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Huishang Bank Corporation Limited*

徽商銀行股份有限公司*

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

(Stock Code: 3698 and 4608 (Preference shares))

PROPOSED AMENDMENTS TO THE ARTICLES OF THE BANK

The Board of Directors (the “**Board**”) of Huishang Bank Corporation Limited (the “**Bank**”) announces that in order to improve corporate governance of the Bank, strengthen equity management and promote the Bank’s sustainable and healthy development, in accordance with the regulatory requirements of the Interim Measures on Equity Management of Commercial Banks (Decree No.1 of CBRC in 2018) and the Bank’s actual situation, the Bank proposes to amend the Articles of Association of Huishang Bank Corporation Limited (the “**Articles**”) (the “**Proposed Amendments**”).

The Proposed Amendments add 1 new article, delete 1 article, amend 34 articles, amend 109 number formats for normalization, and the number of the articles of the amended Articles remains unchanged. Please refer to **Appendix I** of this announcement for details of the Proposed Amendments.

Save for the Proposed Amendments, the contents of other articles of the Articles remain unchanged. If the numbering of any article of the Articles is affected as a result of the Proposed Amendments, the numbering of the articles of the existing Articles shall be adjusted accordingly, and the cross references to the numbering of relevant articles of the Articles shall be changed accordingly.

The Proposed Amendments to the Articles are prepared in Chinese, and translated into English. In the event of any discrepancy between the English translation and the Chinese version of the Articles, the Chinese version shall prevail.

The Bank proposes to submit the Proposed Amendments to the general meeting for consideration. The Bank will dispatch the related circular and notice of the meeting to the shareholders of the Bank in due course.

By order of the Board
Huishang Bank Corporation Limited*
Wu Xuemin
Chairman

Hefei, Anhui Province, China
September 28, 2018

As at the date of this announcement, the Board of the Bank comprises Wu Xuemin and Ci Yaping as executive directors; Zhang Feifei, Zhu Jiusheng, Qian Li, Lu Hui, Zhao Zongren, Qiao Chuanfu and Gao Yang as non-executive directors; Au Ngai Daniel, Dai Genyou, Wang Shihao, Zhang Shenghuai, Zhu Hongjun and Zhou Yana as independent non-executive directors.

* *Huishang Bank Corporation Limited is not an authorized institution within the meaning of the Hong Kong Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry on banking/deposit-taking business in Hong Kong.*

Appendix I Comparison Chart of Articles of Association

Article Involved	Original Article	Amended Article	Basis of Amendment
<p>A total of approximately 109 articles in full text</p>	<p>The numbers involved are changed from Arabic numerals to Chinese characters, for example:</p> <p>The shares issued by the Bank shall be shares with par value, and the par value of each share shall be Renminbi (“RMB”) 1.</p>	<p>The shares issued by the Bank shall be shares with par value, and the par value of each share shall be Renminbi (“RMB”) <u>one</u>.</p>	<p>Amendment for normalization</p>
<p>Article 2</p>	<p>In 1997, the Bank was established upon approval of the People’s Bank of China Document Yin Fu [1997] No.4, under the original name of Hefei City United Bank. In 1998, with the approvals of the Anhui branch of the People’s Bank of China, the Bank changed its name to Hefei City Commercial Bank Corporation Limited. In 2005, the Bank changed its name to Huishang Bank Corporation Limited after obtaining approval from the China Banking Regulatory Commission, and merged with the former Wuhu City Commercial Bank, Ma’anshan City Commercial Bank, Anqing City Commercial Bank, Huaibei City Commercial Bank, Bengbu City Commercial Bank, Lu’an City Credit Cooperative, Huainan City Credit Cooperative, Tongling City Credit Cooperative, Fuyang Yinhe City Credit Cooperative, Fuyang Technology City Credit Cooperative, Fuyang Xinying City Credit Cooperative and Fuyang Jinda City Credit Cooperative, and inherited all of the assets, liabilities and businesses previously owned by the aforementioned city commercial banks or city credit cooperatives. Following the completion of these mergers, the Bank has registered with the Anhui Province Administration of Industry and Commerce on December 28, 2005 and has obtained a Business License For Enterprise Legal Person. The Business License For Enterprise Legal Person number of the Bank is 340000000026144.</p>	<p>In 1997, the Bank was established upon approval of the People’s Bank of China Document Yin Fu [1997] No.4, under the original name of Hefei City United Bank. In 1998, with the approvals of the Anhui branch of the People’s Bank of China, the Bank changed its name to Hefei City Commercial Bank Corporation Limited. In 2005, the Bank changed its name to Huishang Bank Corporation Limited after obtaining approval from the China Banking Regulatory Commission, and merged with the former Wuhu City Commercial Bank, Ma’anshan City Commercial Bank, Anqing City Commercial Bank, Huaibei City Commercial Bank, Bengbu City Commercial Bank, Lu’an City Credit Cooperative, Huainan City Credit Cooperative, Tongling City Credit Cooperative, Fuyang Yinhe City Credit Cooperative, Fuyang Technology City Credit Cooperative, Fuyang Xinying City Credit Cooperative and Fuyang Jinda City Credit Cooperative, and inherited all of the assets, liabilities and businesses previously owned by the aforementioned city commercial banks or city credit cooperatives. Following the completion of these mergers, the Bank has registered with the Anhui Province Administration of Industry and Commerce on December 28, 2005 and has obtained a Business License For Enterprise Legal Person. The Business License For Enterprise Legal Person Unified Social Credit Code number of the Bank is <u>913400001489746613</u> 340000000026144.</p>	<p>Changes in facts</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
Article 19	The total number of ordinary shares that the Bank can issue upon approval by the examination and approval departments authorised by the State Council is 11,049,819,283 shares. The Bank's ordinary share capital structure is: 11,049,819,283 ordinary shares, among which 7,887,319,283 are domestic shares, representing 71.38% of the total shares issued by the Bank; and 3,162,500,000 H shares, representing 28.62% of the total shares issued by the Bank.	The total number of ordinary shares that the Bank can issue upon approval by the examination and approval departments authorised by the State Council is 11,049,819,283 12,154,801,211 shares. The Bank's ordinary share capital structure is: 11,049,819,283 12,154,801,211 ordinary shares, among which 7,887,319,283 8,676,051,211 are domestic shares, representing 71.38% of the total shares issued by the Bank; and 3,162,500,000 3,478,750,000 H shares, representing 28.62% of the total shares issued by the Bank.	Changes in facts
Article 22	The registered capital of the Bank is RMB11,049,819,283.	The registered capital of the Bank is RMB 11,049,819,283 12,154,801,211 .	Changes in facts
Article 58	Holders of the shares of the Bank shall have the following obligations (if the Articles have other regulations on the obligations of holders of preference shares, those other regulations shall apply): (1) to abide by the laws, administrative regulations and the Articles; (2) to contribute to the share capital as determined by the number of shares subscribed by them and the prescribed method of capital contribution; (3) not to withdraw their contributed share capital except in circumstances allowed by the laws and administrative regulations; (4) to report the Board of Directors in a timely, complete and truthful manner regarding the particulars of its related enterprises, its relationship with other shareholders and its shareholdings in other commercial banks;	Holders of the shares of the Bank shall have the following obligations (if the Articles have other regulations on the obligations of holders of preference shares, those other regulations shall apply): (1) to abide by the laws, administrative regulations, regulatory provisions and the Articles; (2) to contribute to the share capital as determined by the number of shares subscribed by them and the prescribed method of capital contribution; (3) not to withdraw their contributed share capital except in circumstances allowed by the laws and administrative regulations; (4) to report the Board of Directors in a timely, complete and truthful manner regarding the particulars of its related parties related enterprises , its relationship with other shareholders and its shareholdings in other commercial banks;	(1) To make amendment in accordance with the Article 28(1) of the Interim Measures on Equity Management of Commercial Banks; (4) Amendment for improvements.

Article Involved	Original Article	Amended Article	Basis of Amendment
	<p>(5) not to seek improper advantages or interfere with the decision-making rights and management rights entrusted to the Board of Directors and senior management in line with the Articles, and not to bypass the Board of Directors and senior management and directly intervene in the Bank's operations and management;</p> <p>(6) not to abuse their rights in harming the interests of the Bank, shareholders and any other stakeholders; not to abuse the Bank's status as an independent, separate legal entity and the limited liability of shareholders to harm the interests of the Bank's creditors. If a shareholder of the Bank abuses their rights and causes loss to the Bank or other shareholders it will be held liable for compensation in accordance with the law. If a shareholder abuses the Bank's status as an independent, separate legal entity and evades the repayment of debts, resulting in material damage to the interests of the Bank's creditors, that shareholder will be jointly and severally liable for the debts of the Bank;</p> <p>(7) to safeguard the Bank's interests and reputation, and to support the Bank in operating in a lawful manner;</p> <p>(8) to assume other obligations required by the laws, administrative regulations, the regulations of the relevant regulatory authorities and the Articles.</p> <p>Shareholders shall not be liable for making any additional contribution to the share capital of the Bank other than according to the terms agreed by the subscriber of the shares at the time of subscription.</p>	<p>(5) not to seek improper advantages or interfere with the decision-making rights and management rights entrusted to the Board of Directors and senior management in line with the Articles, and not to bypass the Board of Directors and senior management and directly intervene in the Bank's operations and management;</p> <p>(6) not to abuse their rights in harming the interests of the Bank, shareholders and any other stakeholders; not to abuse the Bank's status as an independent, separate legal entity and the limited liability of shareholders to harm the interests of the Bank's creditors. If a shareholder of the Bank abuses their rights and causes loss to the Bank or other shareholders it will be held liable for compensation in accordance with the law. If a shareholder abuses the Bank's status as an independent, separate legal entity and evades the repayment of debts, resulting in material damage to the interests of the Bank's creditors, that shareholder will be jointly and severally liable for the debts of the Bank;</p> <p>(7) to safeguard the Bank's interests and reputation, and to support the Bank in operating in a lawful manner;</p> <p>(8) to assume other obligations required by the laws, administrative regulations, the regulations of the relevant regulatory authorities and the Articles.</p> <p>Shareholders shall not be liable for making any additional contribution to the share capital of the Bank other than according to the terms agreed by the subscriber of the shares at the time of subscription.</p>	

Article Involved	Original Article	Amended Article	Basis of Amendment
Newly added Article 59	None	<u>For a shareholder who makes any false statement, abuses shareholders' rights or otherwise damages the interests of the Bank, the banking regulatory authority may restrict or prohibit related party transactions between the Bank and the shareholder, restrict the shareholder's limit of equity held in the Bank, and equity pledge ratio, etc., and restrict the shareholder's right to request the convening of a shareholders' general meeting, the shareholder's voting right, right of nomination, right of proposals, and right of disposition, etc.</u>	To make amendment in accordance with the Article 28(4) of the Interim Measures on Equity Management of Commercial Banks.
The Original Article 59 (the Article 60 after the amendments)	<p>Any unit or individual that purchases 5% or more of the total number of issued and outstanding shares of the Bank shall obtain prior approval from the banking regulatory authority.</p> <p>If, in the absence of prior approval from the banking regulatory authority, the number of shares held by a shareholder is equal to or in excess of 5% or more of the total number of the issued and outstanding shares of the Bank (the "Excess Shares"), prior to obtaining approval from the banking regulatory authority, shareholders holding the Excess Shares shall be subject to the necessary restrictions stipulated in Article 53 of the Articles when exercising shareholders' rights in respect of the Excess Shares, including but not limited to:</p> <p>1. no voting rights shall be attached to the Excess Shares when a vote is taken at the shareholders' general meeting (including the class shareholders' general meeting); and</p>	<p>Any unit or individual <u>together with their related parties and persons acting in concert, who intend to hold for the first time or increase by in aggregate, jointly or severally, more than 5% of the total number of shares of the Bank, shall report to the banking regulatory authority for approval in advance.</u> that purchases 5% or more of the total number of issued and outstanding shares of the Bank shall obtain prior approval from the banking regulatory authority.</p> <p><u>Any unit or individual together with their related parties and persons acting in concert, who hold, jointly or severally, more than 1% but less than 5% of the total number of shares of the Bank, shall report to the banking regulatory authority within ten working days after obtaining their equity interests.</u></p>	To make amendment in accordance with the requirements of Article 4 and Article 28(3) of Interim Measures on Equity Management of Commercial Banks.

Article Involved	Original Article	Amended Article	Basis of Amendment
	<p>2. no right to nominate directors and supervisors as stipulated in the shall not be attached to the Excess Shares.</p> <p>If a shareholder holding the Excess Shares fails to obtain the approval from the banking regulatory authority, the shareholder must transfer the shareholding within the period prescribed by the banking regulatory authority.</p> <p>Notwithstanding the foregoing provisions, shareholders of the Bank holding the Excess Shares shall not be subject to any restrictions when exercising the rights stipulated in items (1) and (6) of Article 53 of the Articles.</p>	<p><u>Any shareholder who shall but does not obtain approval from the banking regulatory authority, or who fails to report to the regulatory authority, shall be prohibited from exercising the following rights:</u></p> <ol style="list-style-type: none"> <u>1. right to request the convening of a shareholders' general meeting (including class shareholders' general meeting);</u> <u>2. voting right;</u> <u>3. nomination right of candidate for director and supervisor;</u> <u>4. right of proposals;</u> <u>5. right of disposition;</u> <u>6. other rights limited as required by the regulatory authorities.</u> <p>If, in the absence of prior approval from the banking regulatory authority, the number of shares held by a shareholder is equal to or in excess of 5% or more of the total number of the issued and outstanding shares of the Bank (the "Excess Shares"), prior to obtaining approval from the banking regulatory authority, shareholders holding the Excess Shares shall be subject to the necessary restrictions stipulated in Article 53 of the Articles when exercising shareholders' rights in respect of the Excess Shares, including but not limited to:</p> <ol style="list-style-type: none"> 1. no voting rights shall be attached to the Excess Shares when a vote is taken at the shareholders' general meeting (including the class shareholders' general meeting); and 2. no right to nominate directors and supervisors as stipulated in the shall not be attached to the Excess Shares. 	

Article Involved	Original Article	Amended Article	Basis of Amendment
		<p>If a shareholder holding the Excess Shares fails to obtain the approval from the banking regulatory authority, the shareholder must transfer the shareholding within the period prescribed by the banking regulatory authority.</p> <p>Notwithstanding the foregoing provisions, shareholders of the Bank holding the Excess Shares shall not be subject to any restrictions when exercising the rights stipulated in items (1) and (6) of Article 53 of the Articles.</p>	
<p>The Original Article 65 (the Article 66 after the amendments)</p>	<p>Shareholders, particularly substantial shareholders, shall support the Board of Directors of the Bank in formulating reasonable capital plans, in order to meet the capital regulatory requirements on a continuous basis. When the capital adequacy ratio of the Bank fails to meet the regulatory requirements, shareholders shall formulate a capital restoration plan where the capital adequacy ratio will meet the regulatory requirements within a limited time frame and restore capital by increasing core capital and other means. Substantial shareholders shall not prevent other shareholders from injecting capital or eligible shareholders from investing in the Bank.</p> <p>As part of the Bank's capital restoration plans, the substantial shareholders shall make long-term undertakings in writing to restore the capital of the Bank.</p>	<p>Shareholders, particularly substantial shareholders, shall support the Board of Directors of the Bank in formulating reasonable capital plans, in order to meet the capital regulatory requirements on a continuous basis. <u>Substantial shareholders shall inject additional capital into the Bank when necessary, and shall report through the Bank on an annual basis regarding their capital restoration ability.</u> When the capital adequacy ratio of the Bank fails to meet the regulatory requirements, shareholders shall formulate a capital restoration plan where the capital adequacy ratio will meet the regulatory requirements within a limited time frame and restore capital by increasing core capital and other means. Substantial shareholders shall not prevent other shareholders from injecting capital or eligible shareholders from investing in the Bank.</p> <p>As part of the Bank's capital restoration plans, the substantial shareholders shall make long-term undertakings in writing to restore the capital of the Bank.</p>	<p>To make amendment in accordance with the corresponding requirements of the Article 19 and Article 28(2) of the Interim Measures on Equity Management of Commercial Banks.</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
<p>The Original Article 86 (the Article 87 after the amendments)</p>	<p>The notice of a shareholders' general meeting shall be delivered by hand or prepaid mail to all shareholders entitled to attend (regardless of whether they have voting rights at the shareholders' general meeting). The address of the recipients shall be the address registered in the register of shareholders. For holders of domestic shares, the notice of a shareholders' general meeting may be in form of an announcement.</p> <p>The aforesaid announcement shall be published in one or more newspapers specified by the securities regulatory authority of the State Council between the forty-five (45) to fifty (50) day interval prior to the date the meeting is convened. All holders of domestic shares shall be deemed as having been notified of the forthcoming shareholders' general meeting once the announcement is published.</p> <p>For holders of H shares, subject to the compliance with applicable laws, administrative regulations, departmental rules, regulatory documents and the requirements of the relevant regulatory authorities, the Bank may choose to notify such shareholders of a shareholders' general meeting by publishing the notice on the websites of the Bank and the Hong Kong Stock Exchange instead of delivering the notice by hand or prepaid mail.</p>	<p>The notice of a shareholders' general meeting shall be delivered by hand or prepaid mail to all shareholders entitled to attend (regardless of whether they have voting rights at the shareholders' general meeting). The address of the recipients shall be the address registered in the register of shareholders. For holders of domestic shares, the notice of a shareholders' general meeting may be in form of an announcement.</p> <p>The aforesaid announcement shall be published in one or more newspapers specified by the securities regulatory authority of the State Council between the forty-five(45) to <u>fifty (50)</u> day interval prior to the date the meeting is convened. All holders of domestic shares shall be deemed as having been notified of the forthcoming shareholders' general meeting once the announcement is published.</p> <p><u>The supplementary notice to the shareholders' general meeting may not be subject to the foregoing restriction regarding announcement.</u></p> <p>For holders of H shares, subject to the compliance with applicable laws, administrative regulations, departmental rules, regulatory documents and the requirements of the relevant regulatory authorities, the Bank may choose to notify such shareholders of a shareholders' general meeting by publishing the notice on the websites of the Bank and the Hong Kong Stock Exchange instead of delivering the notice by hand or prepaid mail.</p>	<p>Amendment for improvements</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
<p>The Original Article 110 (the Article 111 after the amendments)</p>	<p>The following matters shall be resolved by way of ordinary resolution:</p> <p>(1) work reports by the Board of Directors and the Board of Supervisors;</p> <p>(2) profit distribution plans and loss carryforward plans as proposed by the Board of Directors;</p> <p>(3) the appointment or removal, the remuneration and the method of payment for the members of the Board of Directors and the Board of Supervisors;</p> <p>(4) reports regarding the Bank's annual financial budget and final accounts;</p> <p>(5) the appointment or dismissal of an accounting firm;</p> <p>(6) performance appraisals by the Board of Directors on directors (including independent directors);</p> <p>(7) performance appraisals by the Board of Supervisors on the supervisors (including external supervisors); and</p> <p>(8) any other matters not required by the laws, administrative regulations, departmental rules, the regulations of the relevant regulatory authorities or the Articles to be resolved by way of special resolution.</p>	<p>The following matters shall be resolved by way of ordinary resolution:</p> <p>(1) work reports by the Board of Directors and the Board of Supervisors;</p> <p>(2) profit distribution plans and loss carryforward plans as proposed by the Board of Directors;</p> <p>(3) the appointment or removal, the remuneration and the method of payment for the members of the Board of Directors and the Board of Supervisors;</p> <p>(4) reports regarding the Bank's annual financial budget and final accounts;</p> <p>(5) the appointment or dismissal of an accounting firm;</p> <p>(6) performance appraisals by the Board of Directors on directors (including independent directors);</p> <p>(7) performance appraisals by the Board of Supervisors on the supervisors (including external supervisors); and</p> <p>(8) any other matters not required by the laws, administrative regulations, departmental rules, the regulations of the relevant regulatory authorities or the Articles to be resolved by way of special resolution.</p>	<p>To make corresponding amendment in accordance with the Article 43 of the Working Guidelines of Board of Supervisors of Commercial Banks and the Article 98 of the Guidelines on Corporate Governance of Commercial Banks, combining the actual needs of the work.</p>
<p>The Original Article 125 (the Article 126 after the amendments)</p>	<p>If the proposal regarding the election of the directors or supervisors is approved at the shareholders' general meeting, the newly elected director or supervisor's term of service shall commence on the date on which the resolution is passed.</p>	<p>If the proposal regarding the election of the directors or supervisors is approved at the shareholders' general meeting, the newly elected director or supervisor's term of service shall commence on the date on which the resolution is passed, <u>except as otherwise provided by laws, administrative regulations, departmental rules, regulatory documents or otherwise required by relevant regulatory authorities.</u></p>	<p>To make amendment in accordance with the Article 14 of the Management Measures on Qualifications of Directors (Supervisors) and Senior Management of Banking Financial Institutions.</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
<p>The Original Article 162 (the Article 163 after the amendments)</p>	<p>The Board of Directors shall perform the following duties:</p> <p>(1) convene and report at shareholders' general meetings;</p> <p>(2) implement shareholder resolutions;</p> <p>(3) make decisions on the Bank's operational development strategies, business plans and investment plans;</p> <p>(4) formulate the Bank's annual financial budgets and accounts, proposals on profit distribution and tax loss carryforward;</p> <p>(5) formulate proposals on the increase or reduction of the Bank's registered capital and the issue and listing of corporate bonds and other securities;</p> <p>(6) formulate plans for significant acquisitions, purchase of the Bank's shares, or merger, division or dissolution or other change in corporate form of the Bank;</p> <p>(7) decide on matters within the scope authorized at a shareholders' general meeting, including major external investments and acquisitions, disposal of assets and major guarantees, etc.;</p> <p>(8) review and approve significant connected transactions, and submit special reports at the annual shareholders' general meeting on the implementation of the connected transactions management systems and the particulars of connected transactions;</p> <p>(9) decide on the establishment of the Bank's internal management entities;</p>	<p>The Board of Directors shall perform the following duties:</p> <p>(1) convene and report at shareholders' general meetings;</p> <p>(2) implement shareholder resolutions;</p> <p>(3) make decisions on the Bank's operational development strategies, business plans and investment plans;</p> <p>(4) formulate the Bank's annual financial budgets and accounts, proposals on profit distribution and tax loss carryforward;</p> <p>(5) formulate proposals on the increase or reduction of the Bank's registered capital and the issue and listing of corporate bonds and other securities;</p> <p>(6) formulate plans for significant acquisitions, purchase of the Bank's shares, or merger, division or dissolution or other change in corporate form of the Bank;</p> <p>(7) decide on matters within the scope authorized at a shareholders' general meeting, including major external investments and acquisitions, disposal of assets and major guarantees, etc.;</p> <p>(8) review and approve significant connected transactions, and submit special reports at the annual shareholders' general meeting on the implementation of the connected transactions management systems and the particulars of connected transactions;</p> <p>(9) decide on the establishment of the Bank's internal management entities;</p>	<p>(14) To newly add in accordance with Article 8 of the Guidelines on Internal Audit of Commercial Banks;</p> <p>(18) To make amendment for improvement in accordance with the actual situations of the Bank;</p> <p>(19) To make amendment in accordance with the requirement of the Article 26 of the Interim Measures on Equity Management of Commercial Banks.</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
	<p>(10) appoint or remove the Bank's president and secretary to the Board of Directors in accordance with the recommendations of the chairman; appoint or remove the members of the Bank's senior management including the executive vice president and other members of senior management in accordance with the recommendations of the president, and determine their remunerations, rewards and punishment;</p> <p>(11) formulate the basic management systems, decide on the policies on risk tolerance, risk management, internal control and compliance of the Bank;</p> <p>(12) formulate amendments to the Articles, the procedures of shareholders' general meetings and Board meetings;</p> <p>(13) propose at a shareholders' general meeting the engagement, dismissal or discontinuance of engagement of an accounting firm;</p> <p>(14) supervise the work performance of the members of senior management, listen to the President's work report and inspect the president's work, with the right to require the president and other members of senior management to provide various particulars and information on the Bank's operation, to ensure the proper performance of their duties;</p>	<p>(10) appoint or remove the Bank's president and secretary to the Board of Directors in accordance with the recommendations of the chairman; appoint or remove the members of the Bank's senior management including the executive vice president and other members of senior management in accordance with the recommendations of the president, and determine their remunerations, rewards and punishment;</p> <p>(11) formulate the basic management systems, decide on the policies on risk tolerance, risk management, internal control and compliance of the Bank;</p> <p>(12) formulate amendments to the Articles, the procedures of shareholders' general meetings and Board meetings;</p> <p>(13) propose at a shareholders' general meeting the engagement, dismissal or discontinuance of engagement of an accounting firm;</p> <p><u>(14) be responsible for approving the Bank's internal auditing charter, medium and long term audit plans and annual audit plans;</u></p> <p>(1415) supervise the work performance of the members of senior management, listen to the President's work report and inspect the president's work, with the right to require the president and other members of senior management to provide various particulars and information on the Bank's operation, to ensure the proper performance of their duties;</p>	

Article Involved	Original Article	Amended Article	Basis of Amendment
	<p>(15) be responsible for the disclosure of information of the Bank and take ultimate responsibility for the truthfulness, completeness, accuracy and timeliness of the Bank's accounting and financial statements;</p> <p>(16) evaluate regularly and improve continuously the corporate governance of the Bank according to the laws, administrative regulations, departmental rules, the regulations of the relevant regulatory authorities and the Articles;</p> <p>(17) draw up share incentive and employee share ownership plans of the Bank; and decide on the measures to link employees' salaries with the operational performance of the Bank;</p> <p>(18) other rights conferred by the laws, administrative regulations, departmental rules, the regulations of the relevant regulatory authorities and the Articles.</p>	<p>(1516) be responsible for the disclosure of information of the Bank and take ultimate responsibility for the truthfulness, completeness, accuracy and timeliness of the Bank's accounting and financial statements;</p> <p>(1617) evaluate regularly and improve continuously the corporate governance of the Bank according to the laws, administrative regulations, departmental rules, the regulations of the relevant regulatory authorities and the Articles;</p> <p>(1718) draw up share incentive and employee share ownership plans of the Bank; and decide on the measures to link employees' basic remuneration system salaries with the operational performance of the Bank;</p> <p>(1819) be responsible for the equity management of the Bank and assume the ultimate responsibility for the Bank's equity affairs management;</p> <p>(20) other rights conferred by the laws, administrative regulations, departmental rules, the regulations of the relevant regulatory authorities and the Articles.</p>	

Article Involved	Original Article	Amended Article	Basis of Amendment
<p>The Original Article 186 (the Article 187 after the amendments)</p>	<p>The Board of Directors shall establish the developmental strategies committee, the nomination and remuneration committee, the audit committee and the risk management committee, the connected party transactions management committee, and these committees shall be accountable to the Board of Directors. A person-in-charge shall be appointed to each Board committee to take charge of convening the activities of the Board committee; in principal, a person-in-charge of a Board committee may not concurrently serve as the person-in-charge of other Board committees. The number of members of each committee shall be no less than three (3). In particular, independent directors shall form the majority of the audit committee, the connected transactions management committee, the nomination and remuneration committee; and the persons-in-charge shall be independent directors.</p> <p>All members of the audit committee shall be non-executive directors (including independent directors) who have professional knowledge and work experience in any field of financial affairs, audit and accounting; moreover, at least one (1) independent director of the audit committee shall be a professional in financial affairs or accounting. The person-in-charge of the risk management committee shall have experience in judging and managing all kinds of risks.</p>	<p>The Board of Directors shall establish the developmental strategies and consumer rights protection committee, the nomination and remuneration committee, the audit committee and the risk management committee, the connected party transactions management committee, and these committees shall be accountable to the Board of Directors. A person-in-charge shall be appointed to each Board committee to take charge of convening the activities of the Board committee; in principal, a person-in-charge of a Board committee may not concurrently serve as the person-in-charge of other Board committees. The number of members of each committee shall be no less than three (3). In particular, independent directors shall form the majority of the audit committee, the connected transactions management committee, the nomination and remuneration committee; and the persons-in-charge shall be independent directors.</p> <p>All members of the audit committee shall be non-executive directors (including independent directors) who have professional knowledge and work experience in any field of financial affairs, audit and accounting; moreover, at least one (1) independent director of the audit committee shall be a professional in financial affairs or accounting. The person-in-charge of the risk management committee shall have experience in judging and managing all kinds of risks.</p>	<p>To change the name of developmental strategies committee in accordance with the regulatory requirements of the regulatory authorities for the establishment of the consumer rights protection committee, combining with the actual situations of the Bank.</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
<p>The Original Article 188 (the Article 189 after the amendments)</p>	<p>Matters proposed to be resolved by the Board of Directors shall first be submitted to the corresponding Board committee for review and approval, and the Board committees shall render deliberation opinions.</p> <p>Unless authorized by the Board of Directors in accordance with the law, the deliberation opinions of the Board committees cannot replace the opinions of the resolutions of the Board of Directors.</p>	<p>Matters proposed to be resolved by the Board of Directors fall within the scope of the duties of the Board committees shall first be submitted to the corresponding Board committee for review and approval, and the Board committees shall render deliberation opinions.</p> <p>Unless authorized by the Board of Directors in accordance with the law, the deliberation opinions of the Board committees cannot replace the opinions of the resolutions of the Board of Directors.</p>	<p>Amendment for improvement</p>
<p>The Original Article 194 (the Article 195 after the amendments)</p>	<p>The Bank’s Directors or members of senior management may concurrently serve as the secretary to the Board of Directors, but they must ensure they have sufficient energy and time to undertake their duties as the secretary to the Board of Directors. The president, supervisors, chief financial officer and the accountants of the accountants’ firms engaged by the Bank, as well as other persons prohibited by the laws, administrative rules, departmental regulations and other regulatory documents to serve as secretary to the Board of Directors shall not serve as the secretary to the Board of Directors.</p> <p>If a director of the Bank concurrently serves as the secretary to the Board of Directors, if an action has to be taken by the director and the secretary to the Board of Directors respectively, the person serving concurrently as director and the secretary of the Board of Directors shall not take such action in both of their capacities.</p>	<p>The Bank’s Directors or members of senior management may concurrently serve as the secretary to the Board of Directors, but they must ensure they have sufficient energy and time to undertake their duties as the secretary to the Board of Directors. The president, supervisors, chief financial officer and the accountants of the accountants’ firms engaged by the Bank, as well as other persons prohibited by the laws, administrative rules, departmental regulations and other regulatory documents to serve as secretary to the Board of Directors shall not serve as the secretary to the Board of Directors.</p> <p>If a director of the Bank concurrently serves as the secretary to the Board of Directors, if an action has to be taken by the director and the secretary to the Board of Directors respectively, the person serving concurrently as director and the secretary of the Board of Directors shall not take such action in both of their capacities.</p>	<p>The provision on that the chief financial officer shall not serve as the secretary of the Board of Directors was from the “Practice Guidelines for Secretary to the Board of Directors of Companies Listed Overseas”, which was invalidated in 2015.</p>
<p>The Original Article 195 (the Article 196 after the amendments)</p>	<p>The senior management is composed of the president of the Bank headquarter, its vice president and other senior management members.</p>	<p>The senior management is composed of the president of the Bank headquarter, its vice president and other senior management members affirmed by the regulatory authority.</p>	<p>To make amendment in accordance with Article 39 of the Guidelines on Corporate Governance of Commercial Banks.</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
<p>The Original Article 200 (the Article 201 after the amendments)</p>	<p>The senior management shall submit themselves to the supervision of the Board of Supervisors, regularly report to the Board of Supervisors on information regarding the operational results, material contracts, financial position, risk profile, business prospects and other information of the Bank, and shall not obstruct or hinder the inspection, audit or other activities carried out by the Board of Supervisors according to its functions and powers.</p> <p>The senior management of the Bank shall be responsible for organizing and implementing the capital management of the Bank according to business strategies and risk appetite, ensuring that the capital of the Bank is adaptive to its development and risk levels, and carrying out various monitoring measures.</p>	<p>The senior management shall submit themselves to the supervision of the Board of Supervisors, regularly report to the Board of Supervisors on information regarding the operational results, material contracts, financial position, risk profile, business prospects and other information of the Bank, and shall not obstruct or hinder the inspection, audit or other activities carried out by the Board of Supervisors according to its functions and powers.</p> <p>The senior management of the Bank shall be responsible for organizing and implementing the capital management of the Bank according to business strategies and risk appetite, ensuring that the capital of the Bank is adaptive to its development and risk levels, and carrying out various monitoring measures.</p> <p><u>The senior management carries out operation management activities in accordance with the Articles of the Bank and the authorization of the Board of Directors to ensure that the Bank's operations are consistent with the development strategies, risk preferences and other policies approved by the Board of Directors.</u></p>	<p>To make amendment in accordance with the Article 40 of the Guidelines on Corporate Governance of Commercial Banks.</p>
<p>The Original Article 204 (the Article 205 after the amendments)</p>	<p>Members of senior management may resign before their terms of office expire. Such persons shall not leave their positions until their exit audits are completed.</p>	<p>Members of senior management may resign before their terms of office expire, <u>and exit audits shall be conducted in accordance with regulatory requirements</u> Such persons shall not leave their positions until their exit audits are completed.</p>	<p>Amendment for improvement</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
<p>The Original Article 207 (the Article 208 after the amendments)</p>	<p>The president shall be accountable to the Board of Directors and shall perform the following functions and powers:</p> <p>(1) take charge of the daily operation and management of the Bank, organise the implementation of the resolutions of the Board of Directors and report the work to the Board of Directors;</p> <p>(2) submit annual business plans and investment proposals to the Board of Directors and organize the implementation upon approval by the Board of Directors;</p> <p>(3) draft proposals on the establishment of the Bank’s internal management entities;</p> <p>(4) draft the Bank’s basic management system;</p> <p>(5) formulate the Bank’s specific regulations;</p> <p>(6) propose to the Board of Directors to engage or dismiss the vice presidents and other members of senior management;</p> <p>(7) engage or dismiss persons in charge of the internal departments and branches of the Bank other than those to be engaged or dismissed by the Board of Directors;</p> <p>(8) authorize members of senior management of the Bank and persons in charge of internal departments and branches to conduct operational activities;</p>	<p>The president shall be accountable to the Board of Directors and shall perform the following functions and powers:</p> <p>(1) take charge of the daily operation and management of the Bank, organise the implementation of the resolutions of the Board of Directors and report the work to the Board of Directors;</p> <p>(2) submit annual business plans and investment proposals to the Board of Directors and organize the implementation upon approval by the Board of Directors;</p> <p>(3) draft proposals on the establishment of the Bank’s internal management entities;</p> <p>(4) draft the Bank’s basic management system;</p> <p>(5) formulate the Bank’s specific regulations;</p> <p>(6) propose to the Board of Directors to engage or dismiss the vice presidents and other members of senior management affirmed by the regulatory authority;</p> <p>(7) engage or dismiss persons in charge of the internal departments and branches of the Bank other than those to be engaged or dismissed by the Board of Directors;</p> <p>(8) authorize members of senior management of the Bank and persons in charge of internal departments and branches to conduct operational activities;</p>	<p>(1) To make amendment in accordance with the Clause 1 of the Article 49 of the Company Law;</p> <p>(6) To make amendment for improvement according to the situations of the Bank, and shall be consistent with the statement in the Article 196 of the amended Articles.</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
	<p>(9) draw up the Bank's proposals on annual financial budgets and final accounts, the Bank's profit distribution proposal, tax loss carry forward proposal, plans for increase or reduction of registered capital, issue and listing of bonds or negotiable securities, and put forward the proposals to the Board of Directors;</p> <p>(10) review and approve general connected transactions;</p> <p>(11) decide on the appointment and dismissal of the Bank's staff, and approve proposals on wages, benefits, rewards and punishment;</p> <p>(12) formulate plans on emergency treatment and risk prevention; adopt emergency measures when any major emergency arises and promptly report them to the Board of Directors, the Board of Supervisors and the banking regulatory authority; and</p> <p>(13) other powers and rights conferred by the laws, administrative regulations, departmental rules, the regulations of the relevant regulatory authorities, the Articles and by the Board of Directors.</p>	<p>(9) draw up the Bank's proposals on annual financial budgets and final accounts, the Bank's profit distribution proposal, tax loss carry forward proposal, plans for increase or reduction of registered capital, issue and listing of bonds or negotiable securities, and put forward the proposals to the Board of Directors;</p> <p>(10) review and approve general connected transactions;</p> <p>(11) decide on the appointment and dismissal of the Bank's staff, and approve proposals on wages, benefits, rewards and punishment;</p> <p>(12) formulate plans on emergency treatment and risk prevention; adopt emergency measures when any major emergency arises and promptly report them to the Board of Directors, the Board of Supervisors and the banking regulatory authority; and</p> <p>(13) other powers and rights conferred by the laws, administrative regulations, departmental rules, the regulations of the relevant regulatory authorities, the Articles and by the Board of Directors.</p>	

Article Involved	Original Article	Amended Article	Basis of Amendment
<p>The Original Article 215 (the Article 216 after the amendments)</p>	<p>The supervisors of the Bank shall be assumed by shareholders' representatives, external supervisors and representatives of the employees.</p> <p>The proportion of supervisors overseeing the representative of employees (the "Employee Representative Supervisors") and the number of external supervisors shall, when taken together, be no less than one-third of the total number of supervisors.</p> <p>Shareholder representative supervisors (the "Shareholder Supervisors") shall be nominated by the Board of Supervisors and the Proposing Shareholders. External supervisors shall be nominated by the Board of Supervisors and shareholder(s) who individually or jointly hold 1% or more of the Bank's shares with voting rights. Employee Representative Supervisors shall be nominated by the Board of Supervisors and the labor union of the Bank.</p>	<p>The supervisors of the Bank shall be assumed by shareholders' representatives, external supervisors and representatives of the employees. <u>The supervisors of the Bank include the shareholder supervisors, employee representative supervisors and external supervisors, among which, the</u> The proportion of the employee representative supervisors and the number of external supervisors shall, when taken together, be no less than <u>one-third</u> of the total number of supervisors.</p> <p>The <u>Shareholder representative supervisors (the "shareholder supervisors")</u> shall be nominated by the Board of Supervisors and the Proposing Shareholders. External supervisors shall be nominated by the Board of Supervisors and shareholder(s) who individually or jointly hold 1% <u>one hundredth</u> or more of the Bank's shares with voting rights. Employee Representative Supervisors shall be nominated by the Board of Supervisors and the labor union of the Bank.</p>	<p>To make amendment for improvement of the statement of the article in accordance with the Article 5 of the Working Guidelines of Board of Supervisors of Commercial Banks.</p>
<p>The Original Article 218 (the Article 219 after the amendments)</p>	<p>The term of office of each supervisor shall be three (3) years. Before the expiry of the supervisor's term of office, the shareholders' general meeting and employee representative meeting shall not dismiss any supervisor without any reason. Shareholder Supervisors and external supervisors shall be elected, dismissed or replaced by the shareholders' general meeting; and Employee Representative Supervisors shall be elected, dismissed or replaced by employee representative meeting or through any other democratic manner.</p> <p>Upon expiry of the supervisor's term of office, the supervisor can be re-elected and reappointed. However, the cumulative term of office for external supervisors shall not exceed six (6) years.</p>	<p>The term of office of each supervisor shall be three (3) <u>three</u> years. Before the expiry of the supervisor's term of office, the shareholders' general meeting and employee representative meeting <u>the Bank</u> shall not dismiss any supervisor without any reason. Shareholder Supervisors and external supervisors shall be elected, dismissed or <u>and</u> replaced by the shareholders' general meeting; and Employee Representative Supervisors shall be elected, dismissed or replaced by employee representative meeting or through any other democratic manner.</p> <p>Upon expiry of the supervisor's term of office, the supervisor can be re-elected and reappointed. However, the cumulative term of office for external supervisors shall not exceed six (6) <u>six</u> years.</p>	<p>To make amendment for improvement of the statement of the article in accordance with the requirement of the Article 59 of the Guidelines on Corporate Governance of Commercial Banks.</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
<p>The Original Article 221 (the Article 222 after the amendments)</p>	<p>Any supervisor shall attend at least two-thirds of the meetings of the Board of Supervisors meetings in person each year. If a supervisor cannot attend the meeting due to some reason, he/she may entrust another supervisor in writing to attend on his/her behalf, but one (1) supervisor shall not act on behalf of more than two (2) supervisors at the same Board of Supervisors' meeting.</p> <p>The proxy letter shall state the name of the proxy, the matters to be delegated, scope of authority, validity period and shall be signed by the appointer or affixed with a seal. The supervisor attending the meeting on behalf of another supervisor shall exercise the right of the supervisor within the scope of his/her authorization. If a supervisor does not attend the Board of Supervisors' meeting and fails to appoint a proxy to attend the meeting on his/her behalf, that supervisor shall be deemed to have waived his/her voting rights at that meeting.</p> <p>A supervisor who fails to attend a Board of Supervisors' meeting in person and also fails to appoint a proxy on his/her behalf shall assume legal liabilities in connection with any resolutions passed at the meetings of Board of Supervisors.</p>	<p>Any supervisor shall attend at least <u>two-thirds</u> of the meetings of the Board of Supervisors meetings in person each year. If a supervisor cannot attend the meeting <u>in person</u> due to some reason, he/she may entrust another supervisor in writing to attend on his/her behalf, but <u>one</u> (+) supervisor shall not act on behalf of more than <u>two</u> (-2) supervisors at the same Board of Supervisors' meeting.</p> <p>The proxy letter shall state the name of the proxy, the matters to be delegated, scope of authority, validity period and shall be signed by the appointer or affixed with a seal. The supervisor attending the meeting on behalf of another supervisor shall exercise the right of the supervisor within the scope of his/her authorization. If a supervisor does not attend the Board of Supervisors' meeting and fails to appoint a proxy <u>other supervisors</u> to attend the meeting on his/her behalf, that supervisor shall be deemed to have waived his/her voting rights at that meeting.</p> <p>A supervisor who fails to attend a Board of Supervisors' meeting in person and also fails to appoint a proxy on his/her behalf shall assume legal liabilities in connection with any resolutions passed at the meetings of Board of Supervisors.</p>	<p>To make amendment for improvement of the statement of the article in accordance with Article 62 of the Guidelines on Corporate Governance of Commercial Banks.</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
<p>The Original Article 223 (the Article 224 after the amendments)</p>	<p>If the supervisor fails to attend the meeting of the Board of Supervisors either in person or entrust other supervisors to attend on his/her behalf two (2) times consecutively, or attends less than two-thirds of the total number of meetings of the Board of Supervisors in person within one (1) year, the supervisor shall be deemed incapable of performing their duty, and the Board of Supervisors shall make a proposal either to the shareholders' general meeting or employee representative meeting (or through another democratic manner) to dismiss such supervisor.</p>	<p>If the supervisor fails to attend the meeting of the Board of Supervisors either in person or entrust other supervisors to attend on his/her behalf two (2) times consecutively, or should a supervisor fail to attend at least two-thirds of meetings of the Board of Supervisors in person in one year, or attends less than two-thirds of the total number of meetings of the Board of Supervisors in person within one (1) year, the supervisor shall be deemed incapable of performing their duty, and the Board of Supervisors shall make a proposal either to the shareholders' general meeting or employee representative meeting (or through another democratic manner) to dismiss such supervisor.</p>	<p>To make corresponding amendment in accordance with the requirement of the Article 62 of the Guidelines on Corporate Governance of Commercial Banks.</p>
<p>Article 234</p>	<p>The Board of Supervisors shall make an assessment report on the external supervisors to be reviewed and approved by the shareholders' general meetings, and this report shall, as a minimum standard, contain the number of times the external supervisors have attended meetings of the Board of Supervisors, details regarding the organization or participation by the external supervisors in inspections, details on the extent of which the external supervisors have carried out their supervisory duties, etc..</p>	<p>(The article is deleted)</p>	<p>To delete the article in accordance with the Guidelines on Corporate Governance of Commercial Banks, which requires "the board of supervisors to inform the shareholders' general meeting of the comprehensive evaluation results of the performance of directors and supervisors", that is the results of the performance evaluation of all supervisors, including external supervisors.</p>
<p>Article 240</p>	<p>The Board of Supervisors shall consist of nine (9) supervisors.</p>	<p>The number of members of the Board of Supervisors shall be nine to eleven. The Board of Supervisors shall consist of nine (9) supervisors.</p>	<p>To make amendment for improvement in accordance with the Article 5 of the Working Guidelines of Board of Supervisors of Commercial Banks, combining with the actual situations of the Bank.</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
<p>Article 243</p>	<p>The Board of Supervisors shall exercise the following powers according to law:</p> <p>(1) to review the regular reports prepared by the Board of Directors and provide written reviews;</p> <p>(2) to supervise the performance by the Board of Directors and the members of senior management of their duties;</p> <p>(3) to supervise the due diligence of the directors, the chairman of the Board of Directors and the members of senior management and ensuring that in executing their duties they do not commit acts violating the laws, administrative rules or the Articles;</p> <p>(4) to conduct exit audits on directors and members of senior management when necessary;</p> <p>(5) to require directors and members of senior management to rectify any acts which are detrimental to the interests of the Bank;</p> <p>(6) to inspect and supervise the financial activities of the Bank;</p> <p>(7) to carry out supervisory inspections on matters such as the business decision-making, risk management and internal controls of the Bank, and to supervise the rectification of mistakes;</p> <p>(8) to propose the dismissal of or to initiate lawful legal proceedings against directors and members of senior management who violate the laws, administrative regulations, the Articles or resolutions of the shareholders' general meeting;</p> <p>(9) to propose convening extraordinary shareholders' general meetings, and to convene and preside over shareholders' general meetings when the Board of Directors fails to perform this duty in accordance with the Company Law;</p>	<p>The Board of Supervisors shall exercise the following powers according to law:</p> <p>(1) to review the regular reports prepared by the Board of Directors and provide written reviews;</p> <p>(2) to supervise the performance by the Board of Directors and the members of senior management of their duties;</p> <p>(3) to supervise the due diligence of the directors, the chairman of the Board of Directors and the members of senior management and ensuring that in executing their duties they do not commit acts violating the laws, administrative rules or the Articles;</p> <p>(4) to conduct exit audits on directors and members of senior management when necessary;</p> <p>(5) to require directors and members of senior management to rectify any acts which are detrimental to the interests of the Bank;</p> <p>(6) to inspect and supervise the financial activities of the Bank;</p> <p>(7) to carry out supervisory inspections on matters such as the capital management, business decision-making, risk management and internal controls of the Bank, and to supervise the rectification of mistakes;</p> <p>(8) to propose the dismissal of or to initiate lawful legal proceedings against directors and members of senior management who violate the laws, administrative regulations, the Articles or resolutions of the shareholders' general meeting;</p> <p>(9) to propose convening extraordinary shareholders' general meetings, and to convene and preside over shareholders' general meetings when the Board of Directors fails to perform this duty in accordance with the Company Law;</p>	<p>To make amendment for improvement in accordance with Article 115 of the Capital Management Rules for Commercial Banks.</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
	<p>(10) to raise proposals before shareholders' general meetings;</p> <p>(11) to propose convening interim meetings of the Board of Directors;</p> <p>(12) to examine financial information such as financial reports, business reports and profit distribution plans proposed to be submitted to the shareholders' general meeting by the Board of Directors, to conduct investigations if there are any doubts or irregularities in relation to the operations of the Bank, and to engage professionals from accountant firms or law firms etc. if necessary to assist its duties at the expenses of the Bank;</p> <p>(13) to make proposals regarding the remuneration of the supervisors; and</p> <p>(14) to exercise any other powers conferred by the laws, administrative regulations, departmental rules, the regulations of the relevant regulatory authorities, and the shareholders' general meetings.</p>	<p>(10) to raise proposals before shareholders' general meetings;</p> <p>(11) to propose convening interim meetings of the Board of Directors;</p> <p>(12) to examine financial information such as financial reports, business reports and profit distribution plans proposed to be submitted to the shareholders' general meeting by the Board of Directors, to conduct investigations if there are any doubts or irregularities in relation to the operations of the Bank, and to engage professionals from accountant firms or law firms etc. if necessary to assist its duties at the expenses of the Bank;</p> <p>(13) to make proposals regarding the remuneration of the supervisors; and</p> <p>(14) to exercise any other powers conferred by the laws, administrative regulations, departmental rules, the regulations of the relevant regulatory authorities, and the shareholders' general meetings.</p>	
<p>Article 246</p>	<p>The Board of Supervisors shall discuss official business through the meetings of the Board of Supervisors. The meetings of Board of Supervisors consist of regular meetings and interim meetings, and either type of meeting shall be convened and presided over by the chairman of the Board of Supervisors.</p> <p>The procedures for convening the meetings for the Board of Supervisors may take reference to the procedures stated in the Articles regarding the convening of meetings for the Board of Directors.</p>	<p>The Board of Supervisors shall discuss official business through the meetings of the Board of Supervisors. The meetings of Board of Supervisors consist of regular meetings and interim meetings, and either type of meeting shall be convened and presided over by the chairman of the Board of Supervisors.</p> <p><u>The procedures for convening the meetings for the Board of Supervisors may take reference to the procedures stated in the Articles regarding the convening of meetings for the Board of Directors be held on-site or via conference call, video conference or written resolutions. Supervisors who attend the on-site meeting of the Board of Supervisors via telephone, video or other electronic means shall be regarded as attending the meeting in person.</u></p>	<p>To make amendment in accordance with the requirements of the Article 29 of the Guidelines on Corporate Governance of Commercial Banks and A.1.7 of Appendix 14 to the Listing Rules.</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
<p>Article 252</p>	<p>Aside from the duties and powers stated in the laws, administrative rules and the Articles, the Board of Supervisors shall focus on the following matters:</p> <p>(1) to supervise the Board of Directors in establishing a sound business philosophy, normative values, and guidance in line with the Bank's development strategies; regularly evaluate and make a report on the scientificity, reasonableness and effectiveness of the Bank's development strategies formulated by the Board of Directors;</p> <p>(2) to supervise the work performance, financial activities, internal control, risk management, etc. of the Board of Directors and members of senior management;</p> <p>(3) to supervise the selection procedures of directors; to make a comprehensive evaluation of the work performance of directors, supervisors and members of senior management;</p> <p>(4) to supervise and ensure that the Bank's remuneration systems and policies and the remuneration proposals for the members of senior management are scientific and rational; and</p> <p>(5) to regularly communicate with the banking regulatory authority regarding the Bank's circumstances.</p>	<p>Aside from the duties and powers stated in the laws, administrative rules and the Articles, the Board of Supervisors shall focus on the following matters:</p> <p>(1) to supervise the Board of Directors in establishing a sound business philosophy, normative values, and guidance in line with the Bank's development strategies; <u>to supervise the development and implementation of developmental strategies of the Bank</u> regularly evaluate and make a report on the scientificity, reasonableness and effectiveness of the Bank's development strategies formulated by the Board of Directors;</p> <p>(2) to supervise the work performance, financial activities, internal control, risk management, etc. of the Board of Directors and members of senior management;</p> <p>(3) to supervise the selection procedures of directors; to make a comprehensive evaluation of the work performance of directors, supervisors and members of senior management;</p> <p><u>(4) to supervise the independent directors' independent opinions on relevant matters;</u></p> <p>(45) to supervise and ensure that the Bank's remuneration systems and policies and the remuneration proposals for the members of senior management are scientific and rational; and</p> <p>(56) to regularly communicate with the banking regulatory authority regarding the Bank's circumstances.</p>	<p>(1) To make amendment for improvement in accordance with the Article 76 of the Guidelines on Corporate Governance of Commercial Banks;</p> <p>(4) To newly add in accordance with Article 23 of the Working Guidelines of Board of Supervisors of Commercial Banks;</p> <p>The content of original Article 7 was moved to Article 259;</p> <p>The original Article 8 is the provision of original "Guidelines on Corporate Governance of Joint-stock Commercial Banks", which was abolished in 2013.</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
	<p>If the Board of Supervisors discovers that problems exist with the way the Board of Directors and the members of senior management are making and implementing of significant financial decisions, the Board of Supervisors shall instruct the Board of Directors to rectify its decision making. When necessary, the Board of Supervisors may report the problematic behavior to the banking regulatory authority.</p> <p>When the Board of Supervisors detects any abnormal trading volatility in the Bank, it shall make enquiries of the Board of Directors or the members of senior management.</p>	<p>If the Board of Supervisors discovers that problems exist with the way the Board of Directors and the members of senior management are making and implementing of significant financial decisions, the Board of Supervisors shall instruct the Board of Directors to rectify its decision making. When necessary, the Board of Supervisors may report the problematic behavior to the banking regulatory authority.</p> <p>When the Board of Supervisors detects any abnormal trading volatility in the Bank, it shall make enquiries of the Board of Directors or the members of senior management.</p>	
Article 257	<p>The profit distribution proposals drawn up by the Board of Directors shall be submitted to the Board of Supervisors in advance for examination, and the Board of Supervisors shall provide feedback within five (5) working days of receipt. If the Board of Supervisors fails to provide feedback within the specified period, the proposal shall be deemed to be approved.</p>	<p>The profit distribution proposals drawn up by the Board of Directors shall be submitted to the Board of Supervisors in advance for examination. <u>The Board of Supervisors shall review the profit distribution proposals of the Bank and provide opinions on the compliance and rationality of the profit distribution proposals.</u> and the Board of Supervisors shall provide feedback within five (5) working days of receipt. If the Board of Supervisors fails to provide feedback within the specified period, the proposal shall be deemed to be approved.</p>	<p>To make amendment for improvement in accordance with the Article 29 of the Working Guidelines of Board of Supervisors of Commercial Banks.</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
<p>Article 259</p>	<p>If the Board of Supervisors discovers that the Board of Directors or the members of senior management have acted in violation of the laws, administrative regulations, departmental rules and the Articles etc., it shall make proposals to punish the responsible persons and promptly issue a notice stipulating correctional measures to be undertaken within a specified period. The Board of Directors or the senior management shall promptly undertake the specified punishment or correctional measures and make a written report to the Board of Supervisors.</p> <p>If the Board of Directors and the members of senior management refuse or delay to adopt the punishment and correctional measures, the Board of Supervisors shall have the right to report it to the shareholders' general meeting or propose the convening of an extraordinary general meeting. When necessary, the Board of Supervisors may report the conduct to the banking regulatory authority.</p>	<p><u>If the Board of Supervisors discovers that the Board of Directors, the senior management and its members have acted in violation of the laws, regulations, administrative rules or the Articles of Association of the Bank, it shall require the rectification within a specified period, and suggest that any responsible persons shall be penalized. If there are problems in important financial decision-making and implementation, the Board of Supervisors shall order the rectification. The Board of Supervisors may report to the banking regulatory authorities when necessary.</u> If the Board of Supervisors discovers that the Board of Directors or the members of senior management have acted in violation of the laws, administrative regulations, departmental rules and the Articles etc., it shall make proposals to punish the responsible persons and promptly issue a notice stipulating correctional measures to be undertaken within a specified period. The Board of Directors or the senior management shall promptly undertake the specified punishment or correctional measures and make a written report to the Board of Supervisors.</p> <p>If the Board of Directors and the members of senior management refuse or delay to adopt the punishment and correctional measures, the Board of Supervisors shall have the right to report it to the shareholders' general meeting or propose the convening of an extraordinary general meeting. When necessary, the Board of Supervisors may report the conduct to the banking regulatory authority.</p>	<p>To make amendment for improvement in accordance with the requirements of the Article 25 and the Article 32 of the Working Guidelines of Board of Supervisors of Commercial Banks.</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
Article 262	The Board of Supervisors shall make resolutions regarding the matters to be resolved at the meeting. Unless the laws, administrative regulations, departmental rules, the regulations of the relevant regulatory authorities and the Articles provide stipulations to the contrary, a resolution at the Board of Supervisors' meeting shall be adopted if it is approved by two-thirds of all supervisors. Supervisors present at the meeting shall sign on the resolutions and shall be responsible for the resolutions. However, a supervisor may be exempted from such liability if there is proof that the supervisor had objected during voting and the objection has been recorded in the meeting minutes.	The Board of Supervisors shall make resolutions regarding the matters to be resolved at the meeting. Unless the laws, administrative regulations, departmental rules, the regulations of the relevant regulatory authorities and the Articles provide stipulations to the contrary, a resolution at the Board of Supervisors' meeting shall be adopted if it is approved by two-thirds of all supervisors. Supervisors present at the meeting shall sign on the resolutions and shall be responsible for the resolutions. However, a supervisor may be exempted from such liability if there is proof that the supervisor had objected during voting and the objection has been recorded in the meeting minutes.	Amendment for improvement
Article 266	The decisions, resolutions and minutes of the meetings of the Board of Supervisors shall be submitted to and filed with the relevant regulatory authorities according to the relevant requirements.	The decisions , resolutions and minutes of the meetings of the Board of Supervisors shall be submitted to and filed with the relevant regulatory authorities according to the relevant requirements.	Amendment for improvement
Article 328	The Bank shall establish an internal audit system and set up an independent internal audit management system as well as a suitable internal audit reporting system with reporting mechanisms and professional audit personnel to undertake internal auditing and supervision of the Bank's financial income and expenditures and economic activities.	The Bank shall establish an internal audit system and set up an independent internal audit management system as well as a suitable internal audit reporting system with reporting mechanisms and professional audit personnel to undertake internal auditing and supervision of the Bank's financial income and expenditures and economic activities implement independent supervision, evaluation and provide advice on the Bank's financial income and expenditures, business activities, risk management, internal control compliance and corporate governance effectiveness.	To make amendment in accordance with the Article 3 of the Regulations of the Audit Office on Internal Auditing and the Article 3 of the Guidelines on Internal Audit of Commercial Banks.

Article Involved	Original Article	Amended Article	Basis of Amendment
<p>Article 329</p>	<p>The internal audit system and the duties of the audit personnel shall be implemented upon approval by the Board of Directors. The head of audit shall be responsible to and shall report to the Board of Directors and the audit committee.</p> <p>The Bank shall formulate the Internal Auditing Charter, medium and long term audit plans, internal audit work management regulations and annual internal audit work plans, and shall be implemented upon approval by the Board of Directors. Internal audit work shall be independent from operation and management and risk-oriented so as to ensure objectivity and fairness. The internal audit department shall regularly report to the Board of Directors and the members of senior management on the progress of audit work.</p>	<p>The internal audit system and the duties of the audit personnel shall be implemented upon approval by the Board of Directors. The head of audit shall be responsible to and shall report to the Board of Directors and the audit committee.</p> <p>The Bank shall formulate the Internal Auditing Charter, medium and long term audit plans, internal audit work management regulations and annual internal audit work plans, and shall be implemented upon approval by the Board of Directors. Internal audit work shall be independent from <u>business operations, risk management and internal control compliance, and evaluate the effectiveness of the performance of above duties.</u> operation and management and risk-oriented so as to ensure objectivity and fairness. The internal audit department shall regularly report to the Board of Directors and the members of senior management on the progress of audit work.</p>	<p>To make amendment in accordance with Article 5 of the Guidelines on Internal Audit of Commercial Banks.</p>
<p>Article 378</p>	<p>Interpretation (1) The “controlling shareholder(s)” herein shall refer to the person(s) satisfying any of the following conditions: (i) the person may elect more than half of the directors when acting alone or in concert with others; (ii) the person may exercise or control the exercise of more than 30% of the total voting shares of the Bank when acting alone or in concert with others; (iii) the person holds more than 30% of total voting shares of the Bank when acting alone or in concert with others; or (iv) the person may de facto control the Bank in any other manner when acting alone or in concert with others.</p>	<p>Interpretation (1) The “controlling shareholder(s) of the Bank” herein shall refer to the person(s) satisfying any of the following conditions: (i) the person may elect more than half of the directors when acting alone or in concert with others; (ii) the person may exercise or control the exercise of more than 30%thirty percent of the total voting shares of the Bank when acting alone or in concert with others; (iii) the person holds more than 30%thirty percent of total voting shares of the Bank when acting alone or in concert with others; or (iv) the person may de facto control the Bank in any other manner when acting alone or in concert with others.</p>	<p>To make amendment for improvement in accordance with the requirements of the Article 9 of the Interim Measures on Equity Management of Commercial Banks.</p>

Article Involved	Original Article	Amended Article	Basis of Amendment
	<p>The term “acting in concert” herein means two or more persons who, by way of agreement (whether verbal or written), cooperation or related party relationships or other lawful means, enlarge the proportion of the shares in the Bank which are under their control or consolidate their control over the Bank, so that when exercising the voting rights of the Bank, the same expression of opinions will be made (including joint proposal of motions, joint nomination of directors, entrustment of the exercise of voting rights which do not state voting intention and other such situations, but excluding open proxy solicitation).</p> <p>(2) “De facto controller” herein means a person who, though not a shareholder of the Bank, is able to get the de facto control of the Bank through investment relationships, agreement or other arrangements.</p> <p>(3) “Substantial shareholders” herein means the shareholder who can directly, indirectly, or jointly hold or control 5% or more of the shares or voting rights of the Bank and have a significant impact upon the decision-making of the Bank.</p>	<p>The term “acting in concert” herein means two or more persons who, by way of agreement (whether verbal or written), cooperation or related party relationships or other lawful means, enlarge the proportion of the shares in the Bank which are under their control or consolidate their control over the Bank, so that when exercising the voting rights of the Bank, the same expression of opinions will be made (including joint proposal of motions, joint nomination of directors, entrustment of the exercise of voting rights which do not state voting intention and other such situations, but excluding open proxy solicitation).</p> <p>(2) “De facto controller of the Bank” herein means a person who, though not a shareholder of the Bank, is able to get the de facto control of the Bank through investment relationships, agreement or other arrangements.</p> <p>(3) “Substantial shareholders” herein means the shareholder who can directly, indirectly, or jointly hold or control 5% five percent or more of the shares or voting rights of the Bank, and have a significant impact upon the decision-making of the Bank <u>or shareholders who hold less than five percent of the total capital or total shares, but exert a significant impact on the operation and management of the Bank.</u> <u>The “significant impact” in the preceding paragraph includes but is not limited to appointing directors, supervisors or senior management to the Bank, affecting through agreements or in other ways, the decision-making of finance, operation and management of the Bank, and other circumstances affirmed by the CBRC or its delegated authority.</u></p>	

Article Involved	Original Article	Amended Article	Basis of Amendment
	<p>(4) “Executive director” herein means a director holding other senior operation and management positions in addition to holding directorship of the Bank; “non-executive Director” means a director of the Bank who does not hold a senior operation and management position; “Independent Director” means a director who does not hold other positions in the Bank other than a directorship and who has no relationship with the Bank or its substantial shareholders that may affect their independent and objective judgment.</p> <p>(5) “Cumulative voting system” herein means at the shareholders’ general meeting where director(s) or supervisor(s) is/are elected, each share shall have the same number of voting rights as the number of director(s) or supervisor(s) to be elected. Shareholders’ voting rights may be exercised collectively.</p> <p>(6) In the Articles, the specific criteria for the words “important” and “major” as used in the expressions “important legal entities”, “major mergers and acquisitions”, “major external investments”, “major asset acquisitions”, “major asset disposals”, “major asset write-off” and “major external guarantees”, shall be determined by the specific authority granted by the shareholders’ general meeting to the Board of Directors and by the Board of Directors to the president.</p>	<p>(4) “Executive director” herein means a director holding other senior operation and management positions in addition to holding directorship of the Bank; “non-executive Director” means a director of the Bank who does not hold a senior operation and management position; “Independent Director” means a director who does not hold other positions in the Bank other than a directorship and who has no relationship with the Bank or its substantial shareholders that may affect their independent and objective judgment.</p> <p>(5) “Cumulative voting system” herein means at the shareholders’ general meeting where director(s) or supervisor(s) is/are elected, each share shall have the same number of voting rights as the number of director(s) or supervisor(s) to be elected. Shareholders’ voting rights may be exercised collectively.</p> <p>(6) In the Articles, the specific criteria for the words “important” and “major” as used in the expressions “important legal entities”, “major mergers and acquisitions”, “major external investments”, “major asset acquisitions”, “major asset disposals”, “major asset write-off” and “major external guarantees”, shall be determined by the specific authority granted by the shareholders’ general meeting to the Board of Directors and by the Board of Directors to the president.</p>	

Article Involved	Original Article	Amended Article	Basis of Amendment
Article 379	The Articles shall be written in Chinese. Should there be any inconsistency between the Articles written in another language or provided in other versions, the latest Chinese version approved and registered by Anhui (PRC) Administration for Industry & Commerce shall prevail.	The Articles shall be written in Chinese. Should there be any inconsistency between the Articles written in another language or provided in other versions, the latest Chinese version approved and registered <u>filed with</u> Anhui (PRC) Administration for Industry & Commerce shall prevail.	Changes in laws and regulations
Article 382	After approval by the banking regulatory authority and after consideration and approval by the shareholders' general meeting, the Articles shall become effective from the date of public offering of the H-shares of the Bank on the Hong Kong Stock Exchange.	<u>The Articles shall become effective from the date of</u> approval by the banking regulatory authority and after consideration and approval by the shareholders' general meeting, the Articles shall become effective from the date of public offering of the H-shares of the Bank on the Hong Kong Stock Exchange.	Changes in facts