

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

# **Rules of Procedures for Shareholders' General Meetings of China Merchants Bank Co., Ltd. (2022 Revision)**

## **CHAPTER 1 GENERAL PROVISIONS**

**Rule 1** In order to protect the lawful interests of China Merchants Bank Co., Ltd. (the "Bank"), its shareholders and creditors and regulate the organisation and acts of the shareholders' general meetings of the Bank, the Bank has formulated these rules of procedures (the "Rules") according to the "Company Law of the People's Republic of China" (the "Company Law"), the "Commercial Banking Law of the People's Republic of China", the "Rules of General Meetings Convened by Shareholders of Listed Companies (2022 Revision)", the "State Council Guidance on the Implementation of Pilot Scheme of Preference Shares", the "Mandatory Provisions of the Articles of Association of Companies Listed Overseas", the "Guidelines to Articles of Association of Listed Companies (2022 Revision)" and other pertinent laws, regulations and normative documents as well as the "Articles of Association of China Merchants Bank Co., Ltd." (the "Articles").

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

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

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

- (1) deciding on the business policies and investment plans of the Bank;
- (2) electing and replacing directors not appointed from employee representatives, and deciding on matters concerning directors' remuneration;
- (3) electing and replacing supervisors not appointed from employee representatives, and deciding on matters concerning supervisors' remuneration;
- (4) examining and approving reports of the Board of Directors;
- (5) examining and approving reports of the Board of Supervisors;
- (6) examining and approving the Bank's annual financial budget and final account proposals;
- (7) examining and approving the Bank's plans for profit distribution and loss make-up;
- (8) examining proposals on changes in the use of proceeds;
- (9) adopting resolutions on the increase or reduction of the Bank's registered capital;
- (10) adopting resolutions on plans for issuance of bonds of the Bank;
- (11) adopting resolutions on matters such as merger, division, dissolution, liquidation and change of corporate form of the Bank;

- (12) amending the Articles;
- (13) adopting resolutions on the engagement or removal or discontinuation of engagement of accounting firms that carry out regular statutory audit on the financial report of the Bank by the Bank;
- (14) examining proposals put forward by the shareholders who individually or jointly hold more than 3% of the total issued voting shares of the Bank;
- (15) examining proposal(s) on matter(s) relating to any single equity investment and other external investment, any single acquisition and disposal of fixed assets (including real estates and other fixed assets, and the term shall be construed accordingly), and any other assets involving an amount exceeding 10% of net asset value based on the latest published audited accounts of the Bank as well as any acquisition and disposal of significant asset(s), on an accumulated basis, during a period of one year (including but not limited to equity, fixed assets and other assets) involving an aggregate amount exceeding 30% of the total asset value based on the latest published audited accounts of the Bank;
- (16) examining and approving share incentive plans;
- (17) examining and approving rules of procedures for shareholders' general meetings, meetings of the Board of Directors and meetings of the Board of Supervisors;
- (18) resolving on repurchase of shares of the Bank in accordance with the requirements of laws;
- (19) examining the restrictive measures on shareholders who breach their commitments;
- (20) examining other issues that shall be approved by the shareholders' general meeting as stipulated by laws, administrative regulations, regulatory requirements or the Articles.

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

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

An extraordinary general meeting shall be convened within two months from the date of occurrence of any of the following events:

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

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

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

**Rule 5** The place for convening a shareholders' general meeting shall be the registered office of the Bank.

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

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

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

### CHAPTER 3 CONVENING OF A SHAREHOLDERS' GENERAL MEETING

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

**Rule 8** Independent directors shall have the right to propose to the Board of Directors to convene an extraordinary general meeting. As regards the proposal of independent directors in relation to convening an extraordinary general meeting, the Board of Directors shall give written replies on whether it agrees or disagrees to the convening of the extraordinary general meeting within 10 days after receiving the proposal according to the provisions of laws, administrative regulations and the Articles.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- (1) the candidates for directors may be nominated by the Nomination Committee of the Board of Directors in accordance with the number of proposed candidates for directors within the number of members the Board of Directors stipulated by the Articles; the candidates for directors may also be nominated to the Board of Directors by the shareholders individually or jointly holding more than 3% of the total number of the Bank's issued and outstanding shares carrying voting rights.

- (2) the Nomination Committee of the Board of Directors shall conduct preliminary verification on the qualification and conditions of appointment of the candidates for directors, and propose the qualified candidates to the Board of Directors for consideration; and propose them to the shareholders' general meeting by way of written resolutions after they are considered and approved by the Board of Directors. For candidates for directors nominated by the shareholders individually or jointly holding more than 3% of the total issued voting shares of the Bank according to Article 87 of the Articles, the Nomination Committee of the Board of Directors shall conduct preliminary certification on their qualifications and conditions to serve as directors in accordance with the relevant laws, administrative regulations and the Articles, report the certification results to the convenor of the shareholders' general meeting, and propose the qualified candidates to the shareholders' general meeting for consideration.
- (3) the candidates for directors shall, before the convening of the shareholders' general meeting, make written undertakings, express their consent to their nomination, confirm the truthfulness and completeness of their publicly disclosed information and undertake that they will duly perform their duties upon election.
- (4) the Board of Directors, before the convening of the shareholders' general meeting, shall disclose the detailed information on the candidates for directors to all the shareholders of the Bank in accordance with the laws, administrative regulations and the Articles, so as to ensure that the shareholders will have sufficient knowledge on the candidates when casting their votes.
- (5) when an additional director shall be temporarily nominated, the Nomination Committee of the Board of Directors or the shareholders satisfying the conditions for making such nomination may propose a candidate to the Board of Directors for consideration, and to the shareholders' general meeting for election or replacement.
- (6) the same shareholder and his/her/its related parties shall not nominate a candidate for a director and another candidate for a supervisor at the shareholders' general meeting; if the candidate for a director (supervisor) nominated by the same shareholder and his/her/its related parties has already served as a director (supervisor), the shareholder shall not nominate the candidate for supervisor (director) prior to the expiry of the term of office and the replacement of such person. The number of directors nominated by the same shareholder and his/her/its related parties in principle shall not exceed one-third of the total number of the members of the Board of Directors, unless otherwise authorised by the State.

The process of nomination and election of shareholder supervisors and external supervisors of the Bank shall make reference to the process of nomination and election of directors and independent directors set out in the Articles of the Bank. Shareholder supervisors and external supervisors of the Bank shall be elected, removed and replaced by the shareholders' general meeting of the Bank; employee supervisors shall be nominated by the Board of Supervisors and the Labour Union of the Bank, and elected, removed and replaced by the staff representative meeting, the staff meeting or other democratic processes.

**Rule 15** If the Bank convenes a shareholders' general meeting, the Board of Directors, the Board of Supervisors and the shareholders individually or jointly holding more than 3% of the total issued voting shares of the Bank shall have the right to submit new proposals in writing to the Bank. If the contents of the proposal fall within the scope of authority of the shareholders' general meeting, the same shall be included in the agenda of such meeting.

Shareholders individually or jointly holding more than 3% of the total issued voting shares of the Bank may submit interim proposals in writing to the Bank within 15 working days before convening the shareholders' general meeting and submit the same to the convenor. The convenor shall issue a supplemental notice to the shareholders' general meeting and announce the contents of the interim proposal within 2 working days after receiving the proposal.

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

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

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

**Rule 17** The notice of the shareholders' general meeting shall satisfy the following conditions:

- (1) be in writing;
- (2) specifying the venue, date and time and duration of the meeting;
- (3) describing the matters to be discussed at the meeting;
- (4) providing the information and explanations necessary for shareholders to make informed decisions regarding the matters to be discussed, including (but are not limited to) specific terms and contract (if any) of a proposed transaction and a detailed explanation of the causes and consequences where the Bank proposes a merger, repurchase of shares, capital reorganisation or other form of restructuring;
- (5) where any director(s), supervisor(s), president and other senior management member(s) has/have a material interest in the matters to be discussed, then the nature and extent of that interest should be disclosed. If the impact of the matters to be discussed on such director(s), supervisor(s), president and other senior management member(s) who is/are shareholders is different from the impact on other shareholders of the same class, that difference shall be illustrated;
- (6) containing the full text of any special resolution(s) proposed to be passed at the shareholders' general meeting;

- (7) providing a clear description stating that the shareholders of ordinary shares (including shareholders of preference shares with recovered voting rights) having the right to attend and vote at the shareholders' general meeting shall have the right to appoint one or more proxies to attend and vote on their behalf and such proxy needs not be a shareholder of the Bank;
- (8) setting out the deadline and address for the delivery of proxy form for the shareholders' general meeting;
- (9) the shareholding registration date for shareholders who have the right to attend the shareholders' general meeting;
- (10) name and telephone number of the contact person in relation to the shareholders' general meeting; and
- (11) the time and procedures for voting through Internet or by other methods shall be clarified.

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

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

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

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

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



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

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

## CHAPTER 5 PROCEEDINGS AT THE SHAREHOLDERS' GENERAL MEETING

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

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

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

- (1) such shareholder's right of speech at the shareholders' general meetings;
- (2) the voting right.

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

**Rule 24** A shareholder shall appoint a proxy by a proxy form, which must be signed by the appointor or his/her attorney duly authorised in writing. If the appointor is a corporation, the document shall be executed under its company's seal or signed by duly authorised representative(s).

**Rule 25** If a shareholder attends the meeting in person, he/she shall produce his/her own identity card or other valid documents or evidence to prove his/her identity and shareholding evidence. If a shareholder appoints a proxy to attend the meeting, the proxy shall produce his/her own valid identification documents and the shareholder's power of attorney and shareholding evidence.

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

**Rule 26** The form of proxy appointing another person to attend a shareholders' general meeting produced by a shareholder shall state the following:

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

**Rule 27** Proxy forms provided by the Board of Directors of the Bank or the convenor to the shareholders in relation to appointing proxies shall provide that shareholders shall be free to elect and instruct a proxy to vote for or against accordingly and give separate instructions on each matter to be voted in relation to each subject for discussion. The proxy form shall state that if the shareholder does not give any instruction, the proxy may vote at his discretion.

**Rule 28** The proxy form for voting shall be placed at the registered office of the Bank or other places designated in the notice of meeting twenty-four hours before the time appointed for convening the meeting to discuss the relevant matter(s) or twenty-four hours before the time designated for voting. If the proxy form is signed by a person authorised by the appointor, the power of attorney to sign the proxy form or other authorisation documents shall be notarized. The power of attorney or other authorisation documents notarized together with the proxy forms for voting shall be placed at the registered office of the Bank or other places designated in the meeting notice.

If the appointor is a corporation, it shall be represented by its legal representative or a person authorised by its Board of Directors by resolutions or by its policy-making body at the shareholders' general meeting of the Bank.

**Rule 29** The register of the persons attending the meeting shall be prepared by the Bank. The register shall set out the names of the persons attending the meeting (or names of the entity he/she is from), their identity card numbers, residential addresses, numbers of shares held or representing voting rights, class of shares and names of the proxies (or names of the entity he/she is from).

- Rule 30** If, before voting, the entrusting party passed away, lost his/her ability to act, withdrew the entrustment, withdrew the authorisation on the proxy form or transferred all his/her shares, the vote cast by the proxy in accordance with the proxy form shall remain valid so long as the Bank has not received any written notice regarding such matters before the commencement of relevant meeting.
- Rule 31** The convenor and the lawyers appointed by the Bank shall jointly verify the legality of the shareholders' qualifications according to the shareholder register provided by the securities registration and clearing service provider and register the names of the shareholders and the number of shares held by them with voting rights. Registration of shareholders attending the meeting shall terminate before the chairperson of the meeting announces the number of persons and proxies attending the meeting on the spot and the total number of shares with voting rights.
- Rule 32** At the time of convening the shareholders' general meeting, all the directors and supervisors, the secretary of the Board of Directors and the lawyers appointed by the Bank shall attend the meeting. The president and other senior management members shall attend the meeting as non-voting delegates.
- Rule 33** The shareholders' general meeting shall be convened by the Board of Directors according to laws and shall be presided over by the chairman who will act as chairman of the meeting. If the chairman is unable to perform his/her duties or fails to perform his/her duties, the meeting shall be presided over by the deputy chairman (if the Bank has two deputy chairmen, by the deputy chairman jointly chosen by more than half of the directors). If the chairman or the deputy chairman is unable to perform his/her duties or fails to perform his/her duties, a director jointly chosen by more than half of the directors shall preside over the meeting and act as chairman of the meeting.
- If a shareholders' general meeting is convened by the Board of Supervisors, the meeting shall be presided over and chaired by the chairman of the Board of Supervisors. If the chairman of the Board of Supervisors is unable to perform its duties or fails to perform his/her duties, a supervisor jointly chosen by more than half the supervisors shall preside over the meeting and act as chairman of the meeting.
- If a shareholders' general meeting is convened by the shareholders, the convenor shall choose a representative to preside over and chair the meeting.
- During the shareholders' general meeting, if the chairperson of the meeting violates the rules of procedures such that the shareholders' general meeting cannot proceed, a person shall be elected to act as chairman of the meeting and the meeting can proceed upon obtaining the consent of more than one half of the shareholders with voting rights attending the shareholders' general meeting.
- Rule 34** At the annual general meeting, the Board of Directors and the Board of Supervisors shall submit their work reports for the previous year to the shareholders' general meeting. Each independent director shall also submit his/her work report.
- Rule 35** The directors, supervisors and senior management members shall make explanation and clarification to the shareholders' queries and suggestions at the shareholders' general meeting.
- Rule 36** Before voting, the chairperson of the meeting shall announce the number of shareholders and proxies attending the meeting in person and the total number of shares held with voting rights. The number of shareholders and proxies attending the meeting in person and the total number of shares held with voting rights recorded on the meeting register shall apply.

**Rule 37** Minutes of the shareholders' general meeting shall be taken by the secretary of the Board of Directors. The minutes shall include the following:

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

**Rule 38** The convenor shall warrant that the contents of the minutes are true, accurate and complete. The directors, supervisors, secretary of the Board of Directors, convenor or their representatives and the chairperson of the meeting shall sign the minutes. The minutes shall be kept together with the signature register of shareholders attending the meeting in person and proxy forms and valid materials relating to voting through internet or otherwise for permanently.

**Rule 39** The convenor shall warrant that the shareholders' general meeting will proceed continuously until the conclusion of the final resolution is passed. If a shareholders' general meeting is suspended or no resolution is made due to special reasons including force majeure, necessary measures shall be adopted in order to resume the shareholders' general meeting as soon as practicable or directly adjourn the meeting and make an announcement in a timely manner. At the same time, the convenor shall submit a report to the securities regulatory authorities of the State Council of the jurisdiction where the Bank is situated or its local offices and the relevant stock exchange.

## CHAPTER 6 VOTING AND RESOLUTIONS AT SHAREHOLDERS' GENERAL MEETING

**Rule 40** Shareholders of ordinary shares (including their proxies) shall exercise their voting rights according to the number of shares held with voting rights. Each share shall have one voting right. Unless otherwise required by the Articles or the Rules in respect of class voting with preference shares, the shares held by the shareholders of preference shares do not have any voting rights, and the voting rights of shareholders of preference shares with recovered voting rights shall be calculated as agreed in specific terms of issuance. In the event of class voting with preference shares, each preference share (excluding preference shares with recovered voting rights) shall have one voting right. Ordinary and preference shares of the Bank held by the Bank do not have any voting right and such shares shall not be counted in the total number of each class of voting shares at the shareholders' general meeting.

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

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

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

**Rule 41** Resolutions of shareholders' general meeting shall be divided into ordinary resolutions and special resolutions.

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

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

**Rule 42** The following matters shall be resolved by an ordinary resolution at a shareholders' general meeting:

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

**Rule 43** The following matters shall be approved by a special resolution at a shareholders' general meeting:

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

**Rule 44** Unless approved by a special resolution at a shareholders' general meeting, the Bank shall not enter into any contract with any person other than the director, president or other senior management members pursuant to which the entire management or the Bank's business of any significance shall be vested to such person.

**Rule 45** When a shareholders' general meeting examines related-party transactions, the interest related shareholders shall not participate in voting and the number of shares with voting rights represented by them shall not be counted in the total number of valid votes; the voting result announcement of the shareholders' general meeting shall fully disclose the voting by unrelated shareholders. If there are special circumstances under which the interest-related shareholders are unable to abstain from voting, the Bank may, after obtaining consent of the relevant department, conduct voting according to the normal procedures and shall explain in detail in the voting result announcement of shareholders' general meeting.

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

**Rule 46** The list of candidates for directors and supervisors shall be submitted to the shareholders' general meeting as a proposal for voting;

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

The cumulative voting system referred to in the preceding paragraph means at the shareholders' general meeting where directors or supervisors are elected, each share shall have the same number of voting rights as the number of directors or supervisors to be elected. Shareholders' voting rights may be used collectively. The Board of Directors shall announce the biographies and basic particulars of the candidates for directors or supervisors.

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

**Rule 47** Except for cumulative polling, each of the proposals of the shareholders' general meeting shall be voted in sequence, and different proposals concerning the same matter shall be voted in order when the proposals are submitted. Except in the event of force majeure or other special reasons resulting in the termination of the shareholders' general meeting or that the failure of reaching the resolutions, any proposals proposed at the shareholders' general meeting shall not be set aside or reserve for voting.

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

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

Shareholders of preference shares are not entitled to attend the shareholders' general meeting of the Bank and their preference shares do not carry any voting rights. However, the Bank shall notify the shareholders of preference shares about the convening of shareholders general meeting upon the occurrence of any circumstances of class voting stipulated in the paragraph 3 under Article 120 of the Articles, subject to the procedures of notification to shareholders of ordinary shares as well as the rules on special procedures for the voting by class shareholders stipulated in Chapter 10 of the Articles, provided that there is neither the need of notification to shareholders of preference shares nor the need of class voting thereof, when a plan on cancellation of part or all of the dividend distribution to shareholders of preference shares or a resolution on issuance of ordinary shares is considered at the shareholders' general meeting.

- Rule 48** When the proposals are being examined at the shareholders' general meeting, the proposals shall not be amended; otherwise, the amended proposal shall be regarded as a new proposal and shall not be voted at such shareholders' general meeting.
- Rule 49** Any voting at the shareholders' general meeting shall be taken by way of poll of registered voters. The Bank shall announce the poll results in accordance with provision of relevant laws, administrative regulations and the Hong Kong Listing Rules.
- Rule 50** A voting by poll that is demanded for matters concerning the election of chairman or termination of the meeting shall be conducted immediately; for other matters, the chairman of the meeting shall decide when to conduct voting by poll and the meeting can continue to discuss other matters. The voting results shall still be deemed as a resolution adopted at such meeting.
- Rule 51** The same voting right shall only be exercised by attending meeting in person, through the internet or any one of the other voting methods. The vote cast first shall apply if repeated voting occurs in relation to the same voting right.
- Rule 52** During the voting by poll, shareholders (including their proxies) with two or more voting rights do not necessarily use all their voting rights to vote for or against a proposal.
- Rule 53** Before the proposals are being voted at shareholders' general meeting, two shareholder representatives shall be elected to participate in vote counting and monitoring. If these shareholders are related in the matters to be examined, the relevant shareholders or their proxies shall not participate in the vote counting or monitoring.

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

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

- Rule 54** An on-site shareholders' general meeting shall not end earlier than the one held through internet (if applicable) or by other methods. The chairperson or host of the meeting shall announce the details and results of the voting on each proposal and shall announce whether a proposal is passed according to the voting results at the meeting.
- Rule 55** Before announcing the poll results officially, the Bank, the vote-counter, the voting scrutineer, substantial shareholders and the internet service providers involved in the voting at the shareholders' general meeting, through the internet or other method shall assume confidentiality obligations.



**Rule 56** Shareholders present at the shareholders' general meeting shall give one of the following comments to the proposals put forward for voting: for, against or abstention. Securities registration and clearing service providers serve as nominal shareholders of shares under the transactions in stock connect mechanisms between mainland China and Hong Kong, save those declare the intent of reporting as actual holders.

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

**Rule 57** If the chairperson of the meeting has any doubt on the poll results, he may arrange for vote counting. If the chairperson of the meeting does not arrange for vote counting and the shareholders or their proxies attending the meeting object to the results announced by the chairperson, they shall have the right to demand vote counting immediately after announcement of the voting results, and the chairperson of the meeting shall arrange for vote counting immediately.

**Rule 58** If counting of votes is held at a shareholders' general meeting, the result of the counting shall be recorded in the minutes of the meeting.

**Rule 59** Shareholders can inspect copies of meeting minutes during office hours of the Bank free of charge. If any shareholder requests for copies of relevant meeting minutes, the Bank shall distribute the copies within 7 days after receiving a reasonable fee.

**Rule 60** Public announcement of the voting results of a shareholders' general meeting, containing the number of shareholders and proxies of each class attending the meeting, the total number of voting shares held by them and its proportion to the total number of voting shares of the Bank, the form of voting, result of each resolution and the detailed content of each proposal, shall be issued in time.

**Rule 61** If a proposal is not passed or a resolution passed at the previous shareholders' general meeting is amended at such shareholders' general meeting, it shall be set out as a special reminder in the announcement on resolutions of the shareholders' general meeting.

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

**Rule 62** Shareholders holding different types of shares shall be shareholders of different classes.

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

**Rule 63** If the Bank intends to change or abrogate the rights of shareholders of different classes, it may do so only after such change or abrogation has been approved by way of a special resolution of the shareholders' general meeting and by a separate class meeting convened by the affected shareholders of that class in accordance with Rule 65 to Rule 69 hereof.

**Rule 64** Under the following circumstances, rights of shareholders of a certain class shall be deemed to have been changed or abrogated:

- (1) an increase or decrease in the number of shares of such class or an increase or decrease in the number of shares of a class having voting rights, distribution rights or other privileges equal or superior to those of the shares of such class, except the following circumstance: shareholders of domestic ordinary shares of the Bank referred to in Article 20 of the Articles transfer the shares held by them to overseas investors and such shares are listed and traded overseas;
- (2) a re-classification of all or part of the shares of such class into the shares of another class, a conversion of all or part of the shares of another class into the shares of such class or the grant of a conversion right for such shares, except the circumstance as contemplated under Article 20 of the Articles when ordinary shareholders of domestic shares of the Bank transfer their shares to overseas investors and that such shares are listed and traded overseas;
- (3) cancellation or reduction of rights attached to such class of shares in relation to the accrued distributable profits or cumulative distributable profits;
- (4) a reduction or cancellation of rights attached to such class of shares in relation to the priority to distributable profits or property distribution during liquidation of the Bank;
- (5) increase, cancellation or reduction of share conversion rights, options, voting rights, transfer rights, pre-emptive rights to rights issues or rights to acquire securities of the Bank attached to that class of shares;
- (6) cancellation or reduction of rights attached to the class of shares to receive amounts payable by the Bank in a specified currency;
- (7) a creation of a new class of voting shares, distribution rights or other privileges equal or superior to the shares of that class;
- (8) an imposition of restrictions or additional restrictions on the transfer or ownership of shares of such class;
- (9) issue of rights to subscribe for, or convert into, the shares of such class or another class;
- (10) an increase in the rights and privileges of the shares of another class;
- (11) the restructuring plan of the Bank may result in disproportionate liabilities to be borne by shareholders of different classes during the restructuring;
- (12) an amendment to or abrogation of the terms stipulated in the Articles.

The change or abrogation of the rights of shareholders of preference shares is limited to the circumstances set forth in the paragraph 3 under Article 120 of the Articles.

**Rule 65** Shareholders of the affected class, whether they originally have voting right at shareholders' general meeting or not, shall enjoy voting rights at class meeting of shareholders upon occurrence of events contemplated under Article 64 (2) to (8), (11) to (12) hereof. However, interested shareholders shall not have voting rights at class meeting of shareholders.

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

- (1) where the Bank has made a repurchase offer to all shareholders on a pro rata basis or made repurchase by means of an open offer at the stock exchange in accordance with Article 35 of the Articles, "interested shareholders" refer to the controlling shareholders defined in Article 74 of the Articles;
- (2) where the Bank has made repurchases by means of agreement off the stock exchange in accordance with Article 35 of the Articles, "interested shareholders" refer to the shareholders who are connected with that agreement;
- (3) for the purpose of the Bank's restructuring plan, "interested shareholders" refer to those shareholders who assume less responsibilities than other shareholders of the same class or those shareholders who enjoy different rights and interests from other shareholders of the same class.

**Rule 66** Resolutions of class meeting of shareholders shall be made only after it is adopted through voting by more than two-thirds of voting shares represented by the shareholders present at the class meeting of shareholders according to Rule 65 hereof.

**Rule 67** For convening class meetings of shareholders, the Bank shall issue a written notice in accordance with the requirements of the Articles, informing all shareholders of that class of shares recorded in the register of the matters to be considered at the meeting and the meeting date and place.

**Rule 68** A notice of class meeting of shareholders only needs to be sent to those shareholders who have voting right at the meeting. The procedures to convene class meeting of shareholders shall resemble that of shareholders' general meeting as far as possible. Terms concerning the procedures to convene shareholders' general meeting shall be applicable to class meeting of shareholders.

**Rule 69** Except shareholders of other classes of shares, shareholders of domestically listed domestic shares and shareholders of overseas listed foreign shares shall be regarded as shareholders of different classes. Shareholders of ordinary shares and shareholders of preference shares shall also be regarded as shareholders of different classes.

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

- (1) after approval by the shareholders' general meeting by special resolution(s), the Bank issues domestically listed domestic shares and overseas listed foreign shares every twelve months, whether separately or jointly, and the domestically listed domestic shares and overseas listed foreign shares to be issued shall not exceed 20% of the issued share capital of respective class of shares;
- (2) the plan to issue domestic shares and overseas listed foreign shares upon establishment of the Bank was completed within fifteen months from the date of approval by the securities regulatory organ of the State Council;

- (3) shareholders of ordinary domestic shares of the Bank transfer their shares to overseas investors and the shares are listed and traded overseas as referred to in Article 20 of the Articles.

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

**Rule 70** The shareholders' general meeting may grant authorisation to the Board of Directors by passing resolutions.

**Rule 71** Issues which require approval by shareholders' general meeting as stipulated by laws, administrative regulations, departmental rules, relevant regulations of the securities regulatory authorities of the jurisdictions in which the shares of the Bank are listed as well as the Articles shall be considered and resolved at the shareholders' general meeting in order to protect the decision right of the shareholders of the Bank. When considered necessary, reasonable and in compliance with relevant laws, any specific matters related to the foregoing issues which are unable or unnecessary to be decided immediately at the shareholders' general meeting may be decided by the Board of Directors upon authorisation by the shareholders at the general meeting.

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

**Rule 72** When deciding on issues so authorised, the Board of Directors shall discuss and verify the matters thoroughly and may appoint intermediaries to provide advice, if necessary, to ensure scientific and reasonable decision-making on the matters.

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

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

**Rule 73** The Board of Directors shall complete the distribution of cash profits (or shares) to shareholders of ordinary shares within two months after the date of shareholders' general meeting in which the resolution of distribution and conversion of capital reserve to share capital is passed.

**Rule 74** The Board of Directors shall submit specific progress reports to the shareholders' general meeting in respect of those resolutions passed at the previous shareholders' general meeting, the implementation of which is the responsibility of the Board of Directors. If such resolutions of the shareholders' general meeting cannot be executed due to certain reasons, the Board of Directors shall explain the reasons.

**CHAPTER 10 SUPPLEMENTARY PROVISIONS**

**Rule 75** Articles regarding the notification procedures for shareholders' general meeting in the Rules are applicable when shareholders of preference shares attend a shareholders' general meeting for matters subject to class voting.

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

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

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

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

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

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

**Rule 76** These Rules shall be implemented with effect from the date of the Articles upon the approval by a resolution at the shareholders' general meeting.

**Rule 77** The Board of Directors of the Bank has the rights to interpret these Rules.