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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Construction Bank Corporation, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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中国建设银行

China Construction Bank

中國建設銀行股份有限公司

China Construction Bank Corporation

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

(Stock Code: 939)

**2020 REPORT OF THE BOARD OF DIRECTORS
2020 REPORT OF THE BOARD OF SUPERVISORS
2020 FINAL FINANCIAL ACCOUNTS
2020 PROFIT DISTRIBUTION PLAN
2021 FIXED ASSET INVESTMENT BUDGET
ELECTION OF MR. KENNETH PATRICK CHUNG TO BE RE-APPOINTED
AS INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE BANK
ELECTION OF MR. LEUNG KAM CHUNG, ANTONY AS
INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE BANK
APPOINTMENT OF EXTERNAL AUDITORS FOR 2021
AND
NOTICE OF 2020 ANNUAL GENERAL MEETING**

The 2020 Annual General Meeting of the Bank will be convened at 4:30 p.m. on 25 June 2021 at No. 25, Financial Street, Xicheng District, Beijing. The notice of the 2020 Annual General Meeting is enclosed and is also published on the HKEXnews website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk).

The H Shareholders who intend to attend the 2020 Annual General Meeting by proxy should complete and return the enclosed proxy form to Computershare Hong Kong Investor Services Limited before 4:30 p.m. on 24 June 2021. Completion and return of the proxy form will not preclude you from attending the 2020 Annual General Meeting and voting in person if you so wish. H Shareholders who intend to attend the meeting in person or by proxy should complete and return the reply slip to Computershare Hong Kong Investor Services Limited on or before 5 June 2021.

28 April 2021

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“2020 Annual General Meeting”	the 2020 annual general meeting of the Bank to be held on 25 June 2021
“A Share(s)”	domestic ordinary share(s) with a par value of RMB1.00 each in the share capital of the Bank, listed on the Shanghai Stock Exchange and traded in RMB
“A Shareholder(s)”	holder(s) of the A Shares
“Articles of Association”	the Articles of Association of the Bank (as amended from time to time)
“Bank” or “CCB”	China Construction Bank Corporation, a joint stock limited company duly incorporated in the PRC and the H Shares and A Shares of which are listed on the Hong Kong Stock Exchange (stock code: 939) and the Shanghai Stock Exchange (stock code: 601939), respectively
“Board” or “Board of Directors”	the board of directors of the Bank
“Board of Supervisors”	the board of supervisors of the Bank
“CBIRC”	China Banking and Insurance Regulatory Commission
“CSRC”	China Securities Regulatory Commission
“H Share(s)”	overseas listed foreign ordinary share(s) with a par value of RMB1.00 each in the share capital of the Bank, listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“H Shareholder(s)”	holder(s) of the H Shares
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“independent non-executive director(s)” or “independent director(s)”	the independent non-executive director(s) of the Bank
“Ordinary Shares”	A Shares and H Shares
“PRC” or “China”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	holders of Ordinary Shares

LETTER FROM THE BOARD



中国建设银行

China Construction Bank

中國建設銀行股份有限公司

China Construction Bank Corporation

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

(Stock Code: 939)

Executive directors:

Tian Guoli
Wang Jiang
Lyu Jiajin

Non-executive directors:

Xu Jiandong
Zhang Qi
Tian Bo
Xia Yang
Shao Min
Liu Fang

Independent non-executive directors:

Anita Fung Yuen Mei
Malcolm Christopher McCarthy
Carl Walter
Kenneth Patrick Chung
Graeme Wheeler
Michel Madelain

Registered office:

No. 25, Financial Street
Xicheng District
Beijing 100033
China

*Principal place of business
in Hong Kong:*

28/F, CCB Tower
3 Connaught Road
Central
Hong Kong

Dear Sir or Madam,

**2020 REPORT OF THE BOARD OF DIRECTORS
2020 REPORT OF THE BOARD OF SUPERVISORS
2020 FINAL FINANCIAL ACCOUNTS
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2021 FIXED ASSET INVESTMENT BUDGET
ELECTION OF MR. KENNETH PATRICK CHUNG TO BE RE-APPOINTED
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ELECTION OF MR. LEUNG KAM CHUNG, ANTONY AS
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APPOINTMENT OF EXTERNAL AUDITORS FOR 2021
AND
NOTICE OF 2020 ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you notice of the 2020 Annual General Meeting and to provide you with reasonable and necessary information.

LETTER FROM THE BOARD

At the 2020 Annual General Meeting, resolutions will be proposed to consider and approve the following as ordinary resolutions: (i) 2020 report of the Board of Directors; (ii) 2020 report of the Board of Supervisors; (iii) 2020 final financial accounts; (iv) 2020 profit distribution plan; (v) 2021 fixed asset investment budget; (vi) election of Mr. Kenneth Patrick Chung to be re-appointed as independent non-executive director of the Bank; (vii) election of Mr. Leung Kam Chung, Antony as independent non-executive director of the Bank; and (viii) appointment of external auditors for 2021. In addition, the work report of independent directors for the year 2020 and the 2020 special report on the related party transactions are incorporated in this circular for your reference.

2020 REPORT OF THE BOARD OF DIRECTORS

Please refer to the relevant section of the 2020 annual report of the Bank for the 2020 report of the Board of Directors of the Bank.

2020 REPORT OF THE BOARD OF SUPERVISORS

Please refer to the relevant section of the 2020 annual report of the Bank for the 2020 report of the Board of Supervisors of the Bank.

2020 FINAL FINANCIAL ACCOUNTS

Please refer to the financial report in the 2020 annual report of the Bank for the 2020 final financial accounts of the Bank.

2020 PROFIT DISTRIBUTION PLAN

Pursuant to the audited financial report for the financial year ended 31 December 2020 of the Bank prepared in accordance with the PRC Generally Accepted Accounting Principles and the International Financial Reporting Standards, the Board proposes the following plan for the distribution of profit for the year 2020:

1. On the basis of the after-tax profit of the Bank for 2020 in the amount of RMB268,174 million, 10% of such profit (being RMB26,817 million) be appropriated to the statutory surplus reserve fund;
2. RMB35,482 million be set aside as the general reserve according to the *Administrative Measures for the Provision of Reserves of Financial Enterprises* (Cai Jin [2012] No. 20) issued by the Ministry of Finance;
3. Cash dividend of RMB0.326 per share (inclusive of taxes) be distributed to all the ordinary Shareholders (whose names appear on the Shareholders' register after the close of trading hours on 14 July 2021) for the year 2020. The total amount of cash dividend is RMB81,504 million;
4. No capitalisation of the capital reserve to share capital of the Bank in 2020.

LETTER FROM THE BOARD

2021 FIXED ASSET INVESTMENT BUDGET

Based on the development strategy of the Bank and the objective of improving business efficiency, in order to enhance the Bank's core competitiveness and long-term value creation capability along with the national policy requirements regarding service coverage expansion of large-scale banks, the Management has taken into comprehensive account the changes in external business situation and technology development and drawn up the proposal for 2021 fixed asset investment budget.

The total fixed asset investment budget for 2021 will be RMB20 billion, an increase of RMB1 billion over the previous year. The budget is mainly intended to strengthen the construction of the "Three Capabilities", support the implementation of "Three Major Strategies", reinforce fintech infrastructure, facilitate digital operations, promote fintech innovation and operation model transformation, enhance comprehensive competitiveness of outlets, as well as increase strategic investments in house rental, "CCB Yunongtong", "CCB Startup Station" and building of intelligent banking. The Bank will also properly arrange the bank-wide productive infrastructure and will enhance operational capacity and efficiency. Moreover, non-production-operational purchase and construction expenses will be strictly controlled.

ELECTION OF MR. KENNETH PATRICK CHUNG TO BE RE-APPOINTED AS INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE BANK

Pursuant to the relevant laws, regulations and the Articles of Association, the Board of the Bank proposes to nominate Mr. Kenneth Patrick Chung to be re-appointed as independent non-executive director of the Bank, whose term of office will be three years and will end on the date of the 2023 annual general meeting of the Bank. Mr. Kenneth Patrick Chung satisfies the qualifications and requirements of director required by relevant laws, regulations and the Articles of Association. After the approval by Shareholder's general meeting, Mr. Kenneth Patrick Chung will continue to serve as the independent non-executive director of the Bank, chairman of the Audit Committee, member of each of the Strategy Development Committee, Risk Management Committee and Related Party Transaction, Social Responsibility and Consumer Protection Committee of the Board.

Mr. Kenneth Patrick Chung was born in April 1957. Mr. Chung has served as independent non-executive director of the Bank since November 2018. Mr. Chung served as independent non-executive director of Industrial and Commercial Bank of China Limited from December 2009 to March 2017. Mr. Chung joined Deloitte Haskins and Sells London Office in 1980, became a partner of PricewaterhouseCoopers in 1992 and was a financial service specialist of PricewaterhouseCoopers (Hong Kong and mainland China) from 1996. Previously, Mr. Chung was the human resources partner of PricewaterhouseCoopers (Hong Kong), the responsible partner of the audit department of PricewaterhouseCoopers (Hong Kong and mainland China), the global lead partner of the audit engagement team for Bank of China Limited, the honorary treasurer of the Community Chest of Hong Kong and was a member of the Ethics Committee, Limitation of Professional Liability Committee, Communications Committee and the

LETTER FROM THE BOARD

Investigation Panel of the Hong Kong Society of Accountants. Mr. Chung also served as the audit head for the restructurings and initial public offerings of Bank of China Limited, Bank of China (Hong Kong) Limited and Bank of Communications and chairman of the audit committee of the Harvest Real Estate Investments (Cayman) Limited and independent non-executive director of Prudential Corporation Asia. Currently, Mr. Chung serves as independent non-executive director of each of Sands China Ltd., Prudential Hong Kong Limited and Prudential General Insurance Hong Kong Limited, and is a trustee of Fu Tak Iam Foundation Limited. Mr. Chung is a member of the Institute of Chartered Accountants in England and Wales, a member of the Hong Kong Institute of Certified Public Accountants and a member of the Macau Society of Certified Practising Accountants. Mr. Chung received a bachelor's degree in economics from the University of Durham.

Save as disclosed in the biographical details, Mr. Kenneth Patrick Chung confirms that: (i) he has no other relationship with the Bank's directors, supervisors, senior management, substantial Shareholders or controlling Shareholder; (ii) he has no interest in shares of the Bank as defined in Part XV of the *Securities and Futures Ordinance* (Chapter 571 of the Laws of Hong Kong); (iii) he did not hold any directorship in any other listed company in the last three years, nor does he hold any positions in any members of the Group; and (iv) he is not in possession of any information that is required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, and there is no other issue that shall be brought to the attention of the Shareholders of the Bank.

Allowances of Mr. Kenneth Patrick Chung shall be determined pursuant to the *Measures on Management of Allowances for Independent Directors and External Supervisors of China Construction Bank Corporation*. The Nomination and Remuneration Committee of the Board shall, after the end of each year, propose the emoluments distribution and settlement plan, which shall be reviewed by the Board and submitted to the Shareholders' general meeting for approval. The Bank will make disclosure after the relevant allowances are determined. For details of the allowances, please refer to the annual report, relevant announcement and circular to be published by the Bank in due course.

The nomination is proposed by the Nomination and Remuneration Committee of the Board, in accordance with the Bank's Articles of Association and in consideration of Mr. Kenneth Patrick Chung's past experience, skill background, knowledge, experience, independence and specific needs of the Bank, and has been considered by the Board. Such nomination is submitted to the Shareholders' general meeting of the Bank for election and determination. Mr. Kenneth Patrick Chung has years of experience and good reputation in aspects such as finance. Mr. Kenneth Patrick Chung being re-appointed as independent non-executive director of the Bank enables the maintenance of the Board's diversity of the Bank, which will contribute extensive expertise and experience to the Board.

LETTER FROM THE BOARD

ELECTION OF MR. LEUNG KAM CHUNG, ANTONY AS INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE BANK

Pursuant to the relevant laws, regulations and the Articles of Association, the Board of the Bank proposes to nominate Mr. Leung Kam Chung, Antony to be appointed as independent non-executive director of the Bank, whose term of office will be three years, taking effect upon the approval by the CBIRC and terminating on the date of the annual general meeting for the year when such term of office expires. Mr. Leung Kam Chung, Antony satisfies the qualifications and requirements of director required by relevant laws, regulations and the Articles of Association.

Mr. Leung Kam Chung, Antony was born in January 1952. Mr. Leung, former Financial Secretary of the Hong Kong SAR, is the chairman and CEO of Nan Fung Group in Hong Kong, and the chairman and co-founder of New Frontier Group. In addition, Mr. Leung is the chairman of two charity organizations, namely Heifer Hong Kong and Food Angel. Mr. Leung had extensive experience in financial services, including chairman of Greater China Region of Blackstone Group, chairman of Asia for JP Morgan Chase and head of Private Banking for Asia, Investment Banking, Treasury Department and Great China Region of Citi. Mr. Leung has also served as independent non-executive director of China Merchants Bank¹, Industrial and Commercial Bank of China, China Mobile (Hong Kong) Limited and American International Assurance (Hong Kong) Limited, international advisor of China Development Bank and chairman of Hong Kong Association of Harvard Business School. Other public services that Mr. Leung has engaged in included non-official member of the Executive Council of the Hong Kong SAR, chairman of the Education Commission, chairman of the University Grants Committee, member of the Exchange Fund Advisory Committee, director of Hong Kong Airport Authority and director of Hong Kong Futures Exchange, member of the Preparatory Committee and Election Committee for the Hong Kong Special Administrative Region and Hong Kong Affairs Advisors. Mr. Leung graduated from the University of Hong Kong in 1973 and attended Harvard Business School's Program for Management Development and Advanced Management Program. Mr. Leung was conferred an honorary doctor of law by the Hong Kong University of Science and Technology in 1998.

Save as disclosed in the biographical details, Mr. Leung Kam Chung, Antony confirms that: (i) he has no other relationship with the Bank's directors, supervisors, senior management, substantial Shareholders or controlling Shareholder; (ii) he has no interest in shares of the Bank as defined in Part XV of the *Securities and Futures Ordinance* (Chapter 571 of the Laws of Hong Kong); (iii) he did not hold any directorship in any other listed company in the last three years, nor does he hold any positions in any members of the Group; and (iv) he is not in possession of any information that is required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, and there is no other issue that shall be brought to the attention of the Shareholders of the Bank.

¹ Mr. Leung tendered the letter of resignation to the board of directors of China Merchants Bank in January 2021 due to expiry of his tenure. Please refer to the announcement on resignation of independent non-executive directors of China Merchants Bank dated 12 January 2021 for details.

LETTER FROM THE BOARD

Allowances of Mr. Leung Kam Chung, Antony shall be determined pursuant to the *Measures on Management of Allowances for Independent Directors and External Supervisors of China Construction Bank Corporation*. The Nomination and Remuneration Committee of the Board shall, after the end of each year, propose the emoluments distribution and settlement plan, which shall be reviewed by the Board and submitted to the Shareholders' general meeting for approval. The Bank will make disclosure after the relevant allowances are determined. For details of the allowances, please refer to the annual report, relevant announcement and circular to be published by the Bank in due course.

The nomination is proposed by the Nomination and Remuneration Committee of the Board, in accordance with the Bank's Articles of Association and in consideration of Mr. Leung Kam Chung, Antony's past experience, skill background, knowledge, experience, independence and specific needs of the Bank, and has been considered by the Board. Such nomination is submitted to the Shareholders' general meeting of the Bank for election and determination. Mr. Leung Kam Chung, Antony has years of experience and good reputation in aspects such as finance. Mr. Leung Kam Chung, Antony being appointed as independent non-executive director of the Bank enables the maintenance of the Board's diversity of the Bank, which will contribute extensive expertise and experience to the Board.

APPOINTMENT OF EXTERNAL AUDITORS FOR 2021

Pursuant to the relevant regulations of the Articles of Association and the *Measures on Management of Engaging External Auditor by the Audit Committee of the Board of China Construction Bank Corporation*, the Bank proposed to appoint Ernst & Young Hua Ming LLP as the domestic accounting firm of the Bank and the onshore subsidiaries for 2021, and Ernst & Young as the international accounting firm of the Bank and the major offshore subsidiaries for 2021. The audit fee is RMB140.96 million in total (inclusive of audit fee for the Group and the parent company of RMB94.80 million), in which audit fee for internal control is RMB8.60 million.

REFERENCE DOCUMENTS TO THE 2020 ANNUAL GENERAL MEETING

Work Report of Independent Directors for the Year 2020

2020 Special Report on the Related Party Transactions

2020 ANNUAL GENERAL MEETING

The 2020 Annual General Meeting of the Bank will be convened at 4:30 p.m. on 25 June 2021 at No. 25, Financial Street, Xicheng District, Beijing. Registration of the meeting will start from 3:50 p.m. to 4:30 p.m. on 25 June 2021. The notice is set out in this circular.

LETTER FROM THE BOARD

In order to determine the H Shareholders who are entitled to attend the 2020 Annual General Meeting, the register of members of H Shares of the Bank will be closed from 26 May 2021 to 25 June 2021, both days inclusive, during which period no transfer of H Shares will be effected. Unregistered H Shareholders who wish to attend the 2020 Annual General Meeting must lodge the share certificates together with the transfer documents at the H Share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at or before 4:30 p.m. on 25 May 2021. The address of the share registrar, Computershare Hong Kong Investor Services Limited, is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

In order to determine the H Shareholders who are entitled to receive the 2020 cash dividends, the register of members of H Shares of the Bank will be closed from 9 July 2021 to 14 July 2021, both days inclusive, during which period no transfer of H Shares will be effected. Unregistered H Shareholders who wish to receive the 2020 cash dividends must lodge the share certificates together with the transfer documents at the H Share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at or before 4:30 p.m. on 8 July 2021. The address of the share registrar, Computershare Hong Kong Investor Services Limited, is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. If approved by the 2020 Annual General Meeting, the dividend will be distributed to the Shareholders whose names appeared on the register of members of the Bank after the closing of the stock market on 14 July 2021. The expected payment date of the H Shares annual cash dividend for 2020 is 5 August 2021. The expected payment date of the A Shares annual cash dividend for 2020 is 15 July 2021.

A proxy form and a reply slip for use at the 2020 Annual General Meeting are dispatched together with this circular and are available on the HKEXnews website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). To be valid, H Shareholders who intend to attend the 2020 Annual General Meeting by proxy should complete and return the enclosed proxy form to Computershare Hong Kong Investor Services Limited by 4:30 p.m. on 24 June 2021. The address is 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Completion and return of the proxy form will not preclude you from attending the 2020 Annual General Meeting and voting in person if you so wish. H Shareholders who intend to attend the 2020 Annual General Meeting in person or by proxy should complete and return the reply slip in person, by post or by fax to Computershare Hong Kong Investor Services Limited on or before 5 June 2021. The address is 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

LETTER FROM THE BOARD

VOTING METHOD AT THE 2020 ANNUAL GENERAL MEETING

The voting at the 2020 Annual General Meeting will be taken by way of registered poll.

RECOMMENDATION

The Board considers that the proposals mentioned above are in the interests of the Bank and the Shareholders as a whole. Accordingly, the Board recommends that Shareholders vote in favour of the relevant resolutions to be proposed at the 2020 Annual General Meeting.

Yours faithfully,

By order of the Board of Directors

China Construction Bank Corporation

Wang Jiang

Vice Chairman, Executive Director and President

28 April 2021

REFERENCE DOCUMENTS

Work Report of Independent Directors for the Year 2020

In 2020, in accordance with domestic and overseas laws and regulations including the *Company Law*, *Securities Law*, *Guidelines on Establishment of the Independent Director System in Listed Companies*, *Corporate Governance Guidelines for Commercial Banks* and Appendix 14 *Corporate Governance Code to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*, as well as the *Articles of Association of China Construction Bank Corporation* (hereinafter referred to as the “Articles of Association of the Bank”), the *Measures of China Construction Bank Corporation for Implementation of the Independent Director System*, the *Work Policy of China Construction Bank Corporation on Annual Reporting by Independent Directors*, the independent directors of China Construction Bank Corporation (hereinafter referred to as the “Bank”) proactively fulfilled their duties, faithfully, diligently and devotedly. They overcame the inconvenience brought by the pandemic and time difference, earnestly attended meetings of the Board of Directors and its special committees via telephone, video conferences and other means, made independent decisions, offered objective and fair opinions on matters to be considered by the Board of Directors, and truly preserved the legitimate rights and interests of the Bank as well as its entire shareholders and stakeholders. Meanwhile, they had global visions and gave full play to their own professional backgrounds and rich working experience. They thoroughly analyzed the impacts of many uncertainties such as the COVID-19 on the Bank, put forward targeted opinions and suggestions based on actualities and provided effective support for the Bank to cope with difficulties and challenges. Below is a report on their fulfillment of duties in 2020:

I. Profile of Independent Directors

As of 31 December 2020, the Bank has six independent directors accounting for 46% of all directors, which complies with relevant laws, regulations and the Articles of Association of the Bank. Independent directors of the Bank come from Hong Kong of China, the US, the UK, France, New Zealand and other countries or regions. They are experts in the fields of financial supervision, finance and taxation, bank management, external auditing and credit rating. The Chairmen of four special committees under the Board of Directors of the Bank, i.e. the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee and the Related Party Transaction, Social Responsibility and Consumer Protection Committee, are all independent directors. Except for the annual remuneration obtained, the Bank’s independent directors do not have any business or financial interests in the Bank or its subsidiaries, nor do they hold any position other than as directors in the Bank nor any relationship with the Bank and its substantial shareholders that may affect their independent and objective judgment. The Bank has received the annual confirmation in writing from all independent directors with regard to their independence. Resumes of independent directors of the Bank are as follows:

REFERENCE DOCUMENTS

Ms. Fung has served as independent director of the Bank since October 2016. Ms. Fung served as group general manager of HSBC Holdings plc from May 2008 to February 2015. Ms. Fung served consecutively as head of Hong Kong currency bond market, head of Asian fixed income trading, head of Asian Pacific trading, treasurer and joint head of global markets for Asia-Pacific, treasurer and head of global markets for Asia-Pacific, head of global banking and markets for Asia-Pacific as well as chief executive officer of Hong Kong region of The Hongkong and Shanghai Banking Corporation Limited from September 1996 to February 2015. Ms. Fung also served as non-executive director of Bank of Communications from November 2010 to January 2015. Ms. Fung concurrently served in various positions including chairwoman and director of HSBC Global Asset Management (Hong Kong) Limited, non-executive director of HSBC Bank (China) Company Limited and director of HSBC Markets (Asia) Limited from September 2011 to February 2015. Ms. Fung served as non-executive director of Hang Seng Bank Limited from November 2011 to January 2014. Ms. Fung currently serves as independent non-executive director of Hong Kong Exchanges and Clearing Limited and Hang Lung Properties Limited, and serves in Court of the Hong Kong University of Science and Technology. Ms. Fung obtained a master's degree in applied finance from Macquarie University of Australia in 1995. Ms. Fung was awarded the Bronze Bauhinia Star in 2013, and was appointed as the Justice of Peace in 2015, by the Government of the Hong Kong Special Administrative Region.

Sir Malcolm Christopher McCarthy has served as independent director of the Bank since August 2017. Sir McCarthy served as independent non-executive director of ICBC from December 2009 to October 2016. He worked first as an economist for ICI before joining the UK Department of Trade and Industry where he held various posts from economic adviser to undersecretary. He subsequently worked as a senior executive of Barclays Bank in London, Japan and North America. He served as chairman and chief executive of Office of Gas and Electricity Markets (Ofgem), chairman of the Financial Services Authority (FSA), non-executive director of Her Majesty's Treasury, chairman of the board of directors of J.C. Flowers & Co. UK Ltd, non-executive director of NIBC Holding N.V., NIBC Bank N.V., OneSavings Bank plc, Castle Trust Capital plc and Intercontinental Exchange (ICE), and trustee of the Said Business School of Oxford University. Sir McCarthy is an Honorary Fellow of Merton College, an Honorary Doctorate of the University of Stirling and the Cass Business School, and a Freeman of the City of London. He has a MA History at Merton College of Oxford University, PhD Economics of Stirling University, and MS at Graduate School of Business of Stanford University.

Mr. Carl Walter has served as independent director of the Bank since October 2016. Mr. Walter is currently an independent consultant, providing strategic consulting advice to various countries and financial institutions. Mr. Walter served as managing director and chief operating officer in China of JPMorgan Chase & Co and chief executive officer of JP Morgan Chase Bank (China) Company Limited from September 2001 to April 2011. He was seconded from Morgan Stanley to serve as managing director and chief administrative officer of China International Capital Corporation from January 1999 to July 2001. He served concurrently as vice president and head of Asian Credit Management and Research of Credit Suisse First Boston (Singapore) as well as the director and head of China investment banking in Beijing from September 1990

REFERENCE DOCUMENTS

to December 1998. Mr. Walter served in various positions including vice president and general manager of Taipei Branch of Chemical Bank from January 1981 to August 1990. Mr. Walter was a visiting scholar and an adjunct professor at the Freeman Spogli Institute of Stanford University in 2012. He obtained a bachelor's degree in politics and Russian language from Princeton University in 1970, an advanced studies certificate in economics from Peking University in 1980, and a doctoral degree in politics from Stanford University in 1981.

Mr. Kenneth Patrick Chung has served as independent director of the Bank since November 2018. He served as independent non-executive director of ICBC from December 2009 to March 2017. He joined Deloitte Haskins and Sells London Office in 1980, became a partner of PricewaterhouseCoopers in 1992, and was a financial service specialist of PricewaterhouseCoopers (Hong Kong and China) since 1996. Previously, he was the human resources partner of PricewaterhouseCoopers (Hong Kong), the responsible partner of the audit department of PricewaterhouseCoopers (Hong Kong and China), the global lead partner of the audit engagement team for Bank of China, the honorary treasurer of the Community Chest of Hong Kong and was a member of the Ethics Committee, Limitation of Professional Liability Committee, Communications Committee, and the Investigation Panel of the Hong Kong Society of Accountants. Mr. Chung has also served as the audit head for the restructurings and initial public offerings of Bank of China, Bank of China (Hong Kong) Limited and BoCom and chairman of the audit committee of the Harvest Real Estate Investments (Cayman) Limited and independent non-executive director of Prudential Corporation Asia. Currently, Mr. Chung serves as independent non-executive director of Sands China Ltd., Prudential Hong Kong Limited and Prudential General Insurance Hong Kong Limited, and is a trustee of Fu Tak Iam Foundation Limited. He is a member of the Institute of Chartered Accountants in England and Wales, a member of the Hong Kong Institute of Certified Public Accountants and a member of the Macau Society of Certified Practising Accountants. Mr. Chung received a bachelor's degree in economics from the University of Durham.

Mr. Graeme Wheeler has served as independent director of the Bank since October 2019. Mr. Wheeler has served as non-executive director of Thyssen-Bornemisza Group since 2017. He served as governor of Reserve Bank of New Zealand from 2012 to 2017, non-executive director of Thyssen-Bornemisza Group and Co-Founder of Privatisation Analysis and Consulting Ltd from 2010 to 2012, managing director responsible for operations of World Bank from 2006 to 2010, vice president and treasurer of the World Bank from 2001 to 2006, director of Financial Products and Services Department of World Bank from 1997 to 2001, treasurer of New Zealand Debt management Office (NZDMO) and deputy secretary to the New Zealand Treasury from 1993 to 1997, director of Macroeconomic Policy of New Zealand Treasury from 1990 to 1993, Economic and Financial Counsellor of New Zealand Delegation to the OECD, Paris, from 1984 to 1990 and an advisor in the New Zealand Treasury from 1973 to 1984. Mr. Wheeler obtained his master of commerce in economics from University of Auckland in 1972. Mr. Wheeler was awarded Companion of the New Zealand Order of Merit in 2018.

REFERENCE DOCUMENTS

Mr. Michel Madelain has served as independent director of the Bank since January 2020. Mr. Madelain has been trustee of the IFRS Foundation since January 2018 and a member of the Supervisory Board of La Banque Postale in France since April 2018. From June 2016 to December 2018, he was vice chairman of Moody's Investors Service (MIS). Concurrently, he chaired several of the European Boards and was a member of MIS US Board. From May 2008 to June 2016, he was president and chief operating officer of MIS, having previously assumed a number of positions in Europe and the USA with MIS from 1994 to May 2008. From May 1980 to May 1994, he worked with the consulting and audit practices of Ernst & Young in Belgium and France and was promoted to the partnership in 1989. Mr. Madelain is a Qualified Chartered Accountant of France. He obtained a Master's Degree in Management from Kellogg Graduate School of Management of Northwestern University (USA) and a Bachelor's Degree in Business Administration from the Ecole Supérieure de Commerce de Rouen, France.

II. Overview of Annual Duty Performance of Independent Directors

i. Meeting attendance of independent directors

The Bank convened the 2019 Annual Shareholders' General Meeting on 19 June 2020 and the First Extraordinary General Meeting of 2020 on 12 November 2020. The Bank convened 11 meetings of the Board of Directors and 37 meetings of special committees throughout the year, where the attendees reviewed, listened to and referred to 301 topics.

In 2020, the Bank's independent directors attended the Shareholders' General Meetings and meetings of the Board of Directors and special committees on time, gave full play to their independence and professionalism, and reviewed the proposals made by the Board of Directors and special committees of the Board. No objection has been raised to the matters for deliberation.

The attendances of independent directors at the Shareholders' General Meeting and meetings of the Board of Directors are as follows:

Independent Director	Shareholders'	Meeting of	
	General Meeting	Board of Directors	
	Attendance	Attendance	Attendance
	in person	in person	by proxy
Ms. Anita Fung Yuen Mei	2/2	11/11	0/11
Mr. Malcolm Christopher McCarthy	2/2	11/11	0/11
Mr. Carl Walter	2/2	11/11	0/11
Mr. Kenneth Patrick Chung	2/2	11/11	0/11
Mr. Graeme Wheeler	2/2	11/11	0/11
Mr. Michel Madelain	2/2	11/11	0/11

REFERENCE DOCUMENTS

The attendance of independent directors at meetings of special committees under the Board of Directors is as follows:

Independent Director	Strategy Development Committee		Audit Committee		Risk Management Committee		Nomination and Remuneration Committee		Related Party Transaction, Social Responsibility and Consumer Protection Committee	
	Attendance in person	Attendance by proxy	Attendance in person	Attendance by proxy	Attendance in person	Attendance by proxy	Attendance in person	Attendance by proxy	Attendance in person	Attendance by proxy
	Ms. Anita Fung Yuen Mei	8/8	0/8	-	-	7/7	0/7	9/9	0/9	-
Mr. Malcolm Christopher McCarthy	8/8	0/8	-	-	6/7	1/7	9/9	0/9	-	-
Mr. Carl Walter	8/8	0/8	7/7	0/7	7/7	0/7	-	-	6/6	0/6
Mr. Kenneth Patrick Chung	8/8	0/8	7/7	0/7	6/7	1/7	-	-	6/6	0/6
Mr. Graeme Wheeler	-	-	7/7	0/7	7/7	0/7	9/9	0/9	6/6	0/6
Mr. Michel Madelain	-	-	7/7	0/7	7/7	0/7	9/9	0/9	-	-

Notes:

- (1) “Attendances in person” refers to attending meetings in person or on telephone or by video conference.
- (2) During the reporting period, independent directors who did not attend the meetings of the Board of Directors and its special committees in person authorised other directors to attend the meetings and exercise the voting right on their behalf.

ii. Communication between independent directors and parties of corporate governance

Apart from attending the Shareholders’ General Meetings and meetings of the Board of Directors and its special committees, the Bank’s independent directors strengthened effective communication with each party of corporate governance based on their own duties, including the Chairman and other members of the Board of Directors, the Board of Supervisors and supervisors, the Senior Management members and other related departments. First, the independent directors attended the symposium between the Chairman of Board of Directors and independent directors. In response to the impact of the pandemic and the possible risks and challenges that may be brought to the operation and management of the Bank, the independent directors and the Chairman of the Board of Directors had in-depth discussions on the macroeconomic prospects, and the future development direction and countermeasures of banks, so as to objectively study and judge the external situations and calmly tackle the impact of the pandemic. A consensus was reached at the highest decision-making level of the Board of Directors. Independent directors further prepared study reports to provide in-depth analysis of the impact of the external uncertainties on the global politics, economy, financial markets and banking development, and put forward countermeasures. Second, they attended the symposium between the Board of Supervisors and independent directors. The independent directors suggested the Bank adhere to the perspective of strategic decision-making, give priority to material events affecting the long-term development of the Bank, such as the transformation of

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financial business patterns, domestic and overseas regulatory trends, strategic development, and risk and internal control, and conducted targeted tasks. Besides, they put forward suggestions on how to further improve the communication mechanism of the Board of Directors, the Board of Supervisors and the Senior Management, and to improve the operation efficiency of corporate governance. Third, the independent directors attended the strategic theory-discussing meetings of the Board of Directors. They put forward valuable opinions and suggestions on promoting strategic development, effectively tackling the impact of the pandemic, consolidating the advantages of traditional business, supporting real economy and participating in international competitions. Fourth, the independent directors attended different thematic exchange meetings and pre-communication meetings. They fully communicated with the Senior Management and related departments, guided the Bank to strengthen asset and liability management and comprehensive risk management, and set up extreme stress testing scenarios and developed the model of expected credit losses more prudently, so as to promote preparation of capital plans, arrangement for provisions, and dividend and interest distribution, and properly tackle the impacts of multiple uncertainties.

iii. Training of independent directors

In order to fulfill their duties in accordance with laws and regulations and continuously improve their capability of duty performance, the independent directors strengthened study of domestic and overseas regulatory policies, continuously followed up on the latest changes in regulatory policies, and proactively participated in special training activities organized by domestic and overseas regulatory authorities (which covered the *Securities Law of the People's Republic of China* coming into force in March 2020, and the latest requirements of the Hong Kong Stock Exchange concerning anti-corruption laws and regulations, and the disclosure of social responsibility reports) and training on the compliance with the U.S. Bank Secrecy Act and anti-money laundering laws organized by the Board of Directors.

III. Key Concerns relating to the Annual Duty Performance of Independent Directors

i. Related party transactions

In 2020, the Bank's independent directors fulfilled their duties for supervising related party transactions in accordance with relevant regulations. They strengthened supervision and review of related party transactions by the Related Party Transaction, Social Responsibility and Consumer Protection Committee, confirmed the status of related party transactions, improved related management system of related party transaction, and based on internal audit to continuously enhance supervision of the compliance management of related party transactions and improve the management of related party transactions.

REFERENCE DOCUMENTS

ii. External guarantees and fund occupation

The Bank's external guarantee business is one of the Bank's ordinary business approved by the regulatory authorities. With respect to the risks of the guarantee business, the Bank formulated specific management measures, operational processes and approval procedures, and carried out related business accordingly. The guarantee business of the Bank is mainly the letter of guarantee. As at 31 December 2020, the balance under the letter of guarantees issued by the Group was RMB1,283,024 million.

iii. Use of raised funds

In 2020, the Bank issued USD2 billion of overseas tier 2 capital bonds and RMB65 billion of domestic tier 2 capital bonds. All the raised funds were used to replenish tier 2 capital of the Bank to support its high-quality business development.

iv. Nomination and remuneration of the Senior Management members

In 2020, the Board of Directors of the Bank reviewed and approved the proposal for the appointment of Mr. Lyu Jiajin, Mr. Wang Hao and Ms. Zhang Min as Vice Presidents of the Bank. The Board of Directors of the Bank deliberated on and approved the 2019 remuneration distribution and settlement plan for senior management members, the 2020 performance appraisal plan for senior management members, etc. and determined the remuneration policy for senior management members.

The independent directors agreed to the nominations and remunerations of the Bank's senior management members.

v. Operating Results Forecast and Preliminary Earnings Estimate

During the reporting period, the Bank was not required to issue the Operating Results Forecast nor the Preliminary Earnings Estimate.

vi. Appointment or change of accounting firm

In 2020, as approved by the Bank's 2019 Annual General Meeting, the Bank continued to engage Ernst & Young Hua Ming LLP as the domestic accounting firm of the Bank and its domestic subsidiaries in 2020 and continued to engage Ernst & Young as the international accounting firm of the Bank and its major overseas subsidiaries in 2020. According to relevant requirements for annual reporting, the independent directors maintained sufficient communication with the external auditors of the Bank and earnestly fulfilled relevant responsibilities and obligations. Independent directors believed that the accounting firm engaged by the Bank conducted audit work independently, objectively and fairly, performed all tasks properly.

REFERENCE DOCUMENTS

vii. Cash dividends and other return to investors

The Bank has well-designed procedures and mechanisms for decision making on profit distribution, pays continuous attention to the wishes of the shareholders, and pays cash dividends to shareholders. When drawing up the profit distribution plan, the Board of Directors paid full heed to the opinions and requests of shareholders, protected the legitimate rights and interests of small and medium investors, overcame adverse impacts of the pandemic, concurrently guaranteed long-term development interests and created reasonable value returns for shareholders. Independent directors fulfilled their duties and played their due role in the process of decision making on the profit distribution plan. In 2020, the Bank paid cash dividend of RMB0.32 per share (tax-inclusive) for 2019 to all ordinary shareholders, totaling RMB80,004 million.

viii. Fulfillment of commitments of the Bank and its shareholders

Independent directors paid close attention to the fulfillment of commitments of the Bank and its shareholders. As at 31 December 2020, the substantial shareholders of the Bank have fulfilled all of their commitments persistently.

ix. Implementation of information disclosure

In accordance with the requirements of laws, regulations and the Articles of Association, the Bank timely and fully disclosed regular reports and ad-hoc announcements, such as the 2019 annual report, the 2020 half-year report and quarterly reports. Independent Directors actively performed their duties in the preparation and disclosure of annual reports, and had fully communicated and discussed with external auditors on the annual audit work.

x. Implementation of internal control

In 2020, the Bank continuously promoted the development and effective implementation of internal control. Independent directors attached great importance to the effectiveness of internal control and reviewed the 2019 internal control assessment reports of the Bank. According to the results of internal control assessment, the Bank had no material and significant deficiencies were identified in the internal control over financial reporting or non-financial reporting, maintaining effective internal control in all material aspects.

xi. Operation of the Board of Directors and its special committees

In 2020, the Board of Directors of the Bank convened 11 meetings in total. The Board continuously improved corporate governance, enhanced the operation efficiency of corporate governance, proactively tackled the impact of the pandemic and fully fulfilled its function of decision making. Focusing on the development of “Three Capabilities” and the new financial actions, the Board promoted the high-quality business development of the Bank and guided the vertical implementation of “Three Major Strategies”. It proactively fulfilled the social responsibilities, demonstrated the sense of responsibility as a large bank, calmly tackled a

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variety of challenges, proactively prevented financial risks, continuously promoted the optimization of the capital structure, and consolidated the capital strength. It strengthened the quality management of accounting information, improved the internal and external audit efficiency, proactively bolstered market communications, demonstrated the Bank's investment value and promoted steady development of various business of the Bank.

There are five committees established under the Board: Strategy Development Committee, Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, and Related Party Transaction, Social Responsibility and Consumer Protection Committee.

In 2020, the Strategy Development Committee convened eight meetings in total. The committee strengthened study and judgment of macroeconomic and financial situations, strengthened the research on major strategic problems and the supervision of the strategy implementation, proactively tackled difficulties and challenges brought by multiple uncertainties, and provided important support for the Board of Directors to make decisions. It gave full play to the guiding role of strategies, conscientiously made plans and arrangements, promoted the Bank to actively implement the new financial actions, fully support pandemic prevention and control and benevolent poverty alleviation, and continued to optimize the capital structure and enhance the capability of risk resistance.

The Audit Committee convened seven meetings in total, and held two separate meetings with external auditors. It supervised and reviewed the 2019 annual report, 2020 half-year report and results announcement, and 2020 first quarter and third quarter financial reports. It paid close attention to changes in the domestic accounting standards, domestic and foreign laws and regulations, continuously followed up on the impacts on financial reports caused by key contents such as asset quality, expected credit losses and rectification of existing wealth management business, guided the preparation of high-quality financial reports. It also supervised and evaluated external audits, supervised and guided internal audits, promoted rectification of problems identified during internal and external audits, and strengthened supervision and evaluation of internal control.

Pursuant to requirements of the CSRC and the annual report working rules of the Audit Committee, the Audit Committee reviewed the annual financial report of the Bank, and communicated sufficiently with the senior management and formed written opinions before the external auditors entered the venue. Based on the preliminary audit opinions issued by the external auditors, the Audit Committee improved communication with external auditors and reviewed the annual financial report of the Bank again. After the completion of auditing, the Audit Committee reviewed and voted on the annual financial report, and submitted the same to the Board for consideration.

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The Risk Management Committee convened seven meetings in total. The committee strengthened the Group's comprehensive risk management, continuously enhanced the quantitative analysis of risk heat maps, improved the regular reporting mechanism for risk events, optimized the quantitative analysis of risk heat maps, and improved the capability of risk prediction and prevention, monitoring and early warning, and control and disposal of risks. It supervised and directed the Bank to properly carry out stress testing and countermeasures, continuously enhanced the activeness, scientificity and forward-looking of risk management, guided the revision of basic risk management policies, proactively promoted re-inspection and optimization of risk appetites, supervised and guided the rectification of problems identified during regulatory inspections, and continuously promoted the assessment and rectification of global anti-money laundering capabilities. It improvised the improvement of self-assessment of effective risk data aggregation and risk reports, comprehensively implemented the regulatory requirements on Global Systemically Important Banks (G-SIB), strengthened case prevention and control, and continuously strengthened the compliance risk management of overseas institutions. The Risk Management Committee concurrently took the responsibilities of the US Risk Management Committee, and convened two special meetings on risks associated with the US in 2020.

The Nomination and Remuneration Committee convened nine meetings in total. In respect of nomination, it provided the Board of Directors with recommendations on re-election and re-appointment as well as new candidates for the positions of executive director, non-executive director and independent director, candidates for membership at special committees under the Board of Directors and candidates for senior management positions, and ensured that the nominated candidates were qualified to assume the corresponding positions, abided by the laws, administrative rules and regulations as well as the Articles of Association of the Bank, and were able to perform the duty of diligence for the Bank. The Nomination and Remuneration Committee held that during the reporting period, the composition of the Board of the Bank was in conformity with the requirements of the *Diversity Policy for the Board of Directors*. Regarding remuneration and performance assessment, the Nomination and Remuneration Committee studied the national remuneration regulatory policies, organized and formulated the proposal of the settlement of the remuneration for directors, supervisors and senior management of the Bank for 2019, and refined the performance assessment plans for executive directors and senior management for 2020. It continued to promote the evaluation of the operation efficiency of the Board of Directors, attached great importance to the development and training of key back-up talents and the promotion of CCB University, paid attention to employee remuneration, and put forward opinions and suggestions on continuously improving the operation efficiency of the Board of Directors, promoting board diversity, refining the performance appraisal plans for executive directors and senior management members, improving the remuneration incentive system and policy, strengthening the development and training of talents, etc.

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The Related Party Transaction, Social Responsibility and Consumer Protection Committee held a total of six meetings, and carried out a lot of fruitful endeavors regarding strengthening supervision and management of related party transactions, promoting protection of consumers' rights and interests, proactively fulfilling social responsibilities, supervising and guiding inclusive finance, rural revitalization finance, housing rental and green finance, supervising and reviewing social responsibilities reports, and supervising implementation of charitable donations.

IV. Overall Assessment

In 2020, independent directors of the Bank fulfilled their duties faithfully, diligently and independently in accordance with relevant laws, regulations and the Articles of Association of the Bank, effectively enhanced the operation efficiency and decision-making of the Board of Directors, promoted the further improvement of the Bank's corporate governance mechanism, and preserved the legitimate rights and interests of the Bank as well as all its shareholders and stakeholders.

In 2021, independent directors of the Bank will continue to maintain their independence, give full play to their professionalism, improve their capability of duty performance, and offer objective, fair and independent opinions in accordance with regulatory guidance and requirements, and make a greater contribution to the Bank for its improvement of corporate governance efficiency and high-quality development.

**Anita Fung Yuen Mei, Malcolm Christopher McCarthy, Carl Walter,
Kenneth Patrick Chung, Graeme Wheeler, Michel Madelain**

March 2021

REFERENCE DOCUMENTS

2020 Special Report on the Related Party Transactions

Pursuant to the CBIRC's *Administrative Measures for the Related Party Transactions between the Commercial Banks and Their Insiders or Shareholders* and the CSRC's *No. 26 Preparation and Reporting Rules of Information Disclosure of Public Offering Companies — Special Provisions on Information Disclosure by Commercial Banks*, the related party transactions of the Bank in 2020 are reported as follows:

I. RELATED PARTY TRANSACTIONS MANAGEMENT

In 2020, the Bank strictly complied with the regulatory policies on related party transactions, conducted the management of related party transactions as per the requirements, continuously consolidated the foundation for the management of related party transactions, further refined the management mechanism for related party transactions, and prevented and resolved the risks associated with related party transactions.

- i. The Related Party Transaction, Social Responsibility and Consumer Protection Committee under the Board of Directors conscientiously fulfilled its duties. In 2020, the Committee held four on-site meetings and two meetings in writing, reviewed and approved two reports about changes in related parties, accepted four reports on the filing of related party transactions and listened to two related party transactions management reports. During the reporting period, the Committee paid continuous attention to the development of related party transactions, and supervised the rectification of audit findings of related party transactions and optimization of related party transaction system functions, effectively promoted the improvement in the Bank's capacity in related party transactions management.
- ii. Regulatory requirements were implemented and good communication was maintained. First, the Bank organized the self-examination and correction of related party transactions, strictly conducted the special rectification and "follow-up re-examination" and supervision data governance of related party transactions launched by the CBIRC. Second, the Bank helped the online trial operation of CBIRC related party transactions supervision system and completed the related party transactions supervision data report. Third, the Bank participated in the revision of CBIRC's related party transaction regulations and understood the new regulatory concepts and development trend in a timely manner to embrace the new regulatory landscape.
- iii. Ex-ante control was enhanced, enabling accurate application of technologies. Focusing on the two major subjects of ex-ante control of related party transactions and enhancement of data application capability, the Bank strived to bring forward and advance the management radius of related-party transactions, completed the direct connection between the related party transaction system and business systems, and achieved the compliance reminder and early warning in the transaction approval process.

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Meanwhile, the Bank introduced the external industrial and commercial data, applied big data for accurate use of technology and enhanced the capability of transaction data collection to improve the overall quality of data.

- iv. Staff management was strengthened and work performance was enhanced. Based on improving the manual on the related party transactions, organising the management work issues, and refining the specific work requirements, the Bank strengthened the guidance and supervision for special staff of related party transactions, fully consolidated the management responsibilities. By using network micro courses and online live broadcasts training, the Bank improved the coverage of training and achieved targeted training, which further enhanced the duty performance competence of staff.
- v. The Bank carried out the examination and assessment, and strengthened the daily supervision. First, the Bank conducted the on-site inspections on related party transactions in certain branches and subsidiaries to understand and identify the problems and deficiencies in the management, draw lessons and perform the self-examination and correction. Second, the Bank carried out the assessment and appraisal, comprehensively scoring development of work related to the related party transactions in the Group's institutions and incorporated the score into the annual assessment and internal control appraisal so as to urge the institutions to continuously improve the management measures.
- vi. Daily work was promoted solidly and management foundation was consolidated. The Bank continuously conducted the daily management of related party transactions. Specifically, the Bank updated and improved the related party list and improved the accuracy and integrity of information, and optimized the related party transaction reporting and approval process and strengthened the daily management of data. The Bank supported the external auditors to complete the annual audit of related party transactions and disclosed the transaction information as required, and reinforced the compliance reviews on the related party transactions to avoid any violations.

REFERENCE DOCUMENTS

II. ABOUT RELATED PARTIES

As of 31 December 2020, according to the rules for related party translations set forth by the CBIRC, SSE and SEHK, the Bank had identified and recorded a total of 3,048 related parties in the related party transactions management system, including 115 related legal persons and 2,933 related natural persons. The number of related parties under the three different regulatory standards is as follows:

Regulatory standard	Related party category	Number (31 December 2019)	Number (31 December 2020)
SSE	Related legal persons	13	23
	Related natural persons	307	305
SEHK	Related legal persons	3	1
	Related natural persons	250	261
CBIRC	Related legal persons	61	112
	Related natural persons	2,365	2,877
Total¹	Related legal persons	66	115
	Related natural persons	2,524	2,933

Related natural persons include directors, supervisors, senior management, general managers and deputy general managers in charge of credit approval of tier-one branches, general managers of Head-Office departments related to credit and asset transfer, and close relatives of the foregoing persons. Related legal persons are enterprises or organizations that are controlled or jointly controlled, or can be significantly impacted by the aforesaid related natural persons.

III. RELATED PARTY TRANSACTIONS

All the related party transactions of CCB that occurred in 2020 under the standards of the CBIRC, SSE and SEHK were conducted with related natural persons or related enterprises of natural persons. The aggregate amount of related party transactions was relatively small as compared to the scale of CCB. There were no related party transactions that should be submitted to the Board of Directors for consideration and disclosure, and there were no related party transactions that were significantly unfair or harmful to the interests of the Bank.

¹ Since one natural person or organization might belong to related parties under multiple standards at the same time, the total number of related parties under all standards is not equal to the sum of the number of related parties under each standard.

REFERENCE DOCUMENTS

i. The CBIRC's statistical standard

In 2020, the related party transactions under the CBIRC's statistical standard included credit transactions and service rendering transactions, and there were no asset transfers or other kinds of transactions. As of 31 December 2020, the outstanding credit (excluding deposit margins, deposit receipts, and treasury bonds) to all related parties totaled RMB191,302,400. Among these, the balance of corporate loan, personal loan, letter of credit and credit card overdrafts stood at RMB54,131,700, RMB109,315,200, RMB25,000,000 and RMB2,855,500, respectively. The service rendering transactions of the Bank in 2020 amounted to RMB298,200.

ii. The SEHK's statistical standard

The Bank's related party transactions under the SEHK's standard in 2020 were mainly wealth management product transactions and service rendering transactions, except for the financial assistance transactions². Among these, the amount of wealth management product purchase and income distribution transactions was RMB52,341,500 and the amount of service rendering was RMB5,000.

iii. The SSE's statistical standard

The related party transactions of the Bank under the SSE's standard in 2020 were mainly deposit, credit, wealth management product transactions, interbank trading and service rendering. In 2020, the credit extension, wealth management product purchase and income distribution and service rendering transactions in 2020 amounted to RMB9,616,500, RMB79,523,100, RMB70,700, respectively. As of 31 December 2020, the Bank held the deposit balance due to related parties of RMB206,488,800 and the balance of deposits from peers was RMB2.35 billion.

² According to the listing rules of the SEHK, financial assistance transactions are the Bank's day-to-day business and are exempt from shareholders' approval, annual review and full disclosure as long as they conform to normal business terms.

NOTICE OF 2020 ANNUAL GENERAL MEETING



中国建设银行

China Construction Bank

中國建設銀行股份有限公司

China Construction Bank Corporation

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

(Stock Code: 939)

NOTICE OF 2020 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2020 Annual General Meeting of China Construction Bank Corporation (the “**Bank**”) will be held at 4:30 p.m. on 25 June 2021 at No. 25, Financial Street, Xicheng District, Beijing, to consider and, if thought fit, pass the following resolutions:

AS ORDINARY RESOLUTIONS

1. 2020 report of the Board of Directors
2. 2020 report of the Board of Supervisors
3. 2020 final financial accounts
4. 2020 profit distribution plan
5. 2021 fixed asset investment budget
6. Election of Mr. Kenneth Patrick Chung to be re-appointed as independent non-executive director of the Bank
7. Election of Mr. Leung Kam Chung, Antony as independent non-executive director of the Bank
8. Appointment of external auditors for 2021

Reference Documents

Work Report of Independent Directors for the Year 2020

2020 Special Report on the Related Party Transactions

NOTICE OF 2020 ANNUAL GENERAL MEETING

Details of the above proposals are set out in the 2020 Annual General Meeting circular of the Bank dated 28 April 2021. Unless otherwise indicated, the capitalised terms used in the notice shall have the same meaning as those defined in the circular.

By order of the Board of Directors
China Construction Bank Corporation
Wang Jiang

Vice Chairman, Executive Director and President

28 April 2021

As at the date of this announcement, the executive directors of the Bank are Mr. Tian Guoli, Mr. Wang Jiang and Mr. Lyu Jiajin; the non-executive directors of the Bank are Mr. Xu Jiandong, Mr. Zhang Qi, Mr. Tian Bo, Mr. Xia Yang, Ms. Shao Min and Ms. Liu Fang; and the independent non-executive directors of the Bank are Ms. Anita Fung Yuen Mei, Sir Malcolm Christopher McCarthy, Mr. Carl Walter, Mr. Kenneth Patrick Chung, Mr. Graeme Wheeler and Mr. Michel Madelain.

Notes:

1. The voting at the 2020 Annual General Meeting will be taken by way of registered poll.
2. In order to determine the H Shareholders who are entitled to attend the 2020 Annual General Meeting, the Bank's register of members will be closed from 26 May 2021 to 25 June 2021, both days inclusive, during which period no transfer of H Shares will be effected. Unregistered H Shareholders who wish to attend the 2020 Annual General Meeting must lodge the share certificates together with the transfer documents at the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at or before 4:30 p.m. on 25 May 2021. The address of the share registrar, Computershare Hong Kong Investor Services Limited, is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
3. A Shareholder entitled to attend and vote at the 2020 Annual General Meeting may appoint proxies to attend and vote in his/her place. Proxies need not to be a Shareholder of the Bank.
4. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his/her attorney duly authorized in writing. If the Shareholder is a corporation, that instrument must be either under its common seal or duly signed by its legal representative, director(s) or duly authorized attorney(s).
5. To be valid, H Shareholders who intend to attend the 2020 Annual General Meeting by proxy should complete and return the enclosed proxy form to Computershare Hong Kong Investor Services Limited by 4:30 p.m. on 24 June 2021. The address is 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Completion and return of the proxy form will not preclude the Shareholder from attending and voting in person at the 2020 Annual General Meeting if he/she so wishes.
6. H Shareholders who intend to attend the 2020 Annual General Meeting in person or by proxy should return the reply slip in person, by post or by fax to the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before 5 June 2021 by hand, by post or by fax (Fax: (852) 2865 0990).
7. The 2020 Annual General Meeting is expected to last for half a day. Shareholders (in person or by proxy) attending the 2020 Annual General Meeting are responsible for their own transportation and accommodation expenses. Shareholders (or their proxies) attending the 2020 Annual General Meeting shall present identity certification.

NOTICE OF 2020 ANNUAL GENERAL MEETING

8. The meeting will adopt a combination of both onsite voting and online voting (online voting is only applicable to A shareholders) in terms of the mechanism for attending and voting at the meeting. In order to facilitate shareholders in exercising their voting rights at the general meeting, avoid mass gathering and safeguard the physical wellness of shareholders, A shareholders are recommended to consider appointing the chairman of the meeting or the secretary to the Board as their proxies to vote on their behalf on site, or to attend and vote at the meeting by way of online voting; and H Shareholders are recommended to consider appointing the chairman of the meeting as their proxies to vote on their behalf on site.

9. Notes for the meeting:

Shareholders should pay attention to the following matters if they wish to attend the meeting on site:

- (1) Please complete and sign the reply slip in accordance with the relevant instructions provided in the notice and reply slip of the 2020 Annual General Meeting published by the Bank on 28 April 2021, and deliver it to the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited, in person or by post, or by fax, so that the Bank can ascertain the number of attendees of the meeting and orderly arrange the seats at the venue in advance in accordance with the relevant policies in Beijing for the prevention and control of pandemic.
- (2) Please contact the Board of Directors Office of the Bank no later than two days before the meeting (i.e. before 4:30 p.m. 23 June 2021, Beijing time) and communicate and register information regarding health condition and recent itineraries in order to enter the meeting venue.
- (3) Please follow and comply with instructions on pandemic prevention requirements, including attendee registration, health information inquiry and authentication and temperature check, upon arrival at the meeting venue, strictly comply with the pandemic prevention requirements of local governmental departments. Please wear masks during the whole process and keep necessary distance according to the arrangements of the meeting.
- (4) Contact details for the Meeting:
Board of Directors Office of China Construction Bank Corporation
Address: No. 25, Financial Street, Xicheng District, Beijing
Postcode: 100033 Telephone: (8610) 66215533
Facsimile: (8610) 66218888