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交通銀行股份有限公司
Bank of Communications Co., Ltd.

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

(Stock Code: 03328)

**ANNOUNCEMENT ON ADJUSTMENT TO THE
DIVIDEND COUPON RATE OF THE DOMESTIC PREFERENCE SHARES**

Reference is made to the announcement of Bank of Communications Co., Ltd. (the “**Bank**”) dated 13 September 2016. The Bank issued RMB45,000,000,000 Non-Cumulative Perpetual Domestic Preference Shares with dividend rate adjusted at different intervals (the “**Domestic Preference Shares**”) on 13 September 2016. According to the terms and conditions of the Domestic Preference Shares, the dividend coupon rate adjustment interval of the Domestic Preference Shares is 5 years, i.e., the dividend coupon rate shall be re-adjusted every 5 years. The dividend coupon rate within one adjusted dividend rate period remains the same. As the first five-year dividend rate adjustment period will expire soon, and pursuant to the relevant terms of the Domestic Preference Shares, the Bank will make adjustment to the dividend coupon rate of the Domestic Preference Shares for the second dividend rate adjustment period.

The dividend coupon rate for the second dividend rate adjustment period of the Domestic Preference Shares shall be determined by adding the fixed premium as determined at the time of issuance to the benchmark rate as at the readjustment date (i.e., 2 September 2021). The benchmark rate of the readjustment date shall be the arithmetic average yield (i.e., 2.70%, rounded to 0.01%) of China government bonds with a maturity period of 5 years as indicated in the ChinaBond Government Bond Yield Curve (formerly known as the ChinaBond Interbank Fixed-Rate Treasury Bond Yield Curve) announced by Chinabond (www.chinabond.com.cn, or such other website as approved by China Central Depository & Clearing Co., Ltd.) for the 20 trading days immediately preceding to 2 September 2021 (exclusive of the day). The fixed premium was set at 1.37% at the time of issuance and it shall not be adjusted once determined.

Based on the above, for the second dividend rate adjustment period beginning from 7 September 2021, the benchmark rate and fixed premium of the Domestic Preference Shares shall be 2.70% and 1.37%, respectively, and the dividend coupon rate will be 4.07%. The dividend shall be paid annually.

By order of the Board of
Bank of Communications Co., Ltd.
Gu Sheng
Company Secretary

Shanghai, the PRC
2 September 2021

As at the date of this announcement, the directors of the Bank are Mr. Ren Deqi, Mr. Liu Jun, Mr. Li Longcheng, Mr. Wang Linping*, Mr. Chang Baosheng*, Mr. Liao, Yi Chien David*, Mr. Chan Siu Chung*, Mr. Song Hongjun*, Mr. Chen Junkui*, Mr. Liu Haoyang*, Mr. Yeung Chi Wai, Jason[#], Mr. Woo Chin Wan, Raymond[#], Mr. Cai Haoyi[#], Mr. Shi Lei[#], Mr. Zhang Xiangdong[#] and Ms. Li Xiaohui[#].*

* *Non-executive directors*

Independent non-executive directors