acts.

Persons whose qualification has been lawfully canceled by the banking regulatory authority of the State Council shall not serve as senior management of the Bank.

Article 200 When a director, president and other members of the senior management of the Bank act in the name of the Bank, the effectiveness of such act against any third party acting in good faith shall not be affected by the non-compliance in terms of the post, election or qualification of such person.

If not specified in the Articles or without legal authorization by the Board of Directors, any director shall not act on behalf of the Bank or the Board of Directors in the name of individual. If a director acts in the name of individual, and the third party might reasonably consider that such director is acting on behalf of the Bank or the Board of Directors, such director shall state his/her position and identity in advance.

Article 201 Apart from the obligations provided in laws, regulations, rules or relevant rules of the local securities regulatory authorities where shares of the Bank are listed, the director, supervisor, president and other members of the senior management of the Bank shall assume the following obligations towards each and every shareholder when exercising their functions and powers granted by the Bank:

- (1) not operate business beyond the business scope specified in the business license, and meet the requirements as stipulated by laws, regulations, rules and various economic policies of the state in conducting commercial acts;
- (2) act in good faith with a view to maximize the Bank's interests;
- (3) not deprive the Bank of its properties by any means, including but not limited to favorable opportunities for the Bank;
- (4) treat all shareholders on a fair basis, and not deprive shareholders of personal rights and interests, including but not limited to the rights of distribution and voting, except the restructuring of the Bank submitted to and approved by the Shareholders' General Meeting according to the Articles.

Article 202 When exercising their rights or performing their obligations, the director, supervisor, president and other members of the senior management of the Bank shall be responsible for behaving with prudence, diligence and skills as a reasonably prudent person would do under similar circumstances.

Article 203 When performing duties and powers, the director, supervisor, president and other members of the senior management of the Bank shall observe the principle of good faith, and shall not place themselves in a position where their interests may conflict with their obligations. The principle shall include but be not limited to the following obligations:

- (1) act in good faith with a view to maximize the Bank's interests;
- (2) exercise rights within the scope of authority;
- (3) personally exercise the discretionary power without manipulated by other persons; the discretionary power shall not be assigned to any other person, unless as approved by laws, regulations and rules, or approved by the Shareholders' General Meeting after it is informed of the situation;
- (4) treat shareholders of the same class equally and treat those of different classes fairly;
- (5) except as otherwise provided in the Articles or approved by the informed Shareholders' General Meeting, not to sign contracts, conduct transactions or make arrangements with the Bank;
- (6) without the approval of the informed Shareholders' General Meeting, not to utilize the Bank's property by any means for their own interests;
- (7) not to seek benefits for themselves or other persons by means of insider's information, and not to take advantage of the positions to accept bribes or other illegal income, or misappropriate the property of the Bank by any means, including but not limited to favorable opportunities for the Bank;
- (8) without the approval of the informed Shareholders' General Meeting, not to accept commissions related to the Bank's transactions;
- (9) observe the Articles, faithfully perform their duties and powers and protect interests of the Bank, and not to take advantage of their positions and powers to seek personal interests;

- (10) without the approval of the informed Shareholders' General Meeting, not to compete with the Bank by any means;
- (11) not to misappropriate the fund of the Bank, lend the fund of the Bank to other persons in violation of regulations, deposit the fund of the Bank in the account opened in personal name or otherwise, or utilize the assets of the Bank to provide guarantee for personal debt of the Bank's shareholders or other persons in violation of regulations;
- (12) without the approval of the informed Shareholders' General Meeting, not to reveal the confidential information of the Bank gained during their term of office; unless for the interest of the Bank, not to take advantage of such information; however, in any one of the following circumstances; such information may be disclosed to the court or other governmental authorities:
 - (a) provided by laws;
 - (b) required for public interests;
 - (c) required by the director, supervisor, president and senior management of the Bank for his/her own interests;
- (13) without the approval of the Shareholders' General Meeting, not to make use of the commercial opportunities that shall belong to the Bank for himself/herself or others with the convenience provided by his/her position, and not to conduct any business similar to that of the Bank for himself/herself or others.

Article 204 The director, supervisor, president and other members of the senior management of the Bank shall not instigate the following persons or institutions (hereinafter referred to as "related persons") to do anything that they are forbidden to do:

- (1) the spouse or minor children of the director, supervisor, president and other members of the senior management of the Bank;
- (2) trustees of directors, supervisors, president and other members of the senior management of the Bank and those specified in item (1) of this article;
- (3) partners of the director, supervisor, president and other members of the senior management of the Bank and those specified in items (1) and (2) of this article;

- (4) companies de facto solely controlled by the director, supervisor, president and other members of the senior management of the Bank, or de facto jointly controlled by them with those specified in items (1), (2) and (3) of this article or with other directors, supervisors, presidents and members of the senior management of the Bank;
- (5) the director, supervisor, manager and other members of the senior management of the Bank of the controlled companies specified in item (4) of this article.

Article 205 The obligations of good faith of the director, supervisor, president and other members of the senior management of the Bank shall not terminate during reasonable period before and after their resignation becomes effective or their term of office expires, and their obligations to hold business secrets of the Bank confidential shall remain valid until such secrets are open to the public. The duration of other obligations shall be decided in accordance with the principle of fairness, depending on the interval between the date when an event occurs and the date when they leave their positions, and depending on the circumstances and conditions under which their relationship with the Bank terminates.

Article 206 The responsibilities borne by the director, supervisor, president and other members of the senior management of the Bank due to violation of a certain obligation may be discharged by the informed Shareholders' General Meeting, with exception of the circumstances specified in Article 55 of the Articles.

Article 207 Where the director, supervisor, president or other members of the senior management of the Bank has direct or indirect material conflict of interests with the executed or proposed contracts, transactions or arrangements (except the employment contracts between the Bank and its directors, supervisors, president and other members of the senior management of the Bank), such person shall notify the Board of Directors of the nature and degree of the interest as soon as possible, regardless of whether such matter, in general, shall be subject to the approval of the Board of Directors.

A director shall not vote on the contract, transaction or arrangement with which he/she or any contact person of his/hers (as defined in the Listing Rules) has material interest, and such director shall not be counted into the quorum of the meeting.

Unless the interested directors, supervisors, president and other members of the senior management of the Bank have informed the Board of Directors of the matter as stipulated in paragraph 1 of this article, and the Board of Directors has approved it at a meeting where such persons are not counted into the quorum nor do they participate in the voting, the Bank shall have the right to cancel such contracts, transactions or arrangements, except that the counter-party acting in good faith is unaware of the violation of their obligations by related directors, supervisors, presidents and other members of the senior management of the Bank.

When the related persons of the director, supervisor, president and other members of the senior management of the Bank have conflict of interests with a certain contract, transaction or arrangement, it shall be deemed that the director, supervisor, president and other members of the senior management of the Bank have conflict of interests as well.

Article 208 When the Bank intends to sign a contract, conduct a transaction or make an arrangement for the first time, if the interested directors, supervisors, presidents and other members of the senior management of the Bank have notified the Board of Directors in written form, declaring that because of the reasons specified in the notification, they have conflict of interests with the contract, transaction or arrangement of the Bank in the future, it shall be deemed that they have made the disclosure as required in the previous article hereof, within the scope of the disclosure of the notification.

Article 209 Executive directors of the Bank and members of the senior management of the Bank engaged by the Board of Directors shall not hold any position in the enterprise which is not controlled by the Bank or the Bank has no equity participation. Any executive director or members of the senior management of the Bank who holds position in the aforesaid enterprise shall inform the Board of Directors, and his/her performance of duties and powers in the Bank shall not be affected. In case any remuneration (including allowances) is involved, the measures formulated separately by the Nomination and Remuneration Committee of the Board of Directors shall be applied.

Article 210 In case a director, supervisor, president or other members of the senior management of the Bank who is in his/her term of office resigns without being approved, any losses of the Bank arising from that shall be compensated for by the aforesaid person.

Article 211 The Bank shall not pay taxes for its directors, supervisors, president and other members of the senior management of the Bank by any means.

Article 212 The Bank shall not, directly or indirectly, provide loans or loan guarantee to the directors, supervisors, president and other members of the senior management of the Bank and its parent company, nor shall it provide the same to their related persons.

The preceding provisions shall not apply in the following circumstances:

- (1) the Bank provides loans or loan guarantee for its subsidiaries;
- (2) pursuant to the employment contracts approved by the Shareholders' General Meeting, the Bank provides loans, loan guarantee or other funds to its directors, supervisors, president and other members of the senior management of the Bank, to enable them to make payment for the Bank or for the expenses arising from the performance of their duties and powers;

- (3) if normal business scope of the Bank includes provision of loans and loan guarantee, the Bank may provide loans or loan guarantee to its directors, supervisors, presidents, other members of the senior management of the Bank and their related persons based on the normal commercial terms and conditions.

Article 213 If the Bank provides loans in violation of Article 212, the payee shall repay the loans immediately regardless of the terms of the loan.

Article 214 The loan guarantee provided by the Bank in violation of Article 212(1) shall not be enforceable against the Bank with the exception of the following circumstances:

- (1) when providing loans to the related persons of the director, supervisor, president and other members of the senior management of the Bank or its parent company, the provider is not aware of such violation;
- (2) the collaterals provided by the Bank have been legally sold by the loan provider to a purchaser acting in good faith.

Article 215 The guarantee mentioned in the preceding articles in this chapter shall include the activities whereby the guarantor bears the responsibility or provides properties to ensure the obligation performance of the guarantee.

Article 216 In case the directors, supervisors, president and other members of the senior management of the Bank violate their obligations towards the Bank, apart from the rights and remedial measures provided by laws, regulations and rules, the Bank shall have the right to take the following measures:

- (1) require relevant directors, supervisors, president and other members of the senior management of the Bank to compensate the Bank for the losses arising from their dereliction of duty;
- (2) cancel any contract or transaction between the Bank and related directors, supervisors, president and other members of the senior management of the Bank and that between the Bank and a third party (if the third party has known or should have known that the directors, supervisors, president and other members of the senior management of the Bank had violated their obligations towards the Bank);
- (3) require related directors, supervisors, president and other members of the senior management of the Bank to hand over the proceeds generated in violation of their obligations;

- (4) recover from related directors, supervisors, president and other members of the senior management of the Bank for the funds that should be collected by the Bank, including but not limited to commissions;
- (5) require related directors, supervisors, president and other members of the senior management of the Bank to return the interest generated by or possibly generated by the fund that should be turned over to the Bank.

Article 217 The Bank shall enter into a written contact with each and every director, supervisor, president and other members of the senior management of the Bank, which shall contain at least the following terms and conditions:

- (1) Directors, supervisors, presidents and other members of the senior management of the Bank shall make a commitment to the Bank that they shall comply with the Company Law, Special Regulations, the Articles of the Bank, The Code on Takeovers and Mergers and Share Repurchases of Hong Kong. They shall agree that the Bank shall have the right to take the remedy measures as specified in the Articles and such contact and their positions shall not be transferred;
- (2) Directors, supervisors, presidents and other members of the senior management of the Bank shall make a commitment to the Bank which is on behalf of its shareholders, that they shall comply with and perform their responsibilities to the shareholders as specified in the Articles of the Bank:
- (3) Arbitral clauses:
 - (a) Any dispute or claim, between the Bank and its directors, supervisors, presidents and other members of the senior management of the Bank, between shareholders of overseas listed foreign shares and the Bank, between shareholders of overseas listed foreign shares and the Bank's directors, supervisors, president and other members of the senior management of the Bank, or between shareholders of overseas listed foreign shares and shareholders of domestic investment shares, in connection with the Bank's affairs arising from rights and obligations specified in the contract, the Articles of the Bank, the Company Law as well as relevant laws, regulations and rules, shall be submitted for arbitration by the persons concerned;
 - (b) When the dispute or claim as described above is submitted for arbitration, such dispute or claim shall be in its entirety, and all persons (being the Bank or the shareholder, director, supervisor, president or other members of the senior management of the Bank) that have a cause of action due to the same facts or whose participation is necessary for the settlement of such dispute or claim shall be subject to the arbitration;

- (c) Disputes concerning the definition of shareholders and the register of shareholders may not be required to be settled by means of arbitration;
- (d) A dispute or claim submitted for arbitration may be arbitrated, at the option of the arbitration applicant, by either China International Economic and Trade Arbitration Commission in accordance with its arbitration rules or Hong Kong International Arbitration Centre in accordance with its securities arbitration rules. After the arbitration applicant submits the dispute or claim for arbitration, the arbitration shall be carried out in the arbitration institution selected by the applicant;
- (e) If the arbitration applicant opts for arbitration by the Hong Kong International Arbitration Centre, either party may request arbitration to be conducted in Shenzhen in accordance with the securities arbitration rules of Hong Kong International Arbitration Centre;
- (f) Unless otherwise provided by laws, regulations and rules, laws of the PRC shall apply to the settlement by means of arbitration of disputes or claims referred to in Item (a) herein;
- (g) The award of the arbitration institution shall be final and binding upon each party;
- (h) The arbitration agreement shall be reached by the Bank and its directors, supervisors, president or other members of the senior management of the Bank. The Bank may present either itself or every of its shareholders;
- (i) Any submission for arbitration shall be deemed as an authorization to arbitration tribunal for public hearing and announcement of its award.

Article 218 The Bank shall enter into written contracts with its directors and supervisors in relation to their remuneration (which is subject to the prior approval of the Shareholders' General Meeting). The matters relating to remuneration shall include:

- (1) remuneration of directors, supervisors or members of the senior management of the Bank;
- (2) remuneration of directors, supervisors or members of the senior management of subsidiaries of the Bank;
- (3) remuneration of other services supporting the management of the Bank and its subsidiaries;

- (4) compensatory payments for the loss of office or retirement of a director or supervisor.

Except for the aforesaid contracts, the director and supervisor shall not file any lawsuit against the Bank and claim the benefits they shall obtain for the foregoing matters.

Article 219 The remuneration contracts between the Bank and its directors and supervisors shall provide that when the Bank is acquired, with the prior approval of the Shareholders' General Meeting, directors and supervisors of the Bank shall have the right to obtain the compensatory or other amounts to which they are entitled due to the loss of their positions or upon retirement. The acquisition aforesaid shall mean any one of the following circumstances:

- (1) any person makes a tender offer to all shareholders;
- (2) any person makes a tender offer with the aim of making the offeror to become the controlling shareholder of the Bank. The term "controlling shareholder" has the same meaning as defined in Article 57 hereof.

If relevant directors and supervisors violate the provisions of this article, any fund received by them shall be owned by the persons who accept the foregoing offer and sell their shares, and meanwhile the directors and supervisors shall bear the expenses incurred by allocation of the fund proportionally. The expenses shall not be subtracted from the fund.

Chapter 18 Financial and Accounting Rules, Profits Distribution and Audit

Article 220 The Bank shall formulate its financial accounting system and internal audit system in accordance with laws, regulations, rules, Chinese Accounting Standards issued by competent financial authority of the State Council, and relevant provisions of the banking regulatory institution of the State Council.

Article 221 The fiscal year of the Bank shall be the calendar year, beginning from January 1 and ending on December 31 of the calendar year.

Article 222 The Bank shall, in accordance with relevant regulations of the state, record and reflect its business activities and financial position on a true and comprehensive basis, and prepare financial reports after the end of each accounting year, which shall be examined and certified according to laws and timely reported to the banking regulatory institution of the State Council, the People's Bank of China and competent financial authority of the State Council.

Article 223 The financial report of the Bank shall contain the following contents:

- (1) Balance Sheet;
- (2) Profit and Loss Statement;
- (3) Cash Flow Statement;
- (4) Statement of Change in Shareholders' Equity;
- (5) Notes to the Financial Statements.

Article 224 The Board of Directors of the Bank shall submit to the annual shareholders' general meeting the financial report prepared by the Bank as required by relevant laws, regulations, rules and documents issued by relevant competent authorities.

Article 225 The Bank shall make financial report available at the Bank for examination by its shareholders twenty (20) days prior to the date of the annual shareholders' general meeting, and each and every shareholder of the Bank shall be entitled to obtain the financial report mentioned in this chapter.

The Bank shall send the aforesaid report to each shareholder of overseas listed foreign shares by specially assigned person or by post at least twenty-one (21) days prior to the date of the annual shareholders' general meeting, and the address on the register of shareholders shall be the address of the recipient.

Article 226 The Bank shall prepare its financial statements not only in accordance with the Chinese accounting standards, laws, regulations and rules but also according to international accounting standards or the accounting standards in the overseas listing place. In case there are major differences between the financial statements prepared in accordance with the two accounting standards, they should be indicated clearly in the notes to the financial statements. When distributing the after-tax profit for the relevant accounting year, the Bank shall adopt the one with lower after-tax profit in the aforesaid two financial statements.

Article 227 The Bank shall prepare its interim results or financial information to be published or disclosed not only in accordance with the Chinese accounting standards as well as laws, regulations and rules but also international accounting standards or the accounting standards in the overseas listing place at the same time.

Article 228 The Bank shall, from the date when its domestic listed shares are quoted in a domestic stock exchange, report its annual financial report to the China Securities Regulatory Commission (“CSRC”) and the stock exchange where the Bank’s shares are listed within four (4) months after the end of each accounting year, and report its interim financial report to the office of CSRC and the stock exchange where the Bank’s shares are listed within two (2) months after the end of first six (6) months of each accounting year, and report its quarterly financial report to the aforesaid institutions within one (1) month after the end of first three (3) months and first nine (9) months of each accounting year. These reports shall be disclosed in accordance with the local relevant provisions where the Bank’s shares are listed.

Article 229 The Bank shall not have any books of accounts in addition to its statutory ones. No asset of the Bank may be deposited into an account opened in the name of any individual.

Article 230 The Bank shall set aside provisions for impairment of various assets in accordance with relevant regulations of the State and international accounting standards, to reflect the true values of assets.

Article 231 The after-tax profit of the Bank shall be distributed in the following order of priority:

- (1) make up for previous year’s losses;
- (2) set aside ten percent (10%) to statutory reserve;
- (3) set aside discretionary reserve;
- (4) pay dividends to shareholders.

No further contribution maybe required when the accumulated amount of the statutory reserve of the Bank reaches fifty percent (50%) of its registered capital. The Shareholders’ General Meeting shall decide on whether or not to set aside discretionary reserve after setting aside statutory reserve.

Article 232 The Bank shall not distribute its dividends or apply other distribution in the form of dividends before covering losses and setting aside statutory reserve. The dividends of the Bank shall not be attached with any interest, unless the Bank fails to distribute relevant dividends to shareholders on the Bank’s dividend payment date.

Article 233 The capital reserve shall include the following items:

- (1) the premium gained from shares issuance in excess of the par value;
- (2) other income that shall be included into the capital reserve as required by the competent financial authority of the State Council.

Article 234 The reserve of the Bank may be used for making up losses, expanding the scale of operation or increasing the capital of the Bank, but capital reserve shall not be used for making up the Bank's losses. Where the reserve of the Bank is converted to share capital according to a resolution of the Shareholders' General Meeting, the Bank shall distribute new shares to its shareholders in proportion to their respective existing shareholdings or increase the par value per share, provided that where the statutory reserve is converted to capital, the balance of such reserve shall not fall below twenty-five (25%) of the Bank's registered capital before conversion.

Article 235 The Bank may distribute dividends in the form of:

- (1) cash;
- (2) shares.

Article 236 The dividends and other amount paid by the Bank to shareholders of domestic shares shall be priced and announced in RMB, and paid in RMB; the dividends and other amount paid by the Bank to shareholders of overseas foreign shares shall be priced and announced in RMB and paid in foreign currency.

After the Shareholders' General Meeting of the Bank makes resolutions on profit distribution plan and conversion of reserve to share capital plan, the Bank shall pay the dividends or convert the reserve within two (2) months after the end of the Shareholders' General Meeting.

The foreign currency paid by the Bank to shareholders of overseas foreign shares shall be handled according to relevant regulations of the State on foreign exchange control.

The Bank shall withhold the tax payable on individual dividend income for shareholders in accordance with Chinese tax law.

Article 237 The Bank shall appoint an agent to receive payment for shareholders of overseas listed foreign shares. The agent shall, on behalf of the shareholders concerned, receive dividends distributed to overseas listed foreign shares and other payments from the Bank.

The agent appointed by the Bank shall meet the requirements of relevant provisions of the local securities regulatory authorities where shares of the Bank are listed. The proxy appointed by the Bank for shareholders of overseas listed foreign shares in Hong Kong shall be a trust company registered in accordance with the *Trustee Ordinance* of Hong Kong.

For dividends not claimed by anyone, the Bank may exercise the right to forfeit such unclaimed dividend under the pre-condition of abiding with relevant laws, rules and regulations of China, but the right shall only be exercised after the expiration of the applicable limitation period.

The Bank shall have the right to terminate sending dividend warrant to shareholders of overseas listed foreign shares by mail, but the Bank shall exercise the right only after a dividend warrant fails to be redeemed for two (2) consecutive times. The Bank may exercise the right if a dividend warrant fails to reach the recipient in the first mailing and is returned.

The Bank shall have the right to sell the shares of shareholders of overseas listed foreign shares with whom the Bank could not contact in a way deemed appropriate by the Board of Directors, provided the following conditions are met:

- (1) the Bank has distributed dividends to the shares at least three (3) times within twelve (12) years, and the dividends are not claimed by anyone during the period;
- (2) the Bank publishes announcements in one or more local newspapers where shares of the Bank are listed after the expiration of the twelve (12)-year period, stating its intention to sell the shares, and informs the local securities regulatory authorities where shares of the Bank are listed.

Article 238 The Bank shall implement an internal audit system and set up an independent internal audit department equipped with sufficient and qualified audit personnel, who shall, under the leading of chief audit officer, conduct internal audit and supervision over the Bank's internal control, business and financial activities. The internal audit system of the Bank shall not be implemented until being approved by the Board of Directors.

Article 239 The head of internal audit department shall be responsible and report to the chief audit officer; subordinate internal audit department shall be responsible and report to superior internal audit department, and may inform the operation and management department of corresponding level of relevant audit information; internal audit department and its supervision work shall be supervised and evaluated by the Audit Committee under the Board of Directors and guided by the Board of Supervisors. When the head of internal audit department encounters material problems, he/she may report to the banking regulatory institution of the State Council if necessary.

Article 240 The members of the senior management of the Bank shall ensure and support the implementation of the Bank's internal audit system and the performance of duties and powers by the audit personnel, and operation management departments of various levels shall provide, in a timely manner, the internal audit department with materials and information concerning the financial position, risk status and internal control of the Bank that are required for conducting internal audit, and shall not hinder or impede any audit activity conducted by the internal audit department within its duties and powers.

Chapter 19 Appointment of Accounting Firm

Article 241 The Bank shall, based on the market-oriented principle, engage independent accounting firms that meet relevant provisions of the State to audit annual financial reports and to review other financial reports of the Bank.

The first appointed accounting firm of the Bank may be engaged by the inaugural meeting before the first annual shareholders' general meeting, and the engagement term of the accounting firm shall expire on the date of the close of the first annual shareholders' general meeting.

If the inaugural meeting fails to exercise the functions and powers mentioned in the preceding paragraph, the Board of Directors shall exercise such functions and powers.

Article 242 The engagement term of an accounting firm shall begin from the date of the close of the current annual Shareholders' General Meeting and end on the date of the close of the next annual shareholders' general meeting.

Article 243 The accounting firm engaged by the Bank shall have the following rights:

- (1) access at all times to the books of accounts,, records and vouchers of the Bank and require the directors, president or other members of the senior management of the Bank to provide relevant materials and statements;

- (2) require the Bank to adopt reasonable measures to obtain from its subsidiaries materials and statements that are required for the performance of duties;
- (3) attend the Shareholders' General Meeting, receive notice of Shareholders' General Meeting or other information in relation to the meeting that shareholders shall have right to receive, and speak at the meeting with regard to matters involving its duties as an accounting firm engaged by the Bank.

Article 244 If a vacancy occurs on the position of accounting firm, the Board of Directors may, before the convening of a Shareholders' General Meeting, engage an accounting firm to fill such vacancy. During the period of vacancy, if the Bank has another incumbent accounting firm, such accounting firm may still exercise its functions.

Article 245 The Shareholders' General Meeting may decide to remove an accounting firm by adopting ordinary resolution before the expiration of the term of office of the accounting firm, regardless of the terms and conditions of the contract between the accounting firm and the Bank. The accounting firm concerned has the right to make claim to the Bank due to its removal, and such right shall not be affected.

Article 246 The remuneration of the accounting firm or the method of determining the remuneration shall be decided by the Shareholders' General Meeting. The remuneration of the accounting firm engaged by the Board of Directors shall be decided by the Board of Directors, and reported to the Shareholders' General Meeting for approval.

Article 247 The decision on engagement, termination or non re-engagement of an accounting firm shall be made by the Shareholders' General Meeting, and reported to the securities regulatory authority of the State Council for filing.

If the Shareholders' General Meeting proposes, by adopting resolutions, to recruit a non-incumbent accounting firm to fill up any vacancy of the post of accounting firm, or re-engage the accounting firm engaged by the Board of Directors to fill up the vacancy, or terminate an accounting firm before the expiration of its term of office, the following provisions shall be satisfied:

- (1) The proposal on engagement or termination shall be sent to the accounting firm to be engaged, or to leave the post, or that has left the post in the relevant fiscal year before the issuance of the notice on the Shareholders' General Meeting.

Leaving the post includes termination, resignation from the post, and leaving the post after the expiration of the term of office.

- (2) If the accounting firm about to leave the post makes a written statement, and asks the Bank to inform the shareholders of its statement, unless the time of receiving the written statement is too late, the Bank shall adopt the following measures:
 - (a) state in the notice issued for making resolutions that the accounting firm to leave the post has made a statement;
 - (b) send the duplicate copy of the statement in the form of an attachment to the notice to shareholders in a way stipulated by the Articles.
- (3) If the Bank fails to send the statement of relevant accounting firm according to the above provisions of Item (2) above, the accounting firm may ask the statement be read out at the Shareholders' General Meeting and make further appeal.
- (4) An accounting firm to leave the post shall be entitled to attend the following meetings:
 - (a) Shareholders' General Meeting at which its term of office shall expire;
 - (b) Shareholders' General Meeting at which the vacancy due to its removal is to be filled up;
 - (c) Shareholders' General Meeting convened due to its resignation from its post.

The accounting firm leaving the post shall be entitled to receive all notices of the aforesaid meetings or other information in relation to the meetings and speak at the aforesaid meeting with regard to matters involving its duties as the previous accounting firm engaged by the Bank.

Article 248 If the Bank decides to remove or not to re-engage an accounting firm, it shall notify the latter in advance. The accounting firm shall have right to state its opinions to the Shareholders' General Meeting. If the accounting firm offers to resign, it shall make a statement to the Shareholders' General Meeting about whether the Bank is involved in any inappropriate circumstance.

The accounting firm may resign from its duties by depositing its written resignation notice at the legal address of the Bank. The resignation notice shall take effect on the date the resignation letter is deposited at the Bank's legal address or the later date indicated in the notice. The notice shall include the following statements:

- (1) statement that its resignation does not involve any circumstance which should be clarified to the Bank's shareholders or creditors; or
- (2) any statement about circumstances that should be clarified.

The Bank shall send copies of the notice to relevant competent authorities within fourteen (14) days from the date of receiving the aforesaid written notice. If the notice carries the statements mentioned in Item (2) above, the Bank shall deposit the duplicate copy of the statements in the Bank for shareholders' reference. The Bank shall also send the duplicate copy of the aforesaid statements to shareholders of overseas listed foreign shares by post, and the address in the register of shareholders shall be the address of the recipients.

If the resignation notice of an accounting firm carries any statement about circumstances that should be clarified, the accounting firm may ask the Board of Directors to convene an extraordinary Shareholders' General Meeting to listen to its explanation on relevant circumstances of its resignation.

Chapter 20 Information Disclosure

Article 249 The Bank shall set up an information disclosure system according to laws, regulations, rules, relevant provisions of the local securities regulatory authorities where the Bank's shares are listed and the Articles.

Article 250 The Board of Directors shall be responsible for the information disclosure of the Bank.

Article 251 The Bank shall disclose information in a standard way by following the principles of authenticity, accuracy, completeness, comparability and timeliness.

Article 252 The Bank, when necessary, may inform shareholders of matters on information disclosure. The information disclosure of the Bank shall embody the principle of treating all shareholders on an open, fair and equal basis.

Article 253 The insiders of the Bank and other relevant information insiders shall have the liability of keeping undisclosed information confidential.

Article 254 All notices or documents that the Bank shall present to the Hong Kong Exchanges and Clearing Limited ("HKEx") in accordance with the Listing Rules shall be written in English or attached with an English version that has been signed and certified.

Chapter 21 Employment and Human Resource

Article 255 The Bank shall abide by laws, regulations and rules of the State on labour and personnel, labour protection and labour insurance.

Article 256 According to relevant provisions of the State, the Bank shall have the right to decide on the requirements and number of employees to be recruited, recruitment time and methods, and mode of employment.

Article 257 The Bank shall enter into a labour contract with each and every employee according to the need of operation and management, adopt a system of engagement for the management and professional personnel, set up a remuneration system that has effective incentive and restraining effects, and reasonably determine the remuneration level of staff.

Article 258 The Bank may recruit management personnel, technicians and other personnel on its own discretion according to the regulations of the State.

Article 259 The Bank shall apply an enterprise annuity system, and the specific measures shall be formulated by the Board of Directors.

Article 260 The Bank shall, according to laws, formulate its internal rules and regulations on rewards for and punishments of its employees, under which, the employees who have made outstanding contributions shall be rewarded and those who violate rules and regulations shall be punished.

Article 261 When the Bank is deciding on issues related to employees' interest such as employees' salary, welfare benefits, labour protection and labour insurance, it shall solicit opinions of labour union and employees, and invite labour union or employee representatives to attend relevant meetings as non-voting attendees.

Article 262 When the Bank is deciding on major issues on operation or formulating important systems and rules, it shall solicit opinions of labour union and employees of the Bank.

Article 263 Any labour dispute between the Bank and its employees shall be settled according to the regulations of the State on labour dispute.

Chapter 22 Merger and Division

Article 264 The Bank may take merger or division actions according to laws. The merger and division of the Bank shall be handled in accordance with laws and administrative regulations such as the Company Law and the Commercial Bank Law.

Article 265 For a merger or division of the Bank, the Board of Directors shall put forward a proposal, and the formalities for approval shall be handled according to laws after the proposal has been adopted by the Shareholders' General Meeting according to procedures specified herein. The shareholders who oppose the Bank's merger or division plans have the right to ask the Bank or the shareholders who approve the merger or division plans to purchase their shares at a fair price. The content of the resolution on the merger or division of the Bank shall be made as a special document, which shall be made available for shareholders' reference.

With regard to shareholders of overseas listed foreign shares, the aforesaid documents shall also be sent to them by mail.

Article 266 The merger of the Bank may take the form of either merger by absorption or merger by new establishment.

In the case of a merger of the Bank, the parties to the merger shall enter into a merger agreement and prepare a balance sheet and a detailed inventory of assets. The Bank shall inform its creditors of the intended merger within ten (10) days following the date on which the merger resolution is adopted, and make an announcement in newspaper within thirty (30) days.

After the merger of the Bank, the claims and debts of the parties to the merger shall be assumed by the surviving company or the newly established company.

Article 267 Where the Bank proceeds into a division, its assets shall be divided accordingly.

In the case of a division of the Bank, the parties to the division shall enter into a division agreement and prepare a balance sheet and a detailed inventory of assets. The Bank shall inform its creditors of the intended division within ten (10) days following the date on which the division resolution is adopted, and make an announcement in newspaper within thirty (30) days.

The Bank established as a result of the division shall assume the debts owed by the Bank before the division of the Bank in accordance with the agreement reached.

Article 268 Where a merger or division of the Bank involves changes in registered items, such changes shall be registered according to laws with the company registration authority. If the Bank is dissolved, cancellation of registration of the Bank shall be carried out according to laws; where a new company is incorporated, the registration of the incorporation of the company shall be carried out according to laws.

Chapter 23 Dissolution and Liquidation

Article 269 The Bank shall be dissolved and liquidated according to laws, if:

- (1) the Shareholders' General Meeting has resolved to do so;
- (2) it is required as a result of the merger or division of the Bank;
- (3) the Bank is unable to pay off its due debts and is therefore declared bankrupt according to laws;
- (4) the Bank is ordered to be closed down due to its violation of any laws, regulation and rules.

Dissolution of the Bank shall only be effective after it has been reported to the banking regulatory authority of the State Council and approved.

Article 270 In the case of dissolution of the Bank under Article 269 (1), a liquidation committee shall be formed within fifteen (15) days after the approval of the banking regulatory authority of the State Council. The members of the liquidation committee shall be determined by the Shareholders' General Meeting through ordinary resolution.

In the case of dissolution of the Bank under Article 269 (3), the people's court shall, according to relevant laws, organize the banking regulatory authority of the State Council, shareholders, relevant departments and professionals to form a liquidation committee to carry out liquidation.

In the case of dissolution of the Bank under Article 269 (4), the banking regulatory authority of the State Council shall organize the shareholders, relevant departments and professionals to form a liquidation committee to carry out liquidation.

Article 271 If the Board of Directors decides the Bank shall carry out liquidation (except for liquidation resulting from the Bank's declaration of bankruptcy), it shall state in the notice of Shareholders' General Meeting convened for this purpose that the Board of Directors has conducted comprehensive investigation on the Bank's conditions and believes that the Bank is able to pay off all its debts within twelve (12) months following the commencement of liquidation.

The functions and powers of the Board of Directors of the Bank shall terminate immediately when the Shareholders' General Meeting adopts the resolution on liquidation.

The liquidation committee shall follow directions of the Shareholders' General Meeting to report on its income and expenditures, the Bank's business and progress of liquidation at least once a year to the Shareholders' General Meeting and make a final report to the Shareholders' General Meeting at the end of liquidation.

Article 272 The liquidation committee shall make registration of claims and shall inform creditors within ten (10) days following its establishment, and make an announcement in newspaper within sixty (60) days. The creditors shall declare their claims to the liquidation committee within thirty (30) days from the date of receipt of the notice or, within forty-five (45) days from the date of the first public announcement for those who have not received the notice. The creditors shall explain matters related to their claims and provide supporting materials when declaring their claims. The liquidation committee shall register the claims.

The liquidation committee shall not settle any debt with the creditors during the period of claim declaration.

Article 273 The liquidation committee shall exercise the following functions and powers during the period of liquidation:

- (1) liquidate the Bank's property and prepare a balance sheet and an inventory of property;
- (2) inform creditors by notice or public announcement;
- (3) deal with liquidation-related unsettled businesses of the Bank;
- (4) pay the Bank's outstanding taxes and taxes incurred in the liquidation process;
- (5) settle claims and debts of the Bank;
- (6) dispose of the Bank's remaining property after the payment of the Bank's debts;
- (7) participate in civil proceedings on behalf of the Bank.

Article 274 After the liquidation committee has liquidated the Bank's property and prepared a balance sheet and an inventory of property, it shall prepare a liquidation plan and submit it to the Shareholders' General Meeting or banking regulatory authority of the State Council for confirmation.

The property of the Bank shall be liquidated in the following order:

- (1) pay liquidation expenses;
- (2) pay employees' salary, social labour insurance premiums and statutory compensation;
- (3) pay principal and interest of individual deposits;
- (4) pay outstanding taxes;
- (5) pay other debts of the Bank.

The remaining property of the Bank after the liquidation according to the preceding paragraph shall be distributed according to the classes and proportion of shares held by shareholders.

The Bank shall not engage in any new business during liquidation.

Article 275 In case of liquidation as a result of dissolution of the Bank, if the liquidation committee of the Bank, after liquidating the Bank's property and preparing a balance sheet and inventory of property, discovers that the Bank's property is insufficient to pay off its debts, the committee shall, after the approval of banking regulatory authority of the State Council, apply to the people's court for a declaration of bankruptcy.

Upon the declaration of bankruptcy of the Bank made by the people's court, the liquidation committee shall hand over liquidation matters to the people's court.

Article 276 Upon the completion of liquidation, the liquidation committee shall prepare a liquidation report as well as an income and expenditure statement and financial books of accounts for the period of liquidation and, after they are certified by a Chinese certified public accountant, the committee shall submit them to the Shareholders' General Meeting and banking regulatory authority of the State Council for confirmation.

The liquidation committee shall, within thirty (30) days from the confirmation of banking regulatory authority of the State Council, submit the above-mentioned documents to the company registration authority for cancellation of the Bank and announcement of the Bank's termination.

Chapter 24 Amendments to Articles of Association

Article 277 The Bank may make amendments to the Articles whenever necessary. The amended Articles shall not conflict with laws and regulations.

Article 278 In case of the following circumstances, the Banks shall amend the Articles:

- (1) after the amendment of the Companies Law, Commercial Banking Law or relevant laws, regulations, rules or relevant provisions of the local securities regulatory authorities where the share of the Bank are listed, the matters specified in the Articles conflict with the amended laws, regulations, rules or relevant provisions of the local securities regulatory authorities where the Bank's shares are listed;
- (2) the situation of the Bank is inconsistent with the matters specified in the Articles due to the change in the Bank's situation;
- (3) the Shareholders' General Meeting decides to amend the Articles.

Article 279 Any amendment made by the Shareholders' General Meeting to the Articles shall be approved by the banking regulatory authority of the State Council. The Bank shall go through the registration of change according to laws where items requiring registration are involved.

Article 280 The Board of Directors shall, according to the resolution of the Shareholders' General Meeting on amendment to the Articles, obtain the approval from relevant competent authority before amendment, and handle registration of change according to laws.

Chapter 25 Dispute Resolution

Article 281 If any dispute or claim concerning the Bank's business on the basis of the rights and obligations provided in the Articles of the Bank or in the Company Law or other relevant laws, regulations and rules arises between a shareholder of overseas listed foreign shares and the Bank, between a shareholder of overseas listed foreign shares and a director, a supervisor, president or other members of the senior management of the Bank or between a shareholder of overseas listed foreign shares and a shareholder of domestic shares, the parties concerned shall submit the dispute or claim for arbitration.

When a dispute or claim as described above is submitted for arbitration, such dispute or claim shall be in its entirety, and all persons (being the Bank or the shareholder, director, supervisor, president or other members of the senior management of the Bank) that have a cause of action due to the same facts or whose participation is necessary for the settlement of such dispute or claim shall be subject to the arbitration.

Disputes concerning the definition of shareholders and the register of shareholders may not be required to be settled by means of arbitration;

Article 282 A dispute or claim submitted for arbitration may be arbitrated, at the option of the arbitration applicant, by either China International Economic and Trade Arbitration Commission in accordance with its arbitration rules or Hong Kong International Arbitration Centre in accordance with its securities arbitration rules. After the arbitration applicant submits the dispute or claim for arbitration, the arbitration shall be carried out in the arbitration institution selected by the applicant.

If the arbitration applicant opts for arbitration by the Hong Kong International Arbitration Centre, either party may request arbitration to be conducted in Shenzhen in accordance with the securities arbitration rules of Hong Kong International Arbitration Centre;

Article 283 Unless otherwise provided by laws, regulations and rules, laws of the PRC shall apply to the settlement by means of arbitration of disputes or claims referred to in Article 281.

Article 284 The awards of the arbitration institutions shall be final and binding upon each party.

Chapter 26 Notice

Article 285 The notice, documents or written statements sent by the Bank to shareholders of overseas listed foreign shares shall be delivered by specially assigned person or by prepaid post based on the registered address of each shareholder of overseas listed foreign shares except stipulated otherwise in the Articles herein.

Article 286 If the notice is delivered by mail, the notice shall be placed in an envelope with the address stated and postage paid, and the notice shall be deemed as having been delivered once the envelope containing the notice is put into the mailbox, and shall be deemed as having been received forty-eight (48) hours after the delivery.

Chapter 27 Interpretation

Article 287 The following terms in the Articles shall have the following meanings unless otherwise specified:

“Independent Directors” refer to directors who do not hold any position in the Bank other than director, and those who have no relation with the Bank and its major shareholders that may affect their independent and objective judgment.

“outstanding shares” refer to shares that the Bank has issued to the public. The shares of the Bank herein are all outstanding shares.

“domestic listed shares” refer to ordinary shares quoted in a domestic stock exchange.

“overseas listed shares” refer to ordinary shares quoted in an overseas stock exchange, including domestic shares and overseas listed foreign shares that may be quoted at an overseas stock exchange under the approval of the State Council or its authorized approval authority.

“overseas listed foreign shares” refer to foreign investment shares quoted abroad.

“classified shareholders” refer to shareholders who have different classes of shares. Except other shareholders of classified shares, shareholders of domestic shares and shareholders of overseas listed shares referred to herein shall be deemed as different classified shareholders.

“domestic shares” refer to shares issued by the Bank to domestic investors which are subscribed in RMB.

“ordinary shares” refer to shares which have ordinary rights with respect to the Bank’s operation and management as well as distribution of the Bank’s profit and property. Holders of such shares shall have the right to enjoy the Bank’s surplus distribution with unfixed dividend after the Bank sets aside reserve, welfare fund and pays dividends of preferential shares. After the liquidation of the Bank, holders of ordinary shares shall acquire the Bank’s remaining property following shareholders of preferential shares. Holders of ordinary shares shall have right to attend or entrust a proxy to attend the Shareholders’ General Meeting and exercise voting rights with one share having equal voting right. “Ordinary share” is generally opposite to “preferential share”. Shares of the Bank referred to in the Articles are all ordinary shares.

“external supervisors” refer to supervisors of the Bank who hold no position in the Bank other than supervisor and have no relation with the Bank or any of its major shareholders which may affect their independent and objective judgment.

“overseas foreign shares” refer to shares issued by the Bank to overseas investors which are subscribed in foreign currency.

Chapter 28 Supplementary Provisions

Article 288 The Board of Directors may formulate detailed rules to the Articles according to the Articles, which shall not conflict with any provision in the Articles. Matters not covered in the Articles and detailed rules to the Articles shall be handled in accordance with relevant Chinese laws, regulations, rule and relevant provisions of the local securities regulatory authorities where the Bank’s shares are listed by considering the actual situation of the Bank.

Article 289 The Bank shall formulate procedural rules for the Shareholders’ General Meeting, the Board of Directors and the Board of Supervisors as well as terms of reference for special committees of the Board of Directors and Board of Supervisors, which shall not conflict with any provision in the Articles and be put on record as required by relevant regulatory authorities.

Article 290 The Articles shall be written in Chinese. Should there be any inconsistency between different language versions, the latest Chinese version of the Articles approved by and registered with the banking regulatory authority of the State Council shall prevail.

Article 291 In the Articles, unless otherwise specified herein, the terms “above”, “within”, “below” shall include the given figures, and the terms “less than”, “beyond”, “exceed”, “before” shall not include the given figures.

Article 292 The Board of Directors of the Bank shall be responsible for the interpretation of the Articles.

** Important Note:* The above is an English translation of the Chinese version of Articles of Association of China Construction Bank Corporation. In case of any discrepancies or inconsistencies, the Chinese version shall always prevail.