

**China Pacific Insurance (Group) Co., Ltd.**  
**Articles of Association**

## Record of Preparation of and Amendments to the Articles of Association

No.	Issues	Date of Decision	Meeting	Ref No. of Approval Document
1	Preparation of the Articles	25 April 1991	The first meeting of the first Board of Directors of China Pacific Insurance Company	Approval of the Establishment of China Pacific Insurance Company (Yin Fu [1991] No. 149)
2	The 1 <sup>st</sup> amendment	5 September 1995	The Annual General Meeting of China Pacific Insurance Company for 1995	Approval of the Articles of Association of China Pacific Insurance Company (Yin Fu [1995] No. 61)
3	The 2 <sup>nd</sup> amendment	6 April 2001	The Annual General Meeting of China Pacific Insurance Company for 2000	Approval of the Change from China Pacific Insurance Company to China Pacific Insurance (Group) Co., Ltd. (Bao Jian Bian Shen [2001] No. 26)
4	The 3 <sup>rd</sup> amendment	16 August 2001	The first Extraordinary General Meeting of China Pacific Insurance Company for 2001	Approval of Confirmation on the Nature, Shareholder and Promoter and Other Matters of China Pacific Insurance Company (Bao Jian Fu [2001] No. 239)
5	The 4 <sup>th</sup> amendment	8 August 2002	The first Extraordinary General Meeting of China Pacific Insurance (Group) Co., Ltd. for 2002	Approval of the Change of Capital Amount and Amendments to the Articles of China Pacific Insurance (Group) Co., Ltd. (Bao Jian Bian Shen [2002] No. 119)
6	The 5 <sup>th</sup> amendment	22 April 2003	The Annual General Meeting of China Pacific Insurance (Group) Co., Ltd. for 2002	Approval of the Amendments to the Articles of China Pacific Insurance (Group) Co., Ltd. (Bao Jian Fu [2003] No. 94)
7	The 6 <sup>th</sup> amendment	28 February 2007	The second Extraordinary General Meeting of China Pacific Insurance (Group) Co., Ltd. for 2007	Approval of the Amendments to the Articles of China Pacific Insurance (Group) Co., Ltd. (Bao Jian Fa Gai [2007] No. 619)
8	The 7 <sup>th</sup> amendment	30 April 2007	The Annual General Meeting of China Pacific Insurance (Group) Co., Ltd. for 2006	Approval of the Amendments to the Articles of China Pacific Insurance (Group) Co., Ltd. (Bao Jian Fa Gai [2007] No. 1183)
9	The 8 <sup>th</sup> amendment	11 June 2007	The fourth Extraordinary General Meeting of China Pacific Insurance (Group) Co., Ltd. for 2007	
10	The 9 <sup>th</sup> amendment	21 March 2008	The first Extraordinary General Meeting of China Pacific Insurance (Group) Co., Ltd. for 2008	Approval of the Amendments to the Articles of China Pacific Insurance (Group) Co., Ltd. (Bao Jian Fa Gai [2008] No. 559)

<b>No.</b>	<b>Issues</b>	<b>Date of Decision</b>	<b>Meeting</b>	<b>Ref No. of Approval Document</b>
11	The 10 <sup>th</sup> amendment	26 May 2009	The Annual General Meeting of China Pacific Insurance (Group) Co., Ltd. for 2008	Approval of the Amendments to the Articles of China Pacific Insurance (Group) Co., Ltd. (Bao Jian Fa Gai [2009] No. 763)
12	The 11 <sup>th</sup> amendment	31 August 2009	The second Extraordinary General Meeting of China Pacific Insurance (Group) Co., Ltd. for 2009	Approval of the Amendments to the Articles of China Pacific Insurance (Group) Co., Ltd. (Bao Jian Fa Gai [2010] No. 695)
13	The 12 <sup>th</sup> amendment	3 June 2010	The Annual General Meeting of China Pacific Insurance (Group) Co., Ltd. for 2009	Approval of the Amendments to the Articles of China Pacific Insurance (Group) Co., Ltd. (Bao Jian Fa Gai [2010] No. 960)
14	The 13 <sup>th</sup> amendment	18 May 2011	The Annual General Meeting of China Pacific Insurance (Group) Co., Ltd. for 2010	Approval of the Amendments to the Articles of China Pacific Insurance (Group) Co., Ltd. (Bao Jian Fa Gai [2011] No. 954)
15	The 14 <sup>th</sup> amendment	11 May 2012	The Annual General Meeting of China Pacific Insurance (Group) Co., Ltd. for 2011	Approval of the Amendments to the Articles of China Pacific Insurance (Group) Co., Ltd. (Bao Jian Fa Gai [2012] No. 765)
16	The 15 <sup>th</sup> amendment	25 October 2012	The first Extraordinary General Meeting of China Pacific Insurance (Group) Co., Ltd. for 2012	Approval of the Amendments to the Articles of China Pacific Insurance (Group) Co., Ltd. (Bao Jian Fa Gai [2012] No. 1531)
17	The 16 <sup>th</sup> amendment	9 June 2017	The Annual General Meeting of China Pacific Insurance (Group) Co., Ltd. for 2016	Approval of the Amendments to the Articles of China Pacific Insurance (Group) Co., Ltd. (Bao Jian Xu Ke [2017] No. 846)
18	The 17 <sup>th</sup> amendment	27 December 2017	The first Extraordinary General Meeting of China Pacific Insurance (Group) Co., Ltd. for 2017	Approval of the Amendments to the Articles of China Pacific Insurance (Group) Co., Ltd. (Bao Jian Xu Ke [2018] No. 109)
19	The 18 <sup>th</sup> amendment	5 June 2019	The Annual General Meeting of China Pacific Insurance (Group) Co., Ltd. for 2018	Approval of the Amendments to the Articles of China Pacific Insurance (Group) Co., Ltd. (Yin Bao Jian Fu [2019]No.681)
20	The 19 <sup>th</sup> amendment	12 May 2020	The annual general meeting of China Pacific Insurance (Group) Co., Ltd. for 2019	Approval by CBIRC of the Amendments to the Articles of China Pacific Insurance (Group) Co., Ltd. (Yin Bao Jian Fu (2020)No.378)
21	The 20 <sup>th</sup> amendment	21 August 2020	The first extraordinary general meeting of China Pacific Insurance (Group) Co., Ltd. for 2020	Approval by CBIRC of the Amendments to the Articles of China Pacific Insurance (Group) Co., Ltd. (Yin Bao Jian Fu (2020) No. 932)

## Chapter I General Provisions

**Article 1** These Articles of Association are formulated in accordance with the *Company Law of the People's Republic of China* (the “**Company Law**”), the *Securities Law of the People's Republic of China* (the “**Securities Law**”), the *Insurance Law of the People's Republic of China* (the “**Insurance Law**”), the *Constitution of the Communist Party of China* (the “**Party Constitution**”), the *Special Provisions of the State Council on the Offshore Offering and Listing of Companies Limited By Shares* (the “**Special Provisions**”), the *Mandatory Provisions for the Articles of Association of Companies Listing Overseas*, the *Guidelines on the Articles of Association of Listed Companies* and the *Corporate Governance Standards for Listed Companies* prescribed by the China Securities Regulatory Commission (the “**CSRC**”), the *Guiding Opinion on Standardizing the Corporate Governance Structure of Insurance Companies (For Trial Implementation)*, the *Opinion Concerning Standardizing the Articles of Association of Insurance Companies* and the *Guidance on Articles of Association of Insurance Companies* prescribed by the China Insurance Regulatory Commission (the “**CIRC**”), the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* (the “**HKSE**”) (the “**Listing Rules**”) and other relevant laws and regulations for the purposes of protecting the legitimate rights and interests of the Company and its Shareholders and creditors and regulating the organization and activities of the Company.

**Article 2** China Pacific Insurance Co., Ltd. is a joint stock insurance company established in 1991 in accordance with the approval reply issued by the People's Bank of China (*Yin Fu* [1991] No. 149). On 13 May 1991, the Company registered its incorporation with the State Administration for Industry and Commerce (the “**SAIC**”) and obtained the Enterprise Legal Person Business License. In accordance with the requirements stipulated in the Company Law and the Insurance Law, and upon confirmation by the approval reply issued by the CIRC (Bao Jian Fu [2001] No. 239), China Pacific Insurance Co., Ltd. is to be regulated as a joint stock company with limited liability and its name has been changed to China Pacific Insurance (Group) Co., Ltd. (the “**Company**”). On 24 October 2001, the Company obtained a replacement of the Enterprise Legal Person Business License issued by the SAIC and its unified social credit code is 91310000132211707B.

**Article 3** The registered name of the Company is: 中國太平洋保險(集團)股份有限公司. The English name in full is: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

**Article 4** The domicile of the Company is: 1 South Zhongshan Road, Huangpu District, Shanghai, China.

Postal Code: 200010

Telephone: (0086) 21 3396 0000

Fax: (0086) 21 6887 0922

Website: www.cpic.com.cn

**Article 5** The legal representative of the Company shall be the Chairman of the board of directors (the “**Board**”) of the Company.

**Article 6** The Company shall be a perpetually existing company limited by shares.

**Article 7** The entire capital of the Company shall be divided into shares of equal value. The liability of the Shareholders with respect to the Company shall be limited to the shares respectively subscribed for by them and the Company shall undertake liability for its debts with all its assets.

**Article 8** In accordance with the Company Law and the Party Constitution, a party organization of the Communist Party of China (the “**Party Organization**”) shall be set up within the Company to carry out activities of the Party. The Company shall provide necessary facilitations for the activities of the Party Organization.

The Party Organization is an integral part of the corporate governance structure of the Company. The establishment, division of duties and tasks of the Party Organization shall be included in the management system, management policies and working procedures of the Company. The Company shall maintain and optimize the leadership mechanism of cross-appointment, under which, eligible members of the Party Organization may concurrently serve as Directors, Supervisors and members of senior management and vice versa. The Chairman of the Board shall concurrently serve as the Secretary of the Party Organization.

The Party Organization shall play its role as the political core and leadership core in the Company. When making decisions for material issues of the Company, the Board of Directors shall first seek the opinion of the Party Organization of the Company. For material operation and management issues relating to national macro-control, national development strategies and national security, the Board of Directors shall make its decisions based on the opinions of the Party Organization.

**Article 9** These Articles of Association shall be adopted at a Shareholders' General Meeting and shall become effective and be implemented upon approval by the China Banking and Insurance Regulatory Commission (the "CBIRC").

These Articles of Association shall become a legally binding document that regulates the organization and activities of the Company as well as the rights and obligations between the Company and its Shareholders and among the Shareholders from the date on which it becomes effective.

In case of any inconsistency between the provisions of the promoters' agreement, the agreement on Shareholders' contributions or other Shareholders' agreements and these Articles of Association, these Articles of Association shall prevail.

**Article 10** The Articles of Association shall be binding upon the Company and its Shareholders, Directors, Supervisors, the President, the Vice Presidents (including the executive the Vice Presidents, and **same as herein below**) and other members of senior management. The aforementioned persons may put forward a claim relating to matters of the Company in accordance with these Articles of Association.

A Shareholder may sue the Company in accordance with these Articles of Association. The Company may sue its Shareholders in accordance with these Articles of Association. A Shareholder of the Company may sue another Shareholder of the Company or any Director, Supervisor, the President, the Vice President or any other member of senior management of the Company in accordance with these Articles of Association.

For the purposes of the preceding paragraph, the term "sue" shall include bringing a lawsuit before a court or applying to an arbitration organization for arbitration.

**Article 11** The qualifications of Directors, Supervisors and senior management of the Company shall be verified by the CBIRC.

For the purposes hereof, the term "senior management" shall mean the Executive Directors, the President, the Vice Presidents, the Chief Actuary, the Chief Auditor, the General Counsel, the Chief Risk Officer, the Chief Technology Officer, the Chief Investment Officer, the Secretary to the Board of Directors, the Chief Financial Officer, the Compliance Officer, the Auditing Officer or any other management personnel determined by the Board of Directors. Executive Directors refer to the Directors, who, apart from serving as Directors of the Company, also take up other operational and management positions, or whose salaries and welfare benefits are paid by the Company.

**Article 12** The Company may invest in any other enterprise pursuant to the relevant laws and regulations, provided that it shall not act as a capital contributor that assumes joint and several liability for the debts incurred by the enterprise in which it has invested, unless otherwise provided by law.

**Article 13** The Company shall comply with the PRC laws and regulations, follow the uniform guidelines and policies for finance and insurance sectors of the PRC and be subject to the supervision and regulation of the CBIRC.

## **Chapter II Purpose and Scope of Business**

**Article 14** The objective of the Company is to stay focused on the insurance business based on the needs of clients, enhance the clients' experience via continuous improvements of the insurance business and seek excellence in an honest and steady manner, in hope of creating sustained values and win-win situation for its Shareholders, clients, employees, the society and other stakeholders.

**Article 15** The scope of business of the Company shall be:

- (1) to invest in and control insurance enterprises;
- (2) to supervise and manage the domestic and international reinsurance businesses of its controlled insurance enterprises;
- (3) to supervise and manage the fund utilization businesses conducted by its controlled insurance enterprises;
- (4) to participate in international insurance activities after obtaining relevant approval;
- (5) to conduct any other business as approved by the CBIRC.

## **Chapter III Shares and Registered Capital**

**Article 16** The Company shall have ordinary shares at any time. The Company may also have other classes of shares based on its needs and upon approval by the approval departments authorized by the State Council.

**Article 17** The shares issued by the Company shall take the form of stocks with par value and the par value of each share shall be RMB1.00.

**Article 18** The Company shall issue its shares following the principles of fairness and justice, and each share in the same class shall have the same rights.

Each share within the same class and issued at the same time shall be subject to same issue conditions and price. All entities or individuals subscribing for the shares shall pay the same price for each share.

**Article 19** The Company may issue shares to domestic investors and overseas investors upon approval by the CBIRC and the CSRC.

For the purposes of the preceding paragraph, the term “overseas investors” shall refer to investors who are located overseas or in Hong Kong, Macau or Taiwan and subscribe for shares issued by the Company. The term “domestic investors” shall refer to investors who are located within the People’s Republic of China (excluding Hong Kong, Macau and Taiwan) and subscribe for the shares issued by the Company.

**Article 20** Shares issued by the Company to domestic investors and to be subscribed for in Renminbi shall be referred to as “domestic shares”. Domestic shares listed in the PRC shall be referred to as “A Shares”.

Shares issued by the Company to overseas investors and to be subscribed for in foreign currency shall be referred to as “foreign investment shares”. Shares subscribed for by overseas investors which remain unlisted domestically and overseas shall be referred to as “non-listed foreign investment shares” and shares subscribed for by overseas investors which are listed overseas shall be referred to as “overseas-listed foreign investment shares”.

Foreign investment shares issued by the Company and listed in Hong Kong shall be referred to as “H Shares”. H Shares are shares of the Company admitted for listing on the HKSE with a par value denominated in Renminbi and subscribed for in Hong Kong dollars.

A Shares of the Company are held in centralized custody at the Shanghai branch of China Securities Depository & Clearing Corporation Limited. H Shares of the Company are mainly held in custody at the central depository institution under Hong Kong Securities Clearing Company Limited, and may also be held by Shareholders in their own names.

Upon approval by the securities regulatory authority of the State Council, Shareholders of domestic shares of the Company may transfer their shares to overseas investors and such shares may be listed or traded on stock exchanges outside the People’s Republic of China. Any listing or trading of such transferred shares on any stock exchange outside the People’s Republic of China shall comply with the regulatory procedures, rules and regulations of such stock exchanges.

**Article 21** Upon approval of the examination and approval authority authorized by the State Council, the Company may issue a total number of up to 9,620,341,455 ordinary shares.

**Article 22** The Company conducted its initial public offering of 1,000,000,000 Renminbi-denominated ordinary shares on 6 December 2007 according to the approval document issued by the CSRC (Zheng Jian Fa Xing [2007] No.456) and such shares were listed on the Shanghai Stock Exchange on 25 December 2007.

The Company conducted its initial public offering of 900,000,000 overseas-listed foreign investment shares on 23 November 2009 according to the approval document issued by the CSRC (Zheng Jian Xu Ke [2009] No. 1217) and such shares were listed on the HKSE on 23 December 2009.

The Company conducted a private placement of 462,000,000 overseas-listed foreign investment shares to the subscribers on 30 October 2012 according to the approval document issued by the CSRC (Zheng Jian Xu Ke [2012] No. 1424), which was completed on 14 November 2012 with such shares issued and listed on the HKSE.

According to the approval document issued by the CSRC (Zheng Jian Xu Ke [2020] No. 1053) on 2 June 2020, the Company issued 111,668,291 Global Depositary Receipts (“GDR”s), which represent 558,341,455 ordinary shares based on the conversion ratio determined by the Company and were listed on the London Stock Exchange on 22 June 2020.

The Company has issued a total number of 9,620,341,455 ordinary shares, representing 100% of all the ordinary shares.

Upon confirmation of the approval reply issued by the CIRC (Bao Jian Fu [2001] No. 239), the registered capital of the Company at its inception was RMB2,006,390,000, and the promoters and their respective shareholdings are as set out in the table below:

No.	Name of Promoters	Contribution amount (RMB)	Number of shares subscribed for (share)	Percentage of the total share capital	Methods of contribution	Date of contribution
1	Shenergy Group Co., Ltd.	300,958,500	300,958,500	15.00%	Cash	31 August 2001
2	Shanghai State-owned Assets Operation Co., Ltd.	190,901,250	190,901,250	9.51%	Cash	31 August 2001
3	Shanghai Jiushi Corporation	190,901,250	190,901,250	9.51%	Cash	31 August 2001
4	Yunan Hongta Group Co., Ltd.	145,000,000	145,000,000	7.23%	Cash	31 August 2001
5	Shanghai Pudong Land Development (Holding) Corporation	8,000,000	8,000,000	0.40%	Cash	31 August 2001
<b>Total</b>		<b>835,761,000</b>	<b>835,761,000</b>	<b>41.65%</b>		

The shareholding structure of the Company is as set out in the table below:

No.	Class of shares	Number of shares (share)	Shareholding percentage
1	Domestically listed domestic shares (A Shares) not subject to trading moratorium	6,845,041,455	71.15%
2	Overseas listed foreign shares (H Shares) not subject to trading moratorium	2,775,300,000	28.85%
<b>Total share capital</b>		<b>9,620,341,455</b>	<b>100.0%</b>

**Article 23** Once the plans for the offering of the overseas-listed foreign investment shares and domestic shares have been approved by the securities regulatory authority of the State Council, the Board of the Company may arrange for separate offering for such plans.

The Company's plans for the separate offering of the overseas-listed foreign investment shares and domestic shares as provided for in the preceding paragraph may be implemented respectively within 15 months from the date of approval by the securities regulatory authority of the State Council.

**Article 24** Where the Company issues overseas-listed foreign investment shares and domestic shares respectively within the total number of shares specified in the share offering plans, such overseas-listed foreign investment shares and domestic shares shall be fully subscribed for respectively in one single offering. If the shares cannot be fully subscribed for in one single offering due to special circumstances, the shares may, subject to the approval of the securities regulatory authority of the State Council, be issued in several offerings.

**Article 25** The registered share capital of the Company shall be RMB9,620,341,455.

If there is any change to its registered share capital, the Company shall report such change to the CBIRC for approval and apply for amendment registration to the registration authority according to the law.

**Article 26** Any increase in the registered capital of the Company based on its operational and development needs shall be in compliance with relevant requirements of the Company Law, the CBIRC and other regulators as well as the procedures stipulated in these Articles of Association.

The Company may increase its capital by any of the following means:

- (1) public offering of shares;
- (2) private placement of shares;
- (3) distribution of bonus shares to existing Shareholders;
- (4) capitalization of capital reserves;
- (5) any other means permitted by laws and administrative regulations.

Upon approval in accordance with these Articles of Association, any increase of capital and issue of new shares by the Company shall be in compliance with the procedures as provided for in relevant PRC laws and administrative regulations.

**Article 27** Unless otherwise provided for in laws and administrative regulations, the shares of the Company are freely transferable and free and clear of any lien, provided that such transfers are in compliance with relevant requirements of the CBIRC and relevant regulators as well as the procedures stipulated in these Articles of Association.

**Article 28** The Company shall not accept any pledge of its shares.

**Article 29** The transfer of any share which has been in issue before the initial public offering shall be in compliance with the laws, administrative regulations and relevant listing rules.

Directors, Supervisors and members of senior management of the Company shall report to the Company their respective shareholdings in the Company and any change thereof. Any Director, Supervisor or member of senior management shall not transfer more than 25% of his shares in the Company in any year within his term of office and shall not transfer any of his shares in the Company within 1 year from the date on which the Company's shares are listed for trading. Such person shall not transfer any of his shares in the Company within 6 months after he leaves office.

**Article 30** If any Director, Supervisor or member of senior management, or any Shareholder holding at least 5% of the domestic shares of the Company sells his or its shares in the Company within 6 months after purchase of such shares, or re-purchases shares of the Company within 6 months after sale of shares of the Company, any gains generated from such sale or purchase shall belong to the Company and be recovered by the Board of the Company. However, where a securities company has purchased unsold shares of the Company pursuant to its underwriting obligations and holds at least 5% of the shares of the Company as a result thereof, such securities company shall not be subject to the 6-month restriction period in selling such shares.

If the Board fails to comply with the requirements as set forth in the preceding paragraph, the Shareholders of the Company shall have the right to require the Board to do so within 30 days. If the Board fails to do so within the said time limit, the Shareholders shall have the right to bring an action directly before a People's Court in his own name for the benefit of the Company.

If the Board fails to comply with the requirements as set forth in the first paragraph, any responsible Director shall assume joint and several liability in accordance with the laws.

#### **Chapter IV Reduction of Capital and Repurchase of Shares**

**Article 31** The Company may reduce its registered share capital in accordance with these Articles of Association. If the Company reduces its registered share capital, it shall comply with the Company Law, Insurance Law and relevant requirements of the CBIRC and other regulators, as well as the procedures set forth in these Articles of Association.

**Article 32** Where the Company reduces its registered share capital, it must prepare a balance sheet and a list of property.

The Company shall notify its creditors within 10 days from the date on which it resolves to reduce its registered share capital and shall publish a public announcement in respect of such resolution for at least three times in the newspapers within 30 days of such date. Creditors shall, within 30 days of receiving such notice, or, in the case of failure to receive such notice, within 45 days from the date of the first public announcement, be entitled to require the Company to settle its debts in full or to provide a corresponding security for the repayment of its debts.

The registered share capital of the Company after capital reduction shall not be less than the statutory minimum level.

**Article 33** In any of the following circumstances, the Company may repurchase its shares:

- (1) reduction of its registered share capital;
- (2) merger with another company that holds shares in the Company;
- (3) to use the shares in the employee stock ownership plan or as share incentive;
- (4) if in disagreement with any resolution relating to the merger or division of the Company adopted at a Shareholders' General Meeting, any Shareholder requests the Company to repurchase the shares of the Company held by such Shareholder;
- (5) to use the shares in the conversion of convertible corporate bonds issued by the Company;
- (6) where it is necessary to safeguard corporate value and Shareholders' interests.

Where the Company repurchases its own shares in the circumstances stated in items (1) to (3), (5) and (6) in the preceding paragraph, such repurchase shall be approved by a resolution adopted at a Shareholders' General Meeting.

After the Company has repurchased its own shares in accordance with the above provisions, the shares thus repurchased shall be cancelled within 10 days (in the case of item (1)) or shall be transferred or cancelled within 6 months (in the case of items (2) and (4)) from the date of repurchase.

In the event that the Company repurchased its shares pursuant to item (3), (5) and (6) of the first paragraph, the total number of shares held by the Company shall not exceed 10% of the total number of issued shares of the Company and shall be transferred or cancelled within 3 years.

Where the Company repurchases its shares, it shall complete the relevant approval procedures in accordance with the laws and regulations and regulatory requirements, and fulfill the obligations of information disclosure pursuant to the Securities Law. Where the Company repurchases its shares pursuant to items (3), (5) and (6) of the first paragraph, such repurchase shall be carried out by way of centralized open transaction.

**Article 34** Upon the approval by relevant competent authorities of the PRC, the Company may repurchase its shares by way of centralized open transaction or otherwise as permitted by laws and rules and regulatory authorities.

**Article 35** Where the Company repurchases its shares under an off-market agreement, prior approval shall be obtained from the Shareholders at a general meeting in accordance with these Articles of Association. Upon obtaining the prior approval of the Shareholders at a Shareholders' General Meeting in the same manner, the Company may rescind or amend any contract concluded in the manner set forth above or waive any of its rights under such contract.

For the purposes of the preceding paragraph, "share repurchase contracts" shall include but not be limited to share repurchase agreements which include an assumption of the obligations and the rights related to the shares repurchased thereunder.

The Company shall not assign any contract for the repurchase of its shares or any rights thereunder.

**Article 36** Where the Company repurchases redeemable shares other than through an open transaction or by tender, the purchase price shall not exceed a certain price limit. If such shares are repurchased by tender, the tender shall be offered to all Shareholders based on the same terms.

**Article 37** If the Company repurchases and cancels a portion of its shares, it shall apply to the administrative department for industry and commerce for an amendment registration of its registered share capital.

The amount of the registered share capital of the Company shall be reduced by the total par value of the shares so cancelled.

**Article 38** Unless the Company is already in liquidation, it must comply with the following provisions in repurchasing any of its issued and outstanding shares:

- (1) where the Company repurchases its shares at par value, the payment shall be made out of the book balance of the distributable profits of the Company or out of the proceeds from the issue of new shares made for repurchase purpose;
- (2) where the Company repurchases its shares at a premium, the payment equivalent to the par value of such shares shall be made out of the book balance of the distributable profits of the Company or out of the proceeds from the issue of new shares made for repurchase purpose. The payment for the portion in excess of the par value shall be made as follows:
  1. if the shares being repurchased were issued at par value, the payment shall be made out of the book balance of the distributable profits of the Company;
  2. if the shares being repurchased were issued at a premium, the payment shall be made out of the book balance of the distributable profits of the Company or out of the proceeds from the issue of new shares made for repurchase purpose, provided that the amount paid out of the proceeds from the issue of new shares shall not exceed the aggregate amount of premium received by the Company for the shares repurchased at the time of the issue nor shall it exceed the book value of the Company's capital reserve fund account (including the premium on the issue of new shares) at the time of repurchase;
- (3) payments made by the Company for the purposes set out below shall be paid out of the Company's distributable profits:
  1. acquiring a right to repurchase its shares;
  2. modifying any contract for repurchasing its shares;
  3. releasing any of its obligations under any repurchase contract.
- (4) after the Company's registered share capital has been reduced by the aggregate par value of the cancelled shares in accordance with the relevant provisions, the amount deducted from the distributable profits of the Company for payment of the par value of shares repurchased shall be included into the Company's capital reserve fund account.

## **Chapter V Financial Assistance for Purchasing the Company's Shares**

**Article 39** Neither the Company nor its subsidiaries shall at any time provide any financial assistance in any form to any purchaser or intended purchaser of the Company's shares. Purchasers of the Company's shares as mentioned above shall include persons who directly or indirectly undertake any obligations by way of purchasing the Company's shares.

Neither the Company nor its subsidiaries shall at any time provide any financial assistance in any form to the abovementioned obligors to reduce or release their obligations.

This Article shall not apply to the circumstances described in Article 41 of these Articles of Association.

**Article 40** For the purposes of this Chapter, the term "financial assistance" shall include (but shall not be limited to) the following forms of financial assistance:

- (1) gift;
- (2) security (including the assumption of liability or provision of property by a guarantor to secure the performance of obligation by an obligor), indemnity (excluding, however, the indemnity arising out of the Company's own fault) and release or waiver of rights;
- (3) provision of any loan or conclusion of any contract under which the obligations of the Company are to be performed prior to the obligation of any other party to the agreement, or a change with respect to such loan or the parties to such contract, or an assignment of the rights under such loan or contract;
- (4) financial assistance in any other form provided when the Company becomes insolvent or does not have any net assets or under any other circumstance where its net assets would be reduced to a material extent.

For the purposes of this Chapter, the expression "assumption of obligations" includes the assumption of obligations by the obligor by way of contract or arrangement (whether or not such contract or arrangement is enforceable and whether or not such obligation is to be borne solely by the obligor individually or jointly with any other person), or by any other means which results in a change of the obligor's financial position.

**Article 41** The acts listed below shall not be regarded as acts prohibited under Article 39 of these Articles of Association:

- (1) provision of financial assistance by the Company in good faith for the benefit of the Company, and the main purpose of which is not to acquire the shares of the Company, or which is given as an incidental part of an overall plan of the Company;
- (2) lawful distribution of the Company's assets in the form of dividends;
- (3) distribution of dividends in the form of shares;
- (4) reduction of registered share capital, repurchase of shares or adjustment of the shareholding structure in accordance with these Articles of Association of the Company;
- (5) provision of any loan by the Company within its scope of business and in the ordinary course of its business (provided that the net assets of the Company are not thereby reduced or that, to the extent that the net assets are thereby reduced, the financial assistance is paid out of the Company's distributable profits);
- (6) contributions made by the Company to an employee share ownership scheme (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is paid out of the Company's distributable profits).

## **Chapter VI Share Certificates and Register of Shareholders**

**Article 42** The share certificates of the Company shall be in registered form.

In addition to what is required under the Company Law, the share certificates of the Company shall also include any other matters required to be stated by the stock exchange(s) on which the shares of the Company are listed.

The overseas-listed foreign investment shares of the Company may be in the form of foreign depository receipts or any other derivative form of shares in accordance with the laws of, and the securities registration and depository practices prevailing at, the place where the Company's shares are listed.

**Article 43** The share certificates of the Company shall be signed by the Chairman of the Board. Where any stock exchange on which the Company's shares are listed requires any other member of senior management of the Company to sign the share certificates, the share certificates shall also be signed by such member. The share certificates shall become effective after a company seal is affixed thereto or affixed to its printed copy. Affixing the company seal to the share certificates or its printed copy shall be subject to the authorization of the Board. The signatures of the Chairman of the Board or any other member of senior management of the Company can be provided in printed form.

**Article 44** The Company shall keep a register of Shareholders, which shall contain the following particulars:

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

Unless there is evidence to the contrary, the register of Shareholders shall be sufficient proof of the Shareholders' shareholding in the Company.

**Article 45** The Company may, pursuant to an understanding or agreement reached between the securities regulatory authority of the State Council and any overseas securities regulatory authority, keep its register of Shareholders of overseas-listed foreign investment shares outside the People's Republic of China and entrust an overseas agent to manage such register. The original register of Shareholders of H Shares shall be maintained in Hong Kong.

The Company shall keep at its place of domicile a duplicate of the register of Shareholders of overseas-listed foreign investment shares. The appointed overseas agent shall ensure the consistency between the original and duplicate of such register at all times. In the event of any inconsistency between the original and duplicate of the register of Shareholders of overseas-listed foreign investment shares, the original shall prevail.

**Article 46** The Company shall keep a complete register of Shareholders.

The register of Shareholders shall comprise the following parts:

- (1) the register kept at the Company's place of domicile other than those specified under items (2) and (3) of this Article;
- (2) the register of Shareholders of overseas-listed foreign investment shares kept at the place(s) where the overseas stock exchange(s) on which the shares are listed is located;
- (3) the register of Shareholders kept in such other places as the Board may deem necessary for the purpose of listing the shares of the Company.

**Article 47** The various parts of the register of Shareholders shall not overlap with each another. The transfer of shares registered in one part of the register of Shareholders shall not, during the continuance of the registration of such shares, be registered in any other part of the register.

Any change to or correction of any part of the register of Shareholders shall be effected in accordance with the laws of the place where such part of the register of Shareholders is kept.

**Article 48** All paid-up H Shares may be transferred freely in accordance with these Articles of Association, provided that unless the following conditions are satisfied, the Board may refuse to accept any transfer document without giving any reason therefore:

- (1) a fee of HK\$2.50 or such higher amount as agreed by the HKSE has been paid to the Company for the registration of the instrument of transfer and any other document relating to or which may affect the ownership of the shares;
- (2) the instrument of transfer only relates to the H Shares listed in Hong Kong;
- (3) the stamp duty payable for the instrument of transfer has been duly paid;
- (4) the relevant share certificate(s) and any other evidence reasonably required by the Board to demonstrate that the transferor has the right to transfer the shares have been provided;
- (5) where the shares are proposed to be transferred to joint holders, the number of such joint Shareholders shall not be more than 4;

- (6) the instruments of transfer together with any other document which relates to, or may have an impact on, the ownership right of the registered securities must be registered;
- (7) the relevant shares shall be free and clear of any lien of the Company.

Any Shareholder of the foreign investment shares may transfer in writing all or part of his shareholding in the Company by way of an instrument of transfer prepared in a written form commonly adopted at the place where the foreign investment shares are listed or in such other form as the Board may accept. H Shares may be transferred by a standard form of transfer prescribed by the HKSE. The instrument of transfer may only be signed manually, or, in the case that either the transferor or the transferee is a recognized clearing house within the meaning of the Securities and Futures Ordinance (the “**Recognized Clearing House**”) or its agent, may be signed manually or in printed form. All instruments of transfer must be placed at the legal address of the Company or any other place designated from time to time by the Board. The instruments of transfer shall include the following statements:

- (1) The share purchaser agrees with the collection agent and each of its shareholders, and the Company agrees with each of its Shareholders, to observe and comply with the Company Law, the Special Provisions and these Articles of Association.
- (2) The share purchaser agrees with the Company and each of its Shareholders, Directors, Supervisors, managers and members of senior management, and the Company (acting on behalf of itself and each of its Directors, Supervisors, managers and members of senior management) also agrees with each of its Shareholders, that any dispute or claim relating to the affairs of the Company arising out of the rights or obligations under these Articles of Association or the Company Law or any other relevant law or administrative regulation shall be resolved by arbitration in accordance with these Articles of Association, and that any application for arbitration shall be treated as authorizing the arbitration tribunal to conduct an open hearing and to announce the arbitral award. The arbitral award shall be final.
- (3) The share purchaser agrees with each of its shareholders that the shares of the Company may be freely transferred by their holders.
- (4) The share purchaser authorizes the Company to enter into any contract on its behalf with each Director and member of senior management of the Company under which such Director and member of senior management shall undertake to observe and perform any responsibility owed to the Shareholders as provided for in these Articles of Association.

**Article 49** If there is any provision in PRC laws and regulations and the Listing Rules on the period of closure of the register of Shareholders prior to a Shareholders' General Meeting or prior to the record date set by the Company for the purpose of distribution of dividends, such provision shall prevail.

**Article 50** When the Company convenes a Shareholders' General Meeting, distributes dividends, goes into liquidation or performs any other act requiring the confirmation of the identity of the Shareholders, the Board or the convener of the Shareholders' General Meeting shall determine a record date and Shareholders whose names appear on the register after market closing on the record date shall be entitled to the relevant rights and interests.

**Article 51** Any person who has an objection with respect to the register of Shareholders and requests to have his or its name entered into or removed from the register of Shareholders may apply to a court of competent jurisdiction to amend the register.

**Article 52** If any Shareholder already registered on the register of Shareholders or any person who requests to have his name entered into the register of Shareholders has lost his/its share certificate (the "**Original Share Certificate**"), he may apply to the Company for the issuance of a replacement certificate in respect of such shares (the "**Relevant Shares**").

Application for replacement of certificate by a holder of domestic shares who has lost his or its share certificate shall be handled in accordance with Article 143 of the Company Law.

Application for replacement of certificate by a Shareholder of the overseas-listed foreign investment shares who has lost his share certificate may be handled in accordance with the laws, the stock exchange rules and other relevant provisions of the place where the original register of holders of the overseas-listed foreign investment shares is maintained.

Where a holder of H Shares who has lost his share certificate applies for a replacement of certificate, such replacement shall be subject to the following requirements:

- (1) The applicant shall submit the application in the form prescribed by the Company together with a notarized certificate or a statutory declaration. The notarized certificate or statutory declaration shall include the reasons for the application, the circumstances and evidence of the loss of the share certificate and a declaration that no other person may require to be registered as a Shareholder in respect of the Relevant Shares.

- (2) The Company has not received any declaration from any person other than the applicant requiring to be registered as a Shareholder in respect of the Relevant Shares before it decides to issue a replacement share certificate.
- (3) If the Company decides to issue a replacement share certificate to the applicant, it shall publish an announcement of its intention to do so in the newspapers or periodicals designated by the Board. The period of the announcement shall be 90 days, during which period such announcement shall be published at least once every 30 days.
- (4) Before publishing the announcement of its intention to issue a replacement share certificate, the Company shall submit a copy of the announcement proposed to be published on the stock exchange(s) where it is listed and may proceed with publication after having received a reply from the stock exchange(s) confirming that the announcement has been displayed on such stock exchange(s). The announcement shall be displayed on the stock exchange(s) for a period of 90 days.

If the application for issuance of a replacement share certificate was made without the consent of the registered Shareholder(s) of the Relevant Shares, the Company shall mail to such Shareholder(s) a photocopy of the announcement that it intends to publish.

- (5) Upon expiration of the 90-day period as provided for in items (3) and (4) of the fourth paragraph of this Article, if the Company has not received any objection to the issuance of a replacement share certificate from any person, it may issue a replacement share certificate in accordance with the applicant's application.
- (6) When the Company issues a replacement share certificate under this Article, it shall immediately cancel the Original Share Certificate and record such cancellation and issuance on the register of Shareholders.
- (7) All expenses incurred by the Company arising from the cancellation of the Original Share Certificate and the issuance of a replacement share certificate shall be borne by the applicant. The Company shall have the right to refuse to take any action until the applicant has provided a reasonable guarantee.

**Article 53** After the Company has issued a replacement share certificate in accordance with these Articles of Association, the name of a bona fide purchaser acquiring the said new share certificate or a Shareholder subsequently registered as owner of such shares (being a bona fide purchaser) shall not be removed from the register of Shareholders.

**Article 54** The Company shall not be liable for any damages suffered by any person due to the cancellation of the Original Share Certificate or the issuance of a replacement share certificate, unless the claimant can prove fraud on the part of the Company.

## Chapter VII Rights and Obligations of the Shareholders

**Article 55** A Shareholder of the Company is a person who lawfully holds shares in the Company and whose name is entered in the register of Shareholders.

A Shareholder shall enjoy rights and assume obligations according to the class and amount of shares held by such Shareholder. Shareholders holding shares of the same class shall have the same rights and obligations.

The Company shall not exercise any power to freeze or otherwise impair any of the rights attached to any share based on the ground that a person who is directly or indirectly interested in the Company has failed to disclose his interests to the Company.

**Article 56** Where two or more persons are registered as the joint holders of any share, they shall be deemed as the joint owners of such share, subject to the following:

- (1) if one of the joint Shareholders deceases, only the surviving persons among the joint Shareholders shall be regarded as the owners of the Relevant Shares of the Company, provided that the Board shall have the right to require such persons to provide such documentary evidence of the relevant Shareholder's death as it deems appropriate for amending the register of Shareholders;
- (2) for joint Shareholders of any shares, only the joint Shareholder whose name appears first in the register of Shareholders has the right to receive the share certificate of the Relevant Shares from the Company, to receive notices of the Company, to attend the Company's Shareholders' General Meeting or exercise all the voting rights attached to the Relevant Shares; and any notice served on such Shareholder shall be treated as having been served on all joint Shareholders of the Relevant Shares;
- (3) The number of joint holders shall not be more than 4.

**Article 57** Shareholders of ordinary shares of the Company shall have the following rights:

- (1) to receive dividends and other kinds of distribution of interests based on the number of shares held by them;
- (2) to call for, convene, preside over, attend or appoint a proxy to attend the Shareholders' General Meetings, and to exercise the corresponding voting rights, in accordance with the law;
- (3) Any Shareholder holding, either individually or in aggregate, at least 3% of the number of the Company's shares shall be entitled to nominate Directors or Supervisors;

- (4) to supervise and manage the business operations of the Company, and make suggestions and enquiries in accordance with the laws;
- (5) to transfer, donate as a gift or pledge shares held by them in accordance with the laws, administrative regulations and these Articles of Association;
- (6) to obtain relevant information in accordance with these Articles of Association, including:
  1. obtaining a copy of these Articles of Association after paying the costs and expenses incurred;
  2. having the right to inspect and copy the following documents after paying the reasonable costs incurred:
    - (i) all parts of the register of Shareholders;
    - (ii) the personal information of the Directors, Supervisors, the President, the Vice Presidents and other members of senior management of the Company, including:
      - (A) present and former name and alias;
      - (B) principal address (place of domicile);
      - (C) nationality;
      - (D) full-time job and all other part-time occupations and positions;
      - (E) identification documents and identification numbers.
    - (iii) status of the share capital of the Company;
    - (iv) counterfoil of the bonds of the Company;
    - (v) financial and accounting reports of the Company;
    - (vi) resolutions adopted at the Shareholders' General Meeting of the Company;
    - (vii) minutes of the Shareholders' General Meeting, resolutions adopted at the Board meetings, and resolutions adopted at the meetings of the Board of Supervisors;

- (viii) reports on the aggregate par value, number of shares, and highest and lowest prices of each class of shares repurchased by the Company since the last accounting year as well as all the expenses paid by the Company therefore; and
  - (ix) copies of the latest annual returns submitted to the SAIC or other competent authorities for filing;
- (7) to participate in the distribution of the remaining assets of the Company based on the number of shares held by them in the event of the termination or liquidation of the Company;
  - (8) for Shareholders who disagree with the resolutions in respect of the merger or division of the Company adopted at a Shareholders' General Meeting, to require the Company to acquire their shares;
  - (9) to request the recording and change of the register of Shareholders;
  - (10) to have any other right conferred upon them under the laws, administrative regulations and these Articles of Association.

**Article 58** In any of the following circumstances, the Shareholder involved shall be prohibited from attending the Shareholders' General Meeting, exercising voting rights, proposal right, dividend rights, nomination rights and other Shareholders' rights and shall undertake to accept any regulatory penalty imposed by the CBIRC:

- (1) any change of Shareholder were not approved by or filed with the CBIRC;
- (2) any change of the de facto controller of the Shareholder were not approved by or filed with the CBIRC;
- (3) the Shareholder entrusts others or agrees to be entrusted by others to hold shares of the Company;
- (4) the Shareholder controls equity interests in a disguised form by accepting proxy voting or transferring any right to yields;
- (5) direct or indirect self-capital injection or false capital increase by using insurance funds;
- (6) other capital contribution or shareholding not in compliance with regulatory requirements.

If the securities regulatory authorities at the places where the Company's shares are listed require otherwise, such requirement shall prevail.

**Article 59** Where a Shareholder requests to inspect or obtain the relevant information as set forth in the preceding article, such Shareholder shall provide the Company with written documentation evidencing the class and number of shares held by such Shareholder in the Company and the Company shall provide the information requested by such Shareholder after verifying such Shareholder's identity.

**Article 60** If the contents of a resolution of the Shareholders' General Meeting or the Board violate the laws and administrative regulations, the Shareholders shall have the right to request a People's Court to determine such resolution as invalid.

If the procedures for convening a Shareholders' General Meeting or Board meeting, or the method of voting thereat, violate the laws, administrative regulations or these Articles of Association, or if the contents of a resolution violate these Articles of Association, the Shareholders shall have the right to request within 60 days from the date of such resolution a People's Court to rescind such resolution.

**Article 61** If a Director or member of senior management, when performing duties for the Company, is in breach of any provisions of the laws, administrative regulations or these Articles of Association which causes loss to the Company, any Shareholder, either individually or in aggregate, holding at least 1% of the shares in the Company for at least 180 consecutive days may request in writing for the Board of Supervisors to institute proceedings before a People's Court. If the Board of Supervisors, when performing duties for the Company, is in breach of the laws, administrative regulations or these Articles of Association which causes loss to the Company, any Shareholder may request in writing for the Board to institute proceedings before a People's Court.

If the Board of Supervisors or the Board refuses to institute proceedings upon receiving the written request from the Shareholders under the previous paragraph, or does not initiate proceedings within 30 days after the date of such receipt, or if there is an emergency where the absence of immediate action would cause irreparable damage to the interest of the Company, any Shareholder as set forth in the preceding paragraph may directly institute proceedings before a People's Court in his own name for the benefit of the Company.

If a third party infringes the legal interest of the Company and causes loss to the Company, the Shareholders under the first paragraph of this Article may institute proceedings before a People's Court pursuant to the provisions of the preceding two paragraphs.

**Article 62** If a Director or member of senior management violates the laws, administrative regulations or these Articles of Association, resulting in damages to the interests of Shareholders, any Shareholder may institute proceedings before a People's Court.

If a Director, Supervisor or member of senior management violate the laws and regulations, regulatory rules or these Articles of Association, resulting in damages to the interests of the Company or Shareholders, any Shareholder shall have the right to report to the CBIRC directly.

**Article 63** Shareholders of the ordinary shares of the Company shall have the following obligations:

- (1) to abide by the laws, administrative regulations and these Articles of Association;
- (2) to contribute to the share capital according to the number of shares subscribed for by them and the methods of capital contribution;
- (3) any contributed capital and shareholding shall be in accordance with regulatory rules, and shareholding by nominees and exceeding the statutory ratio shall not be permitted;
- (4) not to withdraw their contributed share capital save in such circumstances stipulated by the laws and administrative regulations;
- (5) not to abuse their Shareholder's rights to harm the interests of the Company or any other Shareholders, and not to abuse the Company's independent status as a legal person and the Shareholders' limited liability to harm the interests of the Company's creditors. Where any of the Company's Shareholders abuses Shareholders' rights which causes loss to the Company or other Shareholders, such Shareholder shall be liable for indemnity in accordance with the laws. If any of the Company's Shareholders abuses the Company's independent status as a legal person and the Shareholders' limited liability to evade the repayment of debts, resulting in any material damage to the interests of the creditors of the Company, such Shareholder shall be jointly and severally liable for the debts of the Company;
- (6) to assume liabilities to the Company to the extent of the shares subscribed for by them;
- (7) Shareholders shall assist the Company to improve its solvency in the event that it fails to meet the regulatory requirements on solvency;
- (8) not to impair the Company's interests by taking advantage of his related party relationships. Any Shareholder causing loss to the Company by violating the preceding sentence shall be liable for compensation.

For the purpose of the foregoing, the term "related party relationship" refers to the relationship between any of the Company's controlling Shareholders, de facto controllers, Directors, Supervisors or members of senior management and an enterprise

under his direct or indirect control, or any other relationship which may lead to a transfer of the Company's interests, provided that no related party relationship shall exist between State-controlled enterprises for the mere fact that such enterprises are under the common control of the State;

- (9) Shareholders shall truthfully inform the Company of information about their controlling shareholders and de facto controllers, give a written notice to the Company within five days from the occurrence of any change to such controlling shareholders and de facto controllers, inform the Company of such change as well as any related party arising after such change and the details thereof, and fulfill the regulatory procedures;
- (10) if the shares held by him/her are involved in a litigation or arbitration, the relevant Shareholder shall submit a written report to the Company within fifteen days from the occurrence thereof and the Company shall notify other Shareholders of such information promptly;
- (11) in case that any material event such as merger, spin-off, dissolution, bankruptcy, close-down and takeover happens, or there is any change in the legal representative, company name, operation site, business scope and other material matters, the Company shall be informed by a written report within fifteen days after the occurrence thereof;
- (12) if a Shareholder holding at least 5% of the voting shares of the Company creates or releases a pledge over his or its shares, such Shareholder shall submit a written report to the Company on the date of the occurrence thereof and the Company shall notify other Shareholders of such information promptly;
- (13) if a related party relationship arises among Shareholders holding at least 5% of the voting shares of the Company, the relevant Shareholders shall submit a written report to the Company within five working days. If such related party relationship results in a change in the interests of such Shareholders in the Company, the relevant Shareholders shall submit a written report to the Company on the date of the occurrence thereof or the following day thereafter;
- (14) Shareholders shall obey and implement resolutions passed at the Shareholders' General Meetings;
- (15) where there are risk events or material violations occurring in the Company, Shareholders shall cooperate with regulatory authorities in investigation and risk disposition;

- (16) if a Shareholder creates a pledge over his equity interests in the Company, such Shareholder shall not prejudice the interests of other Shareholders and the Company by doing so, or enter into any agreement which allows the pledgee or his other related parties to exercise his voting rights;
- (17) other obligations imposed by laws, administrative regulations, regulatory requirements and the Articles of Association.

Shareholders shall not be liable for making any additional contribution to the share capital of the Company other than according to the terms as agreed by the subscribers of the shares at the time of subscription.

**Article 64** Any organization or individual (including their affiliated companies) purchasing for its or his own account or in the name of another person 5% or more of the total number of the issued and outstanding shares of the Company shall obtain the prior approval of the CBIRC. Unless the prior approval of the CBIRC has been obtained, the number of shares of the Company held by any Shareholder shall not exceed 5% of the total share capital of the Company or such other ratio as may be approved by the CBIRC, whichever is higher.

If, without the prior approval of the CBIRC, a Shareholder holds shares in excess of such amount as set forth in the preceding paragraph (the “**Excess Shares**”), then, prior to the approval of the CBIRC, such Shareholder’s exercise of the Shareholders’ rights stipulated in Article 55 of these Articles of Association in respect of the Excess Shares shall be subject to necessary restrictions, including: (1) no voting rights shall be attached to the Excess Shares when a vote is taken at the Shareholders’ General Meeting (including a vote held among Shareholders of any class); and (2) the Excess Shares shall not carry the right to nominate Directors and Supervisors under these Articles of Association. Notwithstanding the foregoing, Shareholders of the Company who hold Excess Shares shall not be subject to any restrictions when exercising other rights stipulated in Article 57 of these Articles of Association.

**Article 65** The controlling Shareholders and de facto controllers of the Company shall owe a fiduciary duty to the Company and other Shareholders. The controlling Shareholders of the Company shall exercise their rights as capital contributor strictly in accordance with the laws and regulations and these Articles of Association and shall not cause damages to the legitimate rights and interests of the Company and other Shareholders by means of profit distribution, asset restructuring, external investment, fund appropriation, providing security for borrowing, utilization of insurance funds and related party transactions or cause damages to the interests of the Company and other Shareholders by taking advantage of their controlling positions. The controlling Shareholders shall exercise effective management over the staff holding posts in both the controlling Shareholders and the Company at the same time to prevent conflicts of interest. Other than the chairman of the controlling Shareholders, the staff members of the controlling Shareholders shall not concurrently serve as executive Director and member of senior management of the Company.

In addition to the obligations imposed by the laws, administrative regulations or the listing rules of the stock exchange where the shares of the Company are listed, when exercising their rights as Shareholders, the controlling Shareholders shall not make decisions on the following issues which are detrimental to all or part of the Shareholders' interests by exercising their voting rights:

- (1) relieving a Director or Supervisor of the responsibility to act in good faith and in the best interests of the Company;
- (2) approving a Director or Supervisor (for his own benefit or the benefit of a third party) to deprive the Company of its property in any manner, including (but not limited to) any opportunities favourable to the Company;
- (3) approving a Director or Supervisor (for his own benefit or the benefit of a third party) deprive other Shareholders of their personal rights and interests, including but not limited to any rights to distributions or voting rights, except for restructuring of the Company proposed at and approved by the Shareholders' General Meeting in accordance with these Articles of Association.

**Article 66** For the purpose of the preceding Article, the term "controlling Shareholder" shall refer to any person who has satisfied any of the following conditions:

- (1) a person, who, acting alone or in concert with others, has the power to elect more than half of the Directors;
- (2) a Shareholder whose shareholding represents 50% or more of the total share capital of the Company;
- (3) a Shareholder whose shareholding is less than 50% but whose voting rights attached to his shareholding is sufficient to have a material impact on the resolutions of a Shareholders' General Meeting, including (but not limited to):
  1. a Shareholder who, acting alone or in concert with others, has the power to exercise or control the exercise of 30% or more of the voting rights of the Company;
  2. a Shareholder who, acting alone or in concert with others, holds 30% or more of the issued and outstanding shares of the Company; or
  3. a Shareholder who, acting alone or in concert with others, has de facto control of the Company by any other means.

## Chapter VIII Shareholders' General Meeting

**Article 67** The Shareholders' General Meeting shall be the organ of authority of the Company and shall exercise its functions and powers in accordance with the laws.

**Article 68** The Shareholders' General Meeting shall exercise the following functions and powers:

- (1) to decide on the business operation policies and investment plans of the Company;
- (2) to elect and replace the Directors and Supervisors who are not employee representatives, and decide on matters concerning the remuneration of the Directors and Supervisors;
- (3) to consider and approve reports of the Board;
- (4) to consider and approve reports of the Board of Supervisors;
- (5) to consider and approve proposals on the annual financial budget and final accounts of the Company;
- (6) to consider and approve the profit distribution plans and loss recovery plans of the Company;
- (7) to adopt resolutions concerning the increase or reduction of the Company's registered share capital;
- (8) to adopt resolutions on the merger, division, dissolution, liquidation or change of the corporate form of the Company;
- (9) to consider and approve all or part of the shares to be listed on any stock exchange or any plan in respect of the issue of the bonds or other securities of the Company;
- (10) to adopt resolutions on the appointment or dismissal of an accounting firm which regularly carries out a statutory audit on the financial reports of the Company;
- (11) to amend these Articles of Association and to consider the respective rules of procedures for the Shareholders' General Meeting, the Board meeting and the Board of Supervisors meeting;
- (12) to consider proposals presented by any Shareholder who individually or in aggregate holds 3% or more of the total number of the shares in the Company;

- (13) to consider and approve matters relating to guarantees as provided for in Article 69;
- (14) to consider and approve matters in connection with the acquisition or disposal of any material asset by the Company within one year with a value, individually or in aggregate, in excess of 30% of the latest audited total assets of the Company;
- (15) to consider all investments where any of the asset ratio, consideration ratio, profit ratio, income ratio and equity capital ratio is at least 25% pursuant to the Listing Rules (as amended from time to time) applicable to the Company;
- (16) to consider and approve any external investment of the Company with a single transaction value in excess of 50% of the latest audited net asset value of the Company (other than the transactions entered into between the Company and its controlled subsidiaries) and its related disposal;
- (17) to consider and approve the write-off of any asset with a single or individual initial cost in excess of 2% of the latest audited net asset value of the Company, or with an annual accumulative initial cost in excess of 5% of the latest audited net asset value of the Company;
- (18) to consider and approve any donation to third parties with a total expense in excess of 5% of the registered share capital of the Company;
- (19) to consider and approve any asset pledge with an individual amount in excess of 10% of the latest audited net assets of the Company or with an annual accumulative amount in excess of 30% of the latest audited net assets of the Company (excluding the employment of funds in the ordinary course of business operation);
- (20) to consider and approve the change to the use of funds raised;
- (21) to consider and approve the employee stock ownership plan or share incentive scheme;
- (22) to resolve to purchase the shares of the Company;
- (23) to consider and approve the establishment of any legal person by the Company. Such legal person refers to any domestic or overseas company directly invested, established and controlled by the Company;

(24) to consider and approve the following related party transactions:

1. any material related party transaction between the Company and a related party, where the amount of a single transaction or the cumulative amount of a series of transactions representing at least 5% of the net assets of the Company as at the end of the previous year, saved for related party transactions between the Company and its subsidiaries;
2. any security provided by the Company for its related parties;
3. any other related party transaction to be approved by the Shareholders' General Meeting as provided for in relevant regulatory requirements and these Articles of Association.

Where a material related party transaction to be approved by the Shareholders' General Meeting requires an intermediary agency to be engaged for prior audit or evaluation purposes under regulatory requirements, the regulatory requirements shall prevail.

A material related party transaction refers to a transaction between the Company or its subsidiary and a related party where the amount of a single transaction or the cumulative annual amount of a series of transactions exceeds RMB30 million, and accounts for at least 1% of the unaudited net assets of the Company as at the end of the previous year;

(25) any other matter which, according to the laws, administrative regulations, regulatory provisions and regulations and requirements stipulated by the securities regulators of the places where the shares of the Company are listed, may have a material impact on the business development of the Company and these Articles of Association, shall be resolved at a Shareholders' General Meeting.

Where the Shareholders' General Meeting authorizes the Board to exercise certain of its functions and powers, the Shareholders' General Meeting shall adopt a resolution and its authorization shall be explicit and specific.

**Article 69** The Company shall not provide any security to third parties for others' debts. The foregoing is not applicable to (1) any security provided for its affiliated companies by the Company, (2) any litigation guarantee provided by the Company during its ordinary course of operation and management.

Any security provided for the affiliated companies shall be examined and approved by the Shareholders' General Meeting.

**Article 70** The Company shall not, without the prior approval of the Shareholders holding at least two-thirds of voting rights present at a General Meeting, enter into any contract with any person (other than a Director, Supervisor, the President, a Vice President and any other member of senior management) pursuant to which such person shall be authorized to manage all or the material part of the businesses of the Company.

**Article 71** Shareholders' General Meeting consist of annual General Meeting and Extraordinary General Meeting. Shareholders' General Meeting shall be convened by the Board.

Annual General Meeting shall be convened once every year and shall be held within 6 months from the end of the preceding accounting year.

The Board shall convene an Extraordinary General Meeting within 2 months after any of the following occurs:

- (1) the number of Directors falls below the number stipulated by the Company Law or two-thirds of the number as required under these Articles of Association;
- (2) the unrecovered loss of the Company reaches one-third of the Company's total paid-in share capital;
- (3) any Shareholder who individually or in aggregate holds at least 10% of the total number of shares of the Company so requests;
- (4) when the Board deems necessary;
- (5) when the Board of Supervisors proposes to convene an Extraordinary General Meeting;
- (6) when more than half and no less than two of the independent Directors propose to convene an Extraordinary General Meeting;
- (7) any other circumstance as provided for by the laws, administrative regulations, rules, the securities regulators located at the places where the shares of the Company are listed and these Articles of Association.

In particular, if the independent Directors propose to convene an Extraordinary General Meeting, the Board shall, in accordance with the laws and regulations, regulatory rules and these Articles of Association, furnish a written reply stating whether it consents to convene an Extraordinary General Meeting within ten days after receiving such proposal. If the Board consents to such proposal, a notice of convening the Shareholders' General Meeting shall be given within five days after the Board has adopted a resolution therefor.

**Article 72** When the Company convenes an annual Shareholders' General Meeting, a written notice of the meeting shall be given 20 working days before the date of meeting; when the Company convenes an Extraordinary Shareholders' General Meeting, a written notice of the meeting shall be given 10 working days or 15 days (whichever is later) before the date of meeting, to notify the Shareholders whose names appear in the share register of the matters to be considered at, and the date and place of, the meeting.

The Company shall submit the notice of meeting to the CBIRC in writing and by email ten days prior to the convening of the Shareholders' General Meeting.

**Article 73** When the Company convenes a Shareholders' General Meeting, the Board, the Board of Supervisors and any Shareholder holding, individually or in aggregate, at least 3% of the shares of the Company shall have the right to propose motions.

Any Shareholder holding, individually or in aggregate, at least 3% of the shares of the Company shall have the right to propose an ex tempore motion and submit the same to the convener in writing 10 days prior to the General Meeting. The convener shall issue a supplemental notice of General Meeting within 2 days upon receipt of the proposed motion to make public the contents of the ex tempore motion. For the purpose hereof, the term "convener" refers to a person who has the right to convene a Shareholders' General Meeting pursuant to these Articles of Association.

The contents of the motion proposed to a Shareholders' General Meeting shall fall within the terms of reference of the Shareholders' General Meeting, states clearly the topic for discussion and issues for resolution and be in compliance with the laws, administrative rules and these Articles of Association.

**Article 74** Shareholders' General Meeting shall not decide on any matter which is not specified in the notice.

**Article 75** The notice of a Shareholders' General Meeting shall meet the following requirements:

- (1) it shall be made in writing;
- (2) it shall specify the record date for recording the shareholding interests of Shareholders who are entitled to attend the Shareholders' General Meeting;
- (3) it shall specify the place, date and time of the meeting;

- (4) it shall describe the matters to be discussed at the meeting;
- (5) it shall provide necessary information and explanations to the Shareholders for them to make informed decision on the matters to be discussed. This principle shall include (but shall not be limited to) the circumstances where the Company proposes a merger, repurchase of shares, reorganization of share capital or other restructuring, the Company shall provide the specific conditions and contracts (if any) of the proposed transaction and shall earnestly explain the cause and consequence of such transaction;
- (6) if any Director or Supervisor, the President, a Vice President or any other member of senior management has a conflict of interest in any matter to be discussed, he shall disclose the nature and extent of such conflict of interest; if the matter to be discussed would affect such Director, Supervisor, the President, Vice President or other member of senior management in his capacity as Shareholder in a way different from that affecting other Shareholders of the same class, he shall explain the difference;
- (7) it shall contain the full text of any special resolutions proposed to be adopted at the meeting;
- (8) it shall contain a conspicuous statement that Shareholders who have the right to attend and vote thereat shall have the right to appoint one or more proxies to attend and vote on their behalf and that such proxy need not be a Shareholder;
- (9) it shall state the time and place for serving the power of attorney in respect of voting at the meeting;
- (10) it shall contain the name and phone number of the permanent contact person for the meeting;
- (11) if a Shareholders' General Meeting is conducted online or otherwise, the timing and procedure for voting online or otherwise shall be specified in the notice of Shareholders' General Meeting.

**Article 76** A notice of a Shareholders' General Meeting shall be served on each Shareholder (regardless of whether such Shareholder is entitled to vote at the meeting), by hand or prepaid mail to the address of the Shareholder as shown in the register of Shareholders.

For the Shareholders of domestic shares, the notice of meeting may also be issued by way of public announcement. Such public announcements shall be published on the website of stock exchange and any media meeting the requirements specified by the securities regulatory authority of the State Council. Once the announcement is made, all Shareholders of domestic shares shall be deemed to have received the notice of the relevant Shareholders' General Meeting.

For the Shareholders of overseas-listed foreign investment shares, the notice of meeting may also be issued during a period set out in Article 72 hereof pursuant to Article 237 of these Articles of Association, including the issue by way of a public announcement published on the websites of the Company and the stock exchange located in the place where the shares are listed. Once a notice of meeting is made by way of public announcement or is issued by any other means as permitted under Article 237 of these Articles of Association, all Shareholders of overseas-listed foreign investment shares shall be deemed to have received the notice of the relevant Shareholders' General Meeting.

**Article 77** An accidental omission to give notice of a meeting to, or the failure to receive the notice of a meeting by, any person entitled to receive such notice shall not invalidate the meeting and the resolutions adopted thereat.

**Article 78** Any individual Shareholder who attends the meeting in person shall present his identity card and other valid identification certificate or evidence or proof of his shareholding. If a proxy is appointed to attend the meeting, the proxy shall present his valid identity card and power of attorney issued by the Shareholder.

A corporate Shareholder shall be represented by its legal representative or proxy appointed by its legal representative to attend the meeting. If the legal representative attends the meeting, he shall present his identity card and valid proof of his capacity as a legal representative. When a proxy is appointed to attend the meeting, he shall present his identity card and the power of attorney issued by the legal representative of the corporate Shareholder in accordance with the law.

Notwithstanding the foregoing, a representative or agent acting on behalf of a recognized clearing house within the meaning of the relevant laws and regulations of the place in which the shares of the Company are listed shall not be required to produce his written power of attorney and proof of shareholding.

**Article 79** Shareholders attending a Shareholders' General Meeting shall express one of the following opinions on motions for voting: for, against or abstain, except that securities registration and settlement institutions, being the nominal holders of shares subject to the Mainland-Hong Kong stock connect, and the GDR depositary, being the nominal holder of the underlying A shares represented by the depositary receipts of the Shanghai-London stock connect, may express opinions according to the intentions of actual holders.

If a ballot is blank, marked erroneously or illegible or has not been cast, the voter shall be deemed to have waived his right to vote and the voting results for the number of shares held by him shall be recorded as "abstained".

Any Shareholder who is entitled to attend and vote at a Shareholders' General Meeting shall have the right to appoint one or more than one person (who need not be Shareholders) as his proxy/proxies to attend and vote on his behalf. Such proxy may exercise the following rights according to the appointment by the Shareholder:

- (1) the Shareholder's right to speak at the meeting;
- (2) the right to demand or join in demanding a poll;
- (3) the right to vote by hand or on a poll, except that if a Shareholder has appointed more than one proxy, the proxies may only exercise the voting rights by way of poll.

If the said Shareholder is a recognized clearing house (or its agent) within the meaning of the relevant laws and regulations of the place in which the shares of the Company are listed, such Shareholder may authorize one or more than one person as he deems appropriate as his proxy/proxies to attend on his behalf any General Meeting or any class of Shareholders' meeting; if more than one person is authorized, a power of attorney shall specify the number and class of shares in connection with such authorization granted to each person. Any person so authorized can exercise the right on behalf of the recognized clearing house (or its agent) as if he is an individual Shareholder of the Company.

**Article 80** A Shareholder shall appoint his proxy in writing and the instrument shall be signed by the appointing Shareholder or his agent who has been duly authorized in writing; if the appointing Shareholder is a legal person, the power of attorney shall be affixed with its chop or shall be signed by its director or duly authorized agent.

A power of attorney in respect of the voting proxy shall specify the following:

- (1) the name of the proxy;
- (2) whether or not the proxy has the right to vote;
- (3) the instructions on voting in favour of, against or abstention from voting in respect of each matter included in the agenda of the Shareholders' General Meeting;
- (4) the issue date and valid term of the power of attorney;
- (5) the signature (or seal) of the appointing Shareholder.

**Article 81** A power of attorney in respect of a voting proxy shall be placed at the domicile of the Company or such other place as specified in the notice for convening the meeting at least 24 hours before the convening of the such meeting at which the proxy is authorized to vote or 24 hours prior to the specified time of voting. If the power of attorney is signed by a person authorized by the appointing Shareholder, the authorization letter in respect of the authority to sign or other authorization documents shall be notarized. The notarized authorization letter or other authorization instruments shall be placed together with the power of attorney in respect of voting proxy at the domicile of the Company, or at any other place as specified in the notice of meeting.

If the appointing Shareholder is a legal person, its legal representative or any person authorized by resolution of its board of directors or other decision-making body shall attend the Shareholders' General Meeting on behalf of the Company.

**Article 82** Any form of power of attorney issued by the Board of the Company to the Shareholders for the appointment of proxies shall enable the Shareholders to freely instruct their proxies to vote in favour of or against the motions and to give respective instruction in respect of each individual matter to be voted at the meeting. The power of attorney shall contain a statement that, in the absence of instructions from the Shareholder, the proxy may vote as he thinks fit.

**Article 83** A vote given by the Shareholder's proxy in accordance with the power of attorney shall be valid notwithstanding the death or loss of capacity of the appointing Shareholder, withdrawal of the appointment of proxy, revocation of the authority under which a power of attorney was executed or the transfer of the relevant shares, insofar as the Company has not received any written notice thereof before the commencement of the relevant meeting.

**Article 84** The Company shall convene a Shareholders' General Meeting at its place of domicile or at a place designated by the Board.

A Shareholders' General Meeting shall have a venue and be convened with a combination of physical meeting and on-line voting and shall facilitate the Shareholders to attend the meeting by way of other safe, economical and convenient means in accordance with the laws, administrative regulations, and provisions of the China Securities Regulatory Commission and these Articles of Association. Shareholders attending the Shareholders' General Meeting by the said means shall be deemed to have been present thereat.

Only one of the following voting methods can be selected to exercise the same voting right: vote at the meeting, vote online or otherwise. If the same voting right has been exercised for multiple times, only the first voting result shall prevail.

**Article 85** The convener and the legal adviser retained by the Company shall verify the legality of the qualification of the Shareholders based on the Shareholder register provided by the securities registration and clearing authority and shall register the names of the Shareholders together with the numbers of voting shares in their possession. Before the chairman of the meeting declares the number of Shareholders and proxies present at the meeting in person as well as the total number of voting shares in their possession, the registration formalities of the meeting shall be closed.

**Article 86** When convening a Shareholders' General Meeting, all Directors and Supervisors of the Company and the Secretary to the Board shall attend the meeting, and the President and other members of senior management shall attend the meeting as non-voting attendees.

**Article 87** When considering a proposal at a Shareholders' General Meeting, no change shall be made to such proposal; otherwise, the relevant change shall be treated as a new proposal which cannot be voted at the General Meeting.

**Article 88** Prior to voting, the chairman of the meeting shall declare the number of Shareholders and proxies present at the meeting in person as well as the total number of voting shares in their possession. The number of Shareholders and proxies present at the meeting in person as well as the total number of voting shares in their possession shall be as registered at such meeting.

**Article 89** Any resolution of Shareholders adopted at a General Meeting shall take the form of either ordinary resolution or special resolution.

An ordinary resolution shall be adopted by affirmative votes from at least one-half of the voting rights held by the Shareholders (including Shareholder proxies) present at the Shareholders' General Meeting.

A special resolution shall be adopted by affirmative votes from at least two-thirds of the voting rights held by the Shareholders (including Shareholder proxies) present at the Shareholders' General Meeting.

**Article 90** When voting at a Shareholders' General Meeting, Shareholders (including their proxies) shall exercise their voting rights based on the number of voting shares represented by them, and each share shall carry one voting right. However, the shares held by the Company shall carry no voting right and not be counted in the total number of voting shares represented at the General Meeting.

When the Shareholders' General Meeting considers material matters that affect the interests of medium and small investors, the votes of medium and small investors shall be separately calculated. The result of separate calculation shall be publicly disclosed in a timely manner.

The Board of Directors, independent Directors and Shareholders who meet the relevant requirements may publicly solicit from other Shareholders for their voting rights. When soliciting Shareholders' voting rights, specific voting intentions and other information shall be fully disclosed to the person solicited. No Shareholders' voting rights shall be solicited in exchange for compensation or disguised compensation. The Company shall not set any minimum shareholding ratio limit for soliciting of Shareholders' voting rights.

**Article 91** When considering matters in relation to any related party transaction at a Shareholders' General Meeting, all related Shareholders shall abstain from voting, and the number of voting shares held by them shall not be counted into the total number of valid votes. The announcement of resolutions adopted at a Shareholders' General Meeting shall fully disclose the votes cast by non-related Shareholders.

**Article 92** At a Shareholders' General Meeting, a resolution shall be decided by a show of hands, unless a poll is required under the Listing Rules of the HKSE or is demanded by the following persons before or after a vote has been carried out by a show of hands:

- (1) the chairman of the meeting;
- (2) at least two Shareholders with voting rights or their proxies;
- (3) any one Shareholder or several Shareholders (including their proxies) holding individually or in aggregate at least 10% of the voting shares represented at the meeting.

Unless a poll is required under the Listing Rules of the HKSE, or is demanded by any of the above persons, the chairman of the meeting shall declare whether a resolution has been adopted based on the results of the votes by a show of hands. The chairman of the meeting shall record the same in the minutes of the meeting, which shall serve as a conclusive evidence, without the need to provide evidence of the number or proportion of the votes cast in favour of or against such resolution.

The demand for a poll may be withdrawn by the person who made such demand.

**Article 93** A poll demanded for the election of the chairman of the meeting or on the adjournment of the meeting shall be taken forthwith. A poll demanded for resolving any other matter shall be taken at a time decided by the chairman of the meeting, and the meeting may proceed to discuss any other matter and the result of the poll shall still be treated as a resolution adopted at such meeting.

**Article 94** On a poll taken at a meeting, a Shareholder (including a Shareholder proxy) entitled to have at least two votes need not cast all his votes either in favour of or against the resolution. When counting the votes, the number of shares represented by invalid votes shall not be counted into the total number of voting shares held by the Shareholders present at the meeting.

**Article 95** The following matters shall be approved by an ordinary resolution adopted at a Shareholders' General Meeting:

- (1) the business operation policies and investment plans of the Company;
- (2) working reports of the Board and the Board of Supervisors;
- (3) profit distribution plans and loss recovery plans of the Company;

- (4) election and replacement of Directors and Supervisors who are not employee representatives, and the decision on the remuneration of such Directors and Supervisors and methods of payment thereof;
- (5) annual reports and reports on annual budget and final accounts of the Company;
- (6) the appointment and dismissal of an accounting firm which regularly carries out a statutory audit on the financial reports of the Company;
- (7) matters in connection with donation to external parties with a total expense in excess of 5% of the registered share capital of the Company;
- (8) any other matters other than those which shall be approved by special resolutions pursuant to the laws, administrative regulations, regulatory rules or these Articles of Association.

**Article 96** The following matters shall be approved by a special resolution adopted at a Shareholders' General Meeting:

- (1) the increase or decrease of the registered capital of the Company;
- (2) acquisition of the shares in the Company;
- (3) the merger, division, dissolution and liquidation of the Company or change of the corporate form of the Company;
- (4) the issue of bonds or other marketable securities of the Company and listing;
- (5) the amendment of these Articles of Association;
- (6) to consider and approve all investments where any of the assets ratio, consideration ratio, profit ratio, income ratio and equity capital ratio is at least 25% pursuant to the Listing Rules (as amended from time to time) applicable to the Company;
- (7) to consider and approve any external investments of the Company with a single transaction value in excess of 50% of the latest audited net assets of the Company (other than the transaction entered into between the Company and its controlled subsidiaries) and its related disposal;
- (8) to consider and approve the write-off of any asset with a single or individual initial cost in excess of 2% of the latest audited net assets of the Company or with an annual accumulative initial cost in excess of 5% of the latest audited net assets of the Company;

- (9) to consider and approve acquisition or disposition of any material asset or provision of any security by the Company within one year with a value, individually or in aggregate, in excess of 30% of the latest audited total assets of the Company;
- (10) to approve any asset pledge of the Company with an individual amount in excess of 10% of the latest audited net assets of the Company, or an annual accumulative amount in excess of 30% of the latest audited net assets of the Company (excluding the employment of funds during the ordinary course of business);
- (11) employee stock ownership plan or equity incentive schemes;
- (12) the establishment of legal person by the Company;
- (13) removal of any independent Director;
- (14) any other matter stipulated by laws and regulations, regulatory rules or agreed by these Articles of Association, and any other matter that, as resolved by way of an ordinary resolution adopted at the Shareholders' General Meeting, may have a material impact on the Company and need to be approved by a special resolution.

**Article 97** If a single Shareholder (together with its related Shareholders or parties acting in concert with it) of the Company holds more than 30% of its shares, the election of Directors and Supervisors at the Shareholders' General Meeting shall be voted via cumulative voting system.

The said cumulative voting system means that, when at least two Directors or Supervisors are elected at the Shareholders' General Meeting, each share held by Shareholders has the same number of voting rights as the number of Directors and Supervisor to be elected and the Shareholders can vote by concentrating the number of voting rights held by them. Whether a candidate for Director or Supervisor is elected shall be determined according to the number of votes, provided that the total number of votes obtained by an elected Director or Supervisor shall exceed one-half of the total number of voting rights (on a non-cumulative basis) held by all Shareholders attending the Shareholders' General Meeting.

**Article 98** An Extraordinary General Meeting or a class meeting of Shareholders requested to be convened by Shareholders shall comply with the following procedures:

- (1) Any Shareholder holding individually or in aggregate at least 10% of the Company's shares may sign one or more written requests of the same format and substance, requiring the Board to convene an Extraordinary General Meeting or a class meeting of Shareholders and stating the proposed matters to be discussed thereat. The Board shall, in accordance with the laws, administrative regulations and these Articles of Association, furnish a written reply stating whether it agrees to convene an Extraordinary General Meeting within 10 days upon receipt of such request. The shareholdings referred to in the above shall be calculated as at the date on which the Shareholder submit such written request.
- (2) If the Board agrees to convene an Extraordinary General Meeting or a class meeting of Shareholders, the notice of convening such meeting shall be issued within five days after the relevant resolution of the Board is adopted. Any change to the original request made in the notice shall require prior approval of the relevant Shareholders.
- (3) If the Board does not agree to convene an Extraordinary General Meeting or a class meeting of Shareholders, or does not furnish any reply within ten days upon receipt of such request, any Shareholder holding individually or in aggregate at least 10% of the shares of the Company shall have the right to propose to the Board of Supervisors for convening of an Extraordinary General Meeting and such proposal shall be made in writing.
- (4) If the Board of Supervisors agrees to convene an Extraordinary General Meeting or class meeting of Shareholders, the notice of such meeting shall be issued within five days upon receipt of such request. Any change to the original request made in the notice shall require prior approval of the relevant Shareholders.
- (5) Failure of the Board of Supervisors to issue a notice of General Meeting within the prescribed period shall be treated that the Board of Supervisors will not convene or preside over the Shareholders' General Meeting, and any Shareholder individually or in aggregate holding at least 10% of the Company's shares for at least 90 consecutive days shall be entitled to convene and preside over the meeting at their own discretion.

Any reasonable expenses incurred by any Shareholder who convenes and holds a meeting on his own by reason of the failure of the Board to do so shall be borne by the Company and shall be deducted from the sums owed by the Company to the defaulting Directors.

**Article 99** The Chairman of the Board shall serve as the chairman of the Shareholders' General Meeting. If the Chairman of the Board is unable to, or does not, perform his duties, the Vice Chairman of the Board shall serve as the chairman of the meeting. If the Vice Chairman of the Board is unable to, or does not, perform his duties, at least half of the Directors shall jointly elect a Director to serve as the chairman of the meeting.

If the Board of Supervisors convenes a Shareholders' General Meeting on its own, the Chairman of the Board of Supervisors shall serve as the chairman of the meeting. If the Chairman of the Board of Supervisors is unable to, or does not, perform his duties, at least half of the Supervisors shall jointly elect a Supervisor to serve as the chairman of the meeting.

If a Shareholder convenes a Shareholders' General Meeting on his own, the convener shall elect a representative as the chairman of the meeting. If the Shareholder fails to elect a chairman for any reason, the Shareholder (including his proxy) holding the highest number of voting shares present at the meeting shall be the chairman of the meeting.

When convening a Shareholders' General Meeting, if the chairman of the meeting violates the rules of procedures to the effect that the meeting cannot be proceeded, another person may be elected to serve as the chairman of the meeting with the approval of the majority of the Shareholders with voting right present at the meeting and the meeting shall proceed after such election.

**Article 100** If the chairman of the meeting has any doubt as to the result of a resolution subject to vote, he may have the votes re-counted. If the chairman of the meeting has not re-counted the votes, any Shareholder or Shareholder's proxy who is present at the meeting and objects to the result announced by the chairman of the meeting may, immediately after the declaration of the result, demand that the votes be re-counted and the chairman of the meeting shall forthwith re-count the votes.

**Article 101** If the votes are re-counted at a Shareholders' General Meeting, the re-counting result shall be recorded in the minutes of the meeting.

Minutes of the meeting shall, together with the attendance book of the attending Shareholders and the power of attorney of the attending proxies, be kept at the place of domicile of the Company.

**Article 102** Shareholders may have access to copies of the minutes of the Shareholders' General Meeting free of charge during the office hours of the Company. If any Shareholder requests a copy of the relevant minutes from the Company, the Company shall deliver such copy within 7 days after receipt of the payment for the reasonable fees incurred.

**Article 103** If any Shareholder, under the Listing Rules of the HKSE, is required to abstain from voting on any particular resolution, or is restricted to voting only for or only against any particular resolution, any vote cast by or on behalf of such Shareholder in contravention of such requirement or restriction shall not be counted.

**Article 104** When convening a Shareholders' General Meeting, the Company shall retain a legal counsel to give legal advice and make an announcement on the following issues:

- (1) whether the procedures for convening and holding a General Meeting comply with the requirements of the laws, administrative regulations and these Articles of Association;
- (2) whether the qualifications of the person attending and convening the Shareholders' General Meeting are legally valid;
- (3) whether the voting procedures for, and the voting results of, the General Meeting are legally valid;
- (4) issuance of legal opinion(s) on other issues at the request of the Company.

The Company shall, within 30 days after any resolution is adopted at the Shareholders' General Meeting, report such resolution to the CBIRC.

**Article 105** Minutes of meetings shall be kept for a Shareholders' General Meeting, and the Secretary of the Board shall be responsible for such minutes. The minutes of meeting shall record the following information:

- (1) time, venue and agenda of the meeting and name of the convener;
- (2) names of the chairman of the meeting as well as the Directors, Supervisors, managers and other members of senior management present at the meeting or attending the meeting on a non-voting basis;
- (3) the number of Shareholders and proxies present at the meeting, the number of voting shares held by such Shareholders and proxies, and its proportion to the total number of shares of the Company;
- (4) details of the consideration of, key points of discussion relating to, and the voting result of, each resolution;
- (5) Shareholders' enquiries and suggestions, and corresponding answers or explanations;
- (6) Names of legal adviser, vote counting officers and scrutineer;

- (7) Any other information to be recorded in minutes of meeting as provided for in these Articles of Association.

**Article 106** The convener shall ensure that the content of the minutes shall be true, accurate and complete. Directors, Supervisors, Board Secretary, convener or its representative and chairman of the meeting present at the meeting shall sign on the minutes. Minutes shall, together with the attendance book of the attending Shareholders and the power of attorney of the attending proxies and other information on online voting or voting by other methods, be kept on a permanent basis.

## **Chapter IX Special Voting Procedures for Class Shareholders**

**Article 107** Shareholders who hold different classes of shares shall be class Shareholders.

Class Shareholders shall have rights and obligations in accordance with the laws, administrative regulations and these Articles of Association.

If the share capital of the Company comprises of non-voting shares, the words “non-voting” shall be added to the title of such shares.

If the share capital comprises of shares attached with different voting rights, the words “limited voting right” or “restricted voting right” shall be added to the title of each class of such shares (except for shares with the most favourable voting right attached).

**Article 108** If the Company intends to change or abrogate the rights of class Shareholders, it may do so only after such change or abrogation has been approved by way of a special resolution adopted at a Shareholders’ General Meeting and by a separate Shareholders’ meeting convened by the affected class Shareholders in accordance with Articles 110 to 114.

**Article 109** Any of the following circumstances shall be deemed to be a change or abrogation of the rights enjoyed by a particular class of Shareholders:

- (1) to increase or decrease the number of shares of such class, or to increase or decrease the number of shares of a class having voting rights, distribution rights or other privileges equal or superior to those of shares of such class;
- (2) to exchange all or part of the shares of such class for shares of another class, or to exchange or create a right to exchange all or part of the shares of another class for shares of such class;
- (3) to cancel or reduce the right to accrued dividends or cumulative dividends attached to shares of such class;

- (4) to reduce or cancel the preferential right attached to shares of such class to receive dividends or to enjoy the distribution of assets in the event that the Company is liquidated;
- (5) to add, cancel or reduce conversion rights, election rights, voting rights, transfer rights or pre-emptive rights, or rights to acquire securities of the Company attached to shares of such class;
- (6) to cancel or reduce rights to receive payment payable by the Company in particular currencies attached to shares of such class;
- (7) to create a new class of shares having voting rights, distribution rights or other privileges equal or superior to those of the shares of such class;
- (8) to create restrictions on the transfer or ownership of shares of that class or to increase such restrictions;
- (9) to grant the right to subscribe for or convert into shares of such class or another class;
- (10) to increase the rights or privileges attached to shares of another class;
- (11) to propose to restructure the Company in such a way so as to result in the disproportionate assumption of obligations among various classes of Shareholders;
- (12) to alter or abrogate the provisions of this Chapter.

**Article 110** Shareholders of the affected class shall, regardless of whether having the right to vote or not at Shareholders' General Meetings, have the right to vote at class meetings of Shareholders in respect of matters as set forth in items (2) to (8), (11) and (12) of Article 109, provided that interested Shareholders shall not be entitled to vote at such class meetings of Shareholders.

For the purposes of the preceding paragraph, the term "interested Shareholders" shall have the following meanings:

- (1) if the Company has made a repurchase offer to all Shareholders in the same proportion or has repurchased its own shares through open transactions on a stock exchange in accordance with Article 34 hereof, the controlling Shareholders as defined in Article 66 of these Articles of Association shall be the "interested Shareholders";
- (2) if the Company has repurchased its own shares under an off-market agreement in accordance with Article 34 of these Articles of Association, Shareholders who are connected with such agreement shall be the "interested Shareholders";

- (3) under a restructuring proposal of the Company, Shareholders who will assume responsibility for a proportion lower than that assumed by other Shareholders of the same class, or Shareholders who have an interest in a restructuring proposal of the Company that is different from that of other Shareholders of the same class, shall be the “interested Shareholders”.

**Article 111** Resolutions of a class meeting of Shareholders shall be adopted by the affirmative vote of at least two-thirds of the class shares carrying voting rights and represented at the class meeting of Shareholders in accordance with Article 110.

**Article 112** When convening a class meeting of Shareholders, the Company shall issue a notice within the time limit for notice specified under Article 72 hereof.

The quorum for convening any class meeting of Shareholders for any class of shares (other than the adjournment of meeting) for the purpose of considering the alteration of such class of shares shall be the number of Shareholders holding at least one-third of the issued shares of such class.

**Article 113** Notice of class meeting of Shareholders need only be served on Shareholders entitled to vote thereat.

The class meeting of Shareholders shall be conducted in a manner similar to the Shareholders’ General Meetings to the fullest extent as possible. The provisions relating to the conduct of a Shareholders’ General Meeting as contained in these Articles of Association shall also apply to a class meeting of Shareholders.

**Article 114** Except for the Shareholders of other classes of shares, the Shareholders of domestic shares and Shareholders of overseas-listed foreign investment shares shall be treated as Shareholders of different classes of shares.

The special procedures in respect of voting by class Shareholders shall not apply in any of the following circumstances:

- (1) where the Company issues, either separately or concurrently, domestic shares and overseas-listed foreign investment shares at an interval of 12 months upon the approval by special resolution of its Shareholders in a General Meeting, and the number of the domestic shares and overseas-listed foreign investment shares intended to be issued does not exceed 20% of the issued and outstanding shares of each of such class;
- (2) where the plan for the issue of the domestic shares and overseas-listed foreign investment shares upon the establishment of the Company is completed within 15 months from the date of approval of the CSRC;

- (3) where, upon the approval by the securities regulatory authority of the State Council, any shares held by Shareholders of domestic shares of the Company are transferred to foreign investors and listed or traded at a stock exchange outside the PRC.

## **Chapter X Board of Directors**

### **Section 1 Directors**

**Article 115** Directors shall be natural persons and elected at a Shareholders' General Meeting. Their term of office shall be three years, calculated from the date on which they are duly appointed until the expiration of the term of the current Board. A Director may be re-elected to serve consecutive terms upon expiration of such term of office. A Director who is not re-elected promptly upon expiration of the term of office shall continue to perform the duties of a Director pursuant to the laws, administrative regulations, departmental rules and regulations and these Articles of Association until a successor is elected and takes up the position.

The position of Director may be held concurrently by the President or other members of senior management of the Company. However, the Directors who concurrently serve as the President or another member of senior management and those who are employee representatives shall not exceed half of the total number of Directors of the Company.

Candidates for directorship may be nominated by the Company's Board, the Nomination and Remuneration Committee under the Board and Shareholders holding individually or in aggregate three percent or more of the Company's shares.

The list of candidates for directorship shall be put before a Shareholders' General Meeting in the form of a motion to be passed. The Board shall provide the résumés and general information of the candidates to the Shareholders. When resolutions on the election of directors are considered at a Shareholders' General Meeting, each candidate shall be voted on individually and the resolutions shall be adopted by way of ordinary resolutions, except for voting via the cumulative voting system.

A written notice stating the intention to nominate a candidate for directorship and the candidate's willingness to accept the nomination shall be dispatched to the Company after the Company has issued the notice of a Shareholders' General Meeting in respect of the election of such Director no less than 7 days prior to the scheduled date of the Shareholders' General Meeting. Such notice period shall not be less than 7 days.

Subject to the relevant laws and administrative regulations, a Director whose term of office has not expired may be removed by an ordinary resolution at a Shareholders' General Meeting (without prejudice to any claim for compensation that may be raised under any contract).

The Chairman and the Vice Chairman of the Board shall be elected and removed by more than half of all members of the Board. The term of office of the Chairman and Vice Chairman shall be three years from the date of election and be renewable upon re-election.

Directors are not required to hold shares of the Company.

**Article 116** The Directors shall possess the professional knowledge and work experience appropriate to their duties and shall satisfy the conditions prescribed by laws and regulations, the CBIRC and other regulatory rules. The election and appointment of Directors elected and appointed in breach of this article shall be deemed invalid. If, during a Director's term of office, such Director fails to satisfy the directorship qualifications or other conditions prescribed by relevant laws and regulations, the CBIRC or other regulatory rules, the Company shall remove such Director from office.

**Article 117** A Director who is elected by the Shareholders' General Meeting as an additional Director or in order to fill a vacancy shall hold office from the effective date of such election until the expiration date of the term of the current Board.

Subject to the laws and regulations of the PRC and the relevant other provisions of these Articles of Association, any person appointed by the Board to fill a casual vacancy of the Board or to serve as an additional Director shall hold office until the next following Annual General Meeting of the Company only, and shall then be eligible for re- appointment upon re-election.

**Article 118** Directors shall have excellent conduct and reputation and shall also have sufficient time and necessary knowledge and ability to perform their duties. The Board shall require, and shall have the right to require, the management to fully and accurately provide in a timely fashion all information reflecting the operation and management of the Company and to fully and accurately explain the relevant issues in a timely fashion.

**Article 119** The Company may establish the necessary Director's liability insurance system.

**Article 120** The Company shall establish an evaluation and appraisal system for the due diligence of Directors. Each year, the Board shall evaluate and appraise the due diligence of its Directors and submit a Directors' due diligence report to the Shareholders' General Meeting and the Board of Supervisors.

**Article 121** A Director shall be deemed to be unable to carry out his duties if, at two consecutive Board meetings, he neither attended in person nor appointed another Director to attend on his behalf. The Board shall propose that such Director be replaced at a Shareholders' General Meeting.

**Article 122** Directors may resign before the expiration of their term. A Director who intends to resign shall tender his resignation to the Board in writing. The Board shall disclose the relevant particulars in accordance with the listing rules of the place of listing.

If the number of the members of the Board falls below the statutory minimum due to the resignation of a Director from the Board, the original Director shall continue to perform his functions and duties as Director in accordance with laws, administrative regulations, departmental rules and these Articles of Association until his elected replacement takes office.

Except in the circumstances set out in the preceding paragraph, the resignation of a Director shall take effect from the time when the resignation is served on the Board.

A Director's duty of loyalty to the Company and the Shareholders remains effective for one year from the effective date of his resignation or the expiration date of his term, as the case may be.

## **Section 2 Board of Directors**

**Article 123** The Company shall have a Board of Directors, which shall be accountable and report on its work to the Shareholders' General Meeting. The Board shall consist of fifteen Directors, of whom five shall be independent Directors, two shall be executive directors and eight shall be non-executive Directors. The Board shall have one Chairman and one Vice Chairman. The Chairman and the Vice Chairman shall be elected by more than half of all directors.

**Article 124** The Board shall be accountable to the Shareholders' General Meeting and shall exercise the following functions and powers:

- (1) to be responsible for convening the Shareholders' General Meeting and to report on its work to the Shareholders' General Meeting;
- (2) to implement the resolutions of the Shareholders' General Meeting;

- (3) to decide on the business plans and investment plans of the Company;
- (4) to formulate the proposed annual budgets and final accounts of the Company;
- (5) to formulate the plans for profit distribution (including plans for year-end dividend distribution) and loss recovery of the Company;
- (6) to formulate plans for the increase or reduction of the registered share capital of the Company, and for issuance and listing of corporate bonds and other securities;
- (7) to draw up plans for the Company's substantial acquisitions, the acquisition of shares in the Company, the merger, division or dissolution of the Company or a change of the corporate form of the Company;
- (8) to decide on the establishment of the Company's internal management departments;
- (9) to nominate the directors of the Company;
- (10) to appoint or dismiss the President; to appoint or dismiss the Company's Secretary to the Board as proposed by the Chairman of the Board; to appoint or dismiss the Company's Chief Auditor and Audit Officer as proposed by the Chairman of the Board or the Audit Committee; and to appoint or dismiss the Vice Presidents, Chief Actuary, General Counsel, Chief Risk Officer, Chief Technology officer, Chief Investment Officer, Chief Financial Officer, Compliance Officer and other such members of senior management of the Company as proposed by the President; and to determine their remuneration, rewards and penalties;
- (11) to formulate the basic management system of the Company;
- (12) to formulate amendments to these Articles of Association, to draw up the rules of procedure for Shareholders' General Meetings and the rules of procedure for Board meetings, and to consider working rules for the special committees under the Board;
- (13) to manage the disclosure of information by the Company;

(14) to consider and approve the following related party transactions:

1. a single transaction or cumulative annual transactions between the Company or its subsidiary and a related party amounting to less than 5% of the net assets as at the end of the previous year;
2. material related party transactions between the Company and its subsidiaries;
3. other related party transactions to be approved by the Board as provided for in relevant regulatory requirements or the regulations of the Company.

For the definition of “material related party transaction”, please refer to the definition set out in Article 68 of these Articles of Association;

- (15) to submit for the consideration of the Shareholders’ General Meeting proposals on the engagement or removal of an accounting firm to conduct regular statutory audits on the financial reports of the Company;
- (16) to explain to the Shareholders’ General Meeting audit reports that certified public accountants issue on the Company’s financial reports and that do not contain an unqualified audit opinion;
- (17) to engage external audit institutions to audit the Directors and members of senior management of the Company;
- (18) to listen to the work reports of the President of the Company and review the President’s work;
- (19) other functions and powers conferred by laws, administrative regulations, departmental rules, regulatory rules of the stock exchange of the place of listing or these Articles of Association.

The Board shall exercise its functions and powers collectively. In principle, the authority to exercise statutory functions and powers of the Board shall not be delegated to the Chairman of the Board, Directors or other individuals or organs. Where it is truly necessary to authorize the making of a decision on certain specific matters, such authority shall be granted by way of Board resolutions in accordance with laws. Each authorization shall be granted for one specific matter only. Other individuals or organs shall not be granted general or permanent authority to exercise functions or powers of the Board.

**Article 125** The Board shall formulate strict review and decision-making procedures and define the limits of the authority to conduct examination and approval. It shall consider and approve, or authorize the President to make decisions on, matters such as external investments and disposal thereof, the purchase, disposal and write-off of assets, the mortgage of assets, donations to third parties, etc.:

- (1) to consider and approve investment matters where (in the case of external investments other than transactions between the Company and its controlled subsidiaries) the transaction value of a single project does not exceed 50% of the audited net asset value of the Company for the most recent period, and where the assets ratio, consideration ratio, profits ratio, revenue ratio and equity capital ratio as calculated pursuant to the Listing Rules (as amended from time to time) applicable to the Company are each less than 25%; in such investment matters, the amount of a single authorized project shall not exceed RMB1 billion, and the annual accumulated authorized amount shall not exceed RMB2.5 billion;
- (2) to consider and approve external investment disposal matters of the Company where the transaction value of a single project does not exceed 50% of the audited net asset value of the Company for the most recent period (other than transactions between the Company and its controlled subsidiaries); in such disposal matters, the initial cost of a single authorized project shall not exceed RMB500 million;
- (3) to consider and approve matters in connection with the Company's purchase or sale, within one year, of material assets with a value not exceeding 30% of the audited total assets of the Company for the most recent period; for asset purchase matters, the amount of a single authorized project shall not exceed RMB1 billion, and the annual accumulated authorized amount shall not exceed RMB2.5 billion; for asset sale and transfer matters, the net book value of the assets involved in a single authorized project shall not exceed RMB500 million;
- (4) to consider and approve matters in connection with the write-off of assets in which the initial cost of a single or individual asset does not exceed 2% of the audited net asset value of the Company for the most recent period and the initial cost does not exceed 5% in aggregate of the audited net asset value of the Company for the most recent period on an annual basis; of such matters, the initial cost of a single authorized project or a one-off amount shall not exceed RMB100 million, and the annual accumulated authorized amount shall not exceed RMB300 million;

- (5) to consider and approve matters in connection with the mortgage of assets with a single transaction value not exceeding 10% of the audited net asset value of the Company for the most recent period and not exceeding 30% in aggregate of the audited total assets of the Company for the most recent period on an annual basis; of such matters, the amount of a single authorized project shall not exceed RMB1 billion;
- (6) to consider and approve matters in connection with donations to third parties with a total expense not exceeding 5‰ of the registered capital of the Company; of such matters, the expenses for a single authorized project shall not exceed RMB10 million, while the total amount of authorized expenses in the prevailing year shall not exceed RMB25 million.

The external investments referred in items (1) and (2) under this article and the mortgage of assets in item (5) do not include the employment of funds in the ordinary course of business. The references to assets in item (3) under this article are references to fixed assets and intangible assets.

If laws, administrative regulations or regulators require otherwise or these Articles of Association provide otherwise, such provisions shall prevail.

**Article 126** The Board shall establish a Strategic and Investment Decision-Making & ESG Committee, an Audit Committee, a Nomination and Remuneration Committee, a Risk Management and Related Party Transaction Control Committee, a Technological Innovation and Consumer Rights Protection Committee and other special committees, as necessary. The special committees shall comprise directors only and shall carry out their work as authorized by the Board, and shall be accountable to the Board. The rules of procedure and the duties and responsibilities of each committee shall be formulated by the Board.

The Board's strategic and investment decision-making & ESG committee shall be composed of at least three Directors and be chaired by the Company's Chairman of Board.

The Board's Audit Committee shall be composed of at least three Directors who are not members of management. More than half of its members shall be independent Directors. The committee's members shall possess professional knowledge in the areas of finance, law, etc. as appropriate to their duties and at least one of the independent Directors among them shall be a financial, legal or auditing professional or have more than five years of work experience in the area of finance, accounting or auditing.

The Board's Nomination and Remuneration Committee shall be composed of at least three non-executive directors. The great majority of its members shall be independent Directors.

The Board's Risk Management and Related Party Transaction Control Committee shall be composed of at least three Directors and independent Directors. An independent Director shall serve as chairman of the committee.

The Board's Technological Innovation and Consumer Rights Protection Committee shall comprise more than three directors.

**Article 127** The Board's disposal, or granting of consent to the disposal, of fixed assets shall be subject to the prior approval of the Shareholders' General Meeting, if the sum of the expected value of the fixed assets to be disposed of and the amount of consideration received from disposals of fixed assets during the 4 months immediately preceding the proposing of the disposal exceeds 33% of the value of the Company's fixed assets as shown in the most recent balance sheet reviewed by the Shareholders' General Meeting.

The "disposal of fixed assets" referred to in this Article includes transfers of interests in certain assets, but does not include pledge of fixed assets as security.

The validity of any fixed asset disposal transaction carried out by the Company shall not be affected by any violation of the first paragraph of this Article.

Before the Board decides on market development, a merger or acquisition, or investment in a new area, etc., if the amount of investment in the project or the amount of the assets involved in the merger or acquisition equals or exceeds 10% of the total assets of the Company, the Board shall engage a private consulting firm to provide a professional view, which shall serve as an important basis for the Board's decision.

**Article 128** The Chairman of the Board shall exercise the following functions and powers:

- (1) to preside over the Shareholders' General Meeting and to convene and preside over Board meetings;
- (2) to examine the implementation of the resolutions of the Board;
- (3) to sign securities issued by the Company;
- (4) other functions and powers as conferred by the Board.

The Vice Chairman of the Board shall assist the Chairman of the Board in his functions and duties. If the Chairman is unable or fails to perform his functions and duties, the Vice Chairman shall do so on his behalf. If the Vice Chairman is unable or fails to perform the functions and duties, the same shall be performed by a Director elected jointly by more than half of the Directors.

**Article 129** The Board shall hold four regular Board meetings a year. The Board meetings shall be convened by the Chairman of the Board. Notice of a regular Board meeting shall be given to all Directors and Supervisors at least fourteen days before the meeting is to be held.

A notice of a Board meeting shall include the date and venue of the meeting, the duration of the meeting, the reason for and agenda of the meeting, and the date of the notice.

If an urgent matter arises, Shareholders representing one-tenth or more of the voting rights, one-third or more of the Directors, two or more independent Directors, the Board of Supervisors or the Chairman of the Board may propose that an extraordinary Board meeting be held. The Chairman of the Board shall convene and preside over the Board meeting within ten days of receipt of the proposal. To convene an extraordinary Board meeting, notice shall be given to all Directors three days prior to the meeting.

**Article 130** The agenda and meeting documents of a Board meeting shall be delivered to all Directors in a timely manner, and in any event not less than three days (or such other time limit as agreed) prior to the date fixed for the Board meeting.

Any material matter which is subject to a decision of the Board must be notified to all executive Directors and non-executive Directors within the time limit stipulated in this Article and be accompanied by sufficient documentation. The meeting must be held strictly in accordance with the stipulated procedure. Directors may request supplementary documentation.

If a Director has attended a meeting and did not raise any opposition before or at the meeting stating that he had not received notice of the meeting, then notice of the meeting shall be deemed to have been sent to that Director.

Board meetings may be held in the form of a telephone conference or with similar communication equipment. All Directors attending such a meeting shall be deemed to be personally present at the meeting, so long as they can clearly hear the other Directors speak and communicate with them.

**Article 131** The Company's Board meetings may also be held, and resolutions passed thereat, by correspondence, provided that it is ensured that the Directors can express their views fully. Such a resolution shall take effect on the date when it is signed by the last Director whose signature is required for its effectiveness.

In principle, a Board meeting shall not pass a resolution on any motion which is not set out in the notice of the meeting. If an organization or individual that has the right to submit motions submits an ex tempore motion for a special reason, and all of the Company's directors unanimously agree to waive the procedural defect of such ex tempore motion, then the ex tempore motion may be considered and a vote may be taken on it.

Matters which shall not be voted on at a meeting that is held, and at which are votes cast, by correspondence include, but shall not be limited to, profit distribution plans, remuneration proposals, material investments and asset disposals, and the engagement and dismissal of members of senior management.

**Article 132** A Board meeting shall be held only if more than half of the Directors (including Directors who are appointed to attend as proxy in accordance with the provisions of Article 133 hereof) are present.

Resolutions of the Board shall be voted on by a show of hands or by oral or written vote. Each Director shall have one vote. A Board resolution shall be passed only if more than half of all Directors vote in favour of it. If the negative votes and the affirmative votes on a motion before the Board are equal in number, the Chairman shall have no casting vote.

**Article 133** Board meetings shall be attended by the Directors in person. A Director who is unable to attend a Board meeting for any reason may appoint another Director in writing to attend it on his behalf. The power of attorney shall set forth the name of the proxy, the matters in which the proxy is authorized to act, the scope of authorization and the period of validity, and shall be signed or sealed by the appointing Director. In principle, one Director shall not accept proxy appointments from more than two Directors who are unable to attend the meeting in person.

A Director who attends a meeting as proxy for another Director shall exercise the rights of the appointing Director within the scope of his authorization. A Director who neither attended a meeting in person nor appointed a proxy to attend it on his behalf shall be deemed to have waived his right to vote at that meeting.

**Article 134** When the Company's Board considers a material related party transaction, Directors who have a related party relationship with the enterprise involved in the matter to be resolved at the Board meeting shall not exercise their own right to vote or that of the Directors for whom they act as proxy (if any). The Board meeting may be held so long as it is attended by more than half of the Directors who have no such related party relationship. A resolution at the Board meeting may only be adopted with the affirmative votes of not less than two-thirds of the Directors who have no such related party relationship. If the number of attending Directors who have no such related party relationship is less than three, the matter shall be submitted to the Shareholders' General Meeting of the Company for consideration. The related party relationship mentioned above shall be handled in accordance with the provisions of the relevant laws, regulations and regulator's rules.

If recusal causes the ratio of voting rights at a Shareholders' General Meeting to be less than the ratio required by the Articles of Association or the statutory ratio, then the matter shall nevertheless be considered at the Board meeting and the provisions on recusal set out in the first paragraph hereof shall not apply, but the related party shall issue a declaration stating that the matter involves no improper transfer of benefits.

**Article 135** The Board shall prepare minutes of the decisions on matters discussed at its meeting. The meeting minutes shall be signed by the Directors who were present at the meeting and the secretary to the Board. The Directors who were present at the meeting shall have the right to request that explanatory notes concerning their statements at the meeting be added to the minutes. The Directors shall be responsible for the resolutions adopted by the Board. If a Board resolution violates a law, administrative regulation, these Articles of Association or a resolution of the Shareholders' General Meeting and such violation results in severe losses to the Company, the Directors who participated in the resolution shall be liable to the Company for compensation. However, if a Director is proved to have expressed his opposition to such resolution when it was put to the vote and such opposition is recorded in the meeting minutes, such Director may be absolved from such liability. The minutes of the Board meetings shall be kept by the Secretary to the Board. Upon reasonable request in a notice from any Director, the Secretary to the Board shall make the relevant Board minutes available for the Director's inspection during reasonable time slots.

**Article 136** If a substantial Shareholder or a Director has a conflict of interest in a matter to be considered by the Board and the Board has determined the conflict to be material, the matter shall be dealt with at a physical Board meeting rather than by a written resolution. Independent Directors who, and whose associates, have no material interest in the transaction shall be present at that Board meeting.

### **Section 3 Independent Directors**

**Article 137** Independent Directors shall be highly professional, have a good reputation and meet the directorship qualifications requirements and independence requirements prescribed by the relevant laws and regulations, the CBIRC and other regulatory rules.

**Article 138** The independent Directors owe a duty of good faith and due diligence towards the Company and all Shareholders. The independent Directors shall, pursuant to the requirements of the relevant laws and regulations and these Articles of Association, earnestly perform their duties, protect the overall interests of the Company and all Shareholders and in particular, ensure that the legitimate rights and interests of insurance consumers and the minority Shareholders are not harmed.

An independent Director shall ensure that he has sufficient time and energy to perform his duties in an effective manner, and may serve as an independent Director in not more than four domestic or overseas enterprises at the same time.

**Article 139** The independent Directors shall perform their functions and duties in good faith, independently and diligently, and free from any influence from the major Shareholders, actual controller or management of the Company or other entities or individuals with a material interest in the Company.

**Article 140** The independent Directors of the Company shall meet the following basic conditions:

- (1) having the qualifications required to serve as a director of a listed company, as provided for by laws, administrative regulations and other relevant regulations;
- (2) being independent;
- (3) having an undergraduate or higher education background or holding a bachelor's or higher degree;
- (4) having basic knowledge of the operations of listed companies and being conversant with the relevant laws, administrative regulations, ordinances and rules;
- (5) having not less than five years of work experience in management, financial affairs, accounting, finance, insurance, actuary work, investment, risk management, auditing, legal, economic or other such area, or of other work experience necessary for performing the duties of an independent director;
- (6) other conditions as prescribed by the CBIRC, relevant regulators and the Articles of Association of the Company.

**Article 141** The independent Directors must be independent. The following persons shall not serve as independent Directors:

- (1) persons who, during the most recent three years, have held a position with a Shareholder holding 5% or more of the Company's shares or with any Shareholder among the top ten Shareholders of the Company, and the close relatives and major social relations of such persons;

for the purposes of this item, the term "Shareholder" includes a Shareholder's controlling shareholders at all levels as traced back to each level, and their related parties and persons acting in concert with them, and the Shareholder's subsidiaries.

- (2) persons who have held a position with the Company or an enterprise under its actual control during the most recent three years, and the close relatives and major social relations of such persons;

- (3) persons who have provided legal, audit, actuary, management consulting or other such services to the Company, its controlling Shareholders and their respective subsidiaries during the most recent two years;
- (4) persons who, during the most recent two years, have served as partners, controlling shareholders or members of senior management of a bank, law firm, consultancy or auditing firm, etc. that does business with the Company, with any of its controlling shareholders or with any of their respective subsidiaries;
- (5) persons who hold a position in another insurance institution with the same main line of business;
- (6) other persons who are identified by the CBIRC as persons whose independent judgment may be affected;
- (7) any persons who fail to meet the independence requirements for independent directors of the securities regulator of any of the places of listing.

**Article 142** The independent Directors shall be nominated in the following ways:

- (1) nomination by Shareholders who individually or jointly hold not less than one percent of the shares in the Company;
- (2) nomination by the Nomination and Remuneration Committee of the Board;
- (3) nomination by the Board of Supervisors;
- (4) other ways approved by the CBIRC;
- (5) other ways stipulated by laws and regulations.

Shareholders holding more than one third of the shares of the Company, their related shareholders and persons acting in concert with them shall not be nominated as independent Directors.

The Nomination and Remuneration Committee of the Board and the Board of Supervisors shall nominate independent Directors by means of passing meeting resolutions.

**Article 143** The nominator of an independent Director shall seek the consent of the nominee before the nomination. The nominator shall find out the details of the nominee's occupation, job title, educational qualifications, expertise, work experience, all part-time positions and previous performance of independent directorship duties, and obtain information on the nominee's close relatives and major social relations, etc. The nominator shall give his written view on the nominee's qualifications for independent directorship and the nominee's independence. The nominee for independent directorship shall make a public statement as to the absence of any relationship between himself and the Company that could affect the independence and objectivity of his judgment.

Candidates for independent directorship shall carry out the review procedure of the Board's Nomination and Remuneration Committee before their nomination is submitted to the Shareholders' General Meeting for election. If a candidate for independent directorship was not nominated by the Board's Nomination and Remuneration Committee, the Nomination and Remuneration Committee shall review the eligibility of the nominator, the eligibility of the candidate, the nomination procedure, etc., and submit to the Board its opinion, reached upon such review, as to whether the candidate meets the requirements.

**Article 144** The term of office of independent Directors shall be the same as that of other Directors of the Company. Upon expiry of the term, an independent Director may serve another term if re-elected, provided that his consecutive terms shall not exceed six years in total.

If a circumstance affecting the independence of an independent Director arises during his term of office, the independent Director shall proactively declare the same to the Board and apply for recusal from voting.

Upon the receipt of a personal declaration of an independent Director, the Board shall determine by meeting resolution whether the independent Director complies with the independence requirement. The independent Director shall resign voluntarily if the Board determines that he does not comply with the independence requirement.

**Article 145** An independent Director shall personally attend Board meetings and the meetings of the special Board committees of which he is a member, and attend the Shareholders' General Meetings as a non-voting attendee.

If an independent Director is unable to attend a Board meeting in person for any reason, he shall entrust another independent Director by written proxy to attend the meeting on his behalf. If an independent Director fails to attend a Board meeting for three consecutive times, such failure will be deemed to be non-performance of his duties and the Company shall hold a Shareholders' General Meeting within three months to remove the independent Director from office and elect a new independent Director. If an independent Director fails to attend two Board meetings in person in the course of one year, the Company shall issue a written reminder to him. If an independent Director is reminded two times during his term of office, he shall not be reappointed.

If an independent Director who has lost his independence fails to resign voluntarily, or if an independent Director who shall not continue serving as an independent Director due to another reason (such as failing to fulfil his duty of due diligence) fails to resign voluntarily, a Shareholder, Director or Supervisor may submit to the Board a written proposal for his removal, accompanied by factual evidence. The Board shall consider the removal proposal and submit it to the Shareholders' General Meeting for consideration. The independent Director proposed to be removed may present a defence or make a statement to the Board. The Company shall, at least 15 days prior to the scheduled date of the Shareholders' General Meeting, notify the independent Director in writing of the reasons for his removal and of his relevant rights. The independent Director proposed to be removed is entitled to present a defence and make a statement at the Shareholders' General Meeting before voting takes place.

An independent Director shall not be removed before the expiry of his term of office except in circumstances as mentioned above or circumstances as specified in the Company Law in which a person shall not serve as a director. If an independent Director is removed early, the Company shall disclose the removal as a matter requiring special disclosure. A removed independent Director who considers his removal unjustified may make a public statement.

**Article 146** An independent Director may resign before his term of office expires. An independent Director who wishes to resign shall tender his resignation to the Board in writing and submit to the Board a written explanation of any circumstances that relate to the resignation and need to be brought to the attention of the Shareholders, the Board, the insurance consumers or the creditors of the Company.

If the resignation of an independent Director causes the number of independent Directors on the Company's Board or a special committee under the Board to fall below the required minimum, the independent Director shall stay in office until the new independent Director takes office, and his written resignation shall take effect after his successor fills the resulting vacancy, unless the independent Director resigned due to loss of independence or was removed from office.

If an independent Director resigns, is removed from office, or is disqualified from holding office by the CBIRC, the Company shall, within three months from the date of receipt of the written resignation, the date of removal or the date of disqualification, hold a Shareholders' General Meeting to elect another independent Director.

**Article 147** In order to bring the role of the independent Directors into full play, the Company confers the following special functions and powers on the independent Directors in addition to those conferred on them by the Company Law, these Articles of Association and relevant laws and regulations:

- (1) independent Directors shall examine and give their views on the fairness and compliance of material related party transactions, the performance of internal review procedures for material related party transactions and the impact of such transactions on the insurance consumers' interests; material related party transactions shall be subject to the approval of the independent Directors before they are submitted to the Board for discussion; before the independent Directors make a judgment, an intermediary service provider may be engaged to issue an independent financial advisor report to serve as a basis for the judgment, if deemed necessary by two or more independent Directors; if the related party transaction is problematic, the independent Directors shall state their opinion in writing;
- (2) independent Directors may propose to the Board the engagement or removal of an accounting firm, subject to the consent of more than half of the independent Directors;
- (3) more than half, and in any event not less than two, of the independent Directors may request the Board to convene an Extraordinary General Meeting;
- (4) more than two independent Directors may propose that a Board meeting be convened;
- (5) independent Directors may independently engage external audit institutions or consulting institutions;
- (6) other functions and powers stipulated by laws and regulations, regulatory rules and these Articles of Association.

**Article 148** In addition to performing the functions and powers conferred on them by the preceding article, the independent Directors shall give their independent views to the Board or the Shareholders' General Meeting on the following matters:

- (1) the nomination or removal of Directors;
- (2) the appointment or dismissal of members of senior management;
- (3) the remuneration of the Directors and members of senior management of the Company;
- (4) material related party transactions;
- (5) existing or new borrowings from the Company by the Company's actual controller or the actual controller's affiliated enterprises, or other financial transactions between the Company and its actual controller or the actual controller's affiliated enterprises, of a total amount exceeding 5% of the most recent audited net asset value of the Company, and whether the Company has taken effective measures to recover the amounts owed;
- (6) profit distribution plans;
- (7) investments, leasing, assets sales and purchases, provision of security and other such material transactions that do not fall within the business plan;
- (8) other matters that, in the opinion of the independent Directors, could have a significant impact on the rights and interests of the Company, minority Shareholders or insurance consumers;
- (9) other matters as stipulated by laws and regulations, regulatory rules or these Articles of Association.

The independent Directors shall give one of the following types of view on the matters mentioned above: in favour; reservations (with a statement of the reasons therefor); against (with a statement of the reasons therefor); unable to give a view (with a statement of the obstacles).

An independent Director who abstains from voting on, votes against or believes that there are obstacles in the way of his giving an opinion on, any of the matters mentioned above shall submit a written opinion to the Company and report the matter to the CBIRC.

**Article 149** If a resolution of the Board may impair the interests of the Company, insurance consumers or minority Shareholders but the Board does not accept the view of the independent Directors, then more than half and in any event not less than two independent Directors may request that the Board convene an Extraordinary General Meeting. If the Board does not agree to convene an extraordinary Shareholders' General Meeting or the Shareholders' General Meeting does not accept the view of the independent Directors, the independent Directors shall report the matter to the CBIRC.

**Article 150** The Company shall ensure that the independent Directors have the same right of access to information as the other Directors. The Company must give independent Directors statutory prior notice of all matters to be decided by the Board, together with sufficient information. Independent Directors who consider the information provided to be insufficient may request supplementary information. If two or more independent Directors consider the information insufficient or any argument unclear, they may jointly request the Board in writing that the Board meeting or the consideration of the matter be postponed, and the Board shall approve such request.

The Company and the independent Directors themselves shall keep the information provided by the Company to the independent Directors for at least five years.

**Article 151** The Company shall provide the independent Directors with the working conditions they need to perform their duties. The Company's Secretary to the Board shall actively assist the independent Directors in performing their duties, such as providing background information and relevant materials to them.

**Article 152** The Shareholders, actual controller, Chairman of the Board and management of the Company shall actively support and cooperate with the independent Directors' exercise of their functions and powers, create a good internal environment to maximize the decision-making and supervisory functions of the independent Directors, and not interfere with their independent exercise of their powers.

If independent Directors face impediments when exercising their functions and powers according to law, they may explain the circumstances to the Chairman of the Board or the President of the Company. The Chairman or the President shall order the relevant personnel to rectify the situation and shall hold relevant personnel liable.

If the Chairman of the Board or the President take no action, or the relevant personnel fail to rectify the situation, the independent Directors may report the matter to the CBIRC.

**Article 153** The expenses required for the engagement of intermediary service providers by independent Directors and for the exercise of their other functions and powers shall be borne by the Company.

**Article 154** The Company shall grant the independent Directors an appropriate allowance at rates that fully reflects the duties borne by them. The allowance plan for independent Directors shall be formulated by the Board, considered and approved by the Shareholders' General Meeting and disclosed in the annual reports of the Company. The allowance plan shall fully take into consideration the independent Directors' performance of their duties and the results of the annual evaluation of such performance.

No independent Director shall obtain any undisclosed benefits from the Company, any of the Company's major Shareholders or any materially interested organization or individual in addition to the allowance mentioned above.

#### **Section 4 Secretary to the Board of the Company**

**Article 155** The Company shall have a Secretary to the Board. The Secretary to the Board shall be a member of the Company's senior management.

**Article 156** The Company's Secretary to the Board shall be a natural person who has the necessary professional knowledge and experience, and shall be appointed by the Board. The Company's Secretary to the Board shall be responsible for preparing the Shareholders' General Meetings and Board meetings of the Company, keeping custody of documents, doing corporate equity administrative work, handling information disclosure matters and investor relations, and other such work. His principal duties and responsibilities shall be:

- (1) to ensure that the Company has a complete set of constitutional documents and records;
- (2) to ensure that the Company prepares and submits the reports and documents required by relevant institutions, in accordance with laws;
- (3) to ensure that the Company's register of Shareholders is duly maintained, and that persons who are entitled to access relevant records and documents of the Company are granted such access in a timely manner.

**Article 157** The Directors or other members of senior management of the Company may serve concurrently as the Company's Secretary to the Board. The accountants of an accounting firm engaged by the Company shall not serve concurrently as the Company's Secretary to the Board.

If a Director serves concurrently as the Company's Secretary to the Board and a certain act shall be performed by the Director and the Secretary to the Board separately, the person who serves concurrently as Director and Secretary to the Board shall not perform the act in dual capacity.

## **Chapter XI President and Other Members of Senior Management**

**Article 158** The Company shall have a President, Vice Presidents, a Chief Actuary, a Chief Auditor, a General Counsel, a Chief Risk Officer, a Chief Technology Officer, a Chief Investment Officer, a Secretary to the Board, a Chief Financial Officer, a Compliance Officer and an Audit Officer. Such members of senior management and other employees designated by the President shall jointly form the Operation Management Committee of the Company. The President shall be accountable to the Board, and shall preside over the work of the Operation Management Committee.

**Article 159** The President of the Company shall exercise the following functions and powers:

- (1) to organize the implementation of the resolutions of the Board, and to report on the work to the Board;
- (2) to take charge of the operation and management of the Company and organize the implementation of the annual business plans and investment programs of the Company;
- (3) to formulate plans for setting up the internal management organs of the Company;
- (4) to formulate the fundamental management systems of the Company;
- (5) to formulate the fundamental rules and regulations of the Company;
- (6) to submit proposals on engagement or dismissal of the Vice Presidents, Chief Actuary, General Counsel, Chief Risk Officer, Chief Technology Officer, Chief Investment Officer, Chief Financial Officer, Compliance Officer and other such members of senior management of the Company;
- (7) to appoint or dismiss management officers other than those to be appointed or dismissed by the Board;
- (8) other functions and powers conferred by these Articles of Association and the Board.

**Article 160** The President of the Company shall attend Board meetings but shall not have the right to vote at Board meetings unless he is a Director.

**Article 161** In exercising his functions and powers, the President of the Company shall fulfil the duty of good faith and due diligence and care in accordance with the provisions of laws, administrative regulations and these Articles of Association.

**Article 162** The President shall, at the request of the Board, the Chairman of the Board or the Board of Supervisors, report on the entry into and the implementation of material contracts, asset management, the use of funds, profits and losses and other such operation and management information of the Company. The President must ensure the authenticity of such reports.

**Article 163** The President shall formulate the President's working rules which shall be implemented after approval by the Board.

**Article 164** The working rules of the President shall include the following:

- (1) the conditions and procedures for convening a President's meeting and the persons who are to attend it;
- (2) the respective specific duties and responsibilities of the President, Vice Presidents and other members of senior management, and the specific division of work among them;
- (3) the limits of the authority to use the funds and assets of, and to enter into material contracts on behalf of, the Company, and the system for reporting to the Board of Directors and the Board of Supervisors;
- (4) other matters that the Board considers necessary.

**Article 165** The Chief Financial Officer shall report to the Board and the President on his work and perform the following duties and responsibilities:

- (1) to be responsible for accounting and preparing financial reports; to establish and maintain an internal control system relating to financial reports; to be responsible for the authenticity of the accounting information;
- (2) to be responsible for financial management, including budget management, cost control, funds allocation, income distribution, operation results assessment, and so forth;
- (3) to be responsible for or to take part in risk management and solvency management;
- (4) to participate in strategic planning and other such major operation and management activities;
- (5) in accordance with the provisions of laws, administrative regulations and relevant regulatory rules, to review and sign the relevant data and reports to be disclosed to the public;

- (6) other duties and responsibilities stipulated by the CBIRC or statutorily required to be performed.

The Chief Financial Officer shall have the right to the data, documents, materials and other such relevant information necessary for the performance of his duties and responsibilities, and the right to attend, as a non-voting attendee, Board meetings related to his duties and responsibilities.

**Article 166** Members of the Company's senior management who violate the provisions of laws, administrative regulations, departmental rules or these Articles of Association in performing the duties of their a respective positions in the Company and thereby cause losses to the Company shall be liable for compensation.

## **Chapter XII Board of Supervisors**

**Article 167** The Company shall have a Board of Supervisors.

**Article 168** The Board of Supervisors shall consist of four Supervisors, including one Chairman of the Board of Supervisors and one Vice Chairman of the Board of Supervisors. The appointment and removal of the Chairman of the Board of Supervisors shall be subject to the affirmative vote of not less than two-thirds of the members of the Board of Supervisors.

Supervisors of the Company shall have excellent conduct and reputation, possess the professional knowledge and working experience appropriate to their duties and satisfy the conditions imposed by laws and regulations, the CBIRC and other regulatory rules.

The Chairman of the Board of Supervisors shall convene and preside over the meetings of the Board of Supervisors, and the Vice Chairman of the Board of Supervisors shall assist the Chairman of the Board of Supervisors in his work. If the Chairman of the Board of Supervisors is unable or fails to perform his functions and duties, the Vice Chairman of the Board of Supervisors shall convene and preside over the meeting of the Board of Supervisors. If the Vice Chairman of the Board of Supervisors is unable or fails to perform his functions and duties, a Supervisor jointly elected by more than half of all Supervisors shall convene and preside over the meeting of the Board of Supervisors.

The term of office of a Supervisor shall be three years and a Supervisor may serve consecutive terms if re-elected. A Supervisor may resign before his term of office expires, with reference to the resignation procedure for Directors.

**Article 169** The members of the Board of Supervisors shall consist of two Shareholder representatives and two Company employee representatives. The Shareholder representatives shall be elected and removed by the Shareholders' General Meeting. The employee representatives shall be democratically elected and removed by the employees of the Company.

The Company's Board of Supervisors and Shareholders individually or in aggregate holding 3% or more of the total number of the Company's shares may nominate the Shareholder representative Supervisors.

The list of candidates for the position of Shareholder representative Supervisor shall be put before a Shareholders' General Meeting in the form of a motion of to be passed. The Board of Supervisors shall provide the résumés and general information of the candidates to the Shareholders. When resolutions on the election of Supervisors are considered at a Shareholders' General Meeting, each candidate shall be voted on individually and the resolutions shall be adopted by way of ordinary resolutions, except for voting via the cumulative voting system.

A Supervisor who is elected by the Shareholders' General Meeting or by the employees of the Company as an additional Supervisor or in order to fill a vacancy shall hold office from the effective date of such election until the expiration date of the term of the current Board of Supervisors.

**Article 170** If the term of office of a Supervisor expires before a successor has been elected, or if the number of members of the Board of Supervisors falls below the statutory minimum as the result of a Supervisor's resignation during his term of office, the original Supervisor shall continue to perform his functions and duties as Supervisor in accordance with laws, administrative regulations and these Articles of Association until a successor has been elected. The Directors and members of senior management of the Company shall not concurrently serve as Supervisors.

**Article 171** The Board of Supervisors shall meet at least twice a year and at least once every six months. The meetings shall be convened by the Chairman of the Board of Supervisors.

Meetings of the Company's Board of Supervisors may also be held, and resolutions passed thereat, by correspondence, provided that it is ensured that the Supervisors can express their views fully. Such a resolution shall take effect on the date when it is signed by the last Supervisor whose signature is required for its effectiveness.

**Article 172** The Board of Supervisors shall be accountable to the Shareholders' General Meeting, and perform the following functions and duties in accordance with laws:

- (1) to examine the financial affairs of the Company;
- (2) to supervise the conduct of the Directors and the President, Vice Presidents and other members of senior management in performing the duties of their respective positions in the Company; to propose the removal of Directors or the President, Vice Presidents and other members of senior management who are in violation of laws, administrative regulations, these Articles of Association or resolutions adopted by the Shareholders' General Meeting;
- (3) to require Directors and the President, Vice Presidents and other members of senior management to rectify those of their acts that harm the interests of the Company;
- (4) to check the financial reports, operation reports, profit distribution plans and other such financial information to be submitted by the Board to the Shareholders' General Meeting, and, whenever any doubtful matter is identified, to appoint certified public accountants or practising auditors in the name of the Company to assist in the review;
- (5) to propose Extraordinary General Meetings, and to convene and preside over the Shareholders' General Meeting if the Board fails to perform its duty under the Company Law to convene and preside over the Shareholders' General Meeting;
- (6) to put motions before the Shareholders' General Meeting;
- (7) to make representations to, or initiate litigation against, the Directors or members of senior management on behalf of the Company;
- (8) to conduct an investigation after finding any irregularity in the operation of the Company; if necessary, to engage, at the expense of the Company, accounting firms or law firms or other such professional institutions to assist them with their work;
- (9) to nominate candidates for the position of independent Director;
- (10) to nominate candidates for the position of Shareholder representative Supervisor;
- (11) other functions and powers stipulated in these Articles of Association;

- (12) The Board of Supervisors may give its views on the engagement of accounting firms by the Company and, if necessary, appoint in the name of the Company another accounting firm to examine the financial affairs of the Company independently. The Board of Supervisors may report the particulars directly to the CSRC and other departments concerned.

The Supervisors may attend Board meetings as non-voting attendees and shall have the right to query or give suggestions on matters to be resolved at Board meetings.

**Article 173** If the Board of Supervisors finds a resolution of the Board of Directors to be in violation of a law or regulation or these Articles of Association, it shall request in accordance with the law that the Board rectify the matter. If the Board refuses to carry out or delays in carrying out such rectification, the Board of Supervisors shall propose that an Extraordinary General Meeting be convened. If the Shareholders' General Meeting does not accept the views of the Board of Supervisors, the Board of Supervisors shall report the matter to the CBIRC.

**Article 174** A meeting of the Board of Supervisors may be held only if not less than two-thirds of the Supervisors are present. Each Supervisor shall have one vote. A resolution put to the Board of Supervisors shall require the affirmative votes of two-thirds or more of the members of the Board of Supervisors to be adopted.

**Article 175** The Board of Supervisors shall formulate its own rules of procedure, which shall set out expressly its rules of debate and its voting procedures, so as to ensure that the Board of Supervisors works efficiently and makes decisions rationally.

**Article 176** The Board of Supervisors shall prepare minutes of the decision on matters discussed at its meetings. The meeting minutes shall be signed by the Supervisors who were present at the meeting. The Supervisors who were present at the meeting shall have the right to request that explanatory notes concerning their statements at the meeting be added to the minutes. The minutes of the meetings of the Board of Supervisors shall be kept permanently as records of the Company.

**Article 177** A notice of a meeting of the Board of Supervisors shall include the following:

- (1) the date and venue of the meeting, and the duration of the meeting;
- (2) purposes and agenda;
- (3) date of the notice.

**Article 178** The reasonable expenses incurred by the Board of Supervisors in engaging lawyers, certified public accountants, practising auditors or other such professionals shall be borne by the Company.

**Article 179** The Board of Supervisors shall faithfully perform their supervisory duties in accordance with the provisions of laws, administrative regulations and these Articles of Association.

### **Chapter XIII Qualifications and Obligations of the Directors and Supervisors and the President, Vice Presidents and Other Members of Senior Management of the Company**

**Article 180** None of the following persons shall act as Director or Supervisor or the President, a Vice President or another member of senior management of the Company:

- (1) a person without capacity for civil acts or with limited capacity for civil acts;
- (2) a person who has been sentenced for the crime of corruption, bribery, embezzlement of property, misappropriation of property or disruption of the social or economic order, where less than five years have elapsed since completion of the service of the sentence, or a person who has been deprived of his political rights for commission of a crime, where less than five years have elapsed since completion of the service of the sentence;
- (3) a person who has served as director, factory manager or manager of a company or enterprise that went bankrupt and was liquidated due to poor management, and who bears personal responsibility for its bankruptcy, where less than three years have elapsed since the date of completion of the bankruptcy liquidation of such company or enterprise;
- (4) a person who has served as legal representative of a company or enterprise that lost its business licence due to violation of the law and who bears personal responsibility therefor, where less than three years have elapsed since the date on which company or enterprise lost its business licence;
- (5) a person with a relatively large amount of overdue personal debt;
- (6) a person under judicial investigation for a criminal offense, where the case has not yet been closed;
- (7) a person who is prohibited from serving as an enterprise's executive by the provisions of laws or administrative regulations;
- (8) a non-natural person;

- (9) a person who has been ruled by a competent authority to be in violation of a relevant securities law or regulation, where such violation involved fraudulent or dishonest conduct and less than five years have elapsed since the date of ruling.

**Article 181** The validity of any act done by a Director or by the President, a Vice President or another member of senior management of the Company vis-à-vis a bona fide third party shall not be affected by any irregularity in such person's performance of his duty or in his election or qualifications.

**Article 182** In addition to the obligations required by laws, administrative regulations or the listing rules of the stock exchange of a place where shares of the Company are listed, the Directors and Supervisors and the President, Vice Presidents and other members of senior management of the Company shall bear the following obligations to each Shareholder in the exercise of the duties and functions conferred on them by the Company:

- (1) not to make the Company operate beyond the scope of business stipulated in its business licence;
- (2) to act in good faith and in the best interests of the Company;
- (3) not to deprive the Company of property in any way, including but not limited to depriving the Company of any opportunity advantageous to it;
- (4) not to deprive the Shareholders of their personal rights and interests, including but not limited to the right to distribution and the right to vote, but excluding the submission (in accordance with these Articles of Association) of corporate restructuring proposals for adoption by the Shareholders' General Meeting.

**Article 183** The Directors and Supervisors and the President, Vice Presidents and other members of senior management of the Company have a responsibility to apply such care, diligence and skills to the exercise of their rights or the performance of their obligations as shall be shown by a reasonably prudent person in similar circumstances.

**Article 184** The Directors and Supervisors and the President, Vice Presidents and other members of senior management of the Company must adhere to the fiduciary principle in exercising their duties and responsibilities and shall not put themselves in a situation where their own interests could conflict with the obligations they have undertaken. This principle shall include but not be limited to the following obligations:

- (1) to act in good faith and in the best interests of the Company;
- (2) to exercise their powers within the scope of their functions and powers and not act ultra vires;

- (3) to exercise in person and free from manipulation by others the discretion conferred on them; and not to transfer the right to exercise such discretion to others unless such transfer is permitted by laws or administrative regulations or done with the informed consent of the Shareholders' General Meeting;
- (4) to accord equal treatment to Shareholders of the same class and fair treatment to Shareholders of different classes;
- (5) not to enter into any contract, transaction or arrangement with the Company except as otherwise provided for by these Articles of Association or with the informed approval of the Shareholders' General Meeting;
- (6) not to use any property of the Company in any way to seek personal benefits without the informed consent of the Shareholders' General Meeting;
- (7) not to accept bribes or other illegal income by taking advantage of their position or powers, not to embezzle property of the Company in any way, such property including, without limitation, any opportunities advantageous to the Company;
- (8) not to accept any commission related to transactions of the Company without the informed consent of the Shareholders' General Meeting;
- (9) to comply with these Articles of Association, perform their duties and responsibilities faithfully and safeguard the interests of the Company, and not to take advantage of their position and powers in the Company to seek personal gain;
- (10) not to engage in any form of competition against the Company without the informed consent of the Shareholders' General Meeting;
- (11) not to misappropriate the funds of the Company or lend the funds of the Company to others, not to deposit any assets of the Company in any account opened in their own or another's name, not to use the Company's assets as security for a debt of a Shareholder of the Company or another individual;

(12) without the informed consent of the Shareholders' General Meeting, not to divulge any confidential information involving the Company that they obtained while in office; and not to use such information other than in the interest of the Company, however, such information may be disclosed to a court or other competent government authority if such disclosure:

1. is provided for in the law;
2. is required in the public interest;
3. is required in the interest of the Director or Supervisor or the President, Vice President or other member of senior management, as the case may be.

**Article 185** The Directors and Supervisors and the President, Vice Presidents and other members of senior management of the Company shall not cause the following persons or institutions (“**Relevant Parties**”) to do any anything that the Directors and Supervisors and the President, Vice Presidents and other members of senior management shall not do:

- (1) the spouse or minor child of any of the Directors and Supervisors or of any of the President, Vice Presidents and other members of senior management of the Company;
- (2) a trustee of any of the Directors and Supervisors or of any of the President, Vice Presidents and other members of senior management of the Company or a trustee of any of the persons referred to in item (1) of this Article;
- (3) a partner of any of the Directors and Supervisors or of any of the President, Vice Presidents and other members of senior management of the Company or a partner of any of the persons referred to in items (1) and (2) of this Article;
- (4) a company which is under the de facto control of any of the Directors and Supervisors or any of the President, Vice Presidents and other members of senior management of the Company, whether such control be by such person solely or jointly with any of the persons referred to in items (1), (2) and (3) of this Article or with any other of the Directors and Supervisors or of the President, Vice Presidents and other members of senior management of the Company;
- (5) any of the directors and supervisors or of the president, vice presidents and other members of senior management of a company as referred to in item (4) of this Article.

**Article 186** The fiduciary duty owed by the Directors and Supervisors and the President, Vice Presidents and other members of senior management of the Company shall not necessarily be terminated by the end of their terms of office, and their obligation to maintain the confidentiality of the trade secrets of the Company shall survive the end of their terms of office. The duration of their other obligations shall be determined in accordance with the principle of fairness and depend on the length of time between an occurrence and the time of leaving office and on the circumstances and conditions under which the relationship with the Company was terminated.

**Article 187** The liability to be borne by the Directors and Supervisors and the President, Vice Presidents and other members of senior management of the Company for breach of a certain specific duty may be discharged by the informed consent of the Shareholders' General Meeting, except for the circumstances specified in Article 65 of these Articles of Association.

**Article 188** Any of the Directors and Supervisors and any of the President, Vice Presidents and other members of senior management of the Company who directly or indirectly has a material interest in any contract, transaction or arrangement entered into or planned by the Company (except for the contract of engagement between the Company and such Director or Supervisor or the President, Vice President or other member of the senior management) shall disclose the nature and extent of such interest to the Board as soon as possible, whether or not such interest would normally be subject to the approval or consent of the Board.

A Director shall not vote at any meeting held to approve a contract, transaction or arrangement in which he or his affiliate has a material interest, or be counted into the quorum for the meeting.

The Company shall have the right to rescind a contract, transaction or arrangement in which any of the Directors and Supervisors or any of the President, Vice Presidents and other members of senior management of the Company has a material interest, unless such person disclosed his interest to the Board as required by the preceding paragraphs of this Article, and the Board approved the matter without counting the said person into the quorum and without his participation in the vote taken at the meeting. However, the Company shall have no such right of rescission if the counterparty is a bona fide party that had no knowledge of the breach by the Director or Supervisor or by the President, Vice President or other member of senior management of his obligation.

If any Related Party of any of the Directors and Supervisors or of any of the President, Vice Presidents or other members of senior management of the Company has a material interest in a certain contract, transaction or arrangement, such Director or Supervisor or the President, Vice President or other member of senior management of the Company shall also be deemed to be materially interested.

**Article 189** If, before the first time that the Company considers entering into a particular contract, transaction or arrangement, any of the Directors or Supervisors or any of the President, Vice Presidents or other members of senior management of the Company declares by written notice to the Board that, due to the reasons set out in the notice, he will be materially interested in the contract, transaction or arrangement subsequently entered into by the Company, then, to such extent as set out in the notice, such Director or Supervisor or the President, Vice President or other member of senior management shall be deemed to have made the disclosure provided for in the preceding article of this chapter.

**Article 190** The Company shall not in any way pay on behalf of its Directors and Supervisors and the President, Vice Presidents and other members of senior management any of the taxes payable by them.

**Article 191** The Company shall not, directly or indirectly, provide any loan or loan security to any of the Directors and Supervisors and the President, Vice Presidents and other members of senior management of the Company and of its parent company, or to any of their Related Parties.

The preceding paragraph shall not apply to the following:

- (1) loans provided by the Company to its subsidiaries, or loan security provided by the Company for its subsidiaries;
- (2) loans, loan security or other monies provided by the Company to any of the Directors and Supervisors or any of the President, Vice Presidents and other members of senior management of the Company, in accordance with the engagement contracts approved by the Shareholders' General Meeting, so as to enable them to pay the expenses incurred for the purposes of the Company or for performing the duties and responsibilities of their positions in the Company;
- (3) loans and loan security provided by the Company to any of its Directors and Supervisors or any of the President, Vice Presidents and other members of senior management and their Related Parties, if the provisions of loans and loan security is included in the Company's normal scope of business, provided that the loans and loan security are provided at arm's length.

If any law, administrative regulation, regulatory requirements or these Articles of Association provide otherwise, such provisions shall prevail.

**Article 192** If the Company provided a loan in breach of the preceding article, regardless of the conditions of the loan, the person who received the loan shall repay it immediately.

**Article 193** No loan security provided by the Company in violation of the first paragraph of Article 191 shall be enforced against the Company, unless:

- (1) the loan was provided to a Related Party of any of the Company's or its parent company's Directors or Supervisors or any of the President, Vice Presidents and other members of senior management of the Company, and the provider of the loan did so unwittingly;
- (2) the collateral provided by the Company has been sold legally by the loan provider to a bona fide purchaser.

**Article 194** The term "security" as referred to in the preceding articles of this chapter includes acts whereby the guarantor undertakes responsibility or provides property to guarantee that the obligor will perform his obligations.

**Article 195** If any of the Directors and Supervisors or any of the President, Vice Presidents and other members of senior management of the Company is in breach of his obligations owed to the Company, the Company shall have the right to take the following measures in addition to various rights and remedies stipulated by laws and administrative regulations:

- (1) to require the Director or Supervisor or the President, Vice President or other member of senior management to compensate for the loss caused to the Company by his dereliction of duty;
- (2) to rescind any contract or transaction concluded between the Company and the Director or Supervisors or the President, Vice President or other member of senior management, and the contracts or transactions concluded between the Company and any third party that was aware or should have known that the Director or Supervisor or the President, Vice President or other member of senior management representing the Company was in breach of his obligations owed to the Company;
- (3) to require the Director or Supervisor or the President, Vice President or other member of senior management to surrender any gains obtained from the breach of his obligations;
- (4) to recover from the Director or Supervisor or from the President, Vice President or other member of senior management the monies received by him that should have been received by the Company, including but not limited to commissions;
- (5) to require the Director or Supervisor or the President, Vice President or other member of senior management to repay the interest that he or could have earned on the monies which should have been paid to the Company.

**Article 196** The Company shall enter into written contracts with its Directors and Supervisors in relation to remuneration matters, subject to the prior approval of the Shareholders' General Meeting. The remuneration matters mentioned above include:

- (1) remuneration payable for serving as Director, Supervisor or member of senior management of the Company;
- (2) remuneration payable for serving as director, supervisor or member of senior management of a subsidiary of the Company;
- (3) remuneration for providing other services for the purpose of the management of the Company or any of its subsidiaries;
- (4) compensation for a Director or Supervisor for the loss of his position or for his retirement.

No Director or Supervisor shall sue the Company for gains due to him for the foregoing matters other than under a contract as mentioned above.

**Article 197** The contracts entered into between the Company and its Directors or Supervisors in relation to remuneration matters shall stipulate that in the event of acquisition of the Company, the Directors and Supervisors of the Company shall, subject to prior approval of the Shareholders' General Meeting, be entitled to compensation or other monies for loss of position or for retirement. The term "acquisition of the Company" mentioned in the preceding sentence refers to either of the following circumstances:

- (1) any person makes a general offer;
- (2) any person makes an offer of acquisition with the intent of becoming the controlling shareholder as defined in Article 66 hereof.

If the Directors and Supervisors concerned do not comply with the provisions of this article, any monies they receive shall go to the persons who take the offer mentioned above and sell their shares. The expenses arising from the pro-rated distribution of such monies shall be borne by the non-complying Directors and Supervisors and shall not be deducted from such monies.

**Article 198** The Company must enter into a written contract with each of the Directors and members of senior management. Such contract shall at least include the following:

- (1) the Director or member of senior management shall undertake with the Company that he will observe and comply with the provisions of the Company Law, the Special Provisions, these Articles of Association, the Code on Takeovers and the Code on Share Buy-backs, and they shall agree that the Company shall be entitled to the remedies prescribed in these Articles of Association, and that neither such contract nor the position shall be transferred;
- (2) the Director or member of senior management shall undertake with the Company, as the representative of each of the Shareholders, that he will observe and perform his responsibilities vis-à-vis the Shareholders as provided for in these Articles of Association; and
- (3) an arbitration clause equivalent to Article 264.

#### **Chapter XIV Financial and Accounting Systems and Profit Distribution**

**Article 199** The Company shall establish its financial and accounting systems in accordance with laws, administrative regulations and the PRC accounting standards formulated by the finance authority under the State Council.

**Article 200** The Company shall prepare an annual financial report at the end of each accounting year, which shall be audited by an accounting firm in accordance with the law.

The annual financial report of the Company shall include a balance sheet, income statement, statement of changes in owners' equity, cash flow statement and notes to the financial statements.

The accounting year of the Company shall coincide with the calendar year, i.e. from 1 January to 31 December of each year of the Gregorian calendar. The Company adopts Renminbi as its bookkeeping currency.

**Article 201** The Board of the Company shall submit to the Shareholders at each Annual General Meeting the financial reports that relevant laws, administrative regulations, and normative documents issued by local governments and competent authorities, require the Company to prepare.

**Article 202** The financial reports of the Company shall be made available at the Company's office for Shareholders' inspection not less than 20 days before the scheduled date of the Annual General Meeting. Every Shareholder of the Company shall be entitled to receive the financial reports mentioned in this Chapter.

The Company shall deliver or send by prepaid mail the report of the Board, together with the balance sheet (including documents to be attached thereto as required by laws and administrative regulations of China) and the profit and loss statement or income and expenditure account (including the report mentioned above) or a financial report summary, to each of the holders of overseas-listed foreign investment shares at their respective addresses as set out in the register of Shareholders at least 21 days before the scheduled date of the Annual General Meeting.

**Article 203** The financial statements of the Company shall, in addition to being prepared in accordance with PRC accounting standards and regulations, be prepared in accordance with international accounting standards or the accounting standards that the overseas place of listing permits to be adopted. Any material differences between the financial statements prepared respectively in accordance with the two accounting standards shall be stated in the notes to the financial statements. When the Company is to distribute its after-tax profits for a given accounting year, the lower of the two amounts of after-tax profits as shown in the two financial statements mentioned above shall be adopted. If the overseas place of listing permits the preparation of financial statements in accordance with PRC accounting standards, the financial statements may be prepared by only adopting the PRC accounting standards, and the Company shall not be required to prepare two financial statements in accordance with the accounting standards of the overseas place of listing and the accounting standards of the PRC, respectively.

**Article 204** Any interim results or financial information announced or disclosed by the Company shall be prepared both in accordance with PRC accounting standards and regulations and in accordance with either international accounting standards or the accounting standards that the overseas place of listing permits to be adopted. If the overseas place of listing permits the preparation of financial statements in accordance with PRC accounting standards, the financial statements may be prepared by only adopting the PRC accounting standards and, for as far as the publication or disclosure of interim results or financial information is concerned, the Company shall not be required to prepare two financial statements in accordance with the accounting standards of the overseas place of listing and the accounting standards of the PRC, respectively.

**Article 205** The Company shall announce its financial report twice in each accounting year, namely once to announce its interim financial report (which announcement shall be made within 60 days after the end of the first six months of each accounting year) and once to announce the annual financial report (which announcement shall be made within 120 days after the end of each accounting year).

**Article 206** The Company shall not maintain any accounting books other than the statutory ones. No assets of the Company shall be kept in any account opened in the name of any individual.

**Article 207** After the interim accounting reports and annual accounting reports of the Company are prepared, the Company shall carry out relevant procedures as prescribed in the relevant securities laws and regulations of China and the rules of the stock exchanges where shares of the Company are listed, and shall announce the reports.

**Article 208** The profits of the Company after payment of income tax shall be distributed in the following order:

- (1) to make up any losses of previous years;
- (2) to make a ten percent allocation to the statutory reserve fund;
- (3) to make an allocation to the discretionary reserve fund;
- (4) to pay the dividends on ordinary shares.

The Company may not distribute any profits to Shareholders if its solvency fails to meet the regulatory requirements.

The Company shall make allocations to a security deposits, insurance guarantee fund and various insurance liability reserves in accordance with the relevant regulations of the State.

**Article 209** If the cumulative amount of the statutory reserve fund of the Company is fifty percent or more of the registered share capital of the Company, the Company shall not be required to make further allocations to the fund. After the Company has made an allocation from its after-tax profits to the statutory reserve fund and subject to the approval of the Shareholders' General Meeting by way of a resolution, the Company may make an allocation from the after-tax profits to the discretionary reserve fund. The Company shall not distribute profits to Shareholders until any losses have been made up and the allocation to the statutory reserve fund has been made.

**Article 210** The capital reserve fund shall include the following:

- (1) amount obtained from the issuance of shares at a premium;
- (2) other income which regulations of the State Council's finance authority require to be allocated to the capital reserve fund.

**Article 211** The reserve fund of the Company shall be used for making up the Company's losses and expanding its production and operations, or be capitalized. However, the capital reserve fund shall not be used for making up the Company's losses.

When funds in the statutory reserve fund are capitalized, the remaining portion of the fund shall not be less than twenty-five percent of the registered share capital of the Company before the capitalization.

**Article 212** After the Company's Shareholders' General Meeting adopts a profit distribution plan by way of a resolution, the Company's Board must complete the distribution of dividends (or shares) within two months after the Shareholders' General Meeting.

**Article 213** The Company may distribute dividend in the following forms:

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

In distributing the profits of the Company, the Company shall focus on giving investors a reasonable return on their investment. The profit distribution policy of the Company shall maintain a certain level of continuity and stability. The Company may make an interim distribution of profits.

The Company shall give priority to profit distribution in cash.

When the Company distributes profits, the cumulative amount of its profit distributions in cash during the most recent three years shall not be less than 30% of its average annual distributable profits of the most recent three years, except in the following special circumstances:

- (1) the solvency level of the Company has fallen below the level required by the CBIRC;
- (2) the operations and financial position of the Company are materially affected by force majeure, such as a war or natural disaster;
- (3) the operations and financial position of the Company are materially affected by a relatively significant change in the external environment in which the Company operates;

- (4) a relatively significant adverse change has occurred in the Company's own operations;
- (5) other circumstances in which dividend distributions are inappropriate, as specified in relevant laws, regulations or normative documents.

The Company may adjust its profit distribution policies. Any adjustment to the Company's profit distribution policies shall be resolved by the Board after prudent consideration and subsequently submitted to the Shareholders' General Meeting, together with the express opinions of the independent Directors, for approval by way of a special resolution. The Board and the Shareholders' General Meeting shall duly listen to the opinions of the independent Directors and retail investors and communicate and exchange views with retail investors through various channels. The implementation of the profit distribution policies shall be subject to supervision by the independent Directors and retail investors.

**Article 214** The Company shall appoint a collection agent for holders of overseas-listed foreign investment shares. The collection agent shall collect on behalf of the Shareholders concerned the dividends distributed and other amounts payable by the Company in respect of the overseas-listed foreign investment shares. The collection agent shall keep such amounts for such holders of securities pending payment to such holders.

The collection agent appointed by the Company shall meet the requirements of the laws of the place of listing or the relevant regulations of the stock exchange.

The collection agent appointed by the Company for the holders of its H shares, which are listed in Hong Kong shall be a trust company registered in accordance with the Trustee Ordinance of Hong Kong.

**Article 215** The Company shall have the right to send dividend warrants by mail, and the right to cease sending dividend warrants by mail if any of the following circumstances arises:

- (1) such dividend warrants are not cashed for at least two consecutive times; or
- (2) such dividend warrant is returned after it was sent for the first time, because it could not be served on the recipient.

**Article 216** Monies paid on shares before calls are made thereon shall be entitled to interest. However, for as far as the advance payment on monies on such shares is concerned, the holders of the shares shall not be entitled to dividends subsequently declared. If any forfeiture of unclaimed dividend is authorized, such authority shall not be exercised before the applicable time limit expires.

**Article 217** The Company shall have the right to sell the shares of Shareholders who are uncontactable, provided that:

- (1) a dividend has been distributed for the shares concerned for at least three times in 12 years and nobody has claimed the dividend during that period;
- (2) after the end of the 12-year period, the Company published a newspaper announcement stating its intention to sell the shares and informed the HKSE of such intention.

**Article 218** The Company shall make allocations and contributions to, or use, various security deposits, liability reserves and insurance protection funds in accordance with the relevant regulations of PRC regulators.

## **Chapter XV Risk Management and Internal Audits**

**Article 219** The Company shall establish a risk and compliance management framework under which the Board assumes ultimate responsibility and the management is in charge of implementation. The framework shall feature three lines of defence, each of which shall perform its respective duties and coordinate and cooperate with the other lines of defence.

The first line of defence consists of the risk and compliance management duties performed by all departments and by institutions at all levels, which shall bear direct and primary responsibility for risk and compliance management within the scope of their duties.

The second line of defence consists of the risk and compliance management duties performed by the risk and compliance management department and positions, which shall support, organize, coordinate and supervise the risk and compliance management work conducted by all departments and by institutions at all levels.

The third line of defence consists of the risk and compliance management duties performed by the internal audit department, which shall regularly conduct independent audits on the risk and compliance management of the Company.

**Article 220** The Company shall plan, coordinate and build a consistent risk and compliance system covering the Group and its subsidiaries. It shall specify the goals and preferences of the risk management and apply various risk management tools to identify, appraise, control and monitor the risks and improve the management thereof, so as to create an internal control system that is fully integrated with the operation and management of the Company and a comprehensive risk prevention and control system that covers all processes and involves all employees.

**Article 221** The Company shall appoint members of senior management as the Chief Risk Officer and the Compliance Officer. The Compliance Officer shall be accountable to the Board. The Chief Risk Officer and the Compliance Officer shall not concurrently hold a position that has a conflict of interest with risk or compliance management. The Company shall have dedicated risk and compliance staff to carry out various risk and compliance management activities. The Company shall ensure the independence of, set independent budgets for, and conduct assessments of, the risk and compliance management department and positions.

**Article 222** The Company shall establish an independent internal audit system accountable to the Board, and the Board shall assume ultimate responsibility for the independence and effectiveness of the internal audits.

The Company shall implement centralized management for its internal audit function by establishing a special internal audit department within the Company, implementing unified budget management, human resources management, operation management etc. Furthermore, the Company shall have dedicated audit staff to audit, supervise and appraise the operating activities, internal controls and risk management of the Company and its subsidiaries.

**Article 223** The Company shall formulate and implement its internal audit policy in accordance with the laws, regulations and regulatory requirements. It shall devise and execute a unified internal audit system including project management, quality management, personnel management, information system management, etc., so as to enhance standardization and effectiveness of the internal audits, guard against operating risks and promote the Company's stable and sound development.

**Article 224** The internal audit department shall be subject to professional guidance by the Audit Committee of the Board. Its internal audit policies, medium- and long-term plans, annual plans, financial budgets and human resource plans, and the duties of the audit personnel, shall be subject to examination by the Audit Committee of the Board and approval by the Board. The internal audits shall be assessed and appraised by the Board. Management, under the supervision of the Board, shall ensure that the internal audit department has the authority, personnel, funding and other such resources that it needs in order to discharge its duties.

The Audit Officer shall be accountable to the Board and shall report on his work to the Board and the Audit Committee of the Board.

## Chapter XVI Engagement of Accounting Firms

**Article 225** The Company shall engage independent accounting firms, which shall comply with the relevant provisions of the PRC and conduct periodic statutory audits of corporate financial reports, to audit the annual financial reports of the Company and examine other financial reports of the Company.

**Article 226** The accounting firms shall be engaged by the Company for the term commencing from the conclusion of each Annual General Meeting until the conclusion of the next Annual General Meeting.

**Article 227** The accounting firms engaged by the Company shall have the right to:

- (1) inspect the books, records or vouchers of the Company at any time, and to request the Directors, managers or other members of the senior management of the Company to provide relevant information and explanations;
- (2) request the Company to adopt all reasonable measures to obtain from its subsidiaries such information and explanations as required by the accounting firms for performing their duties;
- (3) attend Shareholders' General Meetings, and to receive such notice of meetings or other information in relation to the meetings as any Shareholder is entitled to, and to speak at any Shareholders' General Meeting on matters in connection with their roles as the accounting firms of the Company.

**Article 228** In case of any vacancy for the Company's accounting firms, the Board may appoint an accounting firm to fill such vacancy before the Shareholders' General Meeting is convened, provided that, if the Company has another incumbent accounting firm in place during the period of such vacancy, it may carry on its duties and responsibilities.

**Article 229** Notwithstanding anything else in the contract between the accounting firms and the Company, the Shareholders' General Meeting may remove any accounting firm by adopting an ordinary resolution to such effect before expiration of its term of engagement. If the accounting firm concerned has any right to claim compensation from the Company for its removal, such right shall not be affected as a result thereof.

**Article 230** The Shareholders' General Meeting shall decide the remunerations of the accounting firms or how such remunerations shall be determined, except that the remuneration of an accounting firm engaged by the Board shall be determined by the Board.

**Article 231** Engagement, removal or non-renewal of the accounting firms shall be decided by the Shareholders' General Meeting, and shall be reported to the securities regulatory authority under the State Council for record filing.

**Article 232** Where the Shareholders' General Meeting intends to adopt a resolution to engage a non-incumbent accounting firm to fill any vacancy for an accounting firm, or to renew the engagement of an accounting firm which was engaged by the Board to fill a vacancy, or to remove an accounting firm before expiration of its term of engagement, it shall follow the procedures set out below:

- (1) Before the notice of the Shareholders' General Meeting is issued, the motion on such engagement or removal shall be delivered to the accounting firm which is to be engaged or leaving office, or which has left office in the relevant accounting year. "Leaving office" shall include removal, resignation or retirement.
- (2) If the accounting firm which is leaving office makes a written statement and requests the Company to inform the Shareholders of such statement, the Company shall take the following measures, unless the written statement is not received reasonably in advance:
  1. to state in the notice issued for the purpose of adopting a resolution that the accounting firm leaving office has made such statement;
  2. to send a copy of the statement, as attachment to such notice, to the Shareholders by such ways as prescribed in these Articles of Association.
- (3) If the Company fails to send the statement of the accounting firm in accordance with item (2) of this Article, the accounting firm may require that the statement be read out at the Shareholders' General Meeting, and may lodge further complaints.
- (4) The accounting firm leaving office shall have the right to attend the following meetings:
  1. the Shareholders' General Meeting at which its term of engagement shall expire;
  2. the Shareholders' General Meeting at which the vacancy created as a result of its removal shall be filled;
  3. the Shareholders' General Meeting which is convened as a result of its voluntary resignation.

The accounting firm leaving office shall have the right to receive all notices of the meetings mentioned above or other information relating to such meetings, and may speak at such meetings on matters in connection with its role as the former accounting firm of the Company.

**Article 233** Where the Company intends to remove, or not to renew the engagement of, an accounting firm, the Company shall give prior notice to the accounting firm, and the accounting firm shall have the right to present its opinions thereon to the Shareholders' General Meeting. Where an accounting firm resigns, it shall inform the Shareholders' General Meeting if there is any irregularity in the Company.

**Article 234** An accounting firm may resign by delivering a written notice of its resignation to the legal address of the Company. The notice shall take effect on the date of such delivery or such later date as specified in the notice. The notice shall include:

- (1) a representation confirming that its resignation does not involve any matter of which it must inform the Shareholders or the creditors of the Company; or
- (2) a statement of any matter of which it must inform the Shareholders or the creditors of the Company.

Within 14 days following receipt of the written notice specified in the preceding paragraph, the Company shall submit a copy of the notice to the competent authority concerned. If the notice contains a statement mentioned in item (2) of the preceding paragraph, the Company shall send by prepaid mail a copy of such statement to each Shareholder who is entitled to receive the financial report of the Company at its address recorded in the register of Shareholders.

If the accounting firm's notice of resignation contains a statement of any matter of which it must inform the Shareholders, the accounting firm may request that the Board convene an Extraordinary General Meeting, so that it could explain to the Shareholders of such matter in connection with its resignation.

## **Chapter XVII Basic Management System of the Company**

**Article 235** The Company shall formulate a uniform basic management system applicable to itself and its subsidiaries in accordance with the laws, regulations and regulatory requirements, which includes, but not limited to, risk management, internal control and compliance, related party transactions, internal audit, and information disclosure etc., and shall procure its subsidiaries to formulate and improve a system for protection of the legitimate rights and interests of the insurance consumers.

**Article 236** The Company may set up a fault-tolerance mechanism in new insurance-related fields, including elderly care, healthcare and new technology application, to encourage innovation. Subject to the laws, regulations and the internal control system, the relevant employees shall not receive a poor performance review if the innovation projects they engage in fail to achieve the expected targets, provided that such projects are decided and implemented in compliance with the laws and regulations, the relevant requirements of the PRC and the relevant procedures of the Company and that such employees have acted with due diligence without seeking personal interests. Meanwhile, the employees' involvement in innovation projects shall be one of the factors to be taken into consideration for the purposes of performance review, promotion and awards, so as to encourage the employees to engage in innovation.

### **Chapter XVIII Notice and Announcement**

**Article 237** Notices of the Company shall be given by the following ways:

- (1) by hand;
- (2) by mail;
- (3) by courier;
- (4) by email;
- (5) by fax;
- (6) by announcement;
- (7) by posting on the websites of the Company and the stock exchange of the place of its listing, subject to the laws, administrative regulations and the listing rules of the place of its listing;
- (8) by making an announcement in the press or other designated media;
- (9) by other ways which have been agreed in advance between the Company and the party to be notified, or which are accepted by the party to be notified upon receipt of the notice;
- (10) by other ways as accepted by the securities regulatory authority of the place where the shares of the Company are listed or as prescribed in these Articles of Association.

Notwithstanding anything else as to how any notice, communication or other documents shall be issued or given hereunder, subject to the listing rules of the place where the shares of the Company are listed, the Company may elect to issue notice, communication or other written materials by the ways stipulated in item (7) of this Article in lieu of sending any written document by hand or prepaid mail to each holder of its overseas-listed foreign investment shares.

**Article 238** Any notice, document, information or written statement served on the Company by a Shareholder or a Director may be delivered to the registered address of the Company by hand or by registered mail.

**Article 239** Where a notice is delivered by mail, it shall suffice if such notice is placed into an envelope on which the address and the name of the recipient is written in a legible manner, with postage prepaid, and the same shall be deemed to have been received 48 hours after the envelope containing the notice is posted.

**Article 240** Unless delivered by the ways provided in Article 237, any notice, information or written statement issued by the Company to the holders of its overseas-listed foreign investment shares shall be delivered by hand to each holder of the overseas-listed foreign investment shares (holding registered shares) at its registered address, or by mail or otherwise to each holders of the overseas-listed foreign investment shares at its address set out in the register of Shareholders.

**Article 241** To prove that a notice, document, information or a written statement has been delivered to the Company, the Shareholder or the Director concerned shall provide evidence that the same has been delivered within the time specified for such delivery by the ways prescribed in Article 238 of these Articles of Association. Where delivery is made by hand, an acknowledgement of receipt by the Company shall be provided. Where delivery is made by registered mail, any proof evidencing that such mail, marked with the details of the recipient in a legible manner and postage prepaid, has been sent to the correct address shall suffice.

**Article 242** All notices or other documents which the Company shall submit to the HKSE in accordance with Chapter 13 of the Listing Rules shall be written in English or attached with a signed and certified English translation.

**Article 243** The Company shall publish its announcements and information disclosure documents required for listed companies on the website of the relevant stock exchange and in a media meeting the requirements of the securities regulatory authority under the State Council. The Company shall designate a national media with significant influence as the media in which its announcements and information disclosure documents as required by the CBIRC shall be published.

## **Chapter XIX Merger and Division of the Company**

**Article 244** In case of a merger or division of the Company, the Board of the Company shall propose a plan which, after being adopted through the process stipulated in these Articles of Association, shall be submitted to the relevant competent authorities, including the CBIRC, for examination and approval in accordance with the laws. The Shareholders who oppose to the plan of merger or division of the Company shall have the right to request that the Company or the Shareholders who agree to such merger or division purchase its shares at a fair price. The Company shall prepare a special document setting out the details of such merger or division for the Shareholders' review, copies of which shall be sent to the holders of H shares by mail.

**Article 245** A merger of the Company may take the form of either a merger by absorption or a consolidation.

In case of a merger of the Company, the parties to the merger shall enter into a merger agreement, and shall prepare a balance sheet and a property inventory. The Company shall inform the creditors within ten days after a resolution is adopted in favour of the merger, and shall publish an announcement for at least three times in the press within thirty days.

Upon completion of such merger, the claims and debts of all parties to the merger shall be assumed by the company surviving the merger or created as a result of the merger.

**Article 246** The creditors may, within thirty days after receipt of the notice, or, within forty-five days after the date of the announcement if no such notice is received, request that the Company repay its debts or provide corresponding security for such debts.

**Article 247** Where the Company is divided, its property shall be divided accordingly.

In case of a division of the Company, the parties to the division shall enter into a division agreement, and shall prepare a balance sheet and a property inventory. The Company shall inform the creditors within ten days after a resolution is adopted in favour of the division, and shall publish an announcement for at least three times in the press within thirty days.

The debts owed by the Company before the division shall be borne by the companies formed after such division in accordance with the agreement entered into for such division.

**Article 248** In case of any change to its registration as a result of such merger or division, the Company shall perform amendment registration with its registration authority pursuant to the laws. If the Company is dissolved, it shall de-register pursuant to the laws. If a new company is established, it shall perform the procedures for its establishment and registration pursuant to the laws.

## **Chapter XX Special Matters of Corporate Governance**

### **Section 1 Mechanism of Replacement and Alternative**

**Article 249** If the Chairman of the Board is unable to or fails to perform his duties, the Vice Chairman of the Board shall perform such duties; if the Vice Chairman of the Board is unable to or fails to perform such duties, a Director elected by more than one- half of the Directors shall perform such duties.

If the President is unable to or fails to perform his duties, a temporary person-in-charge shall be appointed by the Board to discharge the duties on behalf of the President.

If the Chairman and the President are unable to or fail to perform their duties such that the ordinary course of business of the Company has been affected, the Company shall re-elect a Chairman and appoint a President in accordance with the requirements of these Articles of Association.

### **Section 2 Measures for Addressing Failure of the Corporate Governance Mechanism**

**Article 250** In case of failure of the corporate governance mechanism of the Company, as set out below and agreed in these Articles of Association, the Company shall initiate its internal correction procedures accordingly.

Failure of the corporate governance mechanism of the Company shall include, but without limitation to, the following:

- (1) The Company fails to establish its Board of Director for at least one year;
- (2) There are prolonged conflicts among the Directors of the Company which cannot be resolved by the Shareholders' General Meeting;
- (3) The Company fails to convene a Shareholders' General Meeting for at least one year;
- (4) The votes cast by the Shareholders fail to reach the ratio required by the law or agreed in these Articles of Association such that no valid resolution has been passed at the Shareholders' General Meeting for at least one year consecutively;
- (5) The proposal for capital increase fails to be passed due to lack of solvency;

- (6) The existing corporate governance mechanism of the Company fails to function properly, which results in severe difficulties in the Company's operation and management or other circumstances as determined by the CBIRC.

**Article 251** In case of failure of its corporate governance mechanism as prescribed in these Articles of Association, which cannot be remedied by the Company through its internal correction procedures, the Company, the Shareholder(s) individually or jointly holding at least one-third of the shares in the Company or a majority of the Directors shall be entitled to apply to the CBIRC for its supervision and guidance over the Company.

**Article 252** The CBIRC shall provide its supervision and guidance specific to the failure of the corporate governance mechanism suffered by the Company. If any material governance risks have been identified in the Company that have jeopardized or are likely to jeopardize the legitimate rights and interests of the insurance consumers or the security of insurance funds severely, the Shareholders and the Company shall undertake to adopt the regulatory measures as imposed on the Company by the CBIRC, such as capital increase, restriction on relevant Shareholders' rights, transfer of the equity interests of the Company; and in serious cases, the Shareholders and the Company shall undertake to adopt the rectification and take-over measures imposed on the Company by the CBIRC.

**Article 253** In the event that the Company becomes insolvent, the Shareholders are obliged to assist the Company in improving its solvency. In any of the following circumstances, the Shareholders who are unable to or fail to contribute to the capital increase of the Company shall consent to any reasonable capital increase plan adopted by other Shareholders or investors so as to improve the Company's solvency:

- (1) The CBIRC orders the Company to increase its capital;
- (2) The Company fails to satisfy the regulatory requirements as to its solvency by other means and has to increase its capital.

## **Chapter XXI Dissolution and Liquidation of the Company**

**Article 254** In any of the following events, the Company may be dissolved upon approval and be liquidated in accordance with the law:

- (1) The Shareholders' General Meeting adopts a resolution to dissolve the Company;
- (2) Dissolution of the Company is required as a result of merger or division of the Company;
- (3) The Company is declared bankrupt pursuant to the law due to its failure to repay its debts as they become due;
- (4) Its business licence is revoked or the Company is ordered to close down its business or to de-register in accordance with the laws;
- (5) Where the Company suffers severe difficulties in its operation and management and its continued existence will bring heavy losses to the Shareholders, and provided that such difficulties cannot be resolved otherwise, the Shareholders holding not less than 10% of all Shareholders' voting right in the Company may apply to the People's Court for dissolution of the Company.

Dissolution of the Company shall be reported to the CBIRC for approval to be effective.

Liquidation of the Company shall be carried out under the supervision and guidance of the CBIRC.

**Article 255** Where the Company is dissolved under item (1) or (5) of the preceding Article, a liquidation committee shall be established within fifteen days. Members of the liquidation committee shall be selected by the Shareholders' General Meeting by an ordinary resolution.

Where the Company is dissolved under item (2) of the preceding Article, its liquidation shall be carried out by the parties to the merger or division in accordance with the contract entered into at the time of such merger or division.

Where the Company is dissolved under item (3) of the preceding Article, the People's Court shall, in accordance with the provisions of the relevant laws, establish a liquidation committee consisting of the Shareholders, the relevant authorities and professionals to carry out the liquidation.

Where the Company is dissolved under item (4) of the preceding Article, the CBIRC shall establish a liquidation committee consisting of the Shareholders, the relevant authorities and professionals to carry out the liquidation.

**Article 256** If the Board decides that the Company shall be liquidated (other than as a result of the Company being declared bankrupt), the Board shall state in the notice convening a Shareholders' General Meeting for such purpose that the Board has made a comprehensive investigation into the situation of the Company and opines that the Company can settle its debts within 12 months after commencement of the liquidation.

After the Shareholders' General Meeting adopts a resolution in favour of the liquidation, the Board shall immediately cease to exercise its functions and powers.

The liquidation committee shall follow the instructions of the Shareholders' General Meeting and shall report to the Shareholders' General Meeting at least once a year on the revenue and expenditure of the liquidation committee, the business of the Company and the progress of the liquidation, and shall make a final report to the Shareholders' General Meeting upon conclusion of the liquidation.

**Article 257** The liquidation committee shall, within 10 days of its establishment, inform the creditors, and shall, within 60 days of its establishment, publish an announcement for at least three times in a newspaper designated by the CBIRC. The details of such announcement is subject to approval by the CBIRC. The creditors shall, within 30 days after receipt of the notice, or, within 45 days after the date of the announcement if no such notice is received, file its claims with the liquidation committee, which shall register such claims. During the period for filing such claims, the liquidation committee shall not settle any debts owed to the creditors.

**Article 258** The liquidation committee shall exercise the following functions and powers during the liquidation:

- (1) to go through the property of the Company and prepare a balance sheet and a property inventory separately;
- (2) to inform or make an announcement to the creditors;
- (3) to deal with the Company's outstanding business in connection with the liquidation;
- (4) to settle any taxes payable and any taxes arising in the course of liquidation;
- (5) to go through the claims and debts of the Company;
- (6) to handle the Company's property remaining after settlement of its debts;
- (7) to participate in civil litigation on behalf of the Company.

The liquidation committee shall engage an accounting firm or a law firm of good standing to assess the claims, debts and assets of the Company.

**Article 259** After going through the property of the Company and preparing a balance sheet and a property inventory, the liquidation committee shall formulate a liquidation plan and submit it to the Shareholders' General Meeting or the competent authority for confirmation.

The property of the Company shall be used to settle the following items in the order set out below:

- (1) liquidation expenses;
- (2) salaries payable to the employees of the Company;
- (3) social insurance contribution and statutory severance;
- (4) compensation or insurance payment;
- (5) any taxes payable by the Company;
- (6) any debts of the Company.

After settlement is made in accordance with the preceding paragraph, the Company's remaining property shall be distributed among its Shareholders by the class of and in proportion to the shares they hold in the Company.

During the liquidation, the Company shall continue in existence but shall not carry on any operating activities which do not relate to its liquidation.

**Article 260** Where liquidation is carried out as a result of the dissolution of the Company, if the liquidation committee finds out that the property of the Company are insufficient for the settlement of its debts after going through its property and preparing a balance sheet and a property inventory, the liquidation committee shall immediately apply to the People's Court for bankruptcy.

After the Company is declared bankrupt pursuant to a ruling made by the People's Court, the liquidation committee shall hand over its liquidation work to the People's Court.

**Article 261** Upon conclusion of the liquidation, the liquidation committee shall prepare a liquidation report and a statement of revenue and expenditure and the accounting books for the period of the liquidation, which, upon verification by a PRC certified public accountant, shall be submitted to the Shareholders' General Meeting or the relevant competent authority for confirmation.

The liquidation committee shall, within 30 days after confirmation by the Shareholders' General Meeting or the relevant competent authority, submit the documents mentioned above to the registration authority of the Company to apply for de-registration of the Company, and make an announcement of the closure of the Company.

## **Chapter XXII Procedures for Amending these Articles of Association**

**Article 262** The Company may amend these Articles of Association in accordance with the provisions of the laws, administrative rules and these Articles of Association.

The Company shall amend these Articles of Association in any of the following events:

- (1) the Company Law, the Insurance Law or the relevant laws and administrative regulations have been amended such that any matter prescribed in these Articles of Association becomes in conflict with the provisions of such amended laws and administrative regulations;
- (2) the conditions of the Company have changed such that they become inconsistent with the matters set out in these Articles of Association;
- (3) the Shareholders' General Meeting decides to amend these Articles of Association;
- (4) Other matters which require amendments to these Articles of Association.

**Article 263** Where an amendment to these Articles of Association adopted by the Shareholders' General Meeting shall be subject to the examination and approval of the relevant competent authority in accordance with the laws of the People's Republic of China, such amendment shall become effective upon approval by the original examination and approving authority. Where an amendment involves the Mandatory Provisions of the Articles of Association of Companies to be Listed Overseas, such amendment shall become effective upon approval by the company examination and approving department authorized by the State Council and the CSRC. Where an amendment involves matters in relation to company registration, the procedures of amendment registration shall be performed in accordance with the laws.

The Board shall amend these Articles of Association in accordance with the resolution adopted by the Shareholders' General Meeting on such amendment and the examination and approval opinion given by the relevant competent authority.

Amendments to these Articles of Association are required to be disclosed under the laws and regulations, and therefore shall be announced as stipulated.

### **Chapter XXIII Resolution of Disputes Involving Holders of H Shares**

**Article 264** The Company shall comply with the following rules for resolution of disputes:

- (1) Where any dispute or claim arises between a holder of H shares and the Company, or between a holder of H shares and a Director, Supervisor, manager or any other member of the senior management of the Company, or between a holder of H shares and a holder of domestic shares, in connection with the affairs of the Company based on the rights and obligations under these Articles of Association, the Company Law and other relevant laws and administrative regulations, the parties concerned shall refer such dispute or claim to arbitration.

The above-mentioned dispute or claim shall be referred to arbitration in its entirety. Any person who has a cause of action arising from the same matter or whose participation is required for the resolution of such dispute or claim shall submit to the arbitration, if such person is the Company or a Shareholder, Director, Supervisor, manager or any other member of the senior management of the Company.

Disputes relating to the definition of Shareholders or to the register of Shareholders may be resolved by ways other than arbitration.

- (2) The claimant of arbitration may choose to refer the dispute to the China International Economic and Trade Arbitration Committee for arbitration in accordance with its rules of arbitration, or to the Hong Kong International Arbitration Centre for arbitration in accordance with its Securities Arbitration Rules. After the claimant refers the dispute or claim to arbitration, the other party must proceed with the arbitration in the arbitration institution selected by the claimant. If the claimant chooses to have the arbitration conducted in the Hong Kong International Arbitration Centre, either party may request in accordance with the Securities Arbitration Rules of the Hong Kong International Arbitration Centre that the arbitration be conducted in Shenzhen.

- (3) Where the dispute or claim stated in item (1) is to be resolved by arbitration, the laws of the People's Republic of China shall apply, unless otherwise provided by the laws and administrative regulations.
- (4) The awards made by the arbitration institutions shall be final and binding on the parties.

## **Chapter XXIV Supplemental Provisions**

**Article 265** The Board may formulate relevant rules in accordance with the provisions of these Articles of Association to regulate the governance of the Company, which shall not conflict with the provisions of these Articles of Association.

**Article 266** These Articles of Association shall be written in Chinese and English. Both versions shall be equally valid and effective. If there is any discrepancy between the two versions, the most recent Chinese version approved for registration by the SAIC of the People's Republic of China shall prevail.

**Article 267** Unless otherwise stipulated by the laws, regulations and regulatory requirements, for the purposes of these Articles of Association, the terms "at least"/"or more"/"not less than", "within", "not more than" and "not exceeding" shall include the given figure; "over", "exceeding", "below", "beyond", "less than" and "more than" shall not include the given figure. The "accounting firm" referred to in these Articles of Association shall have the same meaning as an "auditor".

**Article 268** These Articles of Association shall be interpreted by the Board of the Company.

**Article 269** The attachments to these Articles of Association shall include the Rules of Procedure of the Shareholders' General Meeting, the Rules of Procedure of the Board, and the Rules of Procedure of the Board of Supervisors.

**Article 270** In case of conflicts between these Articles of Association, together with the attachments hereto, and the requirements of laws, administrative regulations, other relevant regulatory documents and the regulatory rules of the place where the shares of the Company are listed, as promulgated from time to time, the latter shall prevail.

Attachment:

## **RECORD OF PREVIOUS SHARE TRANSFERS AND CAPITAL INCREASES OF THE COMPANY**

### **I. Previous Capital Increases of the Company**

#### ***i. Capital Increase in 1995***

On 11 March 1995, the Company was approved by the People's Bank of China pursuant to Yin Fu [1995] No. 61 to increase its registered capital to RMB2 billion by the end of 1995, which would be contributed by 141 entities (such as the Bank of Communications) in cash. The capital increase was raised through directed placement and the subscribers were all juridical persons, which mainly included several then qualified financial institutions (such as the Bank of Communications), a group of large and medium-sized State-owned enterprises and various levels of local bureaux/departments of finance which used their financial surplus to make investments. The share price for this capital increase was RMB1.248 per share. The total number of shares subscribed for was 1,005,900,000 shares and the total fund raised amounted to RMB1,255,363,200. Upon completion of this capital increase, the registered capital of the Company was changed to RMB2.006 billion.

The details of the subscriptions made for this capital increase are as follows:

<b>No.</b>	<b>Name of Subscribers</b>	<b>Number of Shares Subscribed For (Shares)</b>
1	Bank of Communications	172,400,000
2	China International Iron & Steel Investment Company	50,000,000
3	Liaohé Oil Exploration Bureau	30,000,000
4	Yunnan Hongta (Group) Company	25,000,000
5	Shanghai Tobacco Group Co., Ltd.	20,000,000
6	Pudong New District Bureau of Finance	20,000,000
7	Nanjing Municipal Bureau of Finance	20,000,000
8	Fujian Shipping Company	20,000,000
9	Tianjin Marine Shipping Company	20,000,000
10	Dalian Municipal Bureau of Finance	15,000,000

<b>No.</b>	<b>Name of Subscribers</b>	<b>Number of Shares Subscribed For (Shares)</b>
11	Jihua Group Co., Ltd.	10,500,000
12	Hangzhou Municipal Bureau of Finance	10,200,000
13	Shangtex Holdings Co., Ltd.	10,000,000
14	Shanghai Tangjiu (Group) Co., Ltd.	10,000,000
15	Shanghai Yibai (Holdings) Co., Ltd.	10,000,000
16	Shanghai Zhuzong (Group) Company	10,000,000
17	Yangtze River Economic United Development (Group) Co., Ltd. (Nanjing Branch)	10,000,000
18	Sinopec Jinling Petrochemical Co., Ltd.	10,000,000
19	Department of Finance of Jiangsu Province	10,000,000
20	Jiangsu International Trust Investment Company	10,000,000
21	Guangzhou Zhujiang Power Engineering Corporation	10,000,000
22	Jilin Municipal Bureau of Finance	10,000,000
23	Xiamen Airlines Company Limited	10,000,000
24	Zhenjiang Municipal Bureau of Finance	6,700,000
25	Shanghai Hualian (Group) Company	5,000,000
26	Shanghai Jin Jiang (Group) Company Limited	5,000,000
27	Shanghai Postal, Telephone and Communication Bureau	5,000,000
28	Yangzhou Xinyi Real Estate Development Company	5,000,000
29	Zhoushan Municipal Bureau of Finance	5,000,000
30	Zhoushan Putuo District Bureau of Finance	5,000,000
31	Sinopec Yangzi Petrochemical Co., Ltd.	5,000,000
32	Nanjing Port Authority	5,000,000
33	Nanjing Water Corporation	5,000,000
34	Jiangsu Silk Import & Export Group Co., Ltd.	5,000,000
35	Nanjing Forest Island Village	5,000,000
36	Jiangsu Economic Trading Company	5,000,000
37	Nanjing Jiangpu Quancheng Industry and Trading Company	5,000,000
38	Lianyungang Property Development Investment Company	5,000,000
39	Xuzhou Electricity Bureau	5,000,000
40	Datun Coal Power Company	5,000,000

<b>No.</b>	<b>Name of Subscribers</b>	<b>Number of Shares Subscribed For (Shares)</b>
41	Anhui Bengbu Float Sheet Glass Company	5,000,000
42	Maoming Municipal Bureau of Finance	5,000,000
43	Foshan Municipal Bureau of Finance	5,000,000
44	Jiangmen Municipal Bureau of Finance	5,000,000
45	Zhongshan Nongyin Industrial Development Corporation	5,000,000
46	Shantou Municipal Bureau of Finance	5,000,000
47	Wuzhou Municipal Bureau of Finance	5,000,000
48	Nationalized Xijiang Shipbuilding Factory	5,000,000
49	Sinopec Sichuan Vinylon Works	5,000,000
50	Chongqing Municipal Bureau of Finance	5,000,000
51	Dongfeng Shiyuan Automobile Trade Co., Ltd.	5,000,000
52	Hubei Qingjiang Hydropower Development Corporation	5,000,000
53	Hunan Haida Automobile Electromechanical Trade Corporation	5,000,000
54	China National Sugar & Alcohol Group Corporation	5,000,000
55	Beijing Petroleum Products Distribution Corporation	5,000,000
56	Beijing Automotive Industry Group Company	5,000,000
57	Beijing Yan Jing Beer Group Company	5,000,000
58	Beijing Tourism Company	5,000,000
59	Sinopec Beijing Yanshan Petrochemical Co., Ltd.	5,000,000
60	Taiyuan Chemical Industry Group Co., Ltd.	5,000,000
61	Shanxi Province State Mine Labour Insurance Corporation	5,000,000
62	Taiyuan Iron & Steel (Group) Company	5,000,000
63	Dalian Longxing Shipping Company	5,000,000
64	China Ocean Shipping Agency (Dalian)	5,000,000
65	Jinzhou Municipal Bureau of Finance	5,000,000
66	Shandong Xinhua Pharmaceutical Factory	5,000,000
67	Zibo Municipal Bureau of Finance	5,000,000
68	Northeast General Pharmaceutical Factory	5,000,000
69	State Power Corporation of China, Northwest Branch	5,000,000
70	Electric Power Industry Bureau of Gansu Province	5,000,000

<b>No.</b>	<b>Name of Subscribers</b>	<b>Number of Shares Subscribed For (Shares)</b>
71	Huaneng (Hainan) Company Limited	5,000,000
72	China Huandao (Group) Company	5,000,000
73	China Electronics Import and Export Zhejiang Company	5,000,000
74	Zhejiang Metal Material Company	5,000,000
75	Kunming Municipal Bureau of Finance	5,000,000
76	Yunnan Textile Factory	5,000,000
77	Yunnan Cigarette Distribution Company	5,000,000
78	China Tobacco Import & Export Company (Yunan Branch)	5,000,000
79	Yunnan Cigarette Storage and Transportation Company	5,000,000
80	Kunming Cigarette Factory	5,000,000
81	China National Tobacco Corporation (Yunnan Branch)	5,000,000
82	Chengdu Municipal Bureau of Finance	5,000,000
83	Sichuan Airlines Co., Ltd.	5,000,000
84	Jilin Province Petroleum Corporation	5,000,000
85	Zhengzhou Cigarette Factory	5,000,000
86	Hefei Municipal Bureau of Finance	5,000,000
87	Anhui Foreign Trade and Industrial Development Corporation	5,000,000
88	Nantong Transport Construction Investment Company	5,000,000
89	Xiamen Posts and Telecommunications Zongheng Co., Ltd.	5,000,000
90	Xiamen Municipal Bureau of Finance	5,000,000
91	China Tobacco Fujian Import & Export Company	5,000,000
92	Xinjiang Uygur Autonomous Region Salt Company	5,000,000
93	Urumqi Railroad Bureau	5,000,000
94	Xinjiang Dushanzi Refinery	5,000,000
95	Xinjiang Uygur Autonomous Region Cotton & Hemp Company	5,000,000
96	Xinjiang Uygur Autonomous Region Bayi Iron & Steel Corporation	5,000,000
97	Xinjiang Uygur Autonomous Region Investment Company	5,000,000
98	Taian Economic Development Investment Company	5,000,000
99	Jining Municipal Bureau of Finance	5,000,000
100	Wenzhou Electric Industry Corporation	5,000,000

<b>No.</b>	<b>Name of Subscribers</b>	<b>Number of Shares Subscribed For (Shares)</b>
101	Baotou Municipal Bureau of Finance	5,000,000
102	Fujian Garment Import & Export Company	4,000,000
103	Beihai Municipal Bureau of Finance	4,000,000
104	Qingdao Municipal Bureau of Finance	4,000,000
105	Yangzhou Municipal Bureau of Finance	3,500,000
106	Jiangsu Suzhou Steel Group Co., Ltd.	3,000,000
107	Kunshan Municipal Bureau of Finance	3,000,000
108	Nanjing Investment Company	3,000,000
109	Zengcheng Vehicles Industrial Development Company	3,000,000
110	No.5 Engineering Authority of the Ministry of Railways	3,000,000
111	Shaanxi Jinhua Real Estate Development Co., Ltd.	3,000,000
112	Yunnan Comprehensive Tobacco Services Company	3,000,000
113	Qidong Rural Social and Pension Insurance Business Management Department	3,000,000
114	Xinjiang Uygur Autonomous Region Agricultural Production Materials Company	3,000,000
115	Feicheng Economic Development Investment Company	3,000,000
116	Shaoxing Silk Printing Plant	2,200,000
117	Changzhou Securities Company Limited	2,000,000
118	Jiangsu Tobacco Company (Wuxi Branch)	2,000,000
119	Shaoxing County First Polyester Fibre Factory	2,000,000
120	Zhejiang Laofengxiang Jewellery Factory	2,000,000
121	Nanjing Machinery Hardware Mineral Medicine and Healthcare Products Import and Export Co., Ltd.	2,000,000
122	Changan Automobile Co., Ltd.	2,000,000
123	Nanchang Municipal Bureau of Finance	2,000,000
124	Leping Municipal Bureau of Finance	2,000,000
125	Beijing Chemical Industry Group Co., Ltd.	2,000,000
126	Dandong Automobile Factory	2,000,000
127	Shandong Pesticide Industrial Co., Ltd.	2,000,000
128	Lanzhou Xilan Materials Corporation	2,000,000

<b>No.</b>	<b>Name of Subscribers</b>	<b>Number of Shares Subscribed For (Shares)</b>
129	Shenzhen Hongkai (Group) Co. Ltd.	2,000,000
130	Karamay Municipal Bureau of Finance	2,000,000
131	Aksu Green Industrial Development Company	2,000,000
132	Xinjiang Uygur Autonomous Region First Construction Engineering Company	2,000,000
133	Zhejiang Tobacco Company (Wenzhou Branch)	2,000,000
134	Ruian Municipal Bureau of Finance	2,000,000
135	Jiangsu Girls Spring Group Co., Ltd.	1,500,000
136	Shaoxing Municipal Bureau of Finance	1,000,000
137	Shaoxing County Bureau of Finance	1,000,000
138	Jiangxi Finance Development Company	1,000,000
139	The Capital Funds Management Office of Xinjiang Changji Hui Autonomous Prefecture	1,000,000
140	Xinjiang Fertilizer Plant	1,000,000
141	Huangshi Economic Industrial Development Corporation	900,000
<b>Total</b>		<b>1,005,900,000</b>

***ii. Capital Increase in 2002***

On 12 December 2002, the Company was approved by the CIRC pursuant to Bao Jian Fu [2002] No. 147 to issue additional 2,293,610,000 domestic shares to 12 Shareholders (such as Baosteel Group Corporation). The share price for this capital increase was RMB2.50 per share. The total number of shares subscribed for was 2,293,610,000 shares and the total fund raised amounted to RMB5,734,025,000.

On 18 December 2002, the Company was approved by the CIRC pursuant to Bao Jian Bian Shen [2002] No. 119 to change its registered capital to RMB4.3 billion.

The details of the subscriptions made for this capital increase are as follows:

<b>No.</b>	<b>Names of Subscribers</b>	<b>Number of Shares Subscribed For (Share)</b>
1.	Shanghai Baosteel Group Corporation	564,010,000
2.	Dalian Shide Group Co., Ltd.	430,000,000
3.	Shanghai Tobacco Group Co., Ltd.	385,100,000
4.	Shanghai Baosteel Chemical Co., Ltd.	375,000,000
5.	Shenergy Group Company Limited	301,041,500
6.	Shanghai Baosteelland Co., Ltd.	124,000,000
7.	Shanghai Jiushi (Group) Co., Ltd.	67,098,750
8.	Shanghai State-owned Assets Operation Co., Ltd.	33,159,750
9.	Shanxi Zhenxing Group Co., Ltd.	8,000,000
10.	Ruian State-owned Assets Investment and Operation Co., Ltd.	5,000,000
11.	Chengde Haoyuan Power Installation Co., Ltd.	1,000,000
12.	Zhenjiang Water Corporation	200,000
<b>Total</b>		<b>2,293,610,000</b>

### *iii. Capital Increase in 2007*

On 16 April 2007, the Company was approved by the CIRC pursuant to Bao Jian Fa Gai [2007] No. 428 to issue additional 2,400,000,000 shares in total, with 1,066,700,000 shares to the existing Shareholders (such as Baosteel Group Corporation) and 1,333,300,000 shares to Parallel Investors Holdings Limited and Carlyle Holdings Mauritius Limited.

On 17 May 2007, the Company was approved by the CIRC pursuant to Bao Jian Fa Gai [2007] No. 584 to change its registered capital to RMB6.7 billion.

The details of the subscriptions made for this capital increase are as follows:

<b>No.</b>	<b>Names of Subscribers</b>	<b>Number of Shares Subscribed For (Share)</b>
1.	Parallel Investors Holdings Limited	1,051,785,087
2.	Shenergy Group Company Limited	676,235,705
3.	Baosteel Group Corporation	283,794,295
4.	Carlyle Holdings Mauritius Limited	281,514,913
5.	Dalian Shide Group Co., Ltd.	106,670,000
<b>Total</b>		<b>2,400,000,000</b>

***iv. Public Offering and Listing of A Shares in 2007***

Upon approval by the CIRC pursuant to Bao Jian Fa Gai [2007] No. 978 on 30 July 2007 and approval by the CSRC pursuant to Zheng Jian Fa Xing Zi [2007] No. 456 on 6 December 2007, the Company conducted its initial public offering of 1,000,000,000 Renminbi-denominated ordinary shares, which were listed on the Shanghai Stock Exchange on 25 December 2007. Upon completion of such share offering, the registered capital of the Company was changed to RMB7.7 billion.

***v. Public Offering and Listing of H Shares in 2009***

Upon approval by the CIRC pursuant to Bao Jian Fa Gai [2009] No. 1007 on 21 September 2009 and approval by the CSRC pursuant to Zheng Jian Xu Ke [2009] No. 1217 on 23 November 2009, the Company conducted its initial public offering of 900,000,000 overseas-listed foreign investment shares, which were listed on the Hong Kong Stock Exchange on 23 December 2009. Upon completion of such share offering, the registered capital of the Company was changed to RMB8.6 billion.

***vi. Private Placement and Listing of H Shares in 2012***

Upon approval by the CIRC pursuant to Bao Jian Fa Gai [2012] No. 1186 on 29 September 2012 and approval by the CSRC pursuant to Zheng Jian Xu Ke [2012] No. 1424 on 30 October 2012, the Company conducted a private placement to targeted subscribers of 462,000,000 overseas-listed foreign investment shares in total, which were listed on the Hong Kong Stock Exchange on 14 November 2012. Upon completion of such share issue, the registered capital of the Company was changed to RMB9.062 billion.

## **II Previous Share Transfers**

### ***i. Contribution and Transfer by Bank of Communications***

In 1991, the general administration division and 10 branches of the Bank of Communications made a contribution of RMB430,000,000 to the Company. In 1992, 40 branches and sub-branches of the Bank of Communications made another contribution of RMB401,000,000 to the Company. The Bank of Communications subscribed for 172,400,000 shares in the capital increase of the Company in 1995. As of then, the Bank of Communications held an aggregate of 1,003,400,000 shares in the Company.

On 28 August 1999, the Bank of Communications entered into an agreement with the Shanghai Municipal People's Government in relation to the transfer of its equity interest in the Company, pursuant to which the Bank of Communications transferred all 1,003,400,000 shares it held in the Company, representing approximately 50.01% of the then total share capital of the Company, to Shanghai Municipal People's Government for a consideration of RMB1,865,102,000. The transfer was approved by the Ministry of Finance pursuant to Cai Zhai Zi [1999] No. 165.

### ***ii. Transfer by Shanghai Municipal People's Government***

Upon approval by the CIRC pursuant to Bao Jian Fu [2000] No. 70 and Bao Jian Fu [2000] No. 135, the Shanghai Municipal People's Government transferred 190,901,250 shares, 190,901,250 shares, 300,958,500 shares and 120,000,000 shares it held in the Company to Shanghai Jiushi Corporation, Shanghai State-owned Assets Operation Co., Ltd., Shenergy (Group) Company Limited and Yunnan Hongta Industrial Co., Ltd. respectively, at a transfer price of RMB1.186, RMB1.186, RMB1.49 and RMB1.44 per share respectively. The shares subject to such transfers accounted for approximately 40.1% of the then total share capital of the Company. The Shanghai Municipal People's Government still held 200,639,000 shares in the Company through the Shanghai Municipal Bureau of Finance.

Upon approval by the CIRC pursuant to Bao Jian Bian Shen [2001] No. 86, the Shanghai Municipal People's Government transferred all the shares it held in the Company to Shanghai State-owned Assets Operation Co., Ltd. through the Shanghai Municipal Bureau of Finance for nil consideration.

### **iii. Transfer by Baosteel Group Corporation and its Subsidiaries and Affiliates**

In November 2007, due to internal adjustment, Baosteel Group Corporation transferred 950,000,000 shares held by it, 375,000,000 shares held by Shanghai Baosteel Chemicals Company Limited, 8,000,000 shares held by Baosteel Group Shanghai Wugang Co, Ltd. and 7,000,000 shares held by Hwabao Trust Co., Ltd. to Fortune Investment Co., Ltd., a wholly-owned subsidiary of Baosteel Group Corporation, at a transfer price of RMB3.00, RMB2.50, RMB4.27 and RMB4.27 per share respectively. Upon such transfer, Fortune Investment Co., Ltd. held 1,340,000,000 shares in the Company, representing 20% of the total share capital of the Company. The above transfer was approved by the CIRC pursuant to Bao Jian Fa Gai [2007] No. 1458.

### **iv. Other Changes in Shareholding**

- (1) Save for the abovementioned equity transfers, as of the listing of the Company's A shares, the previous changes in the Shareholders' shareholding (including Shareholder renaming) and related approvals or recording filings are set out below:

<b>Year</b>	<b>Approval or Record Filing</b>	<b>Description of Change in Shareholding</b>
1999	CIRC Bao Jian Fu [1999] No. 13	Beijing Travel and Tourism Corporation was renamed Beijing Tourism Company Limited.
1999	CIRC Bao Jian Fu [1999] No. 54	Zhoushan Municipal Bureau of Finance, Zhoushan Putuo District Bureau of Finance, Tai'an Economic Development Investment Company and Zhongshan Nongyin Industrial Development Co., Ltd. transferred the shares they held in the Company, i.e. 10,000,000 shares, 5,000,000 shares, 5,000,000 shares and 5,000,000 shares respectively, to Yuxi Hongta Tobacco (Group) Co., Ltd., all at a transfer price of RMB1.40 per share.
1999	CIRC Bao Jian Fu [1999] No. 79	Shanghai Jinjiang (Group) Company was renamed Jinjiang (Group) Corporation.
1999	CIRC Bao Jian Fu [1999] No. 104	The Department of Finance of Jiangsu Province transferred its 10,000,000 shares to Jiangsu State-owned Assets Operation Co., Ltd. for nil consideration. Panzhuhua Kaiyuan Industrial Company transferred its 1,500,000 shares to Panzhuhua State-owned Assets Investment and Operation Co., Ltd. at a transfer price unknown to the Company.

<b>Year</b>	<b>Approval or Record Filing</b>	<b>Description of Change in Shareholding</b>
1999	CIRC Bao Jian Fu [1999] No. 133	Shandong Xinhua Pharmaceutical Factory was renamed Shandong Xinhua Pharmaceutical Group Company Limited.
1999	CIRC Bao Jian Fu [1999] No. 239	Qidong Rural Social and Pension Insurance Business Management Department transferred its 3,000,000 shares to Nantong Transport Construction Investment Company, at a transfer price of RMB1.248 per share
2000	CIRC Bao Jian Fu [2000] No. 22	Zhejiang Shaoxing County Commercial Corporation transferred its 500,000 shares to Shaoxing Yinxiang Economic Industrial Company at a transfer price unknown to the Company.
2000	CIRC Bao Jian Fu [2000] No. 162	Shandong Xinhua Pharmaceutical Group Company Limited transferred its 5,000,000 shares to Shandong Xinhua Pharmaceutical Company Limited for nil consideration.
2000	CIRC Bao Jian Fu [2000] No. 265	Zhejiang Qing Hong Electronics Group Co., Ltd. transferred its 1,000,000 shares to Tianjin Zhonghuan Semiconductor Company at a transfer price unknown to the Company.
2001	CIRC Bao Jian Bian Shen [2001] No. 11	Shaoxing Rolling Factory transferred its 500,000 shares to Shaoxing Silk Printing Plant at a transfer price of RMB1.00 per share.
		Shaoxing Silk Printing Plant was renamed Shaoxing Silk Printing and Dyeing Co., Ltd.

Year	Approval or Record Filing	Description of Change in Shareholding
2001	CIRC Bao Jian Bian Shen [2001] No. 17	Liaoyuan Deheng Company Limited transferred its 1,650,000 shares to Liaoyuan Donghai Down Clothing Factory at a transfer price of RMB4.00 per share.
		Shaoxing Iron and Steel Factory transferred its 500,000 shares to Shanghai Haixiang Property Co., Ltd. at a transfer price of RMB1.00 per share.
		Gansu Yuanrong Joint Company transferred its 500,000 shares to Gansu Electric Power Company at a transfer price of RMB1.47 per share.
		Cixi Post Office transferred its 1,000,000 shares to Cixi Guanglian Communication Co., Ltd. at a transfer price of RMB1.16 per share.
		Hefei Overseas Chinese Economic Development Company transferred its 500,000 shares to Tongshan Huaihai Packaging Material Co., Ltd at a transfer price of RMB1.16 per share.
		Yuyao Machinery Sets Company transferred its 500,000 shares to Yuyao Lucky Trading Company at a transfer price of RMB1.30 per share.
		Yuyao Timber Company transferred its 500,000 shares to Yuyao Zhongda Petrochemical Co., Ltd at a transfer price of RMB1.30 per share.
		Lianyungang Materiel Administration transferred its 300,000 shares to Lianyungang Xingye Real Estate Development Co., Ltd. at a transfer price of RMB1.449 per share.

<b>Year</b>	<b>Approval or Record Filing</b>	<b>Description of Change in Shareholding</b>
2001	CIRC Bao Jian Bian Shen [2001] No. 18	Beijing Petroleum Products Sales Corporation was renamed Sinopec Beijing Oil Products Company.
		China Tobacco Yunnan Import and Export Corporation was renamed China Tobacco Yunnan Import and Export Co., Ltd.
		Xinjiang Uygur Autonomous Region Bayi Iron and Steel Factory was renamed Xinjiang Bayi Iron and Steel (Group) Co., Ltd.
		Maoming Jinhua Financial Development Company was renamed Maoming Zhonghe Economic Development Corporation.
		Guangzhou Pearl River Electric Power Engineering Company was renamed Guangzhou Development Group Co., Ltd.
		Zunyi Aluminium Plant was renamed Zunyi Aluminium Industry Co., Ltd.
		Zunyi Financial Securities Service Company was renamed Zunyi State-owned Assets Investment and Operation Co., Ltd.
		Northwest State Power Corporation was renamed Shaanxi Provincial Power Company.
		Hubei Qingjiang Hydropower Development Corporation was renamed Hubei Qingjiang Hydropower Development Co., Ltd.
2001	CIRC Bao Jian Fu [2001] No. 25	36 Shareholders including Sinopec Jinling Petrochemical Company and Guizhou Chishui Natural Gas Chemical Fertilizer Plant changed their names.
2001	CIRC Bao Jian Bian Shen [2001] No. 69	Yunnan Hongta Industrial Co., Ltd. was renamed Yunnan Hongta Investment Company Limited.

Year	Approval or Record Filing	Description of Change in Shareholding
2001	CIRC Bao Jian Bian Shen[2001] No. 86	Northeast Pharmaceutical Factory and Chengde Infrastructure Materials Corporation transferred the shares they held in the Company, i.e. 5,000,000 shares and 300,000 shares respectively, to Shanghai State-owned Assets Operation Co., Ltd. at a transfer price of RMB1.48 per share.
		Shanghai State-owned Assets Operation Co., Ltd. transferred its 196,201,250 shares to Shanghai International Group Co., Ltd. at a transfer price of RMB1.90 per share.
		Hongta Group Corporation transferred its 25,000,000 shares to Yunnan Hongta Investment Company Limited at a transfer price of RMB1.00 per share. Yangzhou Xinyi Real Estate Development Company transferred its 5,000,000 shares to Yunnan Hongta Investment Company Limited at a transfer price of RMB1.45 per share.
2001	CIRC Bao Jian Fu[2001] No. 106	Shareholder qualification of 283 entities reported by China Pacific Insurance Company was confirmed.

Year	Approval or Record Filing	Description of Change in Shareholding
2001	CIRC Bao Jian Fu [2001] No. 227	Huainan Grain Bureau III Storeroom was renamed Anhui Huainan Tianjia'an National Grain Depot.
		Sichuan Chuanwei Iron and Steel Group Co., Ltd. was renamed Sichuan Chuanwei Group Co., Ltd.
		Beijing Automotive Industry Group Company was renamed Beijing Automotive Industry Holding Co., Ltd.
		Jiangsu State-owned Assets Operation Co., Ltd. was renamed Jiangsu State-owned Assets Operation (Holding) Co., Ltd.
		Gansu Finance Department transferred its 1,000,000 shares to Gansu Trust and Investment Company at a transfer price of RMB1.16 per share.
		Huangshi Economic and Industrial Development Co., Ltd. transferred its 900,000 shares to Huangshi Local Railway Company at a transfer price unknown to the Company.
		Heilongjiang Administration of Hydropower Construction transferred its 1,000,000 shares to Mudanjiang Longdian Industrial Co., Ltd. at a transfer price of RMB1.16 per share.
		Zunyi Xinxing Power Co., Ltd. transferred its 500,000 shares to Zunyi Power Real Estate Development Co., Ltd. at a transfer price of RMB1.248 per share.
		Zhejiang Laofengxiang Jewellery Factory transferred its 2,000,000 shares to Zhejiang Riyue Jewellery Group Co., Ltd. at a transfer price of RMB1.248 per share.
		Liaoyuan Donghai Down Clothing Factory transferred 1,000,000 shares out of the 2,650,000 shares it held to Liaoyuan Water Supply Company at a transfer price of RMB1.16 per share.
		Jiangmen Municipal Bureau of Finance transferred its 5,000,000 shares to Jiangmen Trading Assets Management Co., Ltd. for nil consideration.
Ruian Municipal Bureau of Finance transferred its 2,000,000 shares to Ruian State-owned Assets Investment and Operation Co., Ltd. at a transfer price of RMB1.248 per share.		

Year	Approval or Record	Description of change in shareholding
		Lianyungang Metal Materials Corporation transferred its 300,000 shares to Lianyungang Asset Development and Investment Corporation at a transfer price of RMB1.48 per share.
		Shanghai Municipal Postal Administration transferred 3,175,000 shares, 657,000 shares and 3,628,000 shares to China Post (Shanghai), Shanghai Mobile Communications Co., Ltd. and China Telecommunications Limited Shanghai Branch respectively for nil consideration.
		Dalian Longxing Shipping Co., Ltd. transferred its 5,000,000 shares to Dalian Railway Housing Development Co., Ltd. at a transfer price of RMB1.248 per share.
		Guiyang Yintong Trade Development Company transferred its 3,000,000 shares to China Railway No.5 Engineering Group Co., Ltd. at a transfer price of RMB1.30 per share.
		Xuzhou Electric Power Bureau transferred its 5,000,000 shares to Xuzhou Electric Power Industry Co., Ltd. at a transfer price of RMB1.248 per share.
		Feicheng Economic Development Investment Company transferred its 3,000,000 shares to Shandong Taishan Tire Factory at a transfer price of RMB1.48 per share.
		Chengde Aolin Industrial Development Corporation transferred its 300,000 shares to Chengde Yuhuashidai Technology Trading Company at a transfer price unknown to the Company.
		Zhenjiang Trust and Investment Company transferred its 1,000,000 shares to Zhenjiang Asset Management Company at a transfer price of RMB1.16 per share.

Year	Approval or Record	Description of change in shareholding
		<p>Huangshi Yuanxiang Property Development Company transferred its 300,000 shares to China Orient Asset Management Co. Ltd. at a transfer price of RMB1.16 per share.</p> <p>300,000 shares held by Shangyu Guangtong Industrial Development Company, 5,000,000 shares held by Datun Coal Power Company, 600,000 shares held by Xin Tong Comprehensive Operation Company, 500,000 shares held by Shaoxing County Commercial Corporation, 1,000,000 shares held by Xiamen Local Construction Materials Company, 1,000,000 shares held by Xiamen Zhongmao Import and Export Co., Ltd. and 500,000 shares held by China Petroleum Corporation Liaoyuan Branch were transferred to Shanghai Tobacco (Group) Company, all at a transfer price of RMB 1.48 per share. The Technical Funds Management Office of Changji Hui Autonomous Prefecture transferred its 1,000,000 shares to Shanghai Tobacco (Group) Company at a transfer price of RMB1.485 per share. Hefei Jinsui Industrial Corporation transferred its 500,000 shares to Shanghai Tobacco (Group) Company at a transfer price of RMB1.49 per share. Labour Service Company of Anhui Hefei Municipal State Taxation Bureau transferred its 500,000 shares to Shanghai Tobacco (Group) Company at a transfer price of RMB1.50 per share.</p>
2001	CIRC Bao Jian Fu [2001] No. 239	The Company's registered capital of RMB2.00639 billion was confirmed; and the investment qualification of 268 Shareholders of the Company (other than the 5 promoters) was confirmed.

<b>Year</b>	<b>Approval or Record</b>	<b>Description of change in shareholding</b>
2002	CIRC Bao Jian Bian Shen [2002] No. 38	Jiangsu Province Economic and Trade Corporation transferred its 5,000,000 shares to Shanghai Wanke Industrial Co., Ltd. at a transfer price of RMB1.50 per share.
		Jiangxi Qianwei Chemical Limited Company transferred its 300,000 shares to Xinyu Xinhua Industrial Co., Ltd. at a transfer price unknown to the Company.
		Hangzhou Fengqi Construction Industry Corporation was renamed Hangzhou Donghe Construction and Development Company.
2002	CIRC Bao Jian Bian Shen [2002] No. 99	Hubei Changxing Industrial Co., Ltd. transferred its 5,000,000 shares to Shanghai Guoxin Investment and Development Co., Ltd. at a transfer price of RMB1.58 per share.
2002	CIRC Bao Jian Bian Shen [2002] No. 118	Shaanxi Jinhua Industrial Development Co., Ltd. was renamed Jinhua Investment Co., Ltd.
		Chengde Electric Power Industry Corporation was renamed Chengde Haoyuan Power Installation Co., Ltd.
		Changjiang Economic Development (Group) Co., Ltd. Nanjing Branch was renamed Nanjing Changjiang Development Co., Ltd.
		China Tobacco Fujian Import and Export Company was renamed China Tobacco Fujian Import and Export Co., Ltd.
		Lianyungang Electrical and Mechanical Equipment Corporation was renamed Lianyungang Lantian Electrical and Mechanical Equipment Co., Ltd.

Year	Approval or Record	Description of change in shareholding
		Maoming Zhonghe Economic Development Company was renamed Maoming Zhonghe Plastic Co., Ltd.
		Gansu Province Trust and Investment Company was renamed Gansu Province Trust and Investment Co., Ltd.
		Zibo Municipal Bureau of Finance transferred its 5,000,000 shares to Zibo State-owned Assets Management Company for nil consideration.
		Hefei Municipal Bureau of Finance transferred its 5,000,000 shares to Hefei Xingtai Investment Holdings Limited for nil consideration.
		Kunming Municipal Bureau of Finance transferred its 5,000,000 shares to Kunming State-owned Assets (Holding) Operating Co., Ltd. for nil consideration.
		Nanjing Municipal Bureau of Finance transferred its 20,000,000 shares to Nanjing State-owned Assets Investment Management Holding (Group) Co., Ltd. for nil consideration.
		Ningbo Zhenhai District Bureau of Finance transferred its 500,000 shares to Ningbo Zhenhai District Haijiang Investment and Development Co., Ltd. for nil consideration.
		Shangyu Municipal Bureau of Finance transferred its 1,000,000 shares to Shangyu Asset Operation Co., Ltd. for nil consideration.
		Wuzhou Municipal Bureau of Finance transferred its 5,000,000 shares to Wuzhou Dongtai State-owned Assets Operation Co., Ltd. for nil consideration.

Year	Approval or Record	Description of change in shareholding
		Karamay Municipal Bureau of Finance transferred its 2,000,000 shares to Karamay State-owned Assets Investment and Operation Co., Ltd. for nil consideration.
		431,100 shares held by Zunyi Honghuagang District Bureau of Finance and 300,000 shares held by Zunyi Trust and Investment Company were transferred to Zunyi Honghuagang District State-owned Assets Investment and Operation Co., Ltd. for nil consideration.
		Jinzhou Municipal Bureau of Finance transferred its 5,000,000 shares to Jinzhou Guofa Assets Operation Co., Ltd. at a transfer price of RMB1.00 per share.
		Hangzhou Municipal Bureau of Finance transferred its 10,200,000 shares to Hangzhou Financial Development Company at a transfer price of RMB1.248 per share.
		Yangzhou Municipal Bureau of Finance transferred its 3,500,000 shares to Yangzhou Energy Transportation Investment Company for nil consideration.
		9,700,000 shares held by Zhenjiang Municipal Bureau of Finance, 500,000 shares held by Danyang Municipal Bureau of Finance, 300,000 shares held by Zhenjiang Municipal Local Taxation Bureau and 700,000 shares held by Zhenjiang Municipal State Taxation Bureau were transferred to Zhenjiang Assets Operation Company at a transfer price of RMB1.16 per share.
		Shaoxing Municipal Bureau of Finance transferred its 2,500,000 shares to Shaoxing Finance Investment Co., Ltd. at a transfer price of RMB1.00 per share.
		Shaoxing County Bureau of Finance transferred its 1,000,000 shares to Shaoxing County State-owned Assets Investment and Operation Co., Ltd. at a transfer price of RMB1.00 per share.

Year	Approval or Record	Description of change in shareholding
		Kunshan Municipal Bureau of Finance transferred its 3,000,000 shares to Kunshan Xinda Accounting Services Company Limited at a transfer price of RMB1.248 per share.
		Maoming Municipal Bureau of Finance transferred its 4,000,000 shares to Maoming Sanwei Economic Development Co., Ltd. for nil consideration.
		Liaoyuan Municipal Bureau of Finance transferred its 1,500,000 shares to Jilin Sanyou Real Estate Development Co., Ltd. at a transfer price of RMB1.36 per share.
		Jilin Municipal Bureau of Finance transferred its 10,000,000 shares to Jilin Zhongtian Investment Management Co., Ltd. at a transfer price of RMB1.248 per share.
		Jinchang Municipal Bureau of Finance transferred its 1,000,000 shares to Gansu Province Trust and Investment Co., Ltd. at a transfer price unknown to the Company.
		Dalian Municipal Bureau of Finance transferred its 15,000,000 shares to Dalian Enterprise Credit Guarantee Co., Ltd. at a transfer price of RMB1.6766 per share.
		Nanchang Municipal Bureau of Finance transferred its 5,000,000 shares to Jiangxi Hongda (Group) Co., Ltd. at a transfer price of RMB1.68 per share.
		600,000 shares held by Xinyu Municipal Bureau of Finance and 300,000 shares held by Xinyu Municipal Commercial Bureau were transferred to Jiangxi Xinyu Silima Highway Construction Co., Ltd. at a transfer price of RMB1.30 per share.
		The Treasury Services Department of Xinyu Yu Shui District Bureau of Finance transferred its 300,000 shares to Culture and Education Supplies Factory of Yu Shui District, Xinyu at a transfer price of RMB1.30 per share.

Year	Approval or Record	Description of change in shareholding
		Leping Municipal Bureau of Finance transferred its 2,000,000 shares to Leping Jincai Information Engineering Co., Ltd. for nil consideration.
		Shanghai Jinjiang Group Finance Co., Ltd. transferred its 700,000 shares to Jinjiang (Group) Co., Ltd. at a transfer price of RMB1.16 per share.
		Jiangsu Province International Trust and Investment Corporation transferred its 10,000,000 shares to Jiangsu Guoxin Asset Management Group Co., Ltd. at a transfer price of RMB1.248 per share.
		Zigong Caiyuan Development Company transferred its 300,000 shares to Zigong State-owned Assets Operation and Investment Co., Ltd. at a transfer price of RMB1.16 per share.
		Qingdao Municipal Bureau of Finance transferred its 4,000,000 shares to Qingdao Qifa Investment Co., Ltd. at a transfer price of RMB1.68 per share.
		5,000,000 shares held by Foshan Municipal Bureau of Finance, 3,000,000 shares held by Jingdezhen Municipal Bureau of Finance and 5,000,000 shares held by Sichuan Airlines were transferred to Shanghai Tobacco Industrial Printing Factory at a transfer price of RMB1.75 per share.
		5,000,000 shares held by Chengdu Municipal Bureau of Finance and 5,000,000 shares held by Chongqing Municipal Bureau of Finance were transferred to Shanghai Tobacco Industrial Printing Factory at a transfer price of RMB1.80 per share.
		5,000,000 shares held by Shantou Municipal Bureau of Finance, 300,000 shares held by Xinlong County Bureau of Finance, 300,000 shares held by Shouwangfen Copper Mine and 9,500,000 shares held by Xiamen Municipal Bureau of Finance were transferred to Shanghai Tobacco Industrial Printing Factory at a transfer price of RMB1.90 per share.

Year	Approval or Record	Description of change in shareholding
		<p>5,000,000 shares held by Jining Municipal Bureau of Finance and 5,000,000 shares held by Baotou Municipal Bureau of Finance were transferred to Shanghai Tobacco Industrial Printing Factory at a transfer price of RMB2.00 per share.</p> <p>Shanghai Zhuzong (Group) Corporation transferred its 10,000,000 shares to Shanghai Tobacco (Group) Company at a transfer price of RMB1.50 per share. Beihai Municipal Bureau of Finance transferred its 4,000,000 shares to Shanghai Tobacco (Group) Company at a transfer price of RMB1.95 per share. Shanghai Pudong New District Bureau of Finance transferred its 20,000,000 shares to Shanghai Tobacco (Group) Company at a transfer price of RMB1.98 per share.</p>
2002	CIRC Bao Jian Fu [2002] No. 147 and Bao Jian Bian Shen [2002] No. 119	On December 12, 2002, the CIRC approved the further issuance of 2,293,610,000 domestic shares by the Group pursuant to Bao Jian Fu [2002] No. 147. On December 18, 2002, the CIRC agreed to the increase of the registered capital of the Group to RMB4.3 billion pursuant to Bao Jian Bian Shen [2002] No. 119.
2003	CIRC Bao Jian Bian Shen [2003] No. 34	<p>Nanjing Investment Company transferred its 3,000,000 shares to Nanjing State-owned Assets Investment Management Holding (Group) Co., Ltd. for nil consideration.</p> <p>Shanghai International Group Co., Ltd. transferred its 196,201,250 shares to Shanghai State-owned Assets Operation Co., Ltd. at a transfer price of RMB1.90 per share.</p> <p>Shanghai Tobacco (Group) Company transferred its 10,000,000 shares to Shanghai Zhuzong (Group) Corporation at a transfer price of RMB1.424 per share.</p>

Year	Approval or Record	Description of change in shareholding
2003	CIRC Bao Jian Bian Shen [2003] No. 96	<p data-bbox="770 219 1436 344">Zhengzhou Cigarette Factory transferred its 5,000,000 shares to Yunnan Hongta Investment Co., Ltd. at a transfer price of RMB2.00 per share.</p> <p data-bbox="770 360 1436 528">Yuyao Longshan Industrial Products Group Co., Ltd. transferred its 500,000 shares to Yuyao Simen Supply and Marketing Cooperatives at a transfer price of RMB1.168 per share.</p> <p data-bbox="770 544 1436 712">Hunan Haida Automobile Electromechanical Trade Co., Ltd. transferred its 5,000,000 shares to Macrolink Holdings Limited at a transfer price of RMB1.248 per share.</p> <p data-bbox="770 728 1436 1196">Shanghai Mobile Communication Co., Ltd. transferred its 657,000 shares to Shanghai Guoxin Investment and Development Co., Ltd. at a transfer price of RMB1.68 per share. Hefei Xingtai Investment Holding Co., Ltd. transferred its 5,000,000 shares to Shanghai Guoxin Investment and Development Co., Ltd. at a transfer price of RMB1.91 per share. Nanjing Changjiang Development Co., Ltd. transferred its 10,000,000 shares to Shanghai Guoxin Investment and Development Co., Ltd. at a transfer price of RMB2.00 per share.</p> <p data-bbox="770 1211 1436 1379">Dushanzi Petrochemical Plant of Xinjiang Oil Administration transferred its 5,000,000 shares to Karamay Dushanzi Kesiyan Petrochemical Co., Ltd. at a transfer price of RMB1.25 per share.</p>
2003	CIRC Bao Jian Bian Shen [2003] No.159	<p data-bbox="770 1406 1436 1563">Shanghai Huchang Special Steel Co., Ltd. transferred its 5,000,000 shares to Shanghai No.5 Steel Co., Ltd. of Baosteel Group at a transfer price of RMB1.16 per share.</p> <p data-bbox="770 1579 1436 1747">Hubei Qingjiang Hydropower Development Co., Ltd. transferred its 5,000,000 shares to Shanghai Guoxin Investment and Development Co., Ltd. at a transfer price of RMB1.75 per share.</p> <p data-bbox="770 1762 1436 1930">Xiamen Zongheng Group Technology Co., Ltd. transferred its 2,788,000 shares to Xiamen Post Property Management Co., Ltd. at a transfer price of RMB1.68 per share.</p>

Year	Approval or Record	Description of change in shareholding
2003	CIRC Bao Jian Fu [2003] No. 177	China International Iron & Steel Investment Co. transferred its 50,000,000 shares to Shanghai Baosteel Group Corporation at a transfer price of RMB2.43 per share.
		Gansu Xilan Technology Industrial Co., Ltd. transferred its 2,000,000 shares to Hwabao Trust and Investment Co., Ltd. at a transfer price of RMB1.84 per share. Shanghai Wanke Industrial Co., Ltd. transferred its 5,000,000 shares to Hwabao Trust and Investment Co., Ltd. at a transfer price of RMB2.05 per share.
		Beijing Automotive Industry Holding Co., Ltd. transferred its 5,000,000 shares to Shanghai Guoxin Investment and Development Co., Ltd. at a transfer price of RMB1.954 per share.
		Changzhou Securities Co., Ltd. transferred its 2,000,000 shares to Changzhou Investment Group Co., Ltd. at a transfer price of RMB1.248 per share.
		Lanzhou Saite Corporation transferred its 1,000,000 shares to Gansu Electric Power Diversified Operation (Group) Company at a transfer price of RMB2.00 per share.
		Liaoyuan Donghai Down Clothing Factory transferred its 1,650,000 shares to Jilin Province Liaoyuan Yadong Pharmaceutical Co., Ltd. at a transfer price of RMB1.00 per share.

Year	Approval or Record	Description of change in shareholding
2004	CIRC Bao Jian Fa Gai [2004] No. 949	Lianyungang Port Authority transferred its 3,000,000 shares to Lianyungang Port Group Co., Ltd. at a transfer price of RMB1.70 per share.
		Yangzhou Energy Transportation Investment Company transferred its 3,500,000 shares to Yangzhou Yangtze River Investment & Development Group Co., Ltd. at a transfer price of RMB1.248 per share.
		Fujian International Tourism Aviation Service Company transferred its 500,000 shares to Fujian Tourism Company Ltd. at a transfer price of RMB1.84 per share.
		Neijiang Huacheng Cotton Textile Factory transferred its 900,000 shares to Neijiang Chuangyuan Textile Co., Ltd. at a transfer price of RMB1.16 per share.
		Zibo State-owned Assets Operation Company transferred its 5,000,000 shares to Zibo City Assets Operation Co., Ltd. for nil consideration.
		Anhui Foreign Trade Financial Industry Development Company transferred its 5,500,000 shares to Anhui Jinhua Import and Export Co., Ltd. at a transfer price of RMB1.24 per share.
		Sichuan Weiyuan Baita (Group) Company transferred its 300,000 shares to Sichuan Zigong Fuda Industrial Co., Ltd. at a transfer price of RMB1.1715 per share.
		Hubei Huangshi Forging Machine Tool Co., Ltd. transferred its 300,000 shares to Hubei Sanhuan Forging Machine Tool Co., Ltd. at a transfer price of RMB1.00 per share.

<b>Year</b>	<b>Approval or Record</b>	<b>Description of change in shareholding</b>
2004	CIRC Bao Jian Fa Gai [2004] No. 1254	3,000,000 shares held by Jinhua Investment Co., Ltd. and 4,000,000 shares held by Fujian Nanfang Textile Co., Ltd. were transferred to Shanghai State-owned Assets Operation Co., Ltd. at a transfer price of RMB2.40 per share.
		Hefei Yingfu Gas Station transferred its 500,000 shares to Shanghai Guoxin Investment and Development Co., Ltd. at a transfer price of RMB1.75 per share. Chengde Motor Plant transferred its 300,000 shares to Shanghai Guoxin Investment and Development Co., Ltd. at a transfer price of RMB2.06 per share.
		Sichuan Kangda Construction Materials Industry Group Company transferred its 2,000,000 shares to Shanxi Zhenxing Group Co., Ltd. at a transfer price of RMB2.20 per share.
		Lanzhou Iron and Steel Company transferred its 1,000,000 shares to Jiuquan Iron and Steel (Group) Co., Ltd., as a result of Jiuquan Iron and Steel (Group) Co., Ltd.'s merger of Lanzhou Iron and Steel Company, and shares of the Company originally held by Lanzhou Iron and Steel Company are therefore held by Jiuquan Iron and Steel (Group) Co., Ltd.
2004	CIRC Bao Jian Fa Gai [2004] No. 1666	Shanghai Baosteel Real Estate Co., Ltd. transferred its 124,000,000 shares to Shanghai Baosteel Group Corporation at a transfer price of RMB2.50 per share.
		Shanghai Light Industry International (Group) Co., Ltd. transferred its 500,000 shares to Shanghai State-owned Assets Operation Co., Ltd. at a transfer price of RMB2.30 per share.
2005	CIRC Bao Jian Fa Gai [2005] No. 752	Shanghai Lujiazui Hongan Industrial Corporation transferred its 5,000,000 shares to Shanghai State-owned Assets Operation Co., Ltd. at a transfer price of RMB1.80 per share.

<b>Year</b>	<b>Approval or Record</b>	<b>Description of change in shareholding</b>
2005	Tai Bao (2005) No. 64 “Report on Share Transfers by and Renaming of Shareholders of the Company”	Guizhou Aerospace Industry Co., Ltd. acquired all the bankruptcy assets of China Jiangnan Aerospace Industry Group Corporation by auction, including 168,900 shares of the Company.
		Wenzhou Electric Power Industry Corporation transferred its 5,000,000 shares to Changtai Holding Group Co., Ltd., as a result of Changtai Holding Group Co., Ltd.’s merger of Wenzhou Electric Power Industry Corporation, and the shares of the Company originally held by Wenzhou Electric Power Industry Corporation are therefore held by Changtai Holding Group Co., Ltd.
		Shangyu Asset Operation Co., Ltd. transferred its 1,000,000 shares to Shangyu Construction Development Co., Ltd. at a transfer price of RMB1.16 per share.
		Gansu Electric Power Diversified Operation (Group) Company transferred its 1,000,000 shares to Gansu Electric Power Pearl Group Co., Ltd. at a transfer price of RMB2.00 per share.
2005	Tai Bao (2005) No. 79 “Report on Share Transfers by Four Shareholders of the Company”	China Artex Fujian Import and Export Corporation transferred its 500,000 shares to Quanzhou Artex Factory of China Artex Fujian Import and Export Company at a transfer price of RMB1.16 per share.
		Chengde Yuhua Shidai Technology Trading Company transferred its 300,000 shares to Shanghai Guoxin Investment and Development Co., Ltd. at a transfer price of RMB1.55 per share.
		China Tobacco Corporation Yunnan Branch transferred its 5,000,000 shares to Yunnan Tobacco Xingyun Investment Co., Ltd.
		Hebei Xinglong Hawthorn Group Company transferred its 300,000 shares to Hebei Province Xinglong County Credit Cooperatives Association at a transfer price of RMB1.67 per share.

Year	Approval or Record	Description of change in shareholding
2005	Tai Bao (2005) No. 148 “Report on Share Transfers by Five Shareholders of the Company”	Shanghai Haixiang Property Co., Ltd. transferred its 500,000 shares to Shanghai Wanke Industrial Co., Ltd. at a transfer price of RMB1.40 per share.
		Kunshan Xinda Accounting Services Company Limited transferred its 3,000,000 shares to Kunshan Industrial Assets Operation Co., Ltd. at a transfer price of RMB1.34 per share.
		Zhenjiang Titanium Dioxide Co., Ltd. transferred its 500,000 shares to Jiangsu Taibai Group Co., Ltd. at a transfer price of RMB1.18 per share.
		1,000,000 shares held by Lanzhou Refining and Chemical Plant of PetroChina and 1,000,000 shares held by Lanzhou Chemical Industry Company of PetroChina were transferred to Lanzhou Petrochemical Company of PetroChina at a transfer price of RMB1.16 per share.
		Xiamen Jinlu Economic Development Corporation transferred its 500,000 shares to FAW Finance Company Limited at a transfer price of RMB1.80 per share.

Year	Approval or Record	Description of change in shareholding
2006	Tai Bao (2006) No. 45 “Report on Share Transfers by and Renaming of Shareholders of the Company”	Jiangsu Tianqing Pharmaceutical Factory transferred its 300,000 shares to Jiangsu Nongken Group Corporation for nil consideration.
		Guangdong Zengcheng Automotive Industry Development Corporation transferred its 3,000,000 shares to Shenzhen Jinghong Investment and Development Co., Ltd. at a transfer price of RMB1.473 per share.
		Zhongfang Group Zigong Real Estate Comprehensive Development Co., Ltd. transferred its 300,000 shares to Shenzhen Tongqian Investment Co., Ltd. at a transfer price of RMB1.40 per share.
		Xiamen Post Property Management Co., Ltd. transferred its 2,788,000 shares to Buffett Investment Co., Ltd. at a transfer price of RMB1.70 per share.
		Chengde Huafeng Commerce Service Company transferred its 900,000 shares to Dalian Ellen Information Consulting Co., Ltd. at a transfer price of RMB1.80 per share.
		Zheng Mao Group Co., Ltd. transferred its 300,000 shares to Zhenjiang China Shipbuilding Equipment Co., Ltd. at a transfer price of RMB1.16 per share.
		Huainan Wan Huai Chemical Plant transferred its 500,000 shares to Shanghai Yi Mu Food Technology Co., Ltd. at a transfer price of RMB1.80 per share.

Year	Approval or Record	Description of change in shareholding
2006	Tai Bao (2006) No. 151 “Report on Share Transfers by and Renaming of Shareholders of the Company”	Liaoyuan Water Company transferred its 1,000,000 shares to Shanghai Xin Qi Industrial Co., Ltd. at a transfer price of RMB1.26 per share.
		Hefei Foreign Trade Company transferred its 500,000 shares to Shanghai Lin Hua Investment Consulting Co., Ltd. at a transfer price of RMB1.50 per share.
		Anhui Huaguang Glass Group Co., Ltd. transferred its 5,000,000 shares to Hwabao Trust & Investment Co., Ltd. at a transfer price of RMB1.80 per share.
		Shanghai Zhuzong (Group) Corporation transferred its 10,000,000 shares to Nanjing Changjiang Investment Industry Co., Ltd. at a transfer price of RMB1.57 per share.
		10,000,000 shares held by Shanghai Yibai (Group) Co., Ltd. and 5,000,000 shares held by Hualian (Group) Co., Ltd. were transferred to Bailian (Group) Co., Ltd. at a transfer price of RMB1.248 per share.
		Jiangsu Chuanshan Group Co., Ltd. transferred its 1,000,000 shares to Hwabao Trust & Investment Co., Ltd. at a transfer price of RMB1.80 per share.
		Jiangxi HopeDa Group Corporation Ltd. transferred its 5,000,000 shares to Hwabao Trust & Investment Co., Ltd. at a transfer price of RMB1.80 per share.
		Xinjiang Uygur Autonomous Region Investment Company transferred its 5,000,000 shares to Hwabao Trust & Investment Co., Ltd. at a transfer price of RMB1.85 per share.
		Jilin Liaoyuan Yadong Pharmaceutical Co., Ltd. transferred its 1,650,000 shares to Liaoyuan Liaohe Textile Co., Ltd. at a transfer price of RMB1.00 per share.
		China Orient Asset Management Co. Ltd. transferred its 300,000 shares to Hangzhou Wogu Investment Management Co., Ltd.
Huangshi Local Railway Company transferred its 900,000 shares to Huangshi Local Railway Construction Management Office.		

Year	Approval or Record	Description of change in shareholding
		<p>2,000,000 shares held by Shanghai Electric Power Company, 5,000,000 shares held by Shanxi Electric Power Company, 6,500,000 shares held by Gansu Electric Power Company and 990,000 shares held by Jiangxia Hydropower Engineering Company were transferred to State Grid Corporation of China.</p> <p>Shanghai Xin Qi Industrial Co., Ltd. transferred its 1,000,000 shares to Shanghai International Trust &amp; Investment Co., Ltd.</p> <p>Kunming Cigarette Factory transferred its 5,000,000 shares to Hongyun Tobacco (Group) Co., Ltd. for nil consideration.</p>
2007	Tai Bao (2007) No. 11 “Report on Share Transfers by and Renaming of Shareholders of the Company”	<p>Yunnan Tobacco Cigarette Sales Company transferred its 5,000,000 shares to Yunnan Tobacco Industrial Company for nil consideration.</p> <p>Yunnan Textile (Group) Co., Ltd. transferred its 5,000,000 shares to Buffett Investment Co., Ltd. at a transfer price of RMB2.53 per share.</p> <p>China Ocean Shipping Agency (Dalian) Co., Ltd. transferred its 5,000,000 shares to Beijing Futaihua Investment Management Co., Ltd. at a transfer price of RMB2.00 per share.</p> <p>Jilin Huarun Biochemical Co., Ltd. transferred its 1,000,000 shares to Shenzhen Ya Mao Investment Co., Ltd. at a transfer price of RMB1.91 per share.</p> <p>Jiangsu Taibai Group Co., Ltd. transferred its 500,000 shares to Hwabao Trust &amp; Investment Co., Ltd. at a transfer price of RMB1.46 per share.</p> <p>5,000,000 shares held by Sinopec Group Beijing Petroleum Co., Ltd., 5,000,000 shares held by Sinopec Group Beijing Yanshan Petrochemical Co., Ltd., 5,000,000 shares held by Sinopec Sichuan Vinylon Works, 5,000,000 shares held by Sinopec Group Yangzi Petrochemical Co., Ltd. and 10,000,000 shares held by Sinopec Group Jinling Petrochemical Co., Ltd. were transferred to Sinopec Finance Co., Ltd. respectively, all at a transfer price of RMB1.46 per share.</p>

Year	Approval or Record	Description of change in shareholding
		Panzhuhua Pacific Real Estate Comprehensive Development Company transferred its 300,000 shares to Hwabao Trust & Investment Co., Ltd. at a transfer price of RMB1.80 per share.
		Shanghai Post Office transferred its 3,715,000 shares to Beijing Futaihua Investment Management Co., Ltd. at a transfer price of RMB1.82 per share.
		Zigong High Pressure Valve Co., Ltd. transferred 250,000 shares to Shenzhen Tongqian Investment Co., Ltd. and Chengdu Tianxiang Real Estate Group Co., Ltd. respectively, both at a transfer price of RMB1.49 per share.
		Xiamen Ben Ma Industrial Corporation transferred its 1,000,000 shares to Xiamen Haide Co., Ltd. for nil consideration.
		Qingdao Qi Fa Investment Co., Ltd. transferred its 4,000,000 shares to Beijing International Trust and Investment Co., Ltd. at a transfer price of RMB1.76 per share.

<b>Year</b>	<b>Approval or Record</b>	<b>Description of change in shareholding</b>
2007	Tai Bao No. 62 “Report on Share Transfers by and Renaming of Shareholders of the Company”	Shanghai Xiang Shan Industries Co., Ltd. transferred its 500,000 shares to Shanghai Shun Nuo Business Consulting Co., Ltd. at a transfer price of RMB4.80 per share.
		Dalian Ellen Information Consulting Co., Ltd. transferred its 300,000 shares to Shanghai Shun Nuo Business Consulting Co., Ltd. at a transfer price of RMB3.20 per share.
		Xinjiang Construction & Engineering Group No.1 Construction Engineering Co., Ltd. transferred its 2,000,000 shares to Shanghai International Trust & Investment Co., Ltd. at a transfer price of RMB4.80 per share.
		Yunnan Tobacco Storage and Transportation Company transferred its 10,000,000 shares to Yunnan China Tobacco Materials (Group) Co., Ltd. for nil consideration.

Year	Approval or Record	Description of change in shareholding
		<p>Gansu Electric Power Pearl Group Co., Ltd. transferred its 1,000,000 shares to Shenzhen Tongqian Investment Co., Ltd. at a transfer price of RMB3.20 per share.</p> <p>Hangzhou Wogu Investment Management Co., Ltd. transferred its 150,000 shares to Shenzhen Tongqian Investment Co., Ltd. at a transfer price of RMB1.60 per share.</p> <p>Xinglong County Rural Credit Cooperatives Association transferred its 300,000 shares to Shanghai Shun Nuo Business Consulting Co., Ltd. at a transfer price of RMB4.50 per share.</p> <p>Sichuan Tranvic Group Co., Ltd. transferred its 300,000 shares to Shanghai Shun Nuo Business Consulting Co., Ltd. at a transfer price of RMB4.50 per share.</p> <p>Xinjiang Yuan Chen Accounting Firm Co., Ltd. transferred its 500,000 shares to Shenzhen Yinxinbao Investment Development Co., Ltd. at a transfer price of RMB6.10 per share.</p>
2007	Tai Bo No. 94 “Report on Share Transfers by and Renaming of Shareholders of the Company”	<p>Yuyao School-run Enterprises Corp. transferred its 500,000 shares to Shanghai Changtai Investment and Development Co., Ltd. at a transfer price of RMB3.50 per share.</p> <p>China Tobacco Yunnan Import and Export Co., Ltd. transferred its 5,000,000 shares to Yunnan Tobacco Industrial Company for nil consideration.</p>

Year	Approval or Record	Description of change in shareholding
		<p data-bbox="770 219 1433 1496">Dalian Shide Group Co., Ltd. transferred its 100,000,000 shares to Kingkey Group Co., Ltd. at a transfer price of RMB9.00 per share; 10,000,000 shares to Zhejiang Lehoo Furniture Co., Ltd. at a transfer price of RMB9.60 per share; 5,000,000 shares to Qitaihe Deli Power Co., Ltd. at a transfer price of RMB10.50 per share; 50,000,000 shares to Shenzhen San Jiu Guo Yu Development Co., Ltd. at a transfer price of RMB9.00 per share; 5,000,000 shares to MIZUDA Group Co., Ltd. at a transfer price of RMB10.00 per share; 15,000,000 shares to Shanghai Zendai Investment Management Co., Ltd. at a transfer price of RMB9.50 per share; 5,000,000 shares to Beijing You Xin Real Estate Development Co., Ltd. at a transfer price of RMB9.80 per share; 100,000,000 shares to Yuan Trust Investment Co., Ltd. at a transfer price of RMB8.35 per share; 5,000,000 shares to Hangzhou Fortune Industrial Co., Ltd. at a transfer price of RMB9.50 per share; 6,000,000 shares to Anhui Anliang Guarantee Co., Ltd. at a transfer price of RMB9.30 per share; 15,000,000 shares to Shanghai International Trust &amp; Investment Co., Ltd. at a transfer price of RMB9.00 per share; 5,000,000 shares to Beijing Uniware Technology Co., Ltd. at a transfer price of RMB7.50 per share; 53,335,000 shares to Zhongrong International Trust and Investment Corporation at a transfer price of RMB4.27 per share; 48,335,000 shares to Shanghai Lu 'an Investment Co., Ltd. at a transfer price of RMB6.00 per share; and 4,000,000 shares to Shanghai Fuying Investment Management Co., Ltd. at a transfer price of RMB9.60 per share, respectively.</p> <p data-bbox="770 1507 1433 1742">Beijing Futaihua Investment Management Co., Ltd. transferred its 5,000,000 shares and 3,715,000 shares to Shanghai Greenwoods Asset Management Co., Ltd. and Shanghai International Trust &amp; Investment Co., Ltd. respectively, both at a transfer price of RMB4.30 per share.</p>

Year	Approval or Record	Description of change in shareholding
2007	Tai Bao (2007) No. 157 "Report on Share Transfers by and Renaming of Shareholders of the Company"	Anhui Huainan Tianjia' an National Grain Depot transferred its 300,000 shares to Shanghai Shun Nuo Business Consulting Co., Ltd. at a transfer price of RMB5.30 per share.
		Shandong Dacheng Pesticide Co., Ltd. transferred its 2,000,000 shares to Beijing International Trust and Investment Co., Ltd. at a transfer price of RMB6.10 per share.
		Jiangsu State-owned Assets Operation (Holdings) Co., Ltd. transferred its 10,000,000 shares to Jiangsu Guoxin Asset Management Co., Ltd., as a result of Jiangsu Guoxin Group' s merger of Jiangsu State-owned Assets Operation (Holdings) Co., Ltd., and the shares of the Company originally held by Jiangsu State-owned Assets Operation (Holdings) Co., Ltd. are therefore held by Jiangsu Guoxin Group.
		Lianyungang Zhongtianxin Financial & Accounting Services Co., Ltd. transferred its 150,000 shares to Hwabao Trust & Investment Co., Ltd. at a transfer price of RMB4.50 per share.
		Xiamen Airlines Co., Ltd. transferred its 10,000,000 shares to Shanghai International Trust & Investment Co., Ltd. at a transfer price of RMB11.80 per share.
		Leping Jincai Information Engineering Co., Ltd. transferred its 2,000,000 shares to Hwabao Trust & Investment Co., Ltd. at a transfer price of RMB9.50 per share. (華寶信託投資有限責任公司) at a transfer price of 9.50 yuan per share.
		Lianyungang Asset Development and Investment Company transferred its 2,300,000 shares to Shanghai Fuying Investment Management Co., Ltd. at a transfer price of RMB5.80 per share.

Year	Approval or Record	Description of change in shareholding
2007	Tai Bao (2007) No. 178 “Report on Share Transfers by and Renaming of Shareholders of the Company”	Nanjing Changjiang Investment Industry Co., Ltd. transferred its 10,000,000 shares to Nanjing Changjiang Development Co., Ltd. at a transfer price of RMB10.00 per share.
		Zhongrong International Trust and Investment Co., Ltd. transferred its 50,000,000 shares to Zhengzhou Yutong Group Co., Ltd. at a transfer price of RMB11.50 per share.
		Jiangsu Girls Spring Group Company transferred its 1,500,000 shares to Pizhou Sun City Real Estate Co., Ltd. at a transfer price of RMB4.50 per share.
		Shanghai Shun Nuo Business Consulting Co., Ltd. transferred 210,000 shares to Shanghai Juyin Software Technology Co., Ltd. at a transfer price of RMB4.70 per share, and 100,000 shares to Dalian Ellen Information Consulting Co., Ltd. at a transfer price of RMB3.20 per share.
		Shanghai International Trust & Investment Co., Ltd. transferred 3,715,000 shares to Shanghai Junzhi 'en Investment Management Co., Ltd. at a transfer price of RMB4.30 per share; 560,000 shares to Nantong Jinlan Industry and Trade Co., Ltd. at a transfer price of RMB8.00 per share; 15,000,000 shares to Shanghai Jundong Clothing Co., Ltd. at a transfer price of RMB9.00 per share; 10,000,000 shares to Shanghai Tiandi Technology Investment Development Co., Ltd. at a transfer price of RMB11.80 per share; 1,440,000 shares to Shanghai Maiqiu Investment Management Co., Ltd. at a transfer price of RMB26.38 per share; and 1,000,000 shares to Shanghai Huayu Investment Consulting Co., Ltd. at a transfer price of RMB28.00 per share, respectively.

<b>Year</b>	<b>Approval or Record</b>	<b>Description of change in shareholding</b>
		Karamay Dushanzi Kesiyuan Petrochemical Co., Ltd. transferred its 5,000,000 shares to the Shanghai Zendai Investment Management Co., Ltd. at a transfer price of RMB26.38 per share.
		Henan Jinxing Brewery transferred its 500,000 shares to Henan Jinxing Group Investment Co., Ltd. at a transfer price of RMB7.50 per share.
		Liaoyang Financial Securities Company transferred its 1,800,000 shares to Liaoyang Caifa Guarantee Center for nil consideration.
		Beijing International Trust and Investment Co., Ltd. transferred its 2,000,000 shares to Beijing Gongxiang Zhichuang Investment Consultants Co., Ltd. at a transfer price of RMB9.80 per share.

*Note:* Pursuant to the Rules on the Administration of Insurance Companies which came into effect on 15 June 2004, and the Procedures of the China Insurance Regulatory Commission for the Implementation of Administrative Licensing Matters which came into effect on 7 July 2004, as amended on 28 March 2005 and 5 July 2007 respectively, any change of the shareholders' shareholding of no more than 10% of the shares in an insurance company is no longer subject to approval by the CIRC, but record filing thereof with the CIRC is required.

- (2) After the offering and listing of the Company's A shares, the changes in the Shareholders' shareholding of 5% or more of the equity interests in the Company (including Shareholder renaming) and related approval or record filing are set out below:

<b>Year</b>	<b>Approval or Record Filing</b>	<b>Description of Change in Shareholding</b>
2012	Bao Jian Fa Gai [2011] No. 1981 of China Insurance Regulatory Commission	According to the notice of Carlyle Holdings Mauritius Limited and Parallel Investors Holdings Limited (hereinafter referred to as "Carlyle Group"), being the Shareholders, Parallel Investors Holdings Limited disposed 18,000,000 H Shares on 18 January 2012. Upon the transaction, Carlyle Group held a total of 425,147,600 H Shares, and its shareholding ratio reduced from 5.15% to 4.94%.
2012	CIRC Bao Jian Fa Gai [2012] No. 112	Shanghai Tobacco Package Printing Co., Ltd. transferred its 47,124,930 shares to Shanghai Haiyan Investment Management Co., Ltd. Upon this transfer, Shanghai Haiyan Investment Management Co., Ltd. held 468,828,104 shares in the Company, while Shanghai Tobacco Package Printing Co., Ltd. ceased to hold any share in the Company.

Year	Approval or Record Filing	Description of Change in Shareholding
2020	CPIC [2020] No. 113 “Report on the changes in the Shareholders holding 5% or more of the equity interests”	According to the approval document issued by the CSRC (Zheng Jian Xu Ke [2020] No. 1053) on 2 June 2020, the Company issued 111,668,291 GDRs, which represent 558,341,455 ordinary shares based on the conversion ratio determined by the Company and were listed on the London Stock Exchange on 22 June 2020 (the “Offering and Listing”). Upon completion of the Offering and Listing, the total share capital of the Company increased from 9,062,000,000 shares to 9,620,341,455 shares. Prior to the Offering and Listing, Shanghai Haiyan Investment Management Co., Ltd. held 468,828,104 shares in the Company, which represented 5.17% of the total share capital of the Company prior to the Offering and Listing. Upon completion of the Offering and Listing, the number of shares held by Shanghai Haiyan Investment Management Co., Ltd. in the Company remained unchanged, but the shareholding percentage has been diluted to 4.87%.