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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 shall 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 Merchants Bank Co., Ltd., you shall at once hand this circular and the related proxy form and reply slip 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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招商銀行股份有限公司
CHINA MERCHANTS BANK CO., LTD.

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

(H Share Stock Code: 03968)

(Preference Share Stock Code: 04614)

**ISSUANCE OF CAPITAL BONDS;
GENERAL MANDATE TO ISSUE NEW SHARES
AND/OR DEAL WITH SHARE OPTIONS;
PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR;
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF 2017 AGM**

The Company will convene the AGM at 9:00 a.m. on Wednesday, 27 June 2018 at the Conference Room, 5/F, China Merchants Bank Tower, No. 7088 Shennan Boulevard, Shenzhen, the PRC. A notice convening the AGM is set out on pages 45 to 50 of this circular.

A reply slip and a form of proxy for use at the AGM are enclosed and are also published on the websites of the Hong Kong Stock Exchange (www.hkex.com.hk) and the Company (www.cmbchina.com). Shareholders who intend to attend the AGM in person or by proxy shall complete and return the reply slip in accordance with the instructions printed thereon on or before Thursday, 7 June 2018. Shareholders who intend to appoint a proxy to attend the AGM shall complete and return the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the AGM (i.e. not later than 9:00 a.m. on Tuesday, 26 June 2018) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending the AGM and voting in person if you so wish.

11 May 2018

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DEFINITIONS

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

“AGM”, “2017 AGM” or “General Meeting”	the 2017 Annual General Meeting of the Company to be held at the Conference Room, 5/F, China Merchants Bank Tower, No. 7088 Shennan Boulevard, Shenzhen, the PRC on Wednesday, 27 June 2018 at 9:00 a.m
“Articles of Association”	the Articles of Association and the Rules of Procedures of the Company, as amended, modified or otherwise supplemented from time to time
“Board of Directors”	the board of Directors of the Company
“Board of Supervisors”	the board of Supervisors of the Company
“CBIRC”	China Banking and Insurance Regulatory Commission
“Company Law”	the Company Law of the People’s Republic of China (as amended from time to time)
“Company” or “Bank” or “China Merchants Bank”	China Merchants Bank Co., Ltd., a joint stock company incorporated in the PRC with limited liability and the H Shares and Offshore Preference Shares of which are listed on the main board of the Hong Kong Stock Exchange (H Share Stock Code: 03968; Offshore Preference Share Stock Code: 04614)
“CSRC”	China Securities Regulatory Commission
“Director(s)”	director(s) of the Company
“Domestic Preference Shares”	the 275,000,000 non-cumulative perpetual preference shares of an aggregate amount of RMB27,500,000,000 issued by the Company in the domestic market on 22 December 2017 and listed on the Shanghai Stock Exchange (Preference Share Stock Code: 360028) on 12 January 2018
“Domestic Shares”, “A Shares”	the domestic shares in the Company’s ordinary share capital, with a nominal value of RMB1.00 each, which are both listed on the Shanghai Stock Exchange and traded in Renminbi

DEFINITIONS

“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
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“H Shares”	overseas listed foreign shares in the Company’s ordinary share capital with a nominal value of RMB1.00 each, to be subscribed for and traded in Hong Kong dollars and listed on the Hong Kong Stock Exchange
“Latest Practicable Date”	7 May 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Offshore Preference Shares”	the 50,000,000 4.40% non-cumulative perpetual preference shares of an aggregate amount of USD1,000,000,000 issued by the Company in the overseas market on 25 October 2017 and listed on the Hong Kong Stock Exchange (Preference Share Stock Code: 04614) on 26 October 2017
“Ordinary Shares”	A Shares and/or H Shares
“PRC” or “China”	the People’s Republic of China, excluding, for the purpose of this circular only, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Rules of Procedures”	collectively, the “Rules of Procedures for Shareholders’ General Meetings of China Merchants Bank Co., Ltd.”, the “Rules of Procedures for Meetings of the Board of Directors of China Merchants Bank Co., Ltd.” and the “Rules of Procedures for Meetings of the Board of Supervisors of China Merchants Bank Co., Ltd.”
“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

LETTER FROM THE BOARD OF DIRECTORS



招商銀行股份有限公司
CHINA MERCHANTS BANK CO., LTD.

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

(H Share Stock Code: 03968)

(Preference Share Stock Code: 04614)

Executive Directors:

Tian Huiyu

Li Hao

Non-executive Directors:

Li Jianhong

Fu Gangfeng

Sun Yueying

Hong Xiaoyuan

Su Min

Zhang Jian

Wang Daxiong

Registered address:

China Merchants Bank Tower

No. 7088 Shennan Boulevard

Shenzhen 518040

PRC

Principal place of business

in Hong Kong:

21st Floor, Bank of America Tower

12 Harcourt Road

Central

Hong Kong

Independent Non-executive Directors:

Leung Kam Chung, Antony

Wong Kwai Lam

Pan Chengwei

Pan Yingli

Zhao Jun

Wong See Hong

11 May 2018

To the Shareholders

Dear Sir or Madam,

**ISSUANCE OF CAPITAL BONDS;
GENERAL MANDATE TO ISSUE NEW SHARES
AND/OR DEAL WITH SHARE OPTIONS;
PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR;
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF 2017 AGM**

1. INTRODUCTION

The purpose of this circular is to give you the Notice of AGM and provide you with relevant information regarding the proposals to be considered at the General Meeting.

LETTER FROM THE BOARD OF DIRECTORS

2. ISSUANCE OF CAPITAL BONDS

The Company proposes to seek from its Shareholders for an approval on the resolution on issuance of capital bonds. The details of which are set out below:

Issuance Plan

1. Subject to obtaining approval from the General Meeting and relevant regulatory authorities, the eligible tier-2 capital instruments will be issued according to the following terms:
 - (1) Issue size: not exceeding the equivalent of RMB20 billion.
 - (2) Term: not less than 5 years.
 - (3) Types of instruments: the eligible tier-2 capital instruments satisfying the regulatory requirements under the Administrative Measures on Capital of Commercial Banks (Trial) and the Guiding Opinions of the CBRC on Commercial Banks' Innovation on Capital Instruments, with write-down terms but no share conversion terms.
 - (4) Coupon interest rate: to be determined with reference to the market interest rate.
 - (5) Means of loss absorption: upon occurrence of the trigger events as agreed in the issuing document(s), losses will be absorbed by adopting the write-down method.
 - (6) Use of proceeds: the proceeds from issuance of the eligible tier-2 capital instruments will be partly used to substitute for the 2008 subordinated bonds of RMB7 billion to be redeemed on 4 September 2018 and the 2014 tier-2 capital bonds of RMB11.3 billion to be redeemed on 22 April 2019, and will be used to replenish the tier-2 capital of the Company in due course in accordance with the applicable laws upon approval from the regulatory authorities, so as to raise the capital adequacy ratio, enhance the risk prevention ability and maintain the sustainable and stable development of the business.
 - (7) Validity term of the resolution: from the date of approval by the General Meeting on issuance of the eligible tier-2 capital instruments to 31 December 2020.

LETTER FROM THE BOARD OF DIRECTORS

2. It will be proposed at the General Meeting to authorise the Board of Directors, which in turn will authorise the senior management of the Company to handle the matters regarding the issuance of the eligible tier-2 capital instruments based on actual circumstances and under the framework and principles as considered and passed at the General Meeting. The specific contents and scope of the authorisation shall include, among other matters, the following:
 - (1) Determining the issue tranches, size, time, targets, methods, places (including domestic and/or overseas issues), terms, duration, interest rates, prices and types of currencies relating to the issuance of the eligible tier-2 capital instruments; dealing with bond registration and depository, applying for listing of the bonds, conducting the negotiations on the issuance of the eligible tier-2 capital instruments and signing relevant legal documents;
 - (2) Reporting to relevant regulatory authorities on the issuance of the eligible tier-2 capital instruments, and making appropriate adjustments to the issuance plan, reporting documents and other matters relating to the eligible tier-2 capital instruments in accordance with the provisions and approval requirements stipulated by relevant regulatory authorities;
 - (3) Other specific matters relating to the issuance of the eligible tier-2 capital instruments.

The term for the grant of the relevant authorisation by the General Meeting to the Board of Directors and in turn by the Board of Directors to the senior management of the Company shall be from the date of approval by the General Meeting to 31 December 2020.

3. It will be proposed at the General Meeting to authorise the Board of Directors, which in turn will authorise the senior management of the Company to exercise the full power to handle related matters based on actual circumstances and under the framework and principles as considered and passed at the General Meeting from completion of the issuance of the eligible tier-2 capital instruments. The specific contents and scope of the authorisation shall include, among other matters, the arrangement for payment of principal and interest, the exercise of the redemption option subject to the redemption conditions and making write-downs upon occurrence of the trigger events as agreed.

The resolution shall be submitted to the General Meeting for consideration and the passing of such resolution shall be by more than two-thirds of the voting rights held by the Shareholders (including proxies) with voting rights attending the General Meeting.

LETTER FROM THE BOARD OF DIRECTORS

3. GENERAL MANDATE TO ISSUE SHARES AND/OR DEAL WITH SHARE OPTIONS

The Company seeks to obtain approval from its Shareholders for the General Mandate to issue new Shares and/or deal with Shares, details of which are set out below:

1. Subject to the conditions set out in (1), (2) and (3) under this paragraph and in accordance with all applicable laws and regulations of the PRC, the Hong Kong Listing Rules (as amended from time to time) and the Articles of Association of the Company, the Company unconditionally approves the grant of a general mandate to the Board of Directors to allot, issue and/or deal with, separately or concurrently, additional ordinary A Shares and/or H Shares, Domestic and/or Offshore Preference Shares convertible into ordinary A Shares and/or H Shares (together the “Shares”) and to make or grant offers, agreements and/or share options (including share warrants, convertible bonds and other securities which carry rights to subscribe for or are convertible into Shares) requiring or probably requiring the allotment of Shares during the Relevant Period (as defined below):

- (1) Such mandate shall not extend beyond the Relevant Period save that the Board of Directors, during the Relevant Period, make or grant offers, agreements, share options and/or conversion rights which might require the exercise of such offers, agreements, share options and/or conversion rights upon or after the end of the Relevant Period;
- (2) The number of Shares to be allotted, issued and/or dealt with or agreed conditionally or unconditionally to be allotted, issued and/or dealt with (Preference Shares are calculated at the number of ordinary A Shares and/or H Shares upon full conversion at the mandatory conversion price) and the number of Shares underlying the offers, agreements and/or share options (including share warrants, convertible bonds and other securities which carry rights to subscribe for or are convertible into Shares) made or granted by the Board of Directors (the securities above are calculated at the number of allotted A Share(s) and/or H Share(s) upon conversion) shall not exceed 20% of the total number of each of ordinary A Shares and/or H Shares of the Company in issuance as at the date of the proposal being passed at the General Meeting, respectively;
- (3) The Board of Directors will only exercise such mandate in accordance with the PRC Company Law (as amended from time to time), the Hong Kong Listing Rules or applicable laws, regulations and rules of any other government or regulatory bodies, and only if all necessary approvals from the CSRC and/or other relevant PRC government authorities are obtained.

LETTER FROM THE BOARD OF DIRECTORS

2. For the purpose of this proposal, “Relevant Period” means the period from the date of the proposal being passed at the General Meeting until the earliest of:
 - (1) the conclusion of the next annual general meeting of the Company; or
 - (2) the date of expiration of twelve months following the date of the proposal being passed at the General Meeting; or
 - (3) the date on which the mandate granted to the Board of Directors set out in the proposal is revoked or varied by the shareholders of the Company with a special resolution at a general meeting.
3. Contingent on the Board of Directors resolving to issue Shares pursuant to Item 1 of the proposal, the Board of Directors is authorised to increase the registered capital of the Company to reflect the number of shares mandated to be issued under Item 1 of the proposal; and to make amendments to the articles of association of the Company it deems appropriate and necessary so as to reflect the increase in registered capital (if relevant); and to take all such actions and to complete all such procedures as necessary or expedient in order to give effect to the resolution on issuance of shares under Item 1 of the proposal and the increase of the registered capital of the Company.
4. For the purpose of enhancing efficiency of the decision making process and ensuring the success of any issuance, the Board of Directors may delegate such authorisation to one or more directors to take charge of all matters related to the issuance of shares or share options (including share warrants, convertible bonds and other securities which carry rights to subscribe for or are convertible into Shares).

As at the Latest Practicable Date, the Company had issued 25,219,845,601 Shares comprising 20,628,944,429 A Shares and 4,590,901,172 H Shares. Subject to the passing of the proposed resolution for the approval of the General Mandate and in accordance with the terms therein, the Company would be allowed to allot, issue and deal with up to a maximum of 4,125,788,885 A Shares and/or 918,180,234 H Shares on the basis that no further A Shares and/or H Shares would be issued by the Company prior to the General Meeting.

The resolution shall be submitted to the General Meeting for consideration and the passing of such resolution shall be by more than two-thirds of the voting rights held by the Shareholders (including proxies) with voting rights attending the General Meeting.

LETTER FROM THE BOARD OF DIRECTORS

4. PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR

The Board of Directors of the Company agreed the addition of Mr. Zhou Song as a Non-executive Director of the Company. The relevant resolution will be proposed at the General Meeting for consideration.

The Biography of Mr. Zhou Song (“Mr. Zhou”) is set forth as follows:

Mr. Zhou, aged 46, obtained a master’s degree in World Economics from Wuhan University. Since January 2018, Mr. Zhou has served as the Deputy Chief Accountant of China Merchants Group Ltd. and the Chairman of China Merchants Capital Investments Co., Ltd.. Mr. Zhou joined China Merchants Bank in February 1997. He held various positions including the Manager, Assistant General Manager and Deputy General Manager of the Planning and Treasury Department under the Head Office from February 1997 to June 2006. He was the Deputy General Manager of the Planning and Finance Department under the Head Office from June 2006 to July 2007. He was the Vice President of the Wuhan Branch from July 2007 to July 2008, and he successively served as the Deputy General Manager (in charge) and General Manager of the Planning and Finance Department under the Head Office from July 2008 to June 2014. He concurrently served as an Employee Supervisor of China Merchants Bank from August 2008 to June 2010 and the Business Director at the Head Office and the General Manager of the Asset and Liability Management Department under the Head Office from June 2014 to December 2014. He concurrently served as the President of the General Office of Interbank Finance, the General Manager of the Asset Management Department under the Head Office and Business Director at the Head Office from December 2014 to January 2016. He served as the President of the General Office of Investment Banking and Financial Markets, the General Manager of the Asset Management Department under the Head Office and the Business Director at the Head Office from January 2016 to December 2017.

The qualification of Mr. Zhou for serving as a Non-executive Director of the Company will be reported to the CBIRC for approval if he is appointed as a Non-executive Director of the Company, and his appointment shall be effective from the date of approval by the CBIRC, and until the expiration of the term of the Tenth Session of the Board of Directors of the Company. Mr. Zhou will not receive any remuneration if he serves as a Non-executive Director of the Company. Save as disclosed above, Mr. Zhou did not hold any positions as a director or supervisor in any other listed companies, nor did he have any other major appointment or qualification during the last three years. Save for the above, Mr. Zhou did not have any relationship with any other Directors, Supervisors or senior management or substantial shareholders of the Company.

As at the Latest Practicable Date, Mr. Zhou held 23,282 A Shares in the Company, respectively. Save for the above, he did not have any interests in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

LETTER FROM THE BOARD OF DIRECTORS

In addition, there is no other information in relation to the proposed appointment of Mr. Zhou as a Non-executive Director of the Company which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules nor is he involved in any of the matters required to be disclosed pursuant to the rules. Save for the above, there is no other matter that needs to be brought to the attention of the shareholders of the Company.

This resolution shall be passed by more than one half of shareholders with voting rights (including proxies) attending the General Meeting.

5. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the announcement published by the Company on 3 May 2018 regarding the proposed amendments to the Articles of Association.

According to the requirements of the Constitution of the Communist Party of China, the Company Law of the People's Republic of China, the Interim Measures for Equity Management of Commercial Banks (商業銀行股權管理暫行辦法), the Guidelines of the General Office of the CBRC on Enhancing the Protection of Consumer Rights and Interests Addressing Public Concerns in the Banking Industry (中國銀監會辦公廳關於加強銀行業消費者權益保護解決當前群眾關切問題的指導意見) and other documents, the Company proposes to make amendments to certain provisions of the Articles of Association and the Rules of Procedures based on the actual conditions of the Company. For details of the relevant amendments, please refer to Appendix I.

The Articles of Association are written in Chinese, and are translated into English language for reference only. In case of any inconsistency between the English and Chinese versions, the Chinese version shall prevail.

The Board of Directors proposed at the General Meeting to grant the authorisation to the Board of Directors and the person(s) delegated by the Board of Directors, subject to the compliance with the aforesaid amendment principles and in accordance with the requirements and recommendations of the relevant regulatory authorities, to further make necessary adjustments and amendments to the provisions of the Articles of Association as considered and approved at the General Meeting, and to complete the procedures for registration of changes and file the same with the Industrial and Commercial Bureau and other relevant government authorities upon completion of the amendments to the Articles of Association of the Company, in the course of applying to the regulatory authorities for approval on the aforesaid amendments to the Articles of Association. If the aforesaid authorisation is approved at the General Meeting, the Board of Directors will authorise the Secretary to the Board of Directors of the Company to determine and implement the aforesaid matters.

The Directors consider that the proposed amendments are in the interest of the Company and its Shareholders as a whole. Advice has been obtained from independent legal advisers that the amended Articles of Association comply with the laws of the PRC and the Hong Kong Listing Rules requirements.

LETTER FROM THE BOARD OF DIRECTORS

The resolution shall be submitted to the General Meeting for consideration and the passing of such resolution shall be by more than two-thirds of the voting rights held by the Shareholders (including proxies) with voting rights attending the General Meeting. Upon the consideration and approval by the General Meeting, the amendments to the Articles of Association are still subject to an approval from the CBRIC.

6. AGM

A notice convening the AGM to be held at the Conference Room, 5/F, China Merchants Bank Tower, No. 7088 Shennan Boulevard, Shenzhen, the PRC on Wednesday, 27 June 2018 at 9:00 a.m. is set out on pages 45 to 50 of this circular. No shareholder is required to abstain from voting in connection with the matters to be resolved at the AGM.

All votes of resolutions at the AGM will be taken by poll pursuant to the Hong Kong Listing Rules.

Closure of register of members for the AGM

In order to determine the shareholders of H shares who will be entitled to attend the AGM, the Company will suspend registration of transfer of shares from Monday, 28 May 2018 to Wednesday, 27 June 2018 (both days inclusive).

In order to qualify to attend the AGM, holders of H shares of the Company whose transfer documents have not been registered must deposit the transfer documents accompanied by relevant share certificates to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Friday, 25 May 2018. Shareholders of H Shares whose names are recorded in the register of members of the Company on Wednesday, 20 June 2018 are entitled to attend the AGM.

Closure of register of members for payment of final dividend of 2017

In order to determine the shareholders of H shares entitled to receive the final dividend for the year ended 31 December 2017, the Company will suspend registration of transfer of shares from Friday, 6 July 2018 to Wednesday, 11 July 2018 (both days inclusive).

In order to qualify to receive the final dividend, holders of H shares of the Company who have not had their transfer documents registered must deposit the transfer documents accompanied by relevant share certificates to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Thursday, 5 July 2018. Shareholders of H Shares whose names are recorded in the register of members of the Company on Wednesday, 11 July 2018 are entitled to receive the final dividend for the year 2017.

LETTER FROM THE BOARD OF DIRECTORS

A reply slip and a form of proxy for use at the AGM are enclosed and are also published on the websites of the Hong Kong Stock Exchange (www.hkex.com.hk) and the Company (www.cmbchina.com). Shareholders who intend to attend the AGM in person or by proxy shall complete and return the reply slip in accordance with the instructions printed thereon on or before Thursday, 7 June 2018. Shareholders who intend to appoint a proxy to attend the AGM shall complete and return the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending the AGM and voting in person if you so wish.

7. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this circular is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this circular misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

8. RECOMMENDATION

The Directors consider that the resolutions set out in the Notice of AGM are in the interests of the Company and its Shareholders. Accordingly, the Directors recommend that Shareholders to vote in favour of the resolutions to be proposed at the General Meeting.

Yours faithfully,
By order of the Board of Directors
China Merchants Bank Co., Ltd.
Li Jianhong
Chairman

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

**Articles of Association of China Merchants Bank Co., Ltd.
(2018 Second Revision)**

Table of Comparison for major Amended Articles

No. of Articles	Text of Original Articles	Text of New Articles
I. Relevant amendments on CPC party-building		
<p>New article (added as Article 14 of the new Articles)</p>	<p>(The new article is to be added as Article 14, and the sequential numbers of subsequent articles and those referred to in cross references should be adjusted accordingly)</p>	<p>In accordance with the requirements of the Constitution of the Communist Party of China and Company Law, an organisation of the Communist Party of China shall be established by the Bank to play the leadership role, providing direction, managing the overall situation and ensuring implementation. The working committee of the Party shall be established within the Bank, and shall be equipped with requisite staff to deal with Party affairs and provided with sufficient funds to operate the Party organization.</p>
Newly Added Chapter 7 Party Organization (Party Committee)		
<p>New article (added as Article 55 of the new Articles)</p>	<p>(The new article is to be added as Article 55, and the sequential numbers of subsequent articles and those referred to in cross references should be adjusted accordingly)</p>	<p>The Committee of the Communist Party of China Merchants Bank Co., Ltd.(hereinafter referred to as the “Party Committee”) shall be established within the Bank. The Party Committee shall consist of one secretary and one or two deputy secretaries as well as several other members. The secretary to the Party Committee and the president of the Bank shall be the same person. One deputy secretary of the Party Committee shall be designated to assist the secretary to the Party Committee in carrying out Party-building. Eligible members of the Party Committee can become members of the Board of Directors, the Board of Supervisors and the senior management through legal procedures, while eligible members of the Board of Directors, the Board of Supervisors and the senior management can also join the Party Committee in accordance with relevant rules and procedures. Meanwhile, the Bank shall establish the Discipline Committee in accordance with relevant regulations.</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No. of Articles	Text of Original Articles	Text of New Articles
<p>New article (added as Article 56 of the new Articles)</p>	<p>(The new article is to be added as Article 56, and the sequential numbers of subsequent articles and those referred to in cross references should be adjusted accordingly)</p>	<p>The Party Committee shall perform the following duties according to the Constitution of the Communist Party of China and other regulations of the Party:</p> <ol style="list-style-type: none"> <li data-bbox="919 421 1348 725">(1) ensure and supervise the Bank’s implementation of the principles and guidelines of the Party and the State, and to implement major strategic decisions of the Party Central Committee and the State Council, as well as important work arrangements of higher-level Party organizations; <li data-bbox="919 757 1348 1306">(2) strengthen the leadership and gatekeeping role in the management of the process of selection and appointment of personnel, focusing on standards, procedure, evaluation, recommendation and supervision, uphold the integration of the principle that the Party manages the officials with the function of the Board of Directors in the lawful selection of the senior management and with the lawful exercise of authority of appointment, promotion and demotion of personnel by the senior management; <li data-bbox="919 1342 1348 1855">(3) research and discuss the reform, development and stability of the Bank, major operational and management issues and major issues concerning employee interests, and provide comments and suggestions in this regard. Support the shareholders’ general meeting, the Board of Directors, the Board of Supervisors and the senior management in performing their duties in accordance with laws; and support the staff representative meeting in carrying out its work;

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No. of Articles	Text of Original Articles	Text of New Articles
		<p>(4) assume the primary responsibility to run the Party Committee comprehensively with strict discipline. Lead the Bank’s ideological and political work, the United Front work, the cultural and ethical progress, corporate culture cultivation as well as the work of groups such as the Labour Union of the Bank and the Communist Youth League. Lead the construction of the Party’s working style and its clean and honest administration, and support the Discipline Committee in earnestly performing its supervisory responsibilities;</p> <p>(5) strengthen the building of the Bank’s grassroots Party organizations and of its contingent of Party members, give full play to the role of Party branches as strongholds and to the role of Party members as pioneers and fine examples, and unite and lead officials and employees bank-wide to devote themselves into the reform and development of the Bank;</p> <p>(6) Other material matters that fall within the duty of the Party Committee.</p>
II. Relevant amendments on consumer rights protection		
<p>The first paragraph of Article 148 (renumbered as Article 152 of the new Articles)</p>	<p>Independent Directors shall work at least 15 working days each year in the Bank, and the directors serving as chairman of the Audit Committee, the Related Party Transactions Control Committee or the Risk Management Committee shall work at least 25 working days each year in the Bank.</p>	<p>Independent Directors shall work at least 15 working days each year in the Bank, and the directors serving as chairman of the Audit Committee, the Related Party Transactions Management and Consumer Rights Protection Committee or the Risk and Capital Management Committee shall work at least 25 working days each year in the Bank.</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No. of Articles	Text of Original Articles	Text of New Articles
<p>Article 179 (renumbered as Article 184 of the new Articles)</p>	<p>The Board of Directors of the Bank has established... the Related Party Transactions Control Committee... All specialised committees comprise of directors, and each committee shall have at least three members. In particular, the Audit Committee, the Related Party Transactions Control Committee and the Nomination Committee shall not consist of directors nominated by controlling shareholders. The majority of the members of the Audit Committee, the Related Party Transactions Control Committee, the Remuneration and Appraisal Committee and the Nomination Committee shall be independent directors, and they shall act as the chairman of the committee(s). Among the members of the Audit Committee and the Related Party Transactions Control Committee who are independent directors, at least one of them shall have professional expertise in accounting...</p>	<p>The Board of Directors of the Bank has established... the Related Party Transactions Management and Consumer Rights Protection Committee... All specialised committees comprise of directors, and each committee shall have at least three members. In particular, the Audit Committee, the Related Party Transactions Management and Consumer Rights Protection Committee and the Nomination Committee shall not consist of directors nominated by controlling shareholders. The majority of the members of the Audit Committee, the Related Party Transactions Management and Consumer Rights Protection Committee, the Remuneration and Appraisal Committee and the Nomination Committee shall be independent directors, and they shall act as the chairman of the committee(s). Among the members of the Audit Committee and the Related Party Transactions Management and Consumer Rights Protection Committee who are independent directors, at least one of them shall have professional expertise in accounting...</p>

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No. of Articles	Text of Original Articles	Text of New Articles
<p>Article 182 (renumbered as Article 187 of the new Articles)</p>	<p>The major duties of the Related-Party Transactions Control Committee under the Board of Directors include:</p> <p>...</p> <p>(4) review and approve the announcement(s) in respect of the Bank's Related-Party Transaction(s).</p>	<p>The major duties of the Related Party Transactions Management and Consumer Rights Protection Committee under the Board of Directors include:</p> <p>...</p> <p>(4) review and approve the announcement(s) in respect of the Bank's Related-Party Transaction(s);</p> <p>(5) review and consider the Bank's strategies, policies and objectives of consumer rights protection of the Bank;</p> <p>(6) periodically review regular reports on the Bank's consumer rights protection efforts and relevant proposals, and make suggestions to the Board of Directors;</p> <p>(7) supervise and evaluate the comprehensiveness, promptness and effectiveness of the Bank's consumer rights protection efforts as well as the duty performance of the senior management in consumer right protection, and information disclosure of consumer rights protection.</p>

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No. of Articles	Text of Original Articles	Text of New Articles
III. Relevant amendments on equity management		
<p>Article 27 (renumbered as Article 28 of the new Articles)</p>	<p>Unless otherwise stipulated in the relevant laws and administrative regulations, shares of the Bank shall be freely transferable without any encumbrances.</p>	<p>Unless otherwise stipulated in the relevant laws and administrative regulations or Articles, shares of the Bank shall be freely transferable without any encumbrances. In the event that the shareholders of the Bank intend to transfer their shares held in the Bank, the shareholders shall inform the transferees of being compliant with the laws and regulations as well as the conditions imposed by the banking regulators under the State Council.</p> <p>The substantial shareholders of the Bank shall not transfer the shares held in the Bank within five years from the date of the acquisition of the shares (other than some special circumstances as the banking regulators under the State Council or its local offices approving them to take steps to control risks or ordering them to transfer their shares, or their shares being subject to judicial enforcement, or their shares being transferred among entities under the control of the same investor).</p>
<p>Article 28 (renumbered as Article 29 of the new Articles)</p>	<p>(The new paragraph is to be added as the third paragraph of this Article)</p>	<p>If a shareholder of the Bank pledges the shares held in the Bank, which shall not be prejudicial to the interests of other shareholders and the Bank.</p>

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No. of Articles	Text of Original Articles	Text of New Articles
<p>Article 54 (renumbered as Article 57 of the new Articles)</p>	<p>(The new paragraphs are to be added as the fourth, fifth and sixth paragraphs of this Article)</p>	<p>Investors, together with their related parties and persons acting in concert, who intend to hold for the first time or increase by in aggregate, severally or jointly, more than 5% of total capital or total share capital of the Bank, should be reported to the banking regulators under the State Council or its local offices for approval. Investors, together with their related parties and persons acting in concert, who hold, severally or jointly, more than 1% but less than 5% of total capital or total shares of the Bank, should report to the banking regulators under the State Council or its local offices within ten working days after obtaining their equities.</p> <p>The shares of the Bank may be held by financial products, but the shares of the Bank accumulatively held by a single investor, issuer or manager and its actual controller, related parties and persons acting in concert through financial products shall not exceed 5% of total shares of the Bank. A substantial shareholder of the Bank shall not hold shares of the Bank through financial products issued, managed or controlled by it by any other means.</p> <p>The shareholding ratio of a shareholder and its related parties and persons acting in concert shall be calculated on a consolidated basis.</p>

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No. of Articles	Text of Original Articles	Text of New Articles
<p>The first paragraph of Article 60 (renumbered as Article 63 of the new Articles)</p>	<p>Shareholders of the Bank shall assume the following obligations, unless otherwise required with respect to shareholders of preference shares by the Articles or applicable laws and regulations or the listing rules:</p> <p>(1) abide by the laws, administrative regulations and the Articles;</p> <p>(2) pay subscription fees according to the number of shares subscribed by them and the method of capital injection;</p> <p>...</p> <p>(6) other obligations imposed by laws and administrative regulations as well as these Articles.</p>	<p>Shareholders of the Bank shall assume the following obligations, unless otherwise required with respect to shareholders of preference shares by the Articles or applicable laws and regulations or the listing rules:</p> <p>(1) abide by the laws, administrative regulations and the requirements imposed by the regulatory authority and of the Articles;</p> <p>(2) pay subscription fees according to the number of shares subscribed by them and the method of capital injection, and the substantial shareholders shall ensure their own funds obtained from legal sources, rather than entrusted funds, debt funds and other funds not owned by themselves, unless otherwise prescribed by any law or regulation;</p> <p>...</p> <p>(6) no shareholder of the Bank may authorize any other person to or accept any other person's authorization to hold shares of the Bank;</p> <p>(7) shareholders of the Bank shall not conduct inappropriate connected transactions with the Bank, or use its influence on the operation and management of the Bank to seek illicit benefits;</p> <p>(8) shareholders who fail to apply to the regulatory authority for approval or fail to report to the regulatory authority, despite being required to do so, are not permitted to exercise the right to request convening of a shareholders' general meeting, the voting right, right of nomination, right of submitting proposals, and right of disposition, etc.;</p>

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No. of Articles	Text of Original Articles	Text of New Articles
		<p data-bbox="919 236 1359 842">(9) for a shareholder that makes any false statement, abuses shareholders' rights or otherwise damages the interests of the Bank, the banking regulators under the State Council or its local offices may restrict or prohibit connected transactions between the Bank and the shareholder, restrict the limit of equity held in the Bank, and equity pledge ratio, etc., and restrict its right to request convening of a shareholders' general meeting, the voting right, right of nomination, right of submitting proposals, and right of disposition, etc.;</p> <p data-bbox="919 874 1310 995">(10) other obligations imposed by laws and administrative regulations as well as these Articles.</p>

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No. of Articles	Text of Original Articles	Text of New Articles
<p>Article 61 (renumbered as Article 64 of the new Articles)</p>	<p>In addition to the obligations that the common shareholders shall assume, the substantial shareholders shall disclose the information of related parties truthfully, accurately and completely, and undertake to report any change of association relationship to the Board of Directors in a timely manner whenever it occurs.</p> <p>The “substantial shareholders” as mentioned in the Articles refer to the shareholders who, directly or indirectly, jointly hold or control more than 5% of the voting shares of the Bank and can make significant influence on the Bank’s decision.</p>	<p>In addition to the obligations that the common shareholders shall assume, a substantial shareholder, when conducting capital injection the Bank, shall undertake in writing to comply with laws and regulations, regulatory provisions and the Articles and make a statement on the purpose of capital injection to the Bank. At the meantime, the substantial shareholder shall state its shareholding structure level by level extending to its actual controller and ultimate beneficiary, as well as its relationship as a connected party or a person acting in concert with any other shareholders. A substantial shareholder shall report the following information to the Bank in a timely, accurate and complete manner:</p> <ol style="list-style-type: none"> <li data-bbox="919 910 1337 995">(1) its operations, financial information and shareholding structure; <li data-bbox="919 1027 1262 1087">(2) fund sources for capital injection to the Bank; <li data-bbox="919 1119 1337 1264">(3) controlling shareholders, actual controllers, connected parties, persons acting in concert, ultimate beneficiaries and their respective changes; <li data-bbox="919 1295 1342 1376">(4) the shares held in the Bank subject to protective measures or enforcement; <li data-bbox="919 1408 1310 1489">(5) the shares held in the Bank were pledged or released of pledge; <li data-bbox="919 1521 1177 1557">(6) change of name; <li data-bbox="919 1589 1209 1625">(7) merger or division; <li data-bbox="919 1657 1326 1885">(8) imposition of regulatory measures such as suspension of business for rectification, appointment of trustee, takeover or revocation, or in the process of dissolution, bankruptcy or liquidation proceedings;

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No. of Articles	Text of Original Articles	Text of New Articles
		<p>(9) occurrence of other events that may change its qualifications as a shareholder or shares it held in the Bank.</p> <p>The “substantial shareholders” as mentioned in those Articles refer to the shareholders who, directly or indirectly, jointly hold or control less than 5% of the voting shares of the Bank but can make significant influence on the operation and management of the Bank.</p> <p>The “significant influence” above includes but not limited to the assignment of directors, supervisors or senior management to the Bank, affecting through an agreement or in other ways, the decision-making of finance, operation and management of the Bank, and other circumstances affirmed by the banking regulators under the State Council and its regulatory authorities.</p>
<p>Article 62 (renumbered as Article 65 of the new Articles)</p>	<p>Shareholders, especially the substantial shareholders shall exercise their rights as capital contributors strictly in compliance with the laws, regulations and the Articles. They shall not seek inappropriate interest, intervene in the rights of decision-making and management enjoyed by the Board of Directors and senior management in accordance with the Articles, bypass the Board of Directors and senior management to directly intervene in the operations and management of the Bank, and damage the interests of the Bank and the legitimate rights and interests of other stakeholders.</p>	<p>Shareholders, especially the substantial shareholders shall exercise their rights as capital contributors strictly in compliance with the laws, regulations and the Articles, fulfill the obligations of capital contributor, and shall not seek inappropriate interest and abuse shareholders’ rights or utilize influence to intervene in the rights of decision-making and management enjoyed by the Board of Directors and senior management in accordance with the Articles, bypass the Board of Directors and senior management to directly intervene in or utilize influence to intervene in the operations and management of the Bank, conduct tunneling, or damage the legitimate rights and interests of any depositor, the Bank and any other shareholders in any other form.</p>

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No. of Articles	Text of Original Articles	Text of New Articles
<p>The third paragraph of Article 63 (renumbered as Article 66 of the new Articles)</p>	<p>Substantial Shareholders shall make written long-term undertaking to the Bank in respect of capital replenishment, which will form a part of the capital plan of the Bank.</p>	<p>Substantial Shareholders shall make written long-term undertaking to the Bank in respect of capital replenishment, which will form a part of the capital plan of the Bank, and shall report their capital replenishment ability to the banking regulators under the State Council or its local office on an annual basis through the Bank.</p>
<p>Article 66 (renumbered as Article 69 of the new Articles)</p>	<p>(The new paragraphs are to added as the second, third and fourth paragraphs of this Article)</p>	<p>The credit balance granted by the Bank to an individual entity such as a substantial shareholder or controlling shareholder, de facto controller, related party, party acting in concert and ultimate beneficiary shall not exceed 10% of the net capital of the Bank. The total credit balance granted by the Bank to an individual substantial shareholder and controlling shareholder, de facto controller, related party, party acting in concert and ultimate beneficiary shall not exceed 15% of the net capital of the Bank.</p> <p>The credits in the preceding paragraph include loans (including trade finances), bill acceptances and discounts, overdrafts, bond investments, special purpose vehicle investments, issuance of letter of credit, factoring, guarantees, loan commitments, and other businesses of which credit risks are essentially borne by the Bank or the wealth management products issued by the Bank. The Bank shall identify the ultimate debtors according to the principle of penetration.</p>

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No. of Articles	Text of Original Articles	Text of New Articles
		<p>When entering into the sale or purchase or lease of the Bank's own movable and immovable properties; the purchase and sale of credit assets; the receipt and disposal of repossessed assets; transactions relating to services such as credit enhancement, credit assessment, assets assessment, law, information, technology and infrastructure; commissioned or entrusted sales and other transactions with its substantial shareholders or controlling shareholders, de facto controllers, related parties, parties acting in concert and ultimate beneficiaries, the Bank shall comply with laws and regulations and the relevant requirements of the banking regulators under the State Council, and shall conduct such transactions in accordance with commercial principles which shall be no more favorable than the conditions offered to non-related parties regarding the similar transactions, so as to prevent risk contagion and tunneling.</p>

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No. of Articles	Text of Original Articles	Text of New Articles
<p>New article (added as Article 70 of the new Articles)</p>	<p>(The new article is to be added as Article 70, and the sequential numbers of subsequent articles and those referred to in cross references should be adjusted accordingly)</p>	<p>Any substantial shareholder, controlling shareholder and de facto controller of the Bank shall not fall under any of the following circumstances:</p> <ol style="list-style-type: none"> (1) being listed as an object subject to joint punishment for dishonesty by relevant departments; (2) seriously evading bank debts; (3) providing false materials or making false statement; (4) assuming significant liability for the Bank’s business failure or material violation of laws and regulations; (5) rejecting or obstructing the lawful implementation of supervision and administration by the banking regulators under the State Council or its local office; (6) having been investigated and punished by the financial supervision department or relevant government departments due to violations of laws and regulations, and having caused adverse impact; (7) other circumstances that may cause adverse impact on the Bank’s business management.
<p>The second paragraph of Article 69 (renumbered as Article 73 of the new Articles)</p>	<p>The term “acting in concert” herein shall mean the act where two or more persons reaching an agreement (verbal or written), pursuant to which one of them obtains the voting rights of the Bank in order to gain or strengthen control over the Bank.</p>	<p>The term “acting in concert” as mentioned in these Articles shall mean the act or fact that investors enlarge the number of voting shares that they can control together with other investors through agreement or other arrangement. The relevant investors acting in concert are parties acting in concert.</p>

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No. of Articles	Text of Original Articles	Text of New Articles
Article 69 (renumbered as Article 73 of the new Articles)	(The new paragraph is to be added as the fourth paragraph of this Article)	The term “ultimate beneficiaries” referred herein shall mean persons who actually enjoy the return from the shares of the Bank.
New article (added as Article 169 of the new Articles)	(The new article is to be added as Article 169, and the sequential numbers of subsequent articles and those referred to in cross references should be adjusted accordingly)	<p>The Board of Directors of the Bank assumes the ultimate responsibility for the management of equity transactions. The chairman of the Bank shall be the first responsible person in handling the equity transactions of the Bank. The secretary of the Board of Directors shall assist the chairman and shall be the direct responsible person in handling the equity transactions. In the course of performing their duties, members of the Board of Directors of the Bank who have not raised any objection to the violation of laws and regulations in respect of equity management, shall not be appraised as competent in the most recent performance appraisal.</p> <p>The Board of Directors of the Bank shall at least evaluate the qualifications of substantial shareholders, the performance of commitments, the implementation of the Articles, and the compliance with laws, regulations and regulatory requirements annually, and submit the assessment reports to the banking regulators under the State Council or its local offices in a timely manner.</p>
IV. Other Amendments		
The second paragraph of Article 9	These Articles became effective upon approval of China Banking Regulatory Commission (“CBRC”).	These Articles became effective upon approval of China Banking and Insurance Regulatory Commission.

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No. of Articles	Text of Original Articles	Text of New Articles
<p>Article 15 (renumbered as Article 16 of the new Articles)</p>	<p>Upon approval by the CBRC and State Administration of Foreign Exchange and the vetting by the company registration authorities, the business scope of the Bank is:</p> <p>receiving deposits of the public; granting short-term, medium-term and long-term loans; handling settlement; handling bills discounting; issuing financial bonds; acting as agents in issuance and honoring and underwriting of government bonds; buying and selling government bonds; inter-bank borrowings; providing letters of credit services and guarantees; acting as agent in the collection and payment of monies and insurance business; providing safe deposit box services. Foreign exchange deposits; foreign exchange loans; foreign exchange remittances; foreign currency conversion; international settlement; exchange settlement and selling; foreign exchange inter-bank borrowings; acceptance and discounting of foreign exchange notes; foreign exchange borrowings; foreign exchange guarantees; buying and selling and acting as agent in the buying and selling of foreign currency quoted securities other than shares; issuing and acting as agent in the issuance of foreign currency quoted securities other than shares; self-operating and acting as agent in buying and selling of foreign exchanges; credit checking, advisory and witnessing businesses; offshore financial business and other businesses as approved by CBRC.</p>	<p>Upon approval by the banking regulators under the State Council and State Administration of Foreign Exchange and the vetting by the company registration authorities, the business scope of the Bank is:</p> <p>receiving deposits of the public; granting short-term, medium-term and long-term loans; handling settlement; handling bills discounting; issuing financial bonds; acting as agents in issuance and honoring and underwriting of government bonds; buying and selling government bonds; inter-bank borrowings; providing letters of credit services and guarantees; acting as agent in the collection and payment of monies and insurance business; providing safe deposit box services. Foreign exchange deposits; foreign exchange loans; foreign exchange remittances; foreign currency conversion; international settlement; exchange settlement and selling; foreign exchange inter-bank borrowings; acceptance and discounting of foreign exchange notes; foreign exchange borrowings; foreign exchange guarantees; buying and selling and acting as agent in the buying and selling of foreign currency quoted securities other than shares; issuing and acting as agent in the issuance of foreign currency quoted securities other than shares; self-operating and acting as agent in buying and selling of foreign exchanges; credit checking, advisory and witnessing businesses; offshore financial business and other businesses as approved by the banking regulators under the State Council.</p>

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No. of Articles	Text of Original Articles	Text of New Articles
<p>Sub-paragraph (1) under the first paragraph of Article 77 (renumbered as Article 81 of the new Articles)</p>	<p>The following procedures shall be complied with when shareholders request to convene an extraordinary general meeting or class meeting:</p> <p>(1) two or more shareholders holding more than 10% of the voting shares at the proposed general meeting may sign one or several same written requests proposing to the Board of Directors to convene an extraordinary general meeting or class meeting and stating the subjects to be considered at the meeting....</p>	<p>The following procedures shall be complied with when shareholders request to convene an extraordinary general meeting or class meeting:</p> <p>(1) the shareholders individually or jointly holding more than 10% of the voting shares at the proposed general meeting may sign one or several same written requests proposing to the Board of Directors to convene an extraordinary general meeting or class meeting and stating the subjects to be considered at the meeting....</p>
<p>Article 81 (renumbered as Article 85 of the new Articles)</p>	<p>When the Bank convenes a shareholders' general meeting, a written notice shall be issued 45 days prior to the meeting to all the shareholders whose names are recorded on the register stating therein the matters proposed to be considered at the meeting as well as the time and venue of the meeting. Shareholders intending to attend the shareholders' general meeting shall send a written reply to the Bank 20 days before the meeting is convened.</p>	<p>When the Bank convenes a shareholders' general meeting, a written notice shall be issued at least 20 working days (excluding both the date of notice and the date of meeting) prior to the annual general meeting and at least 15 days or 10 working days (whichever is longer, and excluding both the date of notice and the date of meeting) prior to the extraordinary general meeting by the convenor to all the shareholders whose names are recorded on the register stating therein the matters proposed to be considered at the meeting as well as the time and venue of the meeting. Shareholders intending to attend the shareholders' general meeting shall send a written reply to the Bank before the meeting is convened. If any law, regulation and other regulatory document have requirements otherwise, their requirements shall be complied with.</p>

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No. of Articles	Text of Original Articles	Text of New Articles
<p>Article 83 (renumbered as Article 87 of the new Articles)</p>	<p>The Bank shall calculate the number of voting shares represented by the shareholders intending to attend the shareholders’ general meeting in accordance with the written replies received 20 days prior to the shareholders’ general meeting. Where the number of voting shares held by shareholders intending to attend the shareholders’ general meeting reaches more than one half of the total number of voting shares of the Bank, the meeting may be held. Where such number of voting shares is not reached, the Bank shall again issue an announcement to notify the shareholders of the matters to be discussed at the shareholders’ general meeting and the date and venue of the meeting within the next 5 days. The Bank may convene the shareholders’ general meeting after such announcement has been made. Such announcement shall be published in newspapers designated by the relevant requirements.</p>	<p>The Bank shall calculate the number of voting shares represented by the shareholders intending to attend the shareholders’ general meeting in accordance with the written replies received prior to the shareholders’ general meeting, and shall again issue an announcement to notify the shareholders of the matters to be discussed at the shareholders’ general meeting and the date and venue of the meeting in accordance with the requirements of laws, regulations and other regulatory documents.</p>
<p>The second paragraph of Article 86 (renumbered as Article 90 of the new Articles)</p>	<p>Announcements referred to in the preceding paragraph shall be published on one or more newspapers designated by the securities regulatory organ of the State Council within 45 to 50 days before the meeting. All shareholders of domestic shares shall be deemed as having received that notice of shareholders’ general meeting upon the publication of that announcement.</p>	<p>Announcements referred to in the preceding paragraph shall be published on one or more newspapers designated by the securities regulatory organ of the State Council. All shareholders of domestic shares shall be deemed as having received that notice of shareholders’ general meeting upon the publication of that announcement. If any law, regulation and other regulatory documents have requirements otherwise, their requirements shall be followed.</p>

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No. of Articles	Text of Original Articles	Text of New Articles
<p>Article 138 (renumbered as Article 142 of the new Articles)</p>	<p>For convening class meetings of shareholders, the Bank shall issue a written notice forty-five days before the meeting is convened, informing all shareholders of that class of shares recorded in the register of the matters to be considered at the meeting and the meeting date and place. Shareholders attending the meeting shall send a written reply of attendance to the Bank twenty days before the meeting is convened.</p> <p>The Bank may convene a class meeting of shareholders when the voting shares represented by the shareholders to be present at the meeting reach more than one-half of the total voting shares of that class at the meeting. Failing such number of voting shares, the Bank shall inform again the shareholders of the matters to be considered at the meeting, meeting date and place through public announcement within the next five days. The Bank may convene the class meeting of shareholders by issuing an announcement on newspapers in compliance with the relevant stipulations.</p>	<p>For convening class meetings of shareholders, the Bank shall issue a written notice in accordance with the requirements of the Articles of Association, informing all shareholders of that class of shares recorded in the register of the matters to be considered at the meeting and the meeting date and place. Shareholders attending the meeting shall send a written reply of attendance to the Bank in accordance with the requirements of the Articles of Association.</p> <p>The Bank shall calculate the number of voting shares represented by the shareholders intending to be present at the meeting in accordance with the written replies received prior to the class meeting, and shall inform again the shareholders of the matters to be considered at the meeting, meeting date and place through public announcement in accordance with the requirements of laws, regulations and other regulatory documents.</p>
<p>Article 112 (renumbered as Article 116 of the new Articles)</p>	<p>The Board of Directors, independent directors and qualified shareholders under relevant requirements may collect voting rights of the shareholders at the shareholders' general meeting. The collection of voting rights shall be done without payment and information shall be fully disclosed to the persons from whom voting rights are collected.</p>	<p>The Board of Directors, independent directors and qualified shareholders under relevant requirements may collect voting rights of the shareholders at the shareholders' general meeting. The collection of voting rights shall be done without payment and information shall be fully disclosed to the persons from whom voting rights are collected. The Bank shall not set requirement for the minimum shareholding percentage when collecting voting rights.</p>
<p>Article 118 (renumbered as Article 122 of the new Articles)</p>	<p>When the proposals are being reviewed and considered at the shareholders' general meeting, the proposals may not be amended; otherwise, the amended proposal shall be regarded as a new proposal and shall not be voted at such shareholders' general meeting.</p>	<p>When the proposals are being reviewed and considered at the shareholders' general meeting, the proposals shall not be amended; otherwise, the amended proposal shall be regarded as a new proposal and shall not be voted at such shareholders' general meeting.</p>

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No. of Articles	Text of Original Articles	Text of New Articles
<p>The second paragraph of Article 142 (renumbered as Article 146 of the new Articles)</p>	<p>A written notice of the intention of nominating a candidate to become a director and the candidate’s consent with such nomination shall be given to the Bank no later than the seventh day after the date of issuing the notice of the shareholders’ general meeting for the election of such director.</p>	<p>A written notice of the intention of nominating a candidate to become a director and the candidate’s consent with such nomination shall be given to the Bank no later than the seventh day after the date of issuing the notice of the shareholders’ general meeting for the election of such director, however, the nomination by the shareholders who individually or jointly holding more than 3% of the total issued voting shares of the Bank according to Article 86 of these Articles is not subject to this requirement.</p>
<p>Sub-paragraph (2) under the first paragraph of Article 143 (renumbered as Article 147 of the new Articles)</p>	<p>(2) the Nomination Committee of the Board of Directors shall conduct preliminary verification on the qualification and conditions of appointment of the candidates for directors, and propose the qualified candidates to the Board of Directors for consideration; and propose them to the shareholders’ general meeting by way of written resolutions after they are considered and approved by the Board of Directors.</p>	<p>(2) the Nomination Committee of the Board of Directors shall conduct preliminary verification on the qualification and conditions of appointment of the candidates for directors, and propose the qualified candidates to the Board of Directors for consideration; and propose them to the shareholders’ general meeting by way of written resolutions after they are considered and approved by the Board of Directors. The nomination by the shareholders who individually or jointly holding more than 3% of the total issued voting shares of the Bank according to Article 86 of these Articles is not subject to this requirement.</p>
<p>Article 239 (renumbered as Article 244 of the new Articles)</p>	<p>The Bank shall not, in any manner, pay any taxes for its directors, supervisors, president, executive vice presidents and other senior management members.</p>	<p>The Bank shall not, in any manner, pay any taxes for its directors, supervisors, president, executive vice presidents and other senior management members, however, the withhold and payment of income taxes by the Bank on behalf of the aforementioned persons is not subject to this requirement.</p>

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No. of Articles	Text of Original Articles	Text of New Articles
<p>The first paragraph of Article 153 (renumbered as Article 157 of the new Articles)</p>	<p>The following persons shall not act as an independent director of the Bank:</p> <p>(1) any person and any of his/her close relatives holding more than 1% of the Bank’s voting shares or holding a position in the shareholders’ units; ...</p> <p>(3) any person or any of his/her close relatives holding a position in any companies which are controlled or effectively controlled by the Bank;</p> <p>(4) any person or any of his/her close relatives holding a position in any entity which is unable to repay loans to the Bank when falling due; ...</p> <p>(6) any person who provides services as financial, legal and consultancy services to the Bank or its subsidiaries, or any person or any of his/her close relatives holding a position in any entity which has a relationship of business, liabilities or debts with, or any interests in the Bank by providing such services as legal, accounting, auditing, management consultancy and guarantee cooperation services to the Bank, thus impeding his/her independence in the performance of duties;</p> <p>(7) any other person or any of his/her close relatives upon whom the Bank, its substantial shareholders or senior management members may control or exercise significant influence through various means, thus impeding his/her independence in the performance of duties;</p> <p>(8) the immediate or major relatives of the above-mentioned persons (immediate relatives refer to spouse, father/mother, children, etc.; major relatives refer to brothers/sisters, father/mother-in-law, son/daughter-in-law, spouse of brothers/sisters, brother/sister of spouse, etc.);</p> <p>(9) any person who is within any of the above categories within the past one year; ...</p>	<p>The following persons shall not act as an independent director of the Bank:</p> <p>(1) any person and any of his/her close relatives holding more than 1% of the Bank’s voting shares or holding a position in these shareholders’ units; ...</p> <p>(3) any person who holds a position in any companies which are controlled or effectively controlled by the Bank;</p> <p>(4) any person who holds a position in any entity which is unable to repay loans to the Bank when falling due; ...</p> <p>(6) any person who provides such services as financial, legal and consultancy services to the Bank or its subsidiaries, or any person or any of his immediate relatives who holds a position in any entity which has a relationship of business, liabilities or debts with, or any interests in the Bank by providing such services as legal, accounting, auditing, management consultancy and guarantee cooperation services to the Bank, thus impeding his/her independence in the performance of duties;</p> <p>(7) any other person upon whom the Bank, its substantial shareholders or senior management members may control or exercise significant influence through various means, thus impeding his/her independence in the performance of duties;</p> <p>(8) any person who is within any of the above categories within the past one year;</p> <p>(9) the immediate or major relatives of the above-mentioned persons (immediate relatives refer to spouse, father/mother, children, etc.; major relatives refer to brothers/sisters, father/mother-in-law, son/daughter-in-law, spouse of brothers/sisters, brother/sister of spouse, etc.); ...</p>

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No. of Articles	Text of Original Articles	Text of New Articles
Article 170 (renumbered as Article 175 of the new Articles)	Mode of notification of extraordinary meetings of the Board of Directors: by notice in writing, including sending it by registered mail, telegram, telex, email and facsimile (with acknowledgment of receipt). Such notice shall be delivered to the directors and supervisor within a reasonable time prior to the meeting.	The notice of extraordinary meetings of the Board of Directors shall be delivered to the directors and supervisor within a reasonable time prior to the meeting.
Article 215 (renumbered as Article 220 of the new Articles)	The notice on a meeting of the Board of Supervisors shall be sent in writing or by email to all the supervisors 10 days before convening the meeting of the Board of Supervisors. The notice on an extraordinary meeting of the Board of Supervisors shall be delivered one day before convening the meeting.	The notice on a meeting of the Board of Supervisors shall be sent to all the supervisors 10 days before convening the meeting of the Board of Supervisors. The notice on an extraordinary meeting of the Board of Supervisors shall be delivered within reasonable time before convening the meeting.
Article 296 (renumbered as Article 301 of the new Articles)	The notice of convening a board meeting shall be issued in writing, by telephone or fax.	The notice of convening a board meeting shall be issued in writing, by telephone, fax or email .
Article 297 (renumbered as Article 302 of the new Articles)	The notice of convening the Board of Supervisors' meeting shall be issued in writing, by telephone or fax.	The notice of convening the Board of Supervisors' meeting shall be issued in writing, by telephone, fax or email .
Article 261 (renumbered as Article 266 of the new Articles)	(The new article is to be added as the fourth paragraph of this Article, and the sequential numbers of subsequent articles and those referred to in cross references should be adjusted accordingly)	The Bank may exercise the right to forfeit unclaimed dividends, subject to the requirements of the regulations of the jurisdictions in which the shares of the Bank are listed, but the right can only be exercised six years or more after the dividend declaration date.

Rules of Procedures for Shareholders' General Meetings of China Merchants
Bank Co., Ltd.
(2018 Revision)

Table of Comparison for major Amended Rules

No. of Original Rules	Text of Original Rules	Text of New Rules
Sub-paragraph (1) under the first paragraph of Rule 9	(1) two or more shareholders holding more than 10% of the voting shares at the proposed general meeting may sign one or several same written requests proposing to the Board of Directors to convene an extraordinary general meeting or class meeting and stating the subjects to be considered at the meeting....	(1) the shareholders individually or jointly holding more than 10% of the voting shares at the proposed general meeting may sign one or several same written requests proposing to the Board of Directors to convene an extraordinary general meeting or class meeting and stating the subjects to be considered at the meeting....
Rule 14	When the Bank convenes a shareholders' general meeting, a written notice shall be issued 45 days prior to the meeting to all the shareholders whose names are recorded on the register stating therein the matters proposed to be considered at the general meeting as well as the time and venue of the meeting. Shareholders intending to attend the shareholders' general meeting shall send a written reply to the Bank 20 days before the meeting is convened.	When the Bank convenes a shareholder's general meeting, the convenor shall issue a written notice at least 20 working days (excluding both the date of notice and the date of meeting) prior to the annual general meeting and at least 15 days or 10 working days (whichever is longer, and excluding both the date of notice and the date of meeting) prior to the date of the extraordinary general meeting to all the shareholders whose names are recorded on the register stating therein the matters proposed to be considered at the general meeting as well as the time and venue of the meeting. Shareholders intending to attend the shareholders' general meeting shall send a written reply to the Bank before the meeting is convened. Where laws and regulations and other regulatory documents have other provisions, such provisions shall apply.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No. of Original Rules	Text of Original Rules	Text of New Rules
Rule 16	<p>The Bank shall calculate the number of voting shares represented by the shareholders intending to attend the shareholders’ general meeting in accordance with the written replies received 20 days prior to the shareholders’ general meeting. Where the number of voting shares held by shareholders intending to attend the shareholders’ general meeting reaches more than one half of the total number of voting shares of the Bank, the meeting may be held. Where such number of voting shares is not reached, the Bank shall issue an announcement to notify the shareholders of the matters to be discussed at the shareholders’ general meeting and the date and venue of the meeting within the next 5 days. The Bank may convene the shareholders’ general meeting after such announcement has been made. Such announcement shall be published in newspapers designated by the relevant requirements.</p>	<p>The Bank shall calculate the number of voting shares represented by the shareholders intending to attend the shareholders’ general meeting in accordance with the written replies received prior to the shareholders’ general meeting. Where it is stipulated by laws, regulations and other regulatory documents, the Bank shall issue an announcement to notify the shareholders of the matters to be discussed at the shareholders’ general meeting and the date and venue of the meeting.</p>
The second paragraph of Rule 19	<p>Announcements referred to in the preceding paragraph shall be published on one or more newspapers designated by the securities regulatory organ of the State Council within 45 to 50 days before the meeting. All shareholders of domestic shares shall be deemed as having received that notice of shareholders’ general meeting upon the publication of that announcement.</p>	<p>Announcements referred to in the preceding paragraph shall be published on one or more newspapers designated by the securities regulatory organ of the State Council. All shareholders of domestic shares shall be deemed as having received that notice of shareholders’ general meeting upon the publication of that announcement. Where the time of the announcement is otherwise provided by law, regulations and regulatory documents, such provisions shall apply.</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No. of Original Rules	Text of Original Rules	Text of New Rules
Rule 70	<p>For convening class meetings of shareholders, the Bank shall issue a written notice 45 days before the meeting is convened, informing all shareholders of that class of shares recorded in the register of the matters to be examined at the meeting and the meeting date and place. Shareholders intending to attend the meeting shall send a written reply of attendance to the Bank 20 days before the meeting is convened.</p> <p>The Bank may convene a class meeting of shareholders when the voting shares represented by the shareholders to be present at the meeting reach more than one half of the total voting shares of that class at the meeting. Failing such number of voting shares, the Bank shall inform the shareholders again of the matters to be considered at the meeting, meeting date and place through public announcement within the next 5 days. The Bank may convene the class meeting of shareholders by issuing an announcement on newspapers in compliance with the relevant stipulations.</p>	<p>For convening class meetings of shareholders, the Bank shall issue a written notice pursuant to the provisions of the Articles, informing all shareholders of that class of shares recorded in the register of the matters to be examined at the meeting and the meeting date and place. Shareholders intending to attend the meeting shall send a written reply of attendance to the Bank pursuant to the Articles.</p> <p>The Bank shall calculate the number of voting shares represented by the shareholders intending to attend the shareholders’ general meeting in accordance with the written replies received prior to the class meeting of shareholders. The Bank shall inform the shareholders again of the matters to be considered at the meeting, meeting date and place through public announcement where it is stipulated by laws, regulations and other regulatory documents.</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No. of Original Rules	Text of Original Rules	Text of New Rules
Rule 44	The Board of Directors, independent directors and qualified shareholders under relevant requirements may collect voting rights of the shareholders at the shareholders' general meeting. The collection of voting rights shall be done without payment and information shall be fully disclosed to the persons from whom voting rights are collected.	The Board of Directors, independent directors and qualified shareholders under relevant requirements may collect voting rights of the shareholders at the shareholders' general meeting. The collection of voting rights shall be done without payment and information shall be fully disclosed to the persons from whom voting rights are collected. The Bank shall not impose any restriction of minimum shareholding for soliciting voting rights.
The third paragraph of Rule 49	..., upon the occurrence of any circumstances of class voting stipulated in the paragraph 3 under article 117 of the Articles, ... as well as the rules on special procedures for the voting by class shareholders stipulated in chapter 9 of the Articles,, upon the occurrence of any circumstances of class voting stipulated in the paragraph 3 under article 121 of the Articles, ... as well as the rules on special procedures for the voting by class shareholders stipulated in chapter 10 of the Articles,
Rule 50	When the proposals are being reviewed and considered at the shareholders' general meeting, the proposals may not be amended; otherwise, the amended proposal shall be regarded as a new proposal and shall not be voted at such shareholders' general meeting.	When the proposals are being examined at the shareholders' general meeting, the proposals shall not be amended; otherwise, the amended proposal shall be regarded as a new proposal and shall not be voted at such shareholders' general meeting.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No. of Original Rules	Text of Original Rules	Text of New Rules
Rule 67	<p>Under the following circumstances, rights of shareholders of a certain class shall be deemed to have been changed or abrogated:</p> <p>(1) ... except the circumstance as contemplated under article 19 of the Articles when shareholders of domestic ordinary shares of the Bank transfer their shares to overseas investors and that such shares are listed and traded overseas; ...</p> <p>(2) ..., except the circumstance as contemplated under article 19 of the Articles when shareholders of domestic ordinary shares of the Bank transfer their shares to overseas investors and that such shares are listed and traded overseas;</p> <p>...</p> <p>The change or abrogation of the rights of shareholders of preference shares is limited to the circumstances set forth in the paragraph 3 under article 117 of the Articles.</p>	<p>Under the following circumstances, rights of shareholders of a certain class shall be deemed to have been changed or abrogated:</p> <p>(1) ..., except the circumstance as contemplated under article 20 of the Articles when ordinary shareholders of domestic shares of the Bank transfer their shares to overseas investors and that such shares are listed and traded overseas;</p> <p>(2) ..., except the circumstance as contemplated under article 20 of the Articles when ordinary shareholders of domestic shares of the Bank transfer their shares to overseas investors and that such shares are listed and traded overseas;</p> <p>...</p> <p>The change or abrogation of the rights of shareholders of preference shares is limited to the circumstances set forth in the paragraph 3 under article 121 of the Articles.</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No. of Original Rules	Text of Original Rules	Text of New Rules
The second paragraph of Rule 68	<p>Interested shareholders referred to in this Article shall have the following meaning:</p> <p>(1) where the Bank has made a repurchase offer to all shareholders on a pro rata basis or made repurchase by means of an open offer at the stock exchange in accordance with article 34 of the Articles, “interested shareholders” refer to the controlling shareholders defined in article 69 of the Articles;</p> <p>(2) where the Bank has made repurchases by means of agreement off the stock exchange in accordance with article 34 of the Articles, “interested shareholders” refer to the shareholders who are connected with that agreement; or ...</p>	<p>Interested shareholders referred to in this Article shall have the following meaning:</p> <p>(1) where the Bank has made a repurchase offer to all shareholders on a pro rata basis or made repurchase by means of an open offer at the stock exchange in accordance with article 35 of the Articles, “interested shareholders” refer to the controlling shareholders defined in article 73 of the Articles;</p> <p>(2) where the Bank has made repurchases by means of agreement off the stock exchange in accordance with article 35 of the Articles, “interested shareholders” refer to the shareholders who are connected with that agreement; or ...</p>
Sub-paragraph (iii) under the second paragraph of Rule 72	<p>(3) shareholders of domestic ordinary shares of the Bank transfer their shares to overseas investors and the shares are listed and traded overseas as referred to in article 19 of the Articles.</p>	<p>(3) shareholders of domestic ordinary shares of the Bank transfer their shares to overseas investors and the shares are listed and traded overseas as referred to in article 20 of the Articles.</p>

**Rules of Procedures for Meetings of the Board of Directors of China Merchants
Bank Co., Ltd.
(2018 Revision)**

Table of Comparison for major Amended Rules

No. of Original Rules	Text of Original Rules	Text of New Rules
<p>New Rule (added as Rule 7 of the new Rules)</p>	<p>(The new article is to be added as Article 7, and the sequential numbers of subsequent articles and those referred to in cross references should be adjusted accordingly)</p>	<p>The Board of Directors of the Bank shall take the ultimate responsibility for the management of equity affairs. The chairman of the Bank shall be the first responsible person in handling the equity affairs of the Bank. The secretary of the Board of Directors shall assist the chairman, and shall be the direct person responsible for dealing with the equity affairs. The members of the Board of Directors of the Bank shall not be assessed as competent in the latest duty performance assessment if they fail to raise any objection to the illegal acts on equity management in the course of performing their duties.</p> <p>The Board of Directors of the Bank shall assess the qualifications of substantial shareholders, the fulfillment of commitments, the implementation of the Articles and compliance with laws, regulations and regulatory requirements at least on an annual basis, and submit the assessment reports to the banking regulators under the State Council or its local offices in a timely manner.</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No. of Original Rules	Text of Original Rules	Text of New Rules
Rule 11 (renumbered as Rule 12 of the new Rules)	Mode of notification of extraordinary meetings of the Board of Directors: by notice in writing, including sending it by registered mail, telegram, telex, email and facsimile (with acknowledgement of receipt). Such notice shall be delivered to the directors and supervisor within a reasonable time prior to the meeting.	The notice of extraordinary meetings of the Board of Directors shall be delivered to the directors and supervisor within a reasonable time prior to the meeting.
Rule 20 (renumbered as Rule 21 of the new Rules)	The Board of Directors of the Bank has established...the Related Party Transactions Control Committee... all specialised committees comprise of directors, and each committee shall have at least three members. In particular, the Audit Committee, the Related Party Transactions Control Committee and the Nomination Committee shall not consist of directors nominated by controlling shareholders. The majority of the members of the Audit Committee, the Related Party Transactions Control Committee, the Remuneration and Appraisal Committee and the Nomination Committee shall be independent directors, and they shall act as the chairman of the committees. Among the members of the Audit Committee and the Related Party Transactions Control Committee who are independent directors, at least one of them shall have professional expertise in accounting...	The Board of Directors of the Bank has established...the Related Party Transactions Management and Consumer Rights Protection Committee, ... All specialised committees comprise of directors, and each committee shall have at least three members. In particular, the Audit Committee, the Related Party Transactions Management and Consumer Rights Protection Committee and the Nomination Committee shall not consist of directors nominated by controlling shareholders. The majority of the members of the Audit Committee, the Related Party Transactions Management and Consumer Rights Protection Committee, the Remuneration and Appraisal Committee and the Nomination Committee shall be independent directors, and they shall act as the chairman of the committees. Among the members of the Audit Committee and the Related Party Transactions Management and Consumer Rights Protection Committee who are independent directors, at least one of them shall have professional expertise in accounting; ...

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No. of Original Rules	Text of Original Rules	Text of New Rules
<p>Rule 23 (renumbered as Rule 24 of the new Rules)</p>	<p>The major duties of the Related-Party Transactions Control Committee under the Board of Directors include:</p> <p>...</p> <p>(4) review and approve the announcement(s) in respect of the Bank's Related-Party Transaction(s).</p>	<p>The major duties of the Related-Party Transactions Management and Consumer Rights Protection Committee under the Board of Directors include:</p> <p>...</p> <p>(4) review and approve the announcement(s) in respect of the Bank's Related-Party Transaction(s);</p> <p>(5) review and consider the Bank's strategies, policies and objectives of the Bank's consumer rights protection work;</p> <p>(6) regularly review reports on the implementation of the Bank's consumer rights protection work and relevant proposals, and make suggestions to the Board of Directors in respect of the relevant work;</p> <p>(7) supervise and evaluate the comprehensiveness, timeliness, and effectiveness of the Bank's consumer rights protection work, the duty performance of the senior management in consumer rights protection, and the information disclosure of the Bank's consumer rights protection work.</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

**Rules of Procedures for Meetings of the Board of Supervisors of China Merchants
Bank Co., Ltd.
(2018 Revision)**

Table of Comparison for major Amended Rules

No. of Original Rules	Text of Original Rules	Text of New Rules
Rule 12	A notice calling the meeting of the Board of Supervisors shall be sent to all the supervisors by means of written document or email 10 days before convening the meeting of the Board of Supervisors. A notice calling an extraordinary meeting of the Board of Supervisors shall be delivered one day before convening the meeting.	A notice calling the meeting of the Board of Supervisors shall be sent to all the supervisors 10 days before convening the meeting of the Board of Supervisors. A notice calling an extraordinary meeting of the Board of Supervisors shall be delivered within a reasonable time.

NOTICE OF 2017 ANNUAL GENERAL MEETING



招商銀行股份有限公司
CHINA MERCHANTS BANK CO., LTD.

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

(H Share Stock Code: 03968)

(Preference Share Stock Code: 04614)

NOTICE OF 2017 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Board of Directors of China Merchants Bank Co., Ltd. (hereinafter referred to as the “Company” or “China Merchants Bank”) has decided to hold its Annual General Meeting for 2017 (the “Meeting”) on Wednesday, 27 June 2018. The details of the Meeting are provided as follows:

I. CONVENING OF THE MEETING

(1) Time of the Meeting

The Meeting will commence at 9:00 a.m. on Wednesday, 27 June 2018.

(2) Venue of the Physical Meeting

The Meeting will be held at the Conference Room, 5/F, China Merchants Bank Tower, 7088 Shennan Boulevard, Shenzhen, the PRC.

(3) Convenor

The Meeting will be convened by the Board of Directors of the Company.

(4) Way of Conducting the Meeting

The Meeting will be conducted by way of physical voting and online voting (among which, online voting is for the Shareholders of A Shares only).

(5) Attendees

1. All shareholders of the “China Merchants Bank” (600036) whose names appear on the register of members, kept by China Securities Depository and Clearing Corporation Limited, Shanghai Office, as at the close of A Share trading session on the Shanghai Stock Exchange on the afternoon of Wednesday, 20 June 2018 (hereinafter referred to as “Shareholders of A Shares”);

NOTICE OF 2017 ANNUAL GENERAL MEETING

2. All shareholders of H shares of “China Merchants Bank” (03968) whose names appear on the register of members of H Shares, kept by Computershare Hong Kong Investor Services Limited, on Wednesday, 20 June 2018 (hereinafter referred to as “Shareholders of H Shares”);
3. The proxies authorised by the above shareholders;
4. The directors, supervisors and senior management of the Company;
5. The intermediate agents engaged by the Company and the guests invited by the Board of Directors of the Company.

II. MATTERS TO BE CONSIDERED AND APPROVED AT THE MEETING

The following resolutions will be considered and approved at the Meeting:

ORDINARY RESOLUTIONS

1. **Consider and approve the Work Report of the Board of Directors of the Company for the year 2017;**
2. **Consider and approve the Work Report of the Board of Supervisors of the Company for the year 2017;**
3. **Consider and approve the Annual Report of the Company for the year 2017 (including the Audited Financial Report);**
4. **Consider and approve the Audited Financial Statements of the Company for the year 2017;**
5. **Consider and approve the proposal regarding the Profit Appropriation Plan for the year 2017 (including the distribution of final dividend) (note 1);**
6. **Consider and approve the resolution regarding the Engagement of Accounting Firms and their Remuneration for the year 2018 (note 2);**
7. **Consider and approve the Assessment Report on the Duty Performance of the Board of Directors and its Members for the year 2017;**
8. **Consider and approve the Assessment Report on the Duty Performance of the Board of Supervisors and its Members for the year 2017;**
9. **Consider and approve the Assessment Report on the Duty Performance and Cross-evaluation of Independent Directors for the year 2017;**
10. **Consider and approve the Assessment Report on the Duty Performance and Cross-evaluation of External Supervisors for the year 2017;**

NOTICE OF 2017 ANNUAL GENERAL MEETING

11. **Consider and approve the Assessment Report on the Duty Performance of the Senior Management and its Members for the year 2017;**
12. **Consider and approve the Related Party Transaction Report for the year 2017;**
13. **Consider and approve the Addition of Mr. Zhou Song as a Non-executive Director of the Company (note 3);**

SPECIAL RESOLUTIONS

14. **Consider and approve the proposal regarding the amendments to the Articles of Association of China Merchants Bank Co., Ltd. (note 3);**
15. **Consider and approve the proposal regarding the Issuance of Capital Bonds (Note 3); and**
16. **Consider and approve the proposal regarding the General Mandate to issue Shares and/or deal with Share Options (note 3).**

The special resolutions set out above must be approved by more than two-thirds of the voting rights held by the Shareholders (including proxies) with voting rights attending the 2017 Annual General Meeting.

Notes:

1. to declare a cash dividend not less than 30% of the net profit attributable to the shareholders of the parent company of RMB70.150 billion (as shown in the audited consolidated financial statements of the Company for 2017 prepared under the PRC GAAP). Details of the Profit Appropriation Plan are set out below:
 - (1) 10% of the audited net profit of the Company for 2017 of RMB64.510 billion, equivalent to RMB6.451 billion, will be appropriated to the statutory surplus reserve in accordance with the relevant requirements of the “Company Law of the People’s Republic of China”.
 - (2) 1.5% of the total amount of the Company’s increased risk-bearing assets, equivalent to RMB2.760 billion, will be appropriated to the general reserve in accordance with the relevant requirements of the “Administrative Measures for the Provision of Reserves of Financial Enterprises” (金融企業準備金計提管理辦法) promulgated by the Ministry of Finance.
 - (3) Based on the total share capital of A Shares and H Shares on the record date for implementation of the profit appropriation, the Company will pay a cash dividend of RMB0.84 (tax included) for every share to all registered shareholders of the Company. The cash dividend will be denominated and declared in RMB, payable in RMB for the shareholders of A Shares and in HKD for the shareholders of H Shares. The actual appropriation amount in HKD will be calculated based on the average RMB/HKD benchmark rates to be released by the People’s Bank of China for the week before the date of the general meeting (including the day of the general meeting). The retained profit will be carried forward to the next year.
 - (4) The Company did not transfer any capital reserve into share capital in 2017.
2. Upon consideration and approval by the 21st meeting of the Tenth Session of the Board of Directors of the Company, it was agreed that Deloitte Touche Tohmatsu Certified Public Accountants LLP (Special General Partnership) be engaged as the domestic accounting firm of the Company and its tier-1 subsidiaries in China for 2018 and Deloitte Touche Tohmatsu Certified Public Accountants, the relevant

NOTICE OF 2017 ANNUAL GENERAL MEETING

overseas member of Deloitte Touche Tohmatsu Certified Public Accountants LLP (Special General Partnership), be engaged as the international accounting firm of the Company and its overseas tier-1 subsidiaries for 2018. The term of office of the above engagements shall be one year and the audit fees (including but not limited to all miscellaneous costs such as travelling expenses, accommodation expenses and communication expenses) of the Company and its tier-1 subsidiaries mentioned above shall not exceed RMB10.49 million.

3. For details, please refer to the circular of the Company dated 11 May 2018.

III. REGISTRATION OF THE MEETING

(I) Time and Mode of Reply by Shareholders Who Intend to Attend

Any shareholders of H Shares intending to attend the Meeting in person or by proxies shall return the reply slip to the Company by mail or fax on or before Thursday, 7 June 2018.

(II) Registration Matters for Shareholders of H Shares

1. *Closure of Register of Members of H Shares*

Closure of register of members for the 2017 Annual General Meeting

In order to determine the shareholders of H shares who will be entitled to attend the Meeting, the Company will suspend registration of transfer of shares from Monday, 28 May 2018 to Wednesday, 27 June 2018 (both days inclusive).

In order to qualify to attend the Meeting, holders of H shares of the Company whose transfer documents have not been registered must deposit the transfer documents accompanied by relevant share certificates to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Friday, 25 May 2018. Shareholders of H Shares whose names are recorded in the register of members of the Company on Wednesday, 20 June 2018 are entitled to attend the Meeting.

Closure of register of members for payment of final dividend of 2017

In order to determine the shareholders of H shares entitled to receive the final dividend for the year ended 31 December 2017, the Company will suspend registration of transfer of shares from Friday, 6 July 2018 to Wednesday, 11 July 2018 (both days inclusive).

NOTICE OF 2017 ANNUAL GENERAL MEETING

In order to qualify to receive the final dividend, holders of H shares of the Company who have not had their transfer documents registered must deposit the transfer documents accompanied by relevant share certificates to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Thursday, 5 July 2018. Shareholders of H Shares whose names are recorded in the register of members of the Company on Wednesday, 11 July 2018 are entitled to receive the final dividend for the year 2017.

2. Registration of Attendance

A qualified H share holder or shareholder proxy entitled to attend the Meeting shall produce his/her ID card for registration. In case of corporate shareholder, its legal representative or other authorised representative appointed by resolutions of its board of directors or its governing body can attend the Meeting. Such authorised representative shall produce for registration a copy of the resolutions of the board of directors or the governing body appointing him/her.

3. Requirements for Proxies on Registration and Documents to be Provided when Voting

- (1) Any shareholder of H shares entitled to participate in and vote at the Meeting may appoint one or more persons as his/her proxy/proxies to participate in and vote at the Meeting on his/her behalf. A proxy may not necessarily be a shareholder of the Company.
- (2) A shareholder of H shares shall appoint a proxy in writing. The shareholder of H shares or his/her proxy duly appointed by a written authorisation shall sign the proxy form in writing. If the shareholder of H shares is a legal person, the proxy form must be either under the common seal of the shareholders of H shares or signed by its director(s) or the duly authorised proxy(proxyes). If the proxy form is signed by the proxy appointed by the shareholder of H shares, the power of attorney authorising that proxy to sign or other authorisation document(s) shall be notarized.
- (3) The proxy form, together with the power of attorney or other authorisation document(s) (if any) must be delivered by the shareholder of H shares to the H Share Registrar of the Company no later than 24 hours before the time designated for holding the Meeting (i.e. not later than 9:00 a.m. on Tuesday, 26 June, 2018) or any adjournment thereof (as the case may be). The H Share Registrar of the Company is Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

NOTICE OF 2017 ANNUAL GENERAL MEETING

- (4) Completion and return of the proxy forms shall not preclude an H Share shareholder from attending and voting in person at the Meeting with the documents listed in the above Item 2 “Registration of Attendance”. If an H Share Shareholder attends and votes in person at the meeting after he/she delegated a proxy, the delegation shall be deemed to have been terminated and the proxy form held by his/her proxy shall be deemed to be invalid.

IV. OTHER MATTERS

1. Contact Details of the Company

Address: 49/F, China Merchants Bank Tower, No.7088 Shennan Boulevard, Shenzhen, the PRC
Postcode: 518040
Contact person: Yang Zhixian, Gao Xiaoyu
Tel: (86 755) 8319 5829, 8319 5833
Fax: (86 755) 8319 5109

2. All shareholders and proxies of the shareholders attending the Meeting shall take care of their own transportation fee, accommodation and other related expenses.
3. As at the date of this notice, the executive directors of the Company are Tian Huiyu and Li Hao; the non-executive directors of the Company are Li Jianhong, Fu Gangfeng, Sun Yueying, Hong Xiaoyuan, Su Min, Zhang Jian and Wang Daxiong; and the independent non-executive directors of the Company are Leung Kam Chung, Antony, Wong Kwai Lam, Pan Chengwei, Pan Yingli, Zhao Jun and Wong See Hong.
4. Time and dates in this notice are Hong Kong time and dates.

By order of the Board of Directors of
China Merchants Bank Co., Ltd.
Li Jianhong
Chairman

11 May 2018