
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your Shares in Postal Savings Bank of China Co., Ltd., you should at once hand this circular and the accompanying form of proxy, 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 transferee.

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This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Bank.



POSTAL SAVINGS BANK OF CHINA CO., LTD.
中國郵政儲蓄銀行股份有限公司

(A joint stock limited liability company incorporated in the People's Republic of China)
(Stock Code: 1658)

2022 WORK REPORT OF THE BOARD OF DIRECTORS
2022 WORK REPORT OF THE BOARD OF SUPERVISORS
FINAL FINANCIAL ACCOUNTS FOR 2022
PROFIT DISTRIBUTION PLAN FOR 2022
BUDGET PLAN OF FIXED ASSET INVESTMENT FOR 2023
APPOINTMENT OF ACCOUNTING FIRMS FOR 2023
CHANGE OF REGISTERED CAPITAL OF THE BANK
AMENDMENTS TO THE ARTICLES OF ASSOCIATION
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ELECTION OF MR. HUANG JIE AS A NON-EXECUTIVE
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2022 WORK REPORT OF INDEPENDENT DIRECTORS OF POSTAL SAVINGS
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OF POSTAL SAVINGS BANK OF CHINA CO., LTD.
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OF POSTAL SAVINGS BANK OF CHINA CO., LTD. IN 2022
REPORT ON THE 2022 SPECIAL REPORT ON RELATED PARTY TRANSACTIONS
OF POSTAL SAVINGS BANK OF CHINA CO., LTD.
AND
NOTICE OF THE 2022 ANNUAL GENERAL MEETING

Postal Savings Bank of China Co., Ltd. will convene the AGM at 10:00 a.m. on Friday, June 30, 2023 at Block A, Jinjia Plaza, No. 6 Financial Street, Xicheng District, Beijing. The letter from the Board of Directors is set out on pages 3 to 12 of this circular. The notice of the AGM is set out on pages 13 to 15 of this circular.

Whether or not you are able to attend the AGM, you are advised to read the notice of the AGM. If you intend to appoint a proxy to attend the AGM, you are required to complete the enclosed proxy form in accordance with the instructions printed thereon. The proxy form should be returned to Computershare Hong Kong Investor Services Limited (17M Floor, Hopewell Center, 183 Queen's Road East, Wan Chai, Hong Kong) for H Shareholders, in any event served by hand or by post not less than 24 hours before the time designated for holding the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.

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

June 9, 2023

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DEFINITIONS

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

“A Share(s)”	ordinary share(s) in the share capital of the Bank with a nominal value of RMB1.00 each, which is (are) subscribed for and traded in RMB and listed on the Shanghai Stock Exchange
“AGM”	the 2022 annual general meeting to be convened by the Bank at 10:00 a.m. on Friday, June 30, 2023 at Block A, Jinjia Plaza, No. 6 Financial Street, Xicheng District, Beijing
“Articles of Association”	the Articles of Association of Postal Savings Bank of China Co., Ltd., as amended, supplemented or otherwise modified from time to time
“Bank”	Postal Savings Bank of China Co., Ltd., a joint stock limited liability company incorporated in the PRC in accordance with PRC laws, including its predecessors, branches and sub-branches, directly-operated outlets and agency outlets (to the extent of agency outlets’ operations, risk management and licenses in relation to agency banking businesses they conduct) and subsidiaries (where the context so requires)
“Board” or “Board of Directors”	the board of directors of the Bank
“Board of Supervisors”	the board of supervisors of the Bank
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Bank
“H Share(s)”	ordinary share(s) in the share capital of the Bank with a nominal value of RMB1.00 each, which is (are) subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange of Hong Kong
“H Shareholder(s)”	holder(s) of H Shares
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Hong Kong Dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Independent Non-executive Director(s)” or “Independent Director(s)”	the independent non-executive director(s) of the Bank
“Latest Practicable Date”	June 6, 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“National Administration of Financial Regulation”	National Administration of Financial Regulation, or its predecessor, the former China Banking and Insurance Regulatory Commission
“Non-executive Director(s)”	the non-executive director(s) of the Bank
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Rules of Procedures of Shareholders’ General Meeting”	the Rules of Procedures of Shareholders’ General Meeting of Postal Savings Bank of China Co., Ltd., as amended, supplemented or otherwise modified from time to time
“Rules of Procedures of the Board of Directors”	the Rules of Procedures of the Board of Directors of Postal Savings Bank of China Co., Ltd., as amended, supplemented or otherwise modified from time to time
“Share(s)” or “Ordinary Share(s)”	the A Share(s) and H Share(s) of the Bank
“Shareholder(s)”	holder(s) of Shares of the Bank
“SSE”	Shanghai Stock Exchange
“Stock Exchange of Hong Kong”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Bank

LETTER FROM THE BOARD OF DIRECTORS



POSTAL SAVINGS BANK OF CHINA CO., LTD.

中國郵政儲蓄銀行股份有限公司

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

(Stock Code: 1658)

Board of Directors:

Executive Directors:

Mr. Liu Jianjun (*Acting on behalf of the
Chairman of the Board*)

Ms. Yao Hong

Non-executive Directors:

Mr. Han Wenbo

Mr. Chen Donghao

Mr. Wei Qiang

Mr. Liu Yue

Mr. Ding Xiangming

Independent Non-executive Directors:

Mr. Wen Tiejun

Mr. Chung Shui Ming Timpson

Mr. Hu Xiang

Ms. Pan Yingli

Mr. Tang Zhihong

Registered Office:

No. 3 Financial Street,

Xicheng District,

Beijing, PRC

Principal Place of Business in Hong Kong:

40th Floor, Dah Sing Financial Centre,

No. 248 Queen's Road East,

Wan Chai,

Hong Kong

To the Shareholders:

Dear Sir or Madam,

I. INTRODUCTION

On behalf of the Board of Directors, I would like to invite you to attend the AGM to be convened at 10:00 a.m. on Friday, June 30, 2023 at Block A, Jinjia Plaza, No. 6 Financial Street, Xicheng District, Beijing.

The purpose of this circular is to provide you with the notice of the AGM and all reasonably necessary information to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the AGM.

II. MATTERS TO BE CONSIDERED AT THE AGM

Resolutions which will be proposed at the AGM for approval include: (1) 2022 Work Report of the Board of Directors; (2) 2022 Work Report of the Board of Supervisors; (3) Final Financial Accounts for 2022; (4) Profit Distribution Plan for 2022; (5) Budget Plan of Fixed Asset Investment for 2023; (6) Appointment of Accounting Firms for 2023; (7) Change of Registered Capital of the Bank; (8) Amendments to the Articles of Association; (9)

LETTER FROM THE BOARD OF DIRECTORS

Amendments to the Rules of Procedures of Shareholders' General Meeting; (10) Amendments to the Rules of Procedures of the Board of Directors; (11) Election of Mr. Huang Jie as a Non-executive Director of the Bank; and (12) Election of Mr. Li Chaokun as a Non-executive Director of the Bank. Particularly, resolutions (1) to (6) and (9) to (12) are ordinary resolutions, and resolutions (7) to (8) are special resolutions.

Pursuant to the relevant regulatory requirements, the Articles of Association and the Plan on Authorization of the Shareholders' General Meeting to the Board of Directors of Postal Savings Bank of China Co., Ltd., 2022 Work Report of Independent Directors of Postal Savings Bank of China Co., Ltd., Report on the 2022 Evaluation of the Substantial Shareholder of Postal Savings Bank of China Co., Ltd., Report on the Implementation of the Plan on Authorization of the Shareholders' General Meeting to the Board of Directors of Postal Savings Bank of China Co., Ltd. in 2022 and Report on the 2022 Special Report on Related Party Transactions of Postal Savings Bank of China Co., Ltd. are matters to be reported to the AGM and do not require Shareholders' approval. Please refer to Appendix VI, Appendix VII, Appendix VIII and Appendix IX for details.

1. 2022 Work Report of the Board of Directors

The 2022 Work Report of the Board of Directors was considered and approved by the Board of Directors on March 30, 2023 and is hereby proposed to the AGM for Shareholders' consideration and approval. For details of the Work Report of the Board of Directors, please refer to Appendix I.

2. 2022 Work Report of the Board of Supervisors

The 2022 Work Report of the Board of Supervisors was considered and approved by the Board of Supervisors on March 30, 2023 and is hereby proposed to the AGM for Shareholders' consideration and approval. For details of the Work Report of the Board of Supervisors, please refer to Appendix II.

3. Final Financial Accounts for 2022

The Final Financial Accounts for 2022 was considered and approved by the Board of Directors on March 30, 2023 and is hereby proposed to the AGM for Shareholders' consideration and approval. For details of the Final Financial Accounts for 2022, please refer to the annual results announcement published by the Bank on March 30, 2023.

4. Profit Distribution Plan for 2022

Pursuant to relevant laws, regulatory requirements and the audited annual financial statements as of December 31, 2022, the profit distribution plan for 2022 has been formulated as follows:

- (I) RMB8.373 billion will be appropriated as the statutory surplus reserve pursuant to the Company Law of the People's Republic of China.

LETTER FROM THE BOARD OF DIRECTORS

- (II) RMB19.475 billion will be appropriated as the general risk reserve pursuant to relevant requirements, including the Administrative Measures for Provisioning of Financial Enterprises issued by the Ministry of Finance.

- (III) On the basis of 99,161,076,038 Ordinary Shares of the total share capital of the Bank, RMB25.574 billion (tax included) of cash dividends will be distributed to all ordinary Shareholders whose names appeared on the share register on the record date at RMB2.579 (tax included) per ten Ordinary Shares, accounting for 30% of the net profit attributable to equity holders of the Bank under the consolidated statements. Among them, dividends on A Shares will be paid in RMB; dividends on H Shares will be paid in Hong Kong Dollars, converted at the central parity rate of RMB against Hong Kong Dollars published by the People's Bank of China on the date of the 2022 AGM of the Bank.

- (IV) No capital reserve will be converted to increase the share capital of the Bank.

The Profit Distribution Plan for 2022 was considered and approved by the Board of Directors on March 30, 2023 and is hereby proposed to the AGM for Shareholders' consideration and approval.

5. Budget Plan of Fixed Asset Investment for 2023

The Bank's fixed asset investment in 2023 aims to implement the "5+1" transformation and development strategy, accelerate the building of major capabilities in six aspects and promote high-quality development. It intends to arrange a fixed asset investment budget of RMB14.669 billion, focusing on supporting investment in technology, driving all-round digital transformation, enhancing operational production capacity, and ensuring the construction of production infrastructure. In order to realize coordinated management of the fixed asset investment budget for 2023, it is proposed that the Shareholders' general meeting authorizes the Board of Directors and the Board of Directors authorizes the President of the Bank to appropriately allocate and manage the budget within the overall budget, so as to ensure the implementation of the total investment budget.

The Budget Plan of Fixed Asset Investment for 2023 was considered and approved by the Board of Directors on March 30, 2023 and is hereby proposed to the AGM for Shareholders' consideration and approval.

6. Appointment of Accounting Firms for 2023

Reference is made to the announcement of the Bank dated April 27, 2023 in relation to re-engagement of accounting firms.

LETTER FROM THE BOARD OF DIRECTORS

The Bank intended to engage Deloitte Touche Tohmatsu Certified Public Accountants LLP and Deloitte Touche Tohmatsu as the accounting firms of the Bank for 2023, which are responsible for providing audit and related services for the Bank's financial statements compiled in accordance with the Chinese Accounting Standards for Enterprises and International Financial Reporting Standards, respectively, in 2023, and their terms of office will expire at the end of the next annual general meeting of the Bank. The proposed audit fee is RMB29.8 million, including internal control audit fee of RMB1.8 million.

The proposal on the appointment of accounting firms for 2023 was considered and approved by the Board of Directors on April 27, 2023 and is hereby proposed to the AGM for Shareholders' consideration and approval.

7. Change of Registered Capital of the Bank

Reference is made to the announcement of the Bank dated May 29, 2023 in relation to, among others, the proposed change of registered capital of the Bank (the "**Announcement**").

As stated in the Announcement, references are made to the announcement dated October 26, 2022, the circular dated October 26, 2022 and the announcements dated November 11, 2022, February 16, 2023 and March 29, 2023 of the Bank in relation to, among others, the non-public issuance of A Shares by the Bank (the "**Non-public Issuance**").

The Non-public Issuance was ultimately subscribed by China Mobile Communications Group Co., Ltd. for 6,777,108,433 Ordinary Shares (with a par value of RMB1.00 per Share) at a price of RMB6.64 per Share. The total proceeds raised amounted to RMB45 billion. After deducting the relevant issuance expenses, all of the proceeds were used to replenish the core tier 1 capital of the Bank, which further enhanced the Bank's capability of high-quality development.

Upon completion of the Non-public Issuance, the registered capital of the Bank increased from RMB92,383,967,605 to RMB99,161,076,038, and the total number of Shares increased from 92,383,967,605 Shares to 99,161,076,038 Shares.

Based on the above change in Shares, the Board resolved to increase the registered capital of the Bank to RMB99,161,076,038 and the total number of Shares to 99,161,076,038 Shares. It is also proposed to the Shareholders' General Meeting to authorize the Board and agree with the Board on authorizing the chairman of the Board, the president or other persons authorized by the chairman of the Board or the president, to jointly or individually handle the regulatory approval, registration or filing with the market regulatory authorities and other relevant procedures for the increase of registered capital.

LETTER FROM THE BOARD OF DIRECTORS

The proposal on the change of registered capital of the Bank was considered and approved by the Board of Directors on May 29, 2023 and is hereby proposed to the AGM for Shareholders' consideration and approval.

8. Amendments to the Articles of Association

Reference is made to the announcement of the Bank dated May 29, 2023 in relation to, among others, the proposed amendments to the Articles of Association.

In order to promote the in-depth integration of Party leadership with corporate governance, improve the systems of modern financial enterprises and enhance the quality and efficiency of corporate governance, and in accordance with the Securities Law of the People's Republic of China, the Corporate Governance Guidelines for Banking and Insurance Institutions and other laws and regulations, departmental regulations, normative documents and the Bank's needs for operation and management, as well as taking into account the changes of the total number of Shares and registered capital of the Bank, the Bank proposed to amend the current Articles of Association. For details of the proposed amendments to the Articles of Association, please refer to Appendix III of this circular.

The Board also resolved to request the Shareholders' General Meeting to authorize and agree with the Board on authorizing the chairman of the Board and the president, to jointly or individually adjust and modify the contents of the amendments to the Articles of Association (including but not limited to the adjustment and modification of the text, chapters, articles, etc.), and deal with relevant matters such as seeking approval from, filing and registering with the banking regulatory authority of the State Council, the market regulatory authorities and other relevant government agencies according to the changes in domestic and overseas laws, regulations and other normative documents, requirements and suggestions of relevant domestic and overseas government agencies and regulatory authorities as well as the actual situation of the Bank.

Upon consideration and approval at the Shareholders' General Meeting of the Bank, the amended Articles of Association shall be subject to approval by the banking regulatory authority of the State Council, and the amended articles will take effect from the date of approval. Prior to that, the Bank's current Articles of Association shall remain in force.

The proposal on the amendments to the Articles of Association was considered and approved by the Board of Directors on May 29, 2023 and is hereby proposed to the AGM for Shareholders' consideration and approval.

LETTER FROM THE BOARD OF DIRECTORS

9. Amendments to the Rules of Procedures of Shareholders' General Meeting

In accordance with relevant laws and regulations including the Securities Law of the People's Republic of China and the latest regulatory requirements including the Guidelines on the Articles of Association of Listed Companies (2022 Amendment) and the Corporate Governance Guidelines for Banking and Insurance Institutions, the Bank proposed to amend the current Rules of Procedures of Shareholders' General Meeting in light of the amendments to the Articles of Association. For details of the proposed amendments to the Rules of Procedures of Shareholders' General Meeting, please refer to Appendix IV of this circular.

The Board also resolved to request the Shareholders' General Meeting to authorize and agree with the Board on authorizing the chairman of the Board and the president, to jointly or individually adjust and modify the contents of the amendments to the Rules of Procedures of Shareholders' General Meeting (including but not limited to the adjustment and modification of the text, chapters, articles, etc.) according to the changes in domestic and overseas laws, regulations and other normative documents, requirements and suggestions of relevant domestic and overseas government agencies and regulatory authorities as well as the actual situation of the Bank, and taking into account the adjustment and modification of the Articles of Association, etc.

The amended Rules of Procedures of Shareholders' General Meeting will take effect from the date of approval of the Articles of Association by the banking regulatory authority of the State Council. Prior to that, the Bank's current Rules of Procedures of Shareholders' General Meeting shall remain in force.

The proposal on the amendments to the Rules of Procedures of Shareholders' General Meeting was considered and approved by the Board of Directors on May 29, 2023 and is hereby proposed to the AGM for Shareholders' consideration and approval.

10. Amendments to the Rules of Procedures of the Board of Directors

In order to promote the in-depth integration of Party leadership with corporate governance, improve the systems of modern financial enterprises and enhance the quality and efficiency of corporate governance, and in accordance with the Securities Law of the People's Republic of China, the Corporate Governance Guidelines for Banking and Insurance Institutions and other laws and regulations, departmental regulations and normative documents, the Bank proposed to amend the current Rules of Procedures of the Board of Directors in light of the amendments to the Articles of Association. For details of the proposed amendments to the Rules of Procedures of the Board of Directors, please refer to Appendix V of this circular.

LETTER FROM THE BOARD OF DIRECTORS

The Board also resolved to request the Shareholders' General Meeting to authorize and agree with the Board on authorizing the chairman of the Board and the president, to jointly or individually adjust and modify the contents of the amendments to the Rules of Procedures of the Board of Directors (including but not limited to the adjustment and modification of the text, chapters, articles, etc.) according to the changes in domestic and overseas laws, regulations and other normative documents, requirements and suggestions of relevant domestic and overseas government agencies and regulatory authorities as well as the actual situation of the Bank, and taking into account the adjustment and modification of the Articles of Association, etc.

The amended Rules of Procedures of the Board of Directors will take effect from the date of approval of the Articles of Association by the banking regulatory authority of the State Council. Prior to that, the Bank's current Rules of Procedures of the Board of Directors shall remain in force.

The proposal on the amendments to the Rules of Procedures of the Board of Directors was considered and approved by the Board of Directors on May 29, 2023 and is hereby proposed to the AGM for Shareholders' consideration and approval.

11. Election of Mr. Huang Jie as a Non-executive Director of the Bank

Reference is made to the announcement of the Bank dated May 29, 2023 in relation to, among others, the proposed nomination of Directors of the Bank. The Board considered and approved the proposal on the nomination of Mr. Huang Jie as the candidate of Non-executive Director of the Bank. The term of office of Mr. Huang Jie as a Director will be three years commencing from the date of approval of his qualification by the banking regulatory authority of the State Council. Mr. Huang Jie will not receive remuneration from the Bank in accordance with the relevant regulations that the leading cadres of state-owned enterprises cannot receive remuneration for their part-time employment.

The profile of Mr. Huang Jie is set out as follows:

Huang Jie, male, Chinese nationality, aged 54, obtained an Executive Master's degree of Business Administration from Xiamen University and is a senior accountant. Mr. Huang previously served as Deputy Director of Finance Department of Hebei Mobile Communication Company, General Manager of Finance Department of China Mobile Group Hebei Co., Ltd., and Director, Deputy General Manager and Chief Accountant of China Mobile Group Hebei Co., Ltd., etc. He currently serves as General Manager of Finance Department and Securities Affairs Department and Domestic Representative for information disclosure of China Mobile Limited, General Manager of Finance Department and Securities Affairs Department of China Mobile Communication Co., Ltd., Director of China Mobile Group Finance Co., Ltd., and Director of Aspire Holdings Ltd.

LETTER FROM THE BOARD OF DIRECTORS

As at the Latest Practicable Date, Mr. Huang Jie confirmed that, save as disclosed in this circular, Mr. Huang Jie did not hold any directorship in other public companies the securities of which are listed on any securities market in the Chinese mainland, Hong Kong or overseas in the past three years, nor did he have any other relationship with any Director, Supervisor, senior management, major Shareholder or controlling Shareholder of the Bank, nor did he hold any other positions in the Bank or any of its subsidiaries. As at the Latest Practicable Date, Mr. Huang Jie did not have any interest in the Shares of the Bank or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong.

Save as disclosed above, there is no other information in relation to the appointment of Mr. Huang Jie that shall be disclosed pursuant to the requirements set out in Rule 13.51(2)(h) to (v) of the Hong Kong Listing Rules, nor any other matters that need to be brought to the attention of the Shareholders.

The proposal on the nomination of Mr. Huang Jie as a Non-executive Director of the Bank was considered and approved by the Board of Directors on May 29, 2023, and the election of Mr. Huang Jie as a Non-executive Director of the Bank is hereby proposed to the AGM for Shareholders' consideration and approval.

12. Election of Mr. Li Chaokun as a Non-executive Director of the Bank

Reference is made to the announcement of the Bank dated May 29, 2023 in relation to, among others, the proposed nomination of Directors of the Bank. The Board considered and approved the proposal on the nomination of Mr. Li Chaokun as the candidate of Non-executive Director of the Bank. The term of office of Mr. Li Chaokun as a Director will be three years commencing from the date of approval of his qualification by the banking regulatory authority of the State Council. Mr. Li Chaokun will not receive remuneration from the Bank in accordance with the relevant regulations that the leading cadres of state-owned enterprises cannot receive remuneration for their part-time employment.

The profile of Mr. Li Chaokun is set out as follows:

Li Chaokun, male, Chinese nationality, aged 57, obtained a master's degree in Business Administration from Nanjing University and is a senior economist (researcher level). Mr. Li previously served as Deputy General Manager, Secretary of the CPC Committee and General Manager of CSSC Finance Company Limited, Chairman of CSSC Investment and Development Co., Ltd., Chairman and Secretary of the CPC Committee of CSSC Finance Company Limited, and Director of Finance Department of China State Shipbuilding Corporation Limited (中國船舶工業集團有限公司), etc. He currently serves as Director of Finance Department of China State Shipbuilding Corporation Limited (中國船舶工業集團有限公司) and Director of CSSC Finance Company Limited.

LETTER FROM THE BOARD OF DIRECTORS

As at the Latest Practicable Date, Mr. Li Chaokun confirmed that, save as disclosed in this circular, Mr. Li Chaokun did not hold any directorship in other public companies the securities of which are listed on any securities market in the Chinese mainland, Hong Kong or overseas in the past three years, nor did he have any other relationship with any Director, Supervisor, senior management, major Shareholder or controlling Shareholder of the Bank, nor did he hold any other positions in the Bank or any of its subsidiaries. As at the Latest Practicable Date, Mr. Li Chaokun did not have any interest in the Shares of the Bank or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong.

Save as disclosed above, there is no other information in relation to the appointment of Mr. Li Chaokun that shall be disclosed pursuant to the requirements set out in Rule 13.51(2)(h) to (v) of the Hong Kong Listing Rules, nor any other matters that need to be brought to the attention of the Shareholders.

The proposal on the nomination of Mr. Li Chaokun as a Non-executive Director of the Bank was considered and approved by the Board of Directors on May 29, 2023, and the election of Mr. Li Chaokun as a Non-executive Director of the Bank is hereby proposed to the AGM for Shareholders' consideration and approval.

III. THE AGM

Enclosed is the form of proxy for the AGM.

If you intend to appoint a proxy to attend the AGM, you are requested to complete and return the accompanying proxy form in accordance with the instructions printed thereon. H Shareholders shall return the proxy form to Computershare Hong Kong Investor Services Limited located at 17M Floor, Hopewell Center, 183 Queen's Road East, Wan Chai, Hong Kong by hand or by post as soon as possible and in any event not less than 24 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so desire.

In order to determine the name list of H Shareholders who are entitled to attend the AGM, the Bank's H Share register of members will be suspended from Tuesday, June 27, 2023 to Friday, June 30, 2023 (both days inclusive). To attend the AGM, H Shareholders shall, before 4:30 p.m. on Monday, June 26, 2023, submit the share certificates and share transfer documents to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Center, 183 Queen's Road East, Wan Chai, Hong Kong.

LETTER FROM THE BOARD OF DIRECTORS

IV. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, any vote of Shareholders at a Shareholders' general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, all resolutions proposed at the AGM will be voted by poll.

V. RECOMMENDATIONS

The Board considers that all resolutions proposed at the AGM are in the interests of the Bank and its Shareholders as a whole. As such, the Board recommends you to vote in favour of all resolutions to be proposed at the AGM.

Yours faithfully,
By order of the Board of Directors
Postal Savings Bank of China Co., Ltd.
Du Chunye
Joint Company Secretary

June 9, 2023

NOTICE OF THE 2022 ANNUAL GENERAL MEETING



POSTAL SAVINGS BANK OF CHINA CO., LTD.

中國郵政儲蓄銀行股份有限公司

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

(Stock Code: 1658)

NOTICE OF THE 2022 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2022 annual general meeting (the “AGM”) of Postal Savings Bank of China Co., Ltd. (the “Bank”) will be held at Block A, Jinjia Plaza, No. 6 Financial Street, Xicheng District, Beijing at 10:00 a.m. on Friday, June 30, 2023 to deal with the following matters:

RESOLUTIONS

1. To consider and approve the 2022 Work Report of the Board of Directors;
2. To consider and approve the 2022 Work Report of the Board of Supervisors;
3. To consider and approve the Final Financial Accounts for 2022;
4. To consider and approve the Profit Distribution Plan for 2022;
5. To consider and approve the Budget Plan of Fixed Asset Investment for 2023;
6. To consider and approve the Appointment of Accounting Firms for 2023;
7. To consider and approve the Change of Registered Capital of the Bank;
8. To consider and approve the Amendments to the Articles of Association;
9. To consider and approve the Amendments to the Rules of Procedures of Shareholders' General Meeting;
10. To consider and approve the Amendments to the Rules of Procedures of the Board of Directors;
11. To consider and approve the Election of Mr. Huang Jie as a Non-executive Director of the Bank; and
12. To consider and approve the Election of Mr. Li Chaokun as a Non-executive Director of the Bank.

Among the above resolutions, items 1 to 6 and items 9 to 12 are ordinary resolutions, and items 7 to 8 are special resolutions.

NOTICE OF THE 2022 ANNUAL GENERAL MEETING

MATTERS TO BE REPORTED

13. 2022 Work Report of Independent Directors of Postal Savings Bank of China Co., Ltd.;
14. Report on the 2022 Evaluation of the Substantial Shareholder of Postal Savings Bank of China Co., Ltd.;
15. Report on the Implementation of the Plan on Authorization of the Shareholders' General Meeting to the Board of Directors of Postal Savings Bank of China Co., Ltd. in 2022; and
16. Report on the 2022 Special Report on Related Party Transactions of Postal Savings Bank of China Co., Ltd.

By order of the Board of Directors
Postal Savings Bank of China Co., Ltd.
Du Chunye
Joint Company Secretary

Beijing, the PRC
June 9, 2023

As at the date of this notice, the Board of Directors of the Bank comprises Mr. Liu Jianjun and Ms. Yao Hong as Executive Directors; Mr. Han Wenbo, Mr. Chen Donghao, Mr. Wei Qiang, Mr. Liu Yue and Mr. Ding Xiangming as Non-executive Directors; Mr. Wen Tiejun, Mr. Chung Shui Ming Timpson, Mr. Hu Xiang, Ms. Pan Yingli and Mr. Tang Zhihong as Independent Non-executive Directors.

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

Notes:

1. According to the Hong Kong Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, all resolutions proposed at the AGM will be voted by poll. After the AGM, relevant voting results will be published on the website of the Bank as well as the disclosure website of Hong Kong Exchanges and Clearing Limited.
2. A Shareholder entitled to attend and vote at the AGM announced to be convened herein is entitled to appoint one or more proxies to attend and, in the event of a poll, vote in his/her stead. A proxy need not be a Shareholder of the Bank.
3. The proxy form together with notarized authorization letters of signatories or other authorization documents (if any) shall be invalid unless they are filled out and returned to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited not less than 24 hours before the time designated for holding the AGM or any adjournment thereof. The address of Computershare Hong Kong Investor Services Limited is 17M Floor, Hopewell Center, 183 Queen's Road East, Wan Chai, Hong Kong. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.

NOTICE OF THE 2022 ANNUAL GENERAL MEETING

4. To determine the name list of H Shareholders entitled to attend the AGM, the Bank will suspend registration of transfer of H Shares from Tuesday, June 27, 2023 to Friday, June 30, 2023 (both days inclusive). To attend the AGM, H Shareholders shall, before 4:30 p.m. on Monday, June 26, 2023, submit the share certificates and share transfer documents to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Center, 183 Queen's Road East, Wan Chai, Hong Kong.
5. For joint holders, only the one whose name stands first in the Register shall be entitled to attend the AGM and vote in respect thereof.
6. Shareholders or their proxies shall present their identity documents when attending the AGM:
 - (1) Legal representatives of legal entity Shareholders who attend the meeting shall provide their valid personal identification, valid proof of their capacity as legal representatives and proof of identity as a Shareholder; where the legal representatives delegate others to attend the meeting, proxies of the Shareholder shall provide, in addition to the documents above, their valid personal identification and written form of proxy provided by the legal representatives (including those signed by an authorized person) according to laws. Where the other persons are authorized to attend the meeting by the legal entity Shareholders, they shall provide their valid personal identification, resolution of the authorization by the board of directors or other decision-making institution of legal entity Shareholders and proof of identity as a Shareholder.
 - (2) Natural person Shareholders who attend the meeting in person shall provide their valid personal identification and proof of identity as a Shareholder; where others are delegated to attend the meeting, proxies of Shareholders shall provide their valid personal identification, letters of attorney from the Shareholders and proof of the identity of their principal as Shareholders.
7. If the AGM considers and approves the Profit Distribution Plan for 2022, the Bank is expected to distribute 2022 dividends to A Shareholders and H Shareholders on Thursday, July 13, 2023 and Thursday, August 10, 2023, respectively. To determine the name list of H Shareholders entitled to receive 2022 dividends, the Bank will suspend registration of transfer of H Shares from Friday, July 7, 2023 to Wednesday, July 12, 2023 (both days inclusive). Shareholders whose names appear on the register of members of H Shares of the Bank after closing of trading on Wednesday, July 12, 2023 are entitled to receive 2022 dividends. Unregistered H Shareholders of the Bank who wish to qualify for the entitlement to the cash dividends proposed to distribute for 2022 are required to submit the share certificates and share transfer documents to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Center, 183 Queen's Road East, Wan Chai, Hong Kong before 4:30 p.m. on Thursday, July 6, 2023.
8. According to the Articles of Association, if the number of shares of the Bank pledged by the Shareholder is equal to or greater than 50% of the shares held by such Shareholder in the Bank, the voting right attached to the pledged shares may not be exercised at the Shareholders' general meeting. Upon completion of the share pledge registration, the Shareholder shall timely provide the Bank with information relating to the share pledge.
9. Shareholders or their proxies attending the meeting shall be responsible for their own travelling and accommodation expenses.
10. The address of Computershare Hong Kong Investor Services Limited is 17M Floor and Shops 1712-1716, 17/F, Hopewell Center, 183 Queen's Road East, Wan Chai, Hong Kong.
11. The address of the Bank's Registered Office is No. 3 Financial Street, Xicheng District, Beijing, the PRC.

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2022 WORK REPORT OF THE BOARD OF DIRECTORS

The year 2022 marked the successful conclusion of the 20th CPC National Congress and forms an important link between the preceding and the following development of the 14th Five-Year Plan. The Board of Directors of the Bank adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics in the New Era and comprehensively implemented the decisions and plans of the CPC Central Committee and the State Council. Under the guidance of regulatory authorities and with the support of all shareholders, the Board of Directors practically fulfilled its responsibilities, grounded its work in this new stage of development, applied new development philosophy, and integrated into the new development pattern. The Board of Directors adhered to taking the high-quality development as a mainline, reform and innovation as the driving force and customers as the center, pushed forward the five-pronged transformation towards uniqueness, comprehensiveness, lightness, digitalization and intensiveness, accelerated the development of major capabilities in six aspects, and successfully completed all tasks set at the beginning of the year.

In 2022, the Bank continued to consolidate the development foundation, achieved steady improvement in operating results and maintained good asset quality. It continued to show growth potential and the uniqueness of differentiated development, and constantly improved its value-creation ability. The Bank recorded RMB85,224 million in net profit attributable to equity holders, representing a year-on-year increase of 11.89%. ROE reached 11.89%, up 0.03 percentage point year on year. Total assets reached RMB14.07 trillion, an increase of 11.75% over the prior year-end, with an NPL ratio of 0.84% and an allowance-to-NPLs ratio of 385.51%. Among the Top 1000 World Banks released by The Banker, the Bank ranked 13th in terms of tier 1 capital, up two places compared with 2021. Fitch Ratings and Moody's Investors Service rated the Bank A+ and A1, which were the same as China's sovereign ratings; S&P Global Ratings rated the Bank A, all with a stable outlook. The ratings of PSBC by three international rating agencies continued to maintain a leading position in the banking industry in China. The Bank was rated A in ESG ratings by MSCI for two consecutive years, maintaining the leading position in the industry.

I. The Bank Comprehensively Strengthened Party Leadership and Unswervingly Implemented Major National Strategies

The Bank fully and thoroughly studied and comprehended the guiding principles from the Party's 20th National Congress, strengthened Party leadership in all respects, and pushed forward to integrate Party leadership into corporate governance. It adhered to the politics- and people-oriented nature of financial work, combined the implementation of the major decisions and deployments of the CPC Central Committee and the State Council with corporate governance practices that plan major strategies, formulate major policies, deploy major tasks, and promote important work, ensured the political orientation of reform and development, and accelerated the building of a first-class large retail bank.

(I) The Bank strengthened Party leadership in all aspects and promoted in-depth integration of Party leadership into corporate governance

In 2022, the Bank continued to strengthen Party leadership, and pushed forward the in-depth integration of Party leadership into corporate governance to realize full integration. **First**, centering on the positioning and responsibilities of “charting the course, managing the overall situation, and ensuring implementation”, guided by the principle of “no neglect of duty or offside”, the Bank established a corporate governance mechanism that all parties perform their respective duties and responsibilities and coordinate with each other in operation. It was clarified that major matters related to business management and operation must be subject to prior study and discussion by the Party Committee and then be decided upon by the Board of Directors according to the requirements of its duties. It continued to comb through and improve the list of major matters that must be pre-studied by the Party Committee to ensure that the Party Committee plays its responsibility of charting the course in the decision-making of major matters and clearly defined the boundaries of the Party organizations and the Board of Directors. Throughout the year, the Party Committee made prior study of 48 proposals of the Board of Directors and listened to the opinions of the Party Committee for two proposals, giving full play to the role of the Party Committee in charting the course. **Second**, the procedures for prior study by the Party Committee were refined. At the preparation stage of major matters, all concerned parties fully communicated to reach a consensus; at the stage of the prior study by the Party Committee, directors were invited to attend the Party Committee meetings as non-voting attendees to listen to the opinions and suggestions of Party Committee members; at the deliberation stage of the Board of Directors, Party Committee members who also served on the Board of Directors expressed their opinions in line with the resolutions of the Party Committee. **Third**, the Bank improved the communication mechanism between the Party Committee, the Board of Directors, and the Board of Supervisors. The Bank adhered to “two-way entry and cross-appointment”. Party Committee members who serve on the Board of Directors and the Board of Supervisors actively conveyed the guiding opinions of the Party organization to the Board of Directors and the Board of Supervisors and effectively conveyed the opinions and suggestions of other Directors and Supervisors to the Party Committee. The Bank regularly held routine meetings of the Management, i.e. briefing meetings of the Directors, Supervisors, and Management members, to exchange opinions on all key business management issues across the Bank. In addition, Directors, Supervisors, and Party Committee members discussed and exchanged opinions on major matters.

(II) The Bank adhered to its original aspiration of serving the real economy and proactively integrated into the new development pattern

In 2022, the Bank spared no efforts to serve national development strategies, improved the quality and effectiveness of its services to the real economy, and facilitated the building of a new development pattern.

First, it actively responded to the call of the central government, spared no efforts to deliver financial services for “ensuring stability on six key fronts and maintaining security in six key areas”, and invested major financial resources in the real economy. Focusing on serving the supply-side structural reform with financial services, the Bank vigorously supported advanced manufacturing industries, strategic emerging industries, and specialized and sophisticated enterprises that produce new and unique products, etc., with the balance of medium and long-term loans in manufacturing industries growing 50.06% from the end of the previous year. The Bank built a financial service system for scientific innovation and served 54,000 specialized and sophisticated enterprises that produce new and unique products and sci-tech enterprises, with the growth rate of the corresponding loans exceeding 40%. Also, it responded to the requirements of “ensuring that overdue housing projects were completed and delivered to meet people’s basic living needs and social stability” and promoted stable and sound development of the real estate market.

Second, the Bank spared no efforts to serve the national strategy of rural revitalization and facilitated the realization of common prosperity. The Bank increased credit supply to key fields of rural revitalization. It registered a balance of RMB1.81 trillion in agriculture-related loans, with its proportion in the total loan balance ranking at the forefront of major state-owned banks. The Bank steadily pushed forward the “Ten Core Programs” serving rural revitalization and coordinated with China Post Group to improve the comprehensive financial services for villages, cooperatives, farmers, agricultural enterprises and rural supermarkets. It vigorously carried out the development of the rural credit system, granted universal credit to creditworthy villages, and built 383,500 creditworthy villages with more than 10 million creditworthy households. It continued to put into action the concept of inclusive finance services and set up more outlets in key counties receiving government assistance for rural revitalization as well as areas in Xinjiang and Tibet that are managed as key counties and receive government assistance and established 1,784 outlets in total. It continued to provide better financial services to areas lifted out of poverty, groups out of poverty, and key counties receiving government assistance for rural revitalization and ramped up financial support for areas lifted out of poverty. As at the end of 2022, the total balance of all loans granted to key counties receiving government assistance for rural revitalization amounted to RMB47,898 million, increasing by 15.61%.

Third, the Bank actively helped to ease burdens on MSEs and facilitated the development of the private economy. It furthered the development of the long-term mechanism of “having the courage, will, ability and means to grant loans”, enhanced technology empowerment, continued to optimize the digital 5D (Digital) system of microfinance, and constantly improved the service quality and efficiency of microfinance. The balance of inclusive loans to MSEs was RMB1.18 trillion and the number of households with loan balance was 1,934,400, a net increase of 223,800 from the beginning of the year. It steadily increased the size of loans to private enterprises. Loans to private enterprises accounted for over 70% of newly granted corporate loans.

Fourth, the Bank took active yet prudent steps to promote the work related to the carbon peak and carbon neutrality goals and vigorously developed green finance. It developed the Action Plan for Carbon Peak and Carbon Neutrality of Postal Savings Bank of China and expressed the connotation of the brand of “Green World, Better Life”. It actively applied for instruments for supporting the reduction of carbon emissions and launched the first interbank deposit business pledged by green bond and the first blue bond business within the Bank. The Bank’s balance of green loans amounted to RMB496,549 million, up 33.38% from the beginning of the year; the balance of clean energy loans reached RMB192,879 million, up 28.09% from the beginning of the year. The Bank completed the targets set by the PBOC that “the growth rate of green loans and that of clean energy industry loans are no lower than the growth rate of the Bank’s total loans”, with the NPL ratio of green loans being 0.09%. The Bank was rated as an “Advanced Organization in Green Bank Evaluation” by China Banking Association consecutively, granted the “Best ESG” Award for Asian banking and non-banking industry by the Institutional Investor magazine on the “2022 Asia Executive Team” rankings, honored the 2022 Best Practice Case for ESG among A-share Listed Companies by China Association for Public Companies, a “Model Case of Carbon Peaking and Carbon Neutrality Action in 2022” by China Business Executives Academy in Dalian under the State-Owned Assets Supervision and Administration Commission of the State Council, 2022 Excellent Case of the EY Sustainable Development Awards of the Year, Sustainable Development Benefits Award by Caijing magazine, and the “Top 10 Green Finance Innovation Award” by the Chinese Banker.

(III) The Bank fulfilled its responsibilities as a major state-owned bank and actively fulfilled social responsibilities

The Bank has always practiced the people-centered development philosophy, implemented the customer-centric development concept, actively fulfilled social responsibilities, and demonstrated its responsibility as a major state-owned bank. **First**, the Bank attached great importance to the protection of consumers’ rights and interests. It embraced the philosophy of consumer protection in all aspects of corporate governance and incorporated it into the fostering of corporate culture, business development strategy and comprehensive risk management system. The Bank continued to optimize and improve the system and mechanism for consumer protection, developed the list of duties under the “three lines of defense” for consumer protection, and pushed for the duty performance by the “three lines of defense” to form a joint force. The Bank continued to intensify the management of key aspects of consumer protection such as consumer protection review, consumer protection assessment, complaint management, etc. to cement the foundation for consumer protection. The Bank steadfastly carried out education and communication of financial knowledge to lead consumers in firmly establishing the awareness of risk prevention and improving financial literacy, skills and levels. **Second**, the Bank continued to deepen its efforts in education-related public-interest activities to establish the brand of PSBC Love Charity. In 2022, the PSBC Love Charity Foundation continued to carry out the PSBC Love self-improvement class, PSBC Love scholarships, PSBC Love package, PSBC Love PE room donation, and other

projects. For five years, it remained committed to its original aspiration, provided financial aid and growth support to financially straiten students and students from the countryside, passed on public-interest spirit and advanced the course. **Third**, the Bank practically fulfilled its responsibilities in combating Covid-19 with financial services and shouldered its social responsibilities as a major state-owned bank in targeted relief. In the face of the impact of the epidemic in some consumption scenarios, the Bank was committed to providing integrated “online plus offline” services, provided customers with services of a human touch and continued to revive social consumption. The Bank practically fulfilled its responsibility to care for bank card holders who were affected by the pandemic, offered application of extension on repayment to customers who participated in the pandemic control or lost income due to the pandemic, and promptly reduced or exempted interest expenses of eligible customers and helped with credit repair.

II. The Bank Deepened Strategic Guidance and Transformation and Development to Open Up New Horizons for High-quality Development

The Bank attached great importance to strategic guidance, pushed forward transformation and development, actively responded to changes in the internal and external environment, boosted its capacity to cope with complex situations, and served high-quality economic and social development.

(I) The Bank strengthened strategic guidance and pushed forward the implementation of key strategic plans and initiatives

Since the implementation of the 14th Five-Year Plan, in the face of the complicated and severe situations at home and abroad, the Bank centered on serving the real economy, preventing financial risks, accelerating business transformation and upgrading, deepening financial reform, strengthening strategic guidance, strengthened the six strategies, i.e. technology empowerment, deepening customer relationship, boosting the leapfrog growth of fee and commission income, building a strong bank with talents, safeguarding the Bank through risk management, and coordinated development, and achieved good results. In 2022, in order to push forward the effective implementation of the Outline of the 14th Five-Year Plan of Postal Savings Bank of China and ensure the completion of all goals and tasks, the Board of Directors effectively played the role of strategic leadership. In accordance with the strategic objectives of the 14th Five-Year Plan and centering on the implementation status of key strategies and the development of major business, the Bank made a comprehensive assessment of the implementation of the aforesaid Outline to effectively ensure the alignment between the 14th Five-Year Plan and the annual business plan, thus continuously pushing forward the implementation of strategic plans and initiatives.

(II) The Bank accelerated business transformation and achieved breakthroughs in transformation and development

Good results have been achieved for the business transformation of retail banking, corporate banking, and treasury and asset management, with improvements in both the quality and quantity of customer group expansion.

First, breakthroughs have been made in the transformation and development of the retail banking business. The wealth management strategies have achieved initial results. The Bank accelerated the development of the wealth management system based on AUM. AUM increased by RMB1.36 trillion in the year, up 10.83%. Multiple measures for consumer credit were adopted to cope with external impacts. The newly acquired market share rose to the fourth in the industry, up one place compared with the end of the previous year. The Bank enhanced customer acquisition for credit cards, promoted innovative development of the installment business, and registered an income of RMB11.3 billion, up 20%. The intermediate business income reached RMB6.5 billion, up 17%, with a growth rate maintaining the first among peer banks. Micro loans maintained rapid growth, with a balance of RMB1.14 trillion, registering an increase of RMB219,840 million from the end of the previous year. Regarding internet finance, the Bank worked on scenario building and mobile payment and the peak number of monthly active mobile banking users exceeded 49 million, registering a record high. The Bank built 4,520 outlet-based business districts and the number of customers who had debit cards linked for quick payment reached 282 million. Regarding the e-CNY business, the Bank gave full play to its advantage of coordination between itself and China Post Group, focused on develop featured scenarios to promote customer acquisition and activation. The Bank topped the operator list by the number of customers who opened personal wallets via the e-CNY App.

Second, the Bank witnessed remarkable achievements in the new “1 plus N” corporate banking operation and service system. The market share of corporate deposits and corporate loans steadily increased. The balance of corporate deposits amounted to RMB1.43 trillion, registering a net increase of RMB124,130 million and the balance of corporate loans stood at RMB2.67 trillion, with a net increase of RMB415,426 million. The Bank continued to deepen digital and intensive transformation of inclusive finance. Loans to small enterprises registered a record high, with a balance of RMB450 billion, a net increase of RMB92.7 billion. Specifically, the online Easy Small and Micro Loan accounted for more than 70% of the net increase. The transaction banking business was significantly enhanced in quality and efficiency. The size of on- and off-balance-sheet assets reached RMB591.4 billion, up RMB168.8 billion from the beginning of 2022. The balance of the supply chain business exceeded RMB100 billion, doubling in two years. For investment banking business, the Bank promoted the transformation of the bond underwriting business and M&A loan business. The size of bond underwriting reached RMB311,811 million and the balance of M&A loans reached RMB10,760 million, up 80.42% compared to the beginning of the year.

Third, the Bank focused on investment analysis and seized market opportunities in the treasury and asset management business. For interbank business, the Bank creatively launched pledged interbank deposits. The newly issued interbank deposits with bond pledges amounted to RMB36.6 billion. The Bank achieved remarkable results in the transformation of the bill business, receiving RMB1.5 billion of non-interest income, up 50%. The Bank snapped opportunities amid market fluctuation for the financial market business, creatively carried out portfolio trading, precisely increased investment at interest rate highs during the year, successfully launched offshore RMB bonds, and achieved operating income beyond expectation. It closely followed national strategies in custody business, seized opportunities to launch innovative products, and promoted the rapid growth of key businesses such as the custody of mutual funds and insurance funds.

Fourth, the Bank achieved good results in the consolidation and expansion of customer groups. The layered management of retail customer groups achieved significant results. The Bank rolled out the mode of close account management in an orderly manner. The pilot of the light version of personal banking was launched. The number of Jingu customers and the number of Fujia customers and above grew by 10.32% and 19.32%, respectively. It achieved improvements in both quantity and quality in the expansion of corporate customers. The number of new customers reached 312,100 and 7,700 small businesses signed up for the lead-bank service in the year, with a growth rate exceeding 30%. The Bank made good progress in the interbank ecosystem and successfully launched the “Together We Thrive” platform, with a total of 1,143 customers signed. The comprehensive financial services and information-based management level of interbank customers were improved markedly.

(III) The Bank accelerated its information technology development and made new breakthroughs in its technology empowerment

Financial technology is the core driving force to empower business development. In 2022, the Bank accelerated the implementation of the 14th Five-Year Plan and the information technology development, making new breakthroughs in its technology empowerment. **First**, 330 IT projects were put into operation. The Bank saw the successful conclusion of the project of the new generation core system for personal banking business, providing an important reference for the transformation of the core system architecture of the banking sector. The core systems for corporate banking business and credit cards were promoted in an orderly manner and the mobile banking app 8.0 was successfully launched, realizing customized customer services. It also launched corporate mobile banking to constantly promote digital transformation of corporate banking business. **Second**, the technology empowerment continued to show effect. Platforms such as PSBC Brain AI platform, “blockchain plus”, cloud computing, and big data have been applied to several hundred scenarios in the fields of customer experience, credit business, e-CNY, intelligent customer service, intensive operation and risk control. PSBC now possesses the capability to quickly build application scenarios and transfer technologies. **Third**, marked results were achieved through data governance and data empowerment. The Bank continued to reinforce data governance and worked to improve

the quality of core data assets. The implementation of data standards in key projects, source control of new projects, and the data governance of “deepwater areas” made steady progress. The Bank expanded the breadth and depth of data services and completed inventory checking of more than 100,000 existing data assets. A total of more than 1,600 retail customer labels and nearly 400 corporate customer labels were launched in the customer data market. **Fourth**, the management of technological risks were constantly improved. The Bank organized to carry out campaigns to improve quality of and upgrade IT risk management, network security supervision and inspection, data security technology assessment, and red and blue confrontation drills to continuously improve its capability to deal with emergencies. The Bank strengthened automated and intelligent operation and maintenance to ensure a high level of business continuity.

(IV) The Bank pushed forward the improvement of quality and effectiveness in management to further release management effectiveness

To improve management has always been the eternal theme of enterprise development, which is also an important guarantee to realize enduring business. In 2022, the Bank adhered to seeking quality, profitability, and development from management. **First**, the Bank revitalized institutional mechanisms and enhanced the driving force of human resource management. Among major state-owned banks, the Bank took the lead in establishing a direct bank with independent legal entity – YOU⁺ BANK, introducing the market-oriented institutional mechanism. It was officially open for business on June 30 and launched the first batch of products, making an important step on the path of digital transformation. The Bank initiated the pilot project of the institutional mechanism reform of credit cards to enhance the level of specialization and refined management for credit card business. It established 30 sci-tech financial business departments and sci-tech sub-branches, built a financial service system for sci-tech innovation, and cultivated a professional team of “sci-tech specialists”. It optimized the structure of the workforce, continued to encourage personnel to flow to front-office marketing positions, and properly selected, promoted, and cultivated leading personnel. In addition, it constantly optimized the cultivation, selection, management, and utilization of cadres, improved the routine development mechanism for the talent pool, optimized the cultivation methods for young cadres, and comprehensively rolled out the tenure system and contract-based management. The Bank improved the remuneration and performance management system, highlighted efficiency and value orientation, and inspired the entrepreneurial enthusiasm of all cadres and employees. **Second**, the Bank optimized the mechanism for resource allocation. The Bank adhered to the guidance of “putting priority on quality instead of scale”, optimized resource allocation, built a forward-looking, flexible and dynamic management mechanism for the credit allocation plan, rolled out the development mechanism for value deposits, promoted high-quality growth and differentiated pricing, and improved pricing capability. **Third**, the Bank deeply pushed forward the transformation toward intensive operation. It actively carried out the pilot of centralized disbursement in its nationwide network. The Bank initiated project pilots for the monitoring and analysis of the prevention of telecommunication and internet fraud, internal control risk monitoring and checking, retail credit, post-lending management of

small enterprises, centralized operation of custody business, etc. **Fourth**, the Bank continued to improve the effectiveness of outlets and customer experience. The integration rate of tellers working in directly-operated outlets was 97%. Cloud counter was piloted in seven branches and the business expansion by mobile intelligent terminals and personnel re-utilization mode was promoted. The three-year plan for customer journey optimization concluded successfully and customer satisfaction continued to improve.

III. The Bank Enhanced Comprehensive Risk Management to Effectively Prevent Financial Risks

In 2022, the Bank upheld a prudent and sound risk appetite, further improved the comprehensive risk management system featuring “all aspects, whole process and entire staff”, improved the leading role of risk management in business development, enhanced capital management, and improved the institutional mechanism for internal control and internal audits. In addition, it regulated the management of related party transactions and resolutely prevented and defused financial risks, thus safeguarding high-quality development.

(I) The Bank continued to promote the advanced approaches for capital measurement and improved the leading role of risk management in business development

The essence of banking is to manage risks. The Bank kept in mind the worst scenarios to manage risks and guide business development, thus realizing the balance between risks and returns. **First**, the Bank promoted the refined risk management. The Bank focused on the requirements of reinforcing application and improving refined management, deepened the development and implementation of advanced approaches, and continued to deepen the implementation of intelligent risk control in such aspects as the whole process of credit business, compliance management, anti-fraud, anti-money laundering, consumer protection, etc., thus improving digital and intensive risk management in all respects. **Second**, the Bank formulated or amended fundamental management policies such as consolidated capital management, liability quality management, recovery and disposal plan management, management of the implementation of the expected credit loss approach, management of outsourcing of internal audit activities, etc. to improve the system of risk management policies. The Bank regularly reviewed comprehensive risk management reports and liquidity risk management and stress testing reports, studied and optimized the expected credit loss model, evaluated Internet loan business, learned about risks and management status, and supervised and urged the management to effectively identify, assess, monitor, control, and mitigate risks. **Third**, the Bank identified and mitigated credit risks more precisely and effectively. The Bank utilized the “Jinjing (Gold Eye)” credit risk monitoring system to cover the risks of the Bank’s group, corporate and individual credit customers and accelerated to push forward data mining and model application. It enhanced the assessment and traceback of concentrated risks in the retail businesses to promptly check problematic business and dynamically adjusted management strategies. In addition, it responded quicker to risks associated with “customers under separate management,

separate accounts and separate accounting”, and there was no unexpected degradation of the asset quality of customers with large-amount credit throughout the year. The Bank also enhanced credit risk monitoring and early warning and reinforced management of large risk exposures. The Bank practically implemented requirements of risk guidance, developed the capability of “future-oriented” credit approval, promoted the application of an analysis model for specialized and sophisticated enterprises that produce new and unique products, improved empowerment working mechanisms for credit approval, and promoted the development of core customer groups. The Bank optimized review and approval procedures, pushed forward intelligent development of credit approval, and effectively improved the quality and efficiency of review and approval.

(II) The Bank coordinated capital replenishment and management scientifically and consolidated the foundation of business development

The Bank continued to enhance the intensive management of capital, improved the endogenous capital replenishment capability, and adopted multiple measures to intensify capital replenishment by external resources. In addition, it improved its capacity to mitigate risks to ensure that capital level corresponds to business development and risk profile, thus consolidating the foundation of business development. **First**, the Bank further improved its endogenous capital replenishment capacity. The Bank firmly established the concept of capital constraints, continuously improved mechanisms for capital measurement, allocation, appraisal, and endogenous replenishment, enhanced the intensive management of capital, and promoted capital-light transformation and development. It continued to tap the potential of structural optimization, maintained stable growth of net interest income, and constantly consolidated returns on capital. **Second**, the Bank carried out exogenous capital replenishment by multiple measures. It successfully issued RMB30 billion of perpetual bonds and RMB40 billion of tier 2 capital bonds. It completed A-share non-public offering in March 2023, raising proceeds of RMB45 billion. Meanwhile, the Shareholders’ General Meeting considered and approved the issuance plan for perpetual bonds of no more than RMB90 billion or equivalent foreign currencies. The Bank consolidated the foundation for business development by continuously consolidating capital strength. As at the end of 2022, by the Bank’s consolidated standard, the Bank’s core tier 1 capital adequacy ratio, tier 1 capital adequacy ratio, capital adequacy ratio, and leverage ratio were 9.36%, 11.29%, 13.82%, and 5.61%, respectively. The Bank’s capital indicators stayed within the reasonable range, and the capital adequacy ratios and the leverage ratio continued to meet all regulatory requirements, and maintained at a sound and reasonable level.

(III) The Bank improved the quality and efficiency of internal control and compliance management and gave full play to the role of audit supervision

The Bank continued to enhance internal control and compliance management, improved internal control mechanisms, optimized audit management architecture, and enhanced internal control and audit supervision. **First**, the Board regularly reviewed internal control and compliance reports, the rectification of findings circulated by

regulatory authorities, internal control assessment reports, and anti-money laundering work reports, enhanced employee behavior management, continued to strengthen compliance, case prevention, management of risks related to money laundering, and terrorist financing, promoted the comprehensive improvement of management quality and efficiency, and consolidated management foundation for compliance of business operation. **Second**, the Bank stepped up efforts for problem rectification and advanced the rigid control of recurring issues. It intensified case risk prevention and control and reinforced supervision and inspection as well as accountability of rule violations. It advanced the development of the new generation anti-money laundering systems and improved institutional money laundering risk assessment systems. It deeply promoted the capital chain management of telecommunication and Internet frauds, intercepted more than RMB3.6 billion fraud-related funds, and consolidated the firewall of the capital chain. **Third**, the Bank comprehensively optimized its audit management architecture, enhanced resource allocation, and established an independent, vertical, and efficient internal audit organization system. Closely centering on the Head Office's business strategy, risk characteristics, and key areas, the Bank carried out audit supervision, worked to promote audit quality and professional development, and strove to build a "centralized, unified, comprehensive, authoritative and efficient" internal audit supervision system. The Bank established the long-term mechanism for the supervision and closed-loop management of rectification of audit findings continued to reinforce the responsibilities for rectification and accountability of the audited institution, supervised and urged relevant departments to locate weak links and risk vulnerabilities, and gave full play to the role of supervision and inspection by audits as the third line of defense. **Fourth**, the Bank reinforced engagement and management of external audit agencies and supervised and assessed the work of accounting firms to ensure the independence and effectiveness of their work and gave full play to the role of external audit.

(IV) The Bank standardized the management of related party transactions to ensure compliant and prudent operation

The Bank strictly followed all regulatory rules, revised the Bank's policies according to new regulatory rules, further standardized the management of the Bank's related party transactions, controlled risk of related party transactions, and improved the management of related party transactions. **First**, the Bank strictly observed regulatory regulations, identified related parties in accordance with the principle of substance over form, and further optimized management mechanisms and work process, thus practically improving management quality and efficiency. **Second**, the Bank regularly organized and carried out special training on management of related party transactions, conducted special research on complex business, raised compliance awareness of management of related party transactions across the Bank, and improved the Bank's management of related party transactions. **Third**, in line with regulatory requirements, the Bank delivered special reports on the overall situation of related party transactions to the Shareholders' General Meeting annually to explain the implementation of related party transaction policies and major transactions, and ensured the standardized operation of related party transactions. **Fourth**, the Bank successfully adjusted the deposit agency fee rates. From

the perspectives of keeping promises, observing rules, focusing on the big picture, taking the long view, advancing with the times, acting in a reasonable and compliant manner, maximizing shareholders' interests, and complying with regulatory requirements, the Bank fully considered the opinions of all parties, actively communicated with all parties, and optimized and adjusted the deposit agency fee rates for the agency Renminbi personal deposit-taking business in line with principles of legality and compliance, standardization and transparency, equality and reciprocity, honesty and credibility, business sustainability and strict compliance of laws and regulations, regulatory rules in listing places, and other relevant requirements. The Bank took the adjustment of deposit agency fee rates as an opportunity for optimizing reform and pushing forward high-quality development, further optimized the structure of agency deposits, reduced interest payment costs, improved active liability management, and promoted long-term and sound development of agency deposit business.

IV. The Bank Continued to Optimize the Operation Mechanism for Corporate Governance to Constantly Improve Directors' Ability to Perform Duties

In 2022, the Bank continued to improve the operation mechanism of the Board of Directors and enhanced pre-meeting communication and post-meeting supervision and implementation. All special committees of the Board of Directors gave play to their professional advantages, actively offered suggestions to the Board of Directors, and provided strong support to the decision-making of the Board of Directors. All Directors scrupulously fulfilled their duties and were diligent and responsible, thus constantly improving their ability to perform duties.

(I) The Board continued to improve its diversity and kept optimizing its organizational structure

The Board of Directors attached great importance to the diversity of personnel, regularly reviewed the structure, composition and the implementation of diversity policies of the Board of Directors, personnel and nominated director candidates. It promptly studied and adjusted the composition of the special committees of the Board of Directors in accordance with changes in regulatory rules and based on the skills and experiences needed for the sound operation of the Board of Directors, and enhanced the building of the special committees of the Board of Directors. In 2022, according to the provisions of the Articles of Association and work needs, the Board of Directors nominated one independent non-executive director with rich management experience in retail banking and reselected three independent non-executive directors to strengthen the Board of Directors. As at the end of 2022, the Board of Directors had two female directors and five independent non-executive directors, with the number of independent non-executive directors accounting for more than one third of the total members of the Board of Directors, meeting relevant regulatory requirements.

(II) The Board optimized the operation mechanism to improve the operation quality and efficiency

It continued to enhance pre-meeting communications, conducted practical deliberations at the meetings, attached importance to the implementation of resolutions, and constantly improved operation quality and efficiency of the Board of Directors, thus providing an endogenous and enduring driving force to high-quality development.

First, communications before meetings were enhanced. It further enhanced the pre-meeting communication mechanisms of the Board of Directors. Before the official deliberation of the Board of Directors, Directors were organized to listen to the briefing of relatively complex and important proposals to strictly select proposals and put forward relevant revision opinions. In addition, the Board of Directors fully communicated with the Party Committee and the Management in multiple approaches so as to strictly control the quality of proposals, thus practically improving the quality and efficiency of the meetings of the Board of Directors. In 2022, six communication meetings were held before the meetings of the Board of Directors, with 39 proposals communicated on.

Second, special committees of the Board of Directors earnestly discussed proposals in their specialized fields to form specific opinions and expressed deliberation opinions on each proposal at Board meetings to provide references for the decision-making of the Board of Directors. Taking into account prior communications, all Directors spoke up and actively participated in the deliberation and put forward valuable opinions and suggestions for the decision-making of the Board of Directors and subsequent implementation.

Third, resolution implementation was highly valued. Deliberation opinions were promptly sorted out after the Board meetings and, together with Board resolutions, arranged for implementation. It continued to supervise and urge the Senior Management to enhance the implementation of resolutions and deliberation opinions by listening to reports, reviewing special reports, investigating, and holding meetings.

In 2022, the Board convened ten meetings, considered 100 proposals, and listened to 23 reports. In addition, special committees of the Board of Directors convened 34 meetings, considered 102 proposals, and listened to 15 reports.

(III) Directors were diligent in fulfilling their duties and effectively improved their professional ability to perform duties

In 2022, the Directors of the Bank were diligent in fulfilling their duties, conducted extensive and in-depth research, actively participated in training of all kinds, continued to communicate and exchange ideas with other members of the Board, Supervisors, and Senior Management members, and actively took part in the study, discussion, and

decision-making of major matters regarding business management, putting forward constructive opinions and suggestions for the Bank to improve corporate governance, in-depth reform, and transformation and development.

First, surmounting the impact of the pandemic, Directors adopted multiple approaches to learn about the realities of branch institutions and the front-line at the grassroots level. A total of 72 person-times of investigations were conducted within the year. Centering on comprehensive risk management, the internal control and compliance management of agency finance, facilitation to rural revitalization through the coordination between China Post Group and the Bank, services to MSMEs, and subsidiary management, they actively offered advice and suggestions to the Board of Directors and performed duties of Directors in all fronts, thus effectively supporting the scientific decision-making of the Board of Directors.

Second, in line with the regulatory rules of the places where it is listed and relevant regulatory requirements, Directors actively participated in 141 special training sessions organized by the Ministry of Finance, SSE, China Association for Public Companies, other intermediary agencies, continued to expand their horizon and improved the professional ability for duty performance. The training closely followed the development of domestic and overseas economic and financial situations and industry trends, covering extensive themes such as corporate governance, investor relations management, obligations and legal responsibilities of Directors, Supervisors and Senior Management members, anti-money laundering and counter-terrorist financing, ESG development, and green finance. In addition, Directors learned about the business dynamics of the Bank in all respects by listening to special reports, further communicating with Supervisors and Senior Management members and other methods.

Third, Independent Directors were diligent and conscientious and faithfully performed their duties. They earnestly participated in Board meetings and meetings of all special committees, fully took part in the research, discussion, and decision-making of material events regarding business management, and expressed their independent opinions on major matters such as the selection and appointment of accountants, related party transactions, profit distribution, etc. All Independent Directors formed an Independent Board Committee and convened meetings to study and discuss matters regarding the adjustment to the deposit agency fee rates for the agency Renminbi personal deposit-taking business, gave guidance on the selection and appointment of independent financial advisers, organized independent financial advisers to offer opinions on the deposit agency fee rates for the agency Renminbi personal deposit-taking business to the Independent Board Committee and independent shareholders so as to actively play the role of Independent Directors, safeguard rights and interests of the Bank's minority shareholders, and effectively perform their duties to make an independent and objective judgment and express independent opinions on matters of the Bank.

Fourth, all Directors actively communicated with the Senior Management and thoroughly learned about the Bank's business management by reviewing materials and reports, listening to special reports, holding symposiums, and conducting investigations. They offered advice and suggestions for the decision-making of the Board of Directors and the Bank's transformation and development by utilizing their professional expertise and rich experience, playing an active role in further improving the Bank's corporate governance, enhancing risk management and control, and realizing high-quality development.

V. The Bank Enhanced Transparency to the Market and Effectively Safeguarded the Legitimate Rights and Interests of Investors

The Bank insisted on carrying out information disclosure in a proactive and sincere manner, deepened communications and exchanges with the capital market, continued to reinforce equity management, enhanced transparency to the market, and effectively safeguarded legitimate rights and interests of investors.

(I) The Bank took the initiative to fulfill disclosure obligation, highlighting PSBC's characteristics

The Bank strictly observed regulatory regulations of information disclosure in places where it is listed, optimized top-level design, adopted new working mechanisms, enriched forms of presentation, promoted standardized management of voluntary disclosure, and took the initiative to fulfill disclosure obligation, highlighting its unique investment value. **First**, based on the latest regulatory requirements in places where it is listed, the Bank promoted the re-examination of the information disclosure policy and revised the management measure for the internal reporting of major events, the management measure for insider information and insiders, etc. **Second**, the Bank pushed forward the development of PSBC's information disclosure management system, standardized information transmission system, improved coordination efficiency, and intensified online management of insider information and insiders. It organized to sort out a system of data indicator for voluntary information disclosure that has PSBC characteristics, demonstrates investment value, and addresses market concerns to constantly demonstrate differentiated competitive advantages. **Third**, it led the Bank in implementing the design concept of youthfulness, enriched forms of presentation for reports, improved the reading experience and visualization effect through such elements as brilliant colors, employee's smiling faces, cartoon pictures, columns, highlights, and QR codes. In 2022, the Bank saw no corrections to major accounting errors or material omission, and was rated A (Excellent) again by the SSE in its evaluation of the information disclosure work of listed companies of the year. The Bank won the ARC Awards with its 2021 Annual Report: Cover Photo/Design (Silver Winner), the LACP Vision Awards Annual Report Competition: Gold Award (Commercial Banks), and the Galaxy Awards: Design-Cover: Annual Reports – Special Treatment, etc.

(II) The Bank attached great importance to investor relations management and deepened communications and exchanges with the capital market

The Directors of the Bank highly valued and actively participated in investor relations management, strengthened communication with investors to increase their understanding and recognition of the Bank, so as to improve the Bank's corporate governance and overall value. **First**, the Bank took the initiative to carry out "proactive investor relations management". It proactively communicated and exchanged with investors through such approaches as convening results presentations, conducting one-on-one in-depth exchanges with domestic and overseas investors, participating in summits and forums, receiving investors and analysts for surveys to earnestly demonstrate PSBC's investment value. **Second**, the Bank enriched means of propagation. The 2021 annual results and 2022 interim results announcements were released in the form of "live streaming + conference call + live text broadcast" and publicized through multiple means including a Q&A transcript on the official WeChat account and a series of news so as to fully exchange with media, investors and the public, which was fully recognized by regulatory authorities and the market and well received by the market. **Third**, the Bank actively responded to the concerns of small and medium-sized investors. The Bank actively answered questions of concern from small and medium-sized investors through the hotline and mailbox of investor relations as well as SSE E-interaction to actively respond to investors' questions and concerns. In 2022, its 2021 annual results briefing was awarded the "Best Practice of 2021 Annual Results Briefings of Listed Companies" by China Association for Public Companies; the Bank was granted "Friendly Institutional Communication Award" and "Outstanding Investor Relations Team Award" in the selection for "Investor Relations Gold Award 2021" hosted by Panorama Network.

(III) The Bank continued to reinforce equity management to effectively safeguard the rights and interests of minority shareholders

It improved institutional mechanisms for shareholder management and equity management, regulated the conduct of shareholders, and continued to improve its equity management. **First**, it formulated the Management Measures of Postal Savings Bank of China for Commitments of Substantial Shareholders and amended the Shareholder Communication Policy of Postal Savings Bank of China, and the Management Measures of Postal Savings Bank of China for Shares of the Bank Held by Directors, Supervisors and Senior Management Members and Their Changes to constantly improve the mechanism for equity management. **Second**, the Bank further enhanced shareholder management, regularly carried out analysis of shareholding of shareholders, improved the management archives of commitments of substantial Shareholders, and paid close attention to the pledge of shareholders' equity. In addition, it carried out annual assessments of substantial Shareholders and major Shareholders and promptly fulfilled procedures for reporting to the regulatory authorities for approval or for record filing. **Third**, the Bank continued to deepen the long-term communication with shareholders and created the channel for shareholders, particularly minority shareholders, to participate in corporate governance. Before the Shareholders' General Meeting, and results

announcement press conferences, the Bank publicly solicited investors' questions and promptly addressed their concerns and paid close attention to safeguarding the legitimate rights and interests of shareholders.

The 20th National Congress of the Communist Party of China drew up an inspiring blueprint of Chinese modernization, pointing the way forward for ensuring financial work. In 2023, the Board of Directors of the Bank will continue to adhere to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as the guide, thoroughly study the guiding principles of the Party's 20th National Congress, unswervingly implement the decisions and plans of the CPC Central Committee, stand fast for the strategic positioning, and build sustained comprehensive competitive edges with high-quality development as the mainline, steadily moving toward the strategic vision of building a first-tier large retail bank which is trustworthy, distinctive, prudent, safe, innovative, and with remarkable value.

2022 WORK REPORT OF THE BOARD OF SUPERVISORS

In 2022, the Board of Supervisors of the Bank followed Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, acquired a deep understanding of the decisive significance of the establishment of both Comrade Xi Jinping's core position on the Party Central Committee and in the Party as a whole and the guiding role of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era; boosted our consciousness of the need to maintain political integrity, think in big-picture terms, follow the leadership core, and keep in alignment with the central Party leadership; stayed confident in the path, theory, system, and culture of socialism with Chinese characteristics; upheld Comrade Xi Jinping's core position on the Party Central Committee and in the Party as a whole and upheld the Central Committee's authority and its centralized, unified leadership; thoroughly implemented the guiding principles from the Party's 20th National Congress, fully and faithfully applied the new development philosophy on all fronts, and took the initiative to integrate itself into the new development paradigm. It earnestly implemented the decisions and plans of the CPC Central Committee and the State Council, strictly followed regulatory requirements, focused on the Bank's key tasks, and adhered to Party leadership, the guiding role of strategies, a problem-oriented and risk-based approach. By effectively giving play to its role of supervision and check and balance, it kept promoting the continuous refinement of the corporate governance mechanism, earnestly safeguarded the legitimate rights and interests of the Bank, Shareholders, employees, creditors and other stakeholders, and provided important guarantee for the Bank's service for the real economy, prevention of financial risks and deepening of financial reform.

In 2022, the Bank highlighted the service for the real economy and high-quality development, and achieved good results in transformation and development as guided by the "5 + 1" strategic path and centering on developing the "major capabilities in six aspects". The Bank recorded a net profit attributable to equity holders of RMB85,224 million, representing a year-on-year increase of 11.89%. ROE reached 11.89%, up 0.03 percentage point year on year. Its total assets reached RMB14.07 trillion, an increase of 11.75% over the prior year-end, with an NPL ratio of 0.84% and an allowance-to-NPLs ratio of 385.51%. In the Top 1000 World Banks released by The Banker, the Bank ranked 13th in terms of tier 1 capital, up two places compared with 2021. Fitch Ratings and Moody's Investors Service rated the Bank A+ and A1, which were the same as China's sovereign ratings; S&P Global Ratings rated the Bank A, all with a stable outlook. The rating results given by three international rating agencies showed that the Bank continued to maintain the leading position in the banking industry in China. The Bank was rated A by MSCI ESG rating for two consecutive years, maintaining the leading level in the industry.

I. Performance of the Supervisory Duty

In 2022, amid complex and changing internal and external environments, the Board of Supervisors proactively served the Bank's high-quality development, effectively promoted the practical implementation of the major decisions and plans of the CPC Central Committee, earnestly prevented and defused risks in key areas, continuously enhanced the cultivation of a prudent and compliant corporate culture, and provided solid guarantee for the Bank's high-quality development.

(I) The Board of Supervisors facilitated the Bank's performance of its responsibilities as a major state-owned bank centering on the decisions and plans of the CPC Central Committee and the State Council

The Board of Supervisors fully implemented the decisions and plans of the CPC Central Committee and the State Council, continuously performed its supervisory responsibilities, paid close attention to the Bank's progress in priority fields, such as the implementation of inclusive financial policies, supporting rural revitalization, improving the quality and efficiency of serving the real economy, building a green bank, as well as the progress in pursuing the strategic goals such as the three-year action plan for SOE reform, and drove the Bank's integration into the overall economic and social development. Through the special supervision of the digital transformation of Sannong finance, it facilitated the rural revitalization with FinTech empowerment. Research was carried out on the Bank's support for the "carbon peaking and carbon neutrality goals", in a bid to accelerate the building of a green and inclusive bank, climate-friendly bank and eco-friendly bank. Centering on the coordinated regional development strategy and the problem of unbalanced and inadequate development between regions, the Board of Supervisors continuously monitored the business performance and risks of key regions and energized the development of key regions.

(II) The Board of Supervisors highlighted regulatory guidance and earnestly responded to key regulatory concerns

The Board of Supervisors promptly conveyed the latest regulatory policy requirements and the inspection findings and comments announced by regulators through meetings and written circulations, regularly reviewed and listened to the Bank's reports on remediation of inspection findings announced by regulators, and urged the Board of Directors and the Senior Management to strictly implement regulatory comments and rectification requirements. Besides, it kept tracking and monitoring key regulatory indicators, such as the NPL ratio, capital adequacy ratio, leverage ratio, liquidity ratio and liquidity coverage ratio, and sent alerts in a timely manner, in a bid to ensure that key indicators continued to meet regulatory policy requirements. The Board of Supervisors also paid close attention to the implementation of new regulatory requirements, gave priority to the supervision on the relevant governance structures, the development of policies as well as the implementation process, and intensified the supervision and reminders of key aspects of regulatory concern, such as regulatory penalties, regulatory

data reporting, management of agency outlets, IT outsourcing and subsidiary management, boosting the improvement of the Bank group's overall capability and efficiency of compliant operations. By taking an active part in regulatory notifications, regulatory meetings and interviews with Directors and Supervisors, the Board of Supervisors enhanced communication and reporting to regulatory authorities, earnestly responded to regulatory concerns, and made every effort to earn recognition and support from regulators.

(III) The Board of Supervisors boosted the Bank's high-quality development around the Bank's priorities

Based on the Bank's overall plan for transformation and development, the Board of Supervisors conscientiously implemented the guidelines put forward at the Bank's work meetings, underlined the results of the five-pronged transformation towards uniqueness, comprehensiveness, lightness, digitalization and intensiveness and the development of major capabilities in six aspects, and proactively promoted the implementation of the Bank's strategies. Centering on the development of professional core capabilities, the Board of Supervisors conducted special supervision of the personal deposits business and promoted the structural optimization of the deposit business and the improvement of pricing management capability. Centering on the construction of system support, the Board of Supervisors conducted special supervision of the internal rating system and ECL approach management of non-retail credit risks, and promoted the Bank's establishment of a sound system for comprehensive risk management. Centering on the cultivation of the technological driving force, the Board of Supervisors conducted special supervision of IT outsourcing and promoted the implementation of the Bank's strategy of technology empowerment, so as to improve customer experience with financial technology. Moreover, the Board of Supervisors closely tracked the Bank's progress in the implementation of the 14th Five-Year Plan, the development of advanced approaches for capital management, data security management and the asset and liability allocation, in a bid to facilitate the Bank's high-quality development.

(IV) The Board of Supervisors paid close attention to the risks in key areas and promoted the prevention and mitigation of systematic financial risks

The Board of Supervisors adopted a problem-oriented approach, focused on major problems and potential risks in business development, assisted the Bank in improving its comprehensive risk management framework, and worked actively to prevent and mitigate systematic financial risks and uphold the national financial security effectively. It regularly listened to work reports on the Bank's capital management, comprehensive risk management and disposal of non-performing assets, reviewed quarterly reports on the Bank's risks, internal control and financial supervision, and specified the responsibilities of each governing body. It kept a close watch over key areas, regions and industries, conducted special supervision of real estate loans, the data quality and valuation management of real estate collateral, and expressway loans, and carried out forward-looking risk monitoring to effectively prevent "gray rhinos" and "black swans". Efforts

were made to strengthen the supervision of consolidated management and improve the Bank group's overall risk prevention and mitigation capability. It respected "red lines" and considered worst-case scenarios, closely monitored the changes in capital adequacy ratio, leverage ratio and other risk indicators, and made sure that the Bank would not cross regulatory red lines.

(V) The Board of Supervisors highlighted refined management and improved the efficiency of financial management

In order to ensure the quality and efficiency of the Bank's business management, transformation and development, the Board of Supervisors worked to expand the scope and depth of financial supervision, and enhanced the efficiency of the Bank's financial management. It supervised key financial matters, reviewed major proposals such as periodic reports, final financial accounts, profit distribution plans and non-public offerings, and provided independent supervisory opinions. It also strengthened supervision on financial efficiency, closely monitored key financial indicators such as cost-income ratio and return on economic capital, with a priority on value creation and profitability orientation. It promoted supervision on the quality of development, paid attention to new growth areas of income from intermediary business, and closely monitored the operation and development of key businesses, so as to facilitate business transformation and upgrading and pursue high-quality development. It made efforts to deepen refined management supervision, and paid special attention to the utilization of self-service machines and the management of marketing fees of credit cards, so as to precisely intensify the Bank's cost control system. It also maintained communication with external auditors and provided advisory guidance to enhance the effectiveness of audit work.

(VI) The Board of Supervisors cultivated the corporate culture of prudence and compliance and improved compliance management

In terms of continuously deepening internal control supervision, the Board of Supervisors focused on establishing an effective internal control system and cultivating a corporate culture of prudence and compliance. It made solid efforts to carry out supervision on internal control, reviewed important proposals regarding the internal control evaluation report, internal control compliance management report, etc., and worked to improve the Bank's internal control and compliance management capacity and level. It strengthened the supervision of key areas of internal control, closely followed up on matters of key regulatory concerns, promoted the improvement of the money laundering risk management mechanism, supervised on the work of consumer protection, and improved the Bank's capability to protect personal information. In order to strengthen the Bank's capacity in internal control and compliance, the Board of Supervisors carried out special supervision over the management of civil litigation and the dispatch of risk managers, thus ensuring effective internal control at community-level institutions and

laying a solid foundation for steady business development. Based on the Bank's conditions, close attention was paid to the internal control and compliance management of the agency outlets to facilitate the coordinated development of the Bank and China Post Group.

(VII) The Board of Supervisors improved the quality and efficiency of corporate governance centering on the responsibilities of corporate governance bodies

In accordance with new regulatory requirements on corporate governance, such as the Corporate Governance Guidelines for Banking and Insurance Institutions, the Board of Supervisors closely monitored the performance of duties and responsibilities by the Board of Directors, the Senior Management and their members, and increased the Bank's corporate governance capacity. It systematically revised and refined the annual performance evaluation plan, improved the evaluation indicators and procedures, developed the online evaluation and scoring system, adopted a comprehensive evaluation approach that combines subjective and objective weights, collected opinions and suggestions from all parties, and successfully completed the first performance evaluation of Directors, Supervisors and senior management members after the issuance of the new regulatory rules for corporate governance. The Board of Supervisors connected its performance evaluation with the self-evaluation of other governance bodies in terms of procedure and result application, analyzed the results of the performance evaluation, gathered feedback on the evaluation results and suggestions and promoted the application thereof. Based on the Bank's actual operations, the Board of Supervisors closely tracked the implementation of regulatory requirements on corporate governance, with a focus on the quality and efficiency of governance bodies, and provided timely advisory comments to ensure that each governance body duly performed respective responsibilities. It expanded the scope of supervision to cover the corporate governance of the Bank's subsidiaries, and provided forward-looking supervision guidance and risk alerts.

II. Operation of the Board of Supervisors

In 2022, the Board of Supervisors strictly followed relevant laws, regulations, regulatory requirements and the Articles of Association, conscientiously implemented the resolutions of the Shareholders' General Meeting, and organized meetings of the Board of Supervisors and its special committees in a more procedure-based manner. All Supervisors performed their duties faithfully and diligently, deliberated on matters and made decisions in accordance with laws and regulations, expressed their opinions and suggestions independently, professionally and objectively, and intensively participated in supervision, inspection and surveys. Their time of duty performance for the Bank complied with regulatory requirements.

(I) Procedure-based operation

In 2022, the Board of Supervisors held a total of seven meetings, at which it studied and reviewed 98 proposals and supervision items, including the 2022 work plan of the Board of Supervisors, the 2021 Annual Report, highlights and results announcement, the final financial accounts for 2021, the 2021 profit distribution plan, the 2021 internal control evaluation report, the 2021 work report of the Board of Supervisors, the 2021

evaluation report on the performance of the Board of Directors, the senior management and their members by the Board of Supervisors, the 2021 evaluation report on the performance of the Board of Supervisors and its members, the 2021 remuneration settlement plan for Supervisors, etc., and effectively performed its duties of supervision and decision-making. The special committees under the Board of Supervisors strengthened procedure-based operation and held 11 meetings in total to review 35 proposals and provided professional opinions and suggestions to the Board of Supervisors. Focusing on key fields such as transformation and development and risk prevention, the Board of Supervisors conducted in-depth and practical supervision. The Board of Directors and the senior management paid high attention to and actively responded to their supervisory opinions. Strictly following regulatory requirements and the listing rules of the SSE and The Stock Exchange of Hong Kong, the Board of Supervisors disclosed matters including resolutions of its meetings and announcements on changes in Supervisors in a timely, complete and accurate way.

(II) Self-improvement

In 2022, the Board of Supervisors continued to improve the operational mechanism, explored innovative methods of supervision, and actively strengthened its own capacity building. The re-election of employee Supervisors and the election of members of special committees under the Board of Supervisors were carried out in an orderly manner. It further strengthened the operation of the special committees under it, and expanded the scope of topics and the scope of supervision. It adopted new approaches to supervise the rectification of problems, held special meetings on the implementation of rectification of supervisory opinions from the Board of Supervisors. Rectification assessment and reporting had been conducted for seven consecutive years. Directors, Supervisors, and senior management members collaborated and interacted well with each other and made good achievements in supervision and rectification. The Board of Supervisors adopted a flexible approach combining on-site and remote training, thus greatly expanding the training channels for Supervisors. It promoted the transformation and upgrading of the Bank's supervisory work, utilized the big data laboratory to carry out off-site risk supervision, and established 95 risk supervisory models throughout the year. In addition, it made a plan for the supervision of digital transformation by the Board of Supervisors, and explored the forms of reports including indicators for supervision.

(III) Duty performance by Supervisors

In 2022, all Supervisors strictly observed relevant laws, regulations, regulatory requirements, and the Articles of Association, loyally and diligently performed their duties and attended all on-site meetings of the Board of Supervisors in person. They fully studied and reviewed all proposals, effectively gave play to their professional expertise, and gave independent, professional, and objective opinions and suggestions. The Board of Supervisors conscientiously attended the Shareholders' General Meetings, attended the Board meetings and meetings of the senior management as observers, continued to pay attention to the operation and management of the Bank, and actively provided suggestions

for the transformation and development of the Bank. The Board of Supervisors carried out special supervision and research activities such as risk management on information technology outsourcing, digital transformation of Sannong finance, and management of marketing expenses of credit cards at the grassroots level, so as to fully understand and master first-hand information on risk management, business transformation and development, and refined management. The Board of Supervisors actively attended various training organized by the Listed Companies Association of Beijing, The Hong Kong Chartered Governance Institute and the Bank, which covered related party transaction management, ESG information disclosure, capital market management, anti-money laundering and other fields, and strove to improve the professional ability and level of duty performance. In 2022, all Supervisors have been engaged in supervisory work for the Bank for more than 15 working days.

Supervisors who were members of the Party Committee strictly implemented the decisions of Party organizations and actively drove the integration of Party leadership and corporate governance. The Chairman of the Board of Supervisors led the Board of Supervisors to make self-improvements and continuously raised the quality and efficiency of the operation of the Board of Supervisors and its special committees. Supervisors who were chairmen or members of special committees conscientiously attended meetings of special committees, gave professional opinions in a timely manner, and provided professional support for the reasonable decision-making of the Board of Supervisors. Shareholder representative Supervisors gave full play to their role as a bridge and assisted the Bank in communicating with Shareholder companies. External Supervisors performed their duties diligently, discussed matters at meetings in a procedure-based manner, and fully studied and reviewed all proposals. They paid close attention to protecting the legitimate rights and interests of minority Shareholders and other stakeholders, actively participated in all supervisory activities carried out by the Board of Supervisors and expressed professional, rigorous and independent opinions and recommendations. Employee Supervisors regularly reported their work to the Employee Representative Assembly, truthfully, accurately and comprehensively conveyed employees' opinions, and effectively protected the legitimate rights and interests of employees.

Attendance of Supervisors at Meetings in 2022

Supervisors	Board of Supervisors			Nomination Committee	Duty Performance Supervision Committee	Finance and Internal Control Risk Supervision Committee
	Number of attendance in person/ Number of meetings that should be attended	Number of on-site meetings attended	Number of attendance by proxy	Number of attendance in person/ Number of meetings that should be attended	Number of attendance in person/ Number of meetings that should be attended	Number of attendance in person/ Number of meetings that should be attended
Shareholder Representative Supervisors						
Chen Yuejun	7/7	5	0	–	–	–
Zhao Yongxiang	7/7	5	0	–	4/4	–
External Supervisors						
Wu Yu	7/7	5	0	–	–	6/6
Bai Jianjun	7/7	5	0	1/1	–	–
Chen Shimin	7/7	5	0	–	4/4	–
Employee Supervisors						
Li Yue	7/7	5	0	1/1	4/4	5/5
Bu Dongsheng	7/7	5	0	–	–	6/6
Gu Nannan	7/7	5	0	1/1	4/4	6/6
Resigned Supervisor						
Li Yujie	0/0	0	0	0/0	–	–

- Notes:
1. “Attendance in person” refers to on-site attendances and attendances by way of instant communications, such as telephone and video conferences.
 2. Mr. Li Yue has been re-elected as Employee Supervisor of the Bank since July 18, 2022, and has been a member of the Nomination Committee, Duty Performance Supervision Committee, and Finance and Internal Control Risk Supervision Committee under the Board of Supervisors since August 22, 2022.
 3. Mr. Li Yujie resigned as a Shareholder Representative Supervisor and a member of the Nomination Committee under the Board of Supervisors of the Bank on January 4, 2022.
 4. In 2022, there were no cases in which the Bank’s Supervisors were absent from the meetings of the Board of Supervisors, Supervisors did not attend meetings of the Board of Supervisors in person twice in a row, or Supervisors did not attend more than two thirds of on-site meetings of the Board of Supervisors in person.

III. Evaluation Opinions on the Duty Performance for 2022

The Board of Supervisors carried out comprehensive evaluation mainly through self-assessments, analysis of duty-performance materials, observation of daily performance behaviors and scoring results of performance evaluation, took into account the regulatory assessment of corporate governance, regulatory notifications and opinions as well as the supervisory opinions of internal audit, took external opinions as reference, and gave the following evaluation opinions on the duty performance for 2022.

(I) Evaluation opinions on the duty performance of the Board of Directors and its members

During the evaluation period, the Bank's Board of Directors unswervingly followed the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and comprehensively implemented the decisions and plans made by the CPC Central Committee and the State Council. Meanwhile, it conscientiously implemented regulatory requirements, strictly followed laws and regulations and the Bank's Articles of Association, and implemented the resolutions of the Shareholders' General Meeting. The Board of Directors led the Bank in pursuing high-quality development as the main task, pushed forward the implementation of various key strategic initiatives, and made remarkable achievements in serving the real economy, advancing business transformation, strengthening risk management, etc., hence achieving solid improvements both in business scale and profitability. The Board of Directors comprehensively enhanced Party leadership, improved the list of prior study of major matters by the Party committee, and ensured the Party committee's leading role in charting the course, managing the overall situation, and ensuring implementation. The Board of Directors constantly optimized the comprehensive risk management system featuring "all aspects, whole process and entire staff", pushed forward the implementation of the advanced approaches for capital management and the development and application of intelligent risk control in an orderly manner, urged to conduct stress tests in areas such as liquidity risks, market risks, recovery and disposal plans, internal capital adequacy assessment, etc., continued to strengthen risk management in professional areas such as liquidity risks, reputation risks, information technology risks and off-balance sheet business risks, and enhanced the leading role of risk management in business development. The Board of Directors improved the system of management policies for the expected credit loss method, promoted the Bank's continuous improvement of credit risk identification ability, and standardized and improved the management level of the expected credit loss method. The Board of Directors scientifically coordinated the capital replenishment and management, improved the capital allocation mechanism, and ensured that the level of capital was commensurate with the future business development and risk conditions. The Board of Directors actively promoted the digital transformation of operation and management, accelerated the implementation of IT planning, put into production the new generation core system of personal banking business, and deepened the FinTech empowerment. The Board of Directors continued to improve the data governance system, improved the quality of core data assets, and continuously enhanced the depth and breadth

of data services. The Board of Directors strengthened employee behavior management and case prevention, tightened systematic and rigid control of rectification, improved the institutional money laundering risk assessment system, and continuously improved the quality and efficiency of internal control management. The Board of Directors established an independent, vertical and efficient internal audit system, gave full play to the audit and supervision function, and effectively promoted the healthy development of operations. The Board of Directors improved the consolidated management system, and strengthened the synergy between the Bank and its subsidiaries by focusing on business coordination, channel coordination, marketing coordination and data coordination, so as to promote the integrated transformation of the Bank Group. The Board of Directors strengthened the management of Shareholders' behavior, actively fulfilled the obligation of information disclosure, and effectively protected the rights and interests of minority Shareholders. The Board of Directors strengthened the development of corporate culture and actively advocated a clean financial culture and high-standard work ethics. All special committees under the Board of Directors operated in a procedure-based manner within the authorization of the Board of Directors, gave full play to their expertise, provided professional opinions and suggestions, and vigorously supported the reasonable and efficient decision-making of the Board of Directors.

During the evaluation period, all Directors of the Bank strictly complied with the requirements of laws, regulations, regulatory requirements and the Articles of Association, performed their obligations faithfully and diligently, adhered to high standards of ethics and professionalism, performed their duties independently and objectively, and guarded the bottom line of honest practice. No improper performance of duties or serious dereliction of duty such as illegal exercise of power, seeking improper benefits by taking advantage of positions, or damaging the legitimate interests of the Bank, was found. The Board of Supervisors evaluated the 13 Directors who participated in the performance evaluation for 2022 as "competent".

It is recommended that, with respect to subsequent duty performance, the Board of Directors and its members further enhance the strategic guidance and facilitate the Bank in fulfilling its responsibility as a major state-owned bank; continue to strengthen the building of governance capabilities, explore and improve the modern corporate governance of state-owned enterprises with Chinese characteristics; continue to strengthen comprehensive risk management and coordinate development and safety; continue to strengthen ESG governance, and effectively safeguard the rights and interests of stakeholders.

(II) Evaluation opinions on the duty performance of the senior management and its members

During the evaluation period, the Bank's senior management strictly abided by laws, regulations, regulatory requirements and the Articles of Association, thoroughly implemented the major decisions and plans of the CPC Central Committee, strictly implemented the regulatory requirements, conscientiously implemented the resolutions of

the Shareholders' General Meeting and the Board, readily subjected themselves to the supervision of the Board of Supervisors, fully put into action the political and people-oriented requirements of financial work, actively facilitated the Bank in fulfilling its responsibility as a major state-owned bank, and successfully completed various tasks throughout the year. The management earnestly served major national strategies, improved the quality and efficiency of financial services to the real economy, and vigorously supported the development of key areas such as advanced manufacturing industries, strategic emerging industries, specialized and sophisticated enterprises that produce new and unique products, green finance, etc. The management actively implemented the service concept of "benefiting the people in both urban and rural areas", expanded the coverage of inclusive financial services, facilitated all-around rural revitalization, and stepped up financial relief support and assistance for micro and small enterprises (MSEs) and self-employed individuals. The management pursued high-quality development and promoted the transformation and development of retail banking, corporate banking, treasury and asset management and other businesses in accordance with the Bank's Articles of Association and the authorization of the Board of Directors. The management continuously improved the comprehensive risk management system, adhered to the prudent and sound risk appetite, and comprehensively improved the level of digitalization and intensification of risk management. The management coordinated and promoted the construction and implementation of advanced approaches for capital management, and continued to optimize the internal rating system. The management strengthened the investigation of reputational risks, expanded the scope of pre-assessment of reputational risks, and continued to consolidate the foundation of reputational risk management. The management formulated an implementation plan for benchmarking, promoted the implementation of the expected credit loss method, and carried out the management of allowance for credit risk losses. The management strictly implemented liquidity risk limit management, strengthened limit monitoring and early warning management, and further enhanced the forward-looking prevention and control capabilities of liquidity risk. The management initiated the formulation of the off-balance sheet business risk management measures and accelerated the establishment of the off-balance sheet business risk reporting mechanism. The management improved the organizational structure of the consolidated management, and included YOU⁺ BANK into the management scope of the consolidated management. The management strengthened stress testing and emergency management, and further improved the recovery and disposal plans. The management continued to strengthen internal control compliance and case prevention, and strived to improve the quality and efficiency of consumer rights protection. The management carried out the assessment and evaluation of abnormal behaviors of employees, strengthened the management of job rotation and mandatory leave for personnel in important positions, and continuously improved the management of employee behaviors. The management improved the anti-money laundering system and system management, and continued to strengthen the construction of the anti-money laundering team of the Bank. The management improved the resource allocation mechanism with RAROC as the core, strengthened capital constraints, and improved the foresight of capital management. The management vigorously improved the quality of core data assets, accelerated business development with data empowerment,

comprehensively initiated the construction of data security management and control system, and continued to improve the data governance system. The management complied with the high standard of professional ethics, actively created a clean financial culture atmosphere, and reported operation and management information to the Board of Directors and Board of Supervisors in a timely, accurate and complete manner. Each special committee under the senior management operated in a rule-based manner, and assisted senior management in breaking down and communicating strategic objectives; and the frequency of meetings and the operation all met regulatory requirements and the requirements of working rules.

During the evaluation period, all senior management members of the Bank conscientiously abided by laws and regulations and the Articles of Association, strictly complied with the authorization of the Board of Directors, conscientiously implemented the resolutions of the Board of Directors, worked diligently, fulfilled their duties faithfully, and adhered to the high standard of professional ethics and the bottom line of integrity. No improper performance of duties or serious dereliction of duty, such as illegal exercise of power, seeking improper benefits by taking advantage of positions, or damaging the legitimate interests of the Bank, was found. The Board of Supervisors evaluated the 9 senior management members who participated in the performance evaluation for 2022 as “competent”.

It is recommended that, with respect to subsequent duty performance, the senior management members should adhere to serve the overall situation and strengthen the transmission of strategic implementation; strictly implement the regulatory requirements and effectively strengthen risk guidance; strengthen duty performance in key areas and comprehensively improve management capabilities; deepen the reform of system and mechanism to consolidate the foundation for high-quality development.

(III) Self-evaluation by the Board of Supervisors and evaluation opinions on the duty performance by the Supervisors

During the evaluation period, the Bank’s Board of Supervisors unwaveringly followed the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully and faithfully applied the new development philosophy on all fronts, conscientiously implemented the decisions and plans of the CPC Central Committee and the State Council, strictly implemented regulatory requirements, and earnestly carried out the work of duty performance, risk management, financial management, internal control and other supervisory work. In accordance with the supervisory concept of “adhering to Party leadership, strategic guidance, problem-orientated approach as well as the risk-centric thinking”, the Board of Supervisors promoted strengthening Party leadership in the improvement of corporate governance, discussed and made decisions in accordance with laws and regulations, and expanded the breadth and depth of supervision. The Board of Supervisors, by focusing on key areas such as standardizing corporate governance, serving the real economy, strengthening risk management, deepening business transformation and promoting digital empowerment, continuously improved the quality

and efficiency of supervision, fully performed its duty of supervision and balancing, and earnestly safeguarded the legitimate rights and interests of the Bank, Shareholders, employees, creditors and other stakeholders, hence playing a significant role in the high-quality development of the Bank.

During the evaluation period, all Supervisors of the Bank strictly complied with the requirements of relevant laws, regulations, regulatory requirements and the Articles of Association, performed their obligations faithfully and diligently, adhered to the high standard of professional ethics, and exercised supervisory powers in an independent, objective, professional and compliant manner. No improper performance of duties or serious dereliction of duty, such as illegal exercise of supervision power, seeking improper benefits by taking advantage of positions, or damaging the legitimate interests of the Bank, was found. The Board of Supervisors evaluated the 8 Supervisors who participated in the performance evaluation for 2022 as “competent”.

It is recommended that, with respect to subsequent duty performance, the Board of Supervisors and its members should further focus on the effectiveness of strategy implementation, strengthen the process supervision and effectiveness evaluation of strategy implementation; further extend the breadth and depth of supervision, and enhance the foresight of supervision work; further deepen the application of supervision results and enhance the ability of internal coordination and integration of supervision work; further innovate supervision work methods and actively explore the digital transformation of supervision.

IV. Independent Opinions Issued by the Board of Supervisors

(I) Operation according to law

During the reporting period, the Board of Directors and the senior management of the Bank continued to operate in compliance with applicable laws and regulations and improved internal control policies, with the decision-making procedures in compliance with laws, regulations, and the Articles of Association. Members of the Board of Directors and the senior management members performed their duties conscientiously. No violation of laws and regulations or any act that harmed the interests of the Bank was found in the Directors’ performance of duties.

(II) Annual report

The preparation and review procedures of this annual report of the Bank were in compliance with laws, regulations and regulatory provisions; and contents of this report reflected the actual conditions of the Bank truly, accurately, and completely.

(III) Use of raised funds

During the reporting period, the use of raised funds was in line with the purposes as disclosed in the prospectuses.

(IV) Acquisition and sale of assets

During the reporting period, there was no insider dealing or any other act that impaired the Shareholders' interests or resulted in losses of the Bank's assets in the process of the Bank's acquisition or sale of assets.

(V) Connected transactions

During the reporting period, the Bank's connected transactions were conducted based on commercial principles. No act that impaired the interests of the Bank was found. The review, voting, disclosure, and implementation of connected transactions complied with applicable laws and regulations and the Articles of Association.

(VI) Implementation of resolutions passed at the Shareholders' General Meeting

During the reporting period, the Board of Supervisors had no objection to the reports or proposals presented by the Board of Directors to the Shareholders' General Meeting for consideration. The Board of Directors earnestly implemented the resolutions approved at the Shareholders' General Meeting.

(VII) Internal control

During the reporting period, the Board of Supervisors reviewed the Bank's annual internal control assessment report and had no objection to the report.

(VIII) Implementation of information disclosure management rules

During the reporting period, the Bank performed its duty of information disclosure in strict compliance with the regulatory requirements, implemented the information disclosure management rules earnestly, and disclosed information in a timely and fair manner. Information disclosed during the reporting period was true, accurate, and complete.

(IX) Corporate social responsibilities

During the reporting period, the Bank earnestly performed its social responsibilities. The Board of Supervisors reviewed the Bank's Corporate Social Responsibility (Environmental, Social, and Governance) Report for the year and had no objection to the report.

(X) Performance evaluation of Directors, Supervisors, and senior management members

All the Directors, Supervisors, and senior management members who participated in the 2022 performance assessment were evaluated as “competent”.

Save as disclosed above, the Board of Supervisors had no objection to other supervision issues during the reporting period.

In 2023, the Board of Supervisors will continue to follow the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly study and implement the guiding principles of the 20th National Congress of the Communist Party of China and the Central Economic Work Conference, adhere to the leadership of the CPC, insist on a strategy-driven, problem-oriented and risk-based approach, conscientiously implement the decisions and plans of the CPC Central Committee and the State Council, strictly implement regulatory requirements, focus on the core work of the Bank, conscientiously perform the supervisory duties of the Board of Supervisors, promote the Bank to further improve its corporate governance and strive to promote the high-quality development of the Bank.

**APPENDIX III COMPARATIVE TABLE OF AMENDMENTS TO THE ARTICLES OF
ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

**COMPARATIVE TABLE OF AMENDMENTS TO THE ARTICLES OF
ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
	CHAPTER I GENERAL PROVISIONS	CHAPTER I GENERAL PROVISIONS
1.	Article 5 The registered capital of the Bank is RMB92,383,967,605.	Article 5 The registered capital of the Bank is RMB92,383,967,605 <u>99,161,076,038</u> .
2.	Article 13 As a state-controlled commercial bank, the Bank shall uphold the leadership by the Communist Party of China (“CPC”), strengthen the construction of the CPC. The Bank shall set up an organization of the CPC according to the Constitution of the Communist Party of China and the Company Law. The CPC committee shall play the role as the core of leadership and the political nucleus, providing direction, managing the overall situation and ensuring implementation. Meanwhile, the working organs of the CPC shall be established to implement the duty of construction of the CPC, equipped with sufficient staff to deal with CPC affairs and provided with sufficient funds to operate the CPC organization.	Article 13 As a state-controlled commercial bank, the Bank shall uphold the leadership by the Communist Party of China (“CPC”), strengthen the construction of the CPC. The Bank shall set up an organization of the CPC according to the Constitution of the Communist Party of China and the Company Law. The CPC committee shall play the role as the core of leadership and the political nucleus, providing direction, managing the overall situation and ensuring implementation. Meanwhile, the working organs of the CPC shall be established to implement the duty of construction of the CPC, equipped with sufficient staff to deal with CPC affairs and provided with sufficient funds to operate the CPC organization, <u>and provide necessary conditions for the activities of the CPC organization.</u>

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No.	Current Articles	Amended Articles
	CHAPTER II OBJECTIVES AND SCOPE OF BUSINESS	CHAPTER II OBJECTIVES AND SCOPE OF BUSINESS
3.	<p>Article 14 The objectives of the Bank are to comply with national laws and regulations, adhere to the principle of credibility, be customer-focused and market-oriented and, in particular, to serve the community, small and medium-sized enterprises and “Sannong (agriculture, rural areas and farmers)”. We will make full use of the postal network advantages, strengthen our internal controls, maintain compliance and sound operation, to provide customers with high-quality financial services, maximize shareholder value and support economic development and social progress of the PRC.</p>	<p>Article 14 The objectives of the Bank are to comply with national laws and regulations, adhere to the principle of credibility, be customer-focused and market-oriented, and, <u>adhere to the market positioning of serving “Sannong (agriculture, rural areas and farmers)”</u> in particular, to serve the community, <u>urban and rural residents and</u> small and medium-sized enterprises and “Sannong (agriculture, rural areas and farmers)”. We will make full use of the postal network advantages, strengthen our internal controls, maintain compliance and sound operation, to provide customers with high-quality financial services, maximize shareholder value and support economic development and social progress of the PRC.</p> <p><u>The Bank establishes a vision of high-quality development, promotes an honest, trustworthy, pioneering and innovative corporate culture, forms a business principle of prudence and compliance, and abides by a fair, safe and orderly industry competition order.</u></p> <p><u>The Bank pursues the development philosophy of innovative, coordinated, green, open and shared development, pays close attention to environmental protection, actively fulfills social responsibilities, maintains a good social reputation, and creates harmonious social relations.</u></p>

APPENDIX III COMPARATIVE TABLE OF AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.

No.	Current Articles	Amended Articles
	CHAPTER III SHARES	CHAPTER III SHARES
	Section 1 Share Issue	Section 1 Share Issue
4.	<p>Article 16 The Bank shall have ordinary shares. Based on actual needs, the Bank may have preference shares or other classes of shares upon approval by the approval authorities authorized by the State Council. The shares of the Bank shall take the form of stocks.</p> <p align="center">...</p>	<p>Article 16 <u>The Bank shall issue securities in compliance with the laws, administrative regulations, departmental regulations and relevant regulations of the securities regulatory authorities of the place where the Bank's shares are listed.</u></p> <p><u>The securities referred to in this Article include shares, corporate bonds, depository receipts and other securities recognized by the State Council according to the law issued by the Bank.</u></p> <p>The Bank shall have ordinary shares. Based on actual needs, the Bank may have preference shares or other classes of shares <u>that meet the requirements of laws and regulations upon approval by the registration with or fulfillment of relevant procedures of the securities regulatory authority of the State Council or the approval authorities authorized by the State Council.</u> The shares of the Bank shall take the form of stocks.</p> <p align="center">...</p>
5.	<p>Article 18 Subject to the approval of the relevant national regulatory authorities, the Bank may issue shares to domestic investors and overseas investors.</p> <p align="center">...</p>	<p>Article 18 Subject to the <u>approval registration with or fulfillment of relevant procedures of the relevant national regulatory authorities of the securities regulatory authority of the State Council or authorities authorized by the State Council,</u> the Bank may issue shares to domestic investors and overseas investors.</p> <p align="center">...</p>

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No.	Current Articles	Amended Articles
6.	<p>Article 19 Shares that the Bank issues to domestic investors for subscription in Renminbi are referred to as domestic shares. Shares that the Bank issues to overseas investors for subscription in foreign currencies are known as foreign shares. Foreign shares listed outside the PRC are referred to as overseas-listed foreign shares. Shares issued with the approval of examination and approval departments authorized by the State Council and listed and traded on a domestic stock exchange with the approval of the domestic securities regulatory authorities shall be referred to as domestic-listed shares. Shares listed and traded on overseas stock exchange with approvals of issuance from the approving authorities authorized by the State Council and overseas securities regulatory authorities are referred to as overseas-listed shares.</p> <p align="center">...</p>	<p>Article 19 Shares that the Bank issues to domestic investors for subscription in Renminbi are referred to as domestic shares. Shares that the Bank issues to overseas investors for subscription in foreign currencies are known as foreign shares. Foreign shares listed outside the PRC are referred to as overseas-listed foreign shares. Shares issued with <u>by the Bank upon the registration with or fulfillment of relevant procedures of the securities regulatory authority of the State Council</u> or the approval of examination and approval departments authorized by the State Council and listed and traded on a domestic stock exchange with the approval of the domestic securities regulatory authorities shall be referred to as domestic-listed shares. Shares <u>issued by the Bank upon the fulfillment of relevant procedures of the securities regulatory authority of the State Council or authorities authorized by the State Council and</u> listed and traded on overseas stock exchanges with approvals of issuance from the approving authorities authorized by the State Council and <u>from</u> overseas securities regulatory authorities are referred to as overseas-listed shares.</p> <p align="center">...</p>
7.	<p>Article 20 Upon approval by the approval departments authorized by the State Council, the Bank may issue a total number of 92,383,967,605 ordinary shares. 45,000,000,000 shares were issued to its promoter, China Post Group Corporation, when the Bank was restructured into a joint stock limited company, representing 100% of the then total number of ordinary shares that the Bank may issue.</p>	<p>Article 20 Upon approval by the approval departments authorized by the State Council, the Bank may issue a total number of 92,383,967,605 <u>99,161,076,038</u> ordinary shares. 45,000,000,000 shares were issued to its promoter, China Post Group Corporation, when the Bank was restructured into a joint stock limited company, representing 100% of the then total number of ordinary shares that the Bank may issue.</p>

**APPENDIX III COMPARATIVE TABLE OF AMENDMENTS TO THE ARTICLES OF
ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
8.	<p>Article 21 Upon the initial public offering and listing of the overseas-listed shares of the Bank, we issued 12,426,574,000 overseas-listed shares, representing approximately 15.34% of the total number of ordinary shares that the Bank may issue.</p> <p align="center">...</p> <p>Upon approval by the securities regulatory authority of the State Council, 5,947,988,200 domestic-listed shares were issued upon initial public offering of the Bank and listed on Shanghai Stock Exchange. After the initial public offering and listing of domestic-listed shares, the ordinary share capital of the Bank comprises: 86,978,562,200 ordinary shares, including 67,122,395,200 domestic-listed shares, accounting for approximately 77.17% of the total number of ordinary shares that the Bank may issue; and 19,856,167,000 overseas-listed shares, accounting for approximately 22.83% of the total number of ordinary shares that the Bank may issue.</p>	<p>Article 21 Upon the initial public offering and listing of the overseas-listed shares of the Bank, we issued 12,426,574,000 overseas-listed shares, representing approximately 15.34% of the total number of ordinary shares that the Bank may issue <u>at that time</u>.</p> <p align="center">...</p> <p>Upon approval by the securities regulatory authority of the State Council, 5,947,988,200 domestic-listed shares were issued upon initial public offering of the Bank and listed on Shanghai Stock Exchange. After the initial public offering and listing of domestic-listed shares, the ordinary share capital of the Bank comprises: 86,978,562,200 ordinary shares, including 67,122,395,200 domestic-listed shares, accounting for approximately 77.17% of the total number of ordinary shares that the Bank may issue <u>at that time</u>; and 19,856,167,000 overseas-listed shares, accounting for approximately 22.83% of the total number of ordinary shares that the Bank may issue <u>at that time</u>.</p>

**APPENDIX III COMPARATIVE TABLE OF AMENDMENTS TO THE ARTICLES OF
ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
	<p>Upon approval by the securities regulatory authority of the State Council, the Bank issued 5,405,405,405 non-public ordinary A shares in 2021. After the completion of the non-public issuance, the ordinary share capital of the Bank comprises: 92,383,967,605 ordinary shares, including 72,527,800,605 domestic-listed shares, accounting for approximately 78.51% of the total number of ordinary shares that the Bank may issue; and 19,856,167,000 overseas-listed shares, accounting for approximately 21.49% of the total number of ordinary shares that the Bank may issue.</p> <p align="center">...</p>	<p>Upon approval by the securities regulatory authority of the State Council, the Bank issued 5,405,405,405 non-public ordinary A shares in 2021. After the completion of the non-public issuance, the ordinary share capital of the Bank comprises: 92,383,967,605 ordinary shares, including 72,527,800,605 domestic-listed shares, accounting for approximately 78.51% of the total number of ordinary shares that the Bank may issue at that time; and 19,856,167,000 overseas-listed shares, accounting for approximately 21.49% of the total number of ordinary shares that the Bank may issue at that time.</p> <p align="center"><u>Upon approval by the securities regulatory authority of the State Council, 6,777,108,433 ordinary A shares were issued upon the non-public issuance of A shares by the Bank in 2023. After the non-public issuance, the ordinary share capital of the Bank comprises: 99,161,076,038 ordinary shares, including 79,304,909,038 domestic-listed shares, which account for approximately 79.98% of the total number of ordinary shares that could be issued by the Bank, and 19,856,167,000 overseas-listed shares, which account for approximately 20.02% of the total number of ordinary shares that could be issued by the Bank.</u></p> <p align="center">...</p>

**APPENDIX III COMPARATIVE TABLE OF AMENDMENTS TO THE ARTICLES OF
ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
9.	<p>Article 22 Upon the approval of the securities regulatory authority of the State Council in respect of the plan of the Bank to issue overseas-listed shares and domestic-listed shares, the Board of the Bank may make implementation arrangements for such plans by means of separate issuance.</p> <p>The Bank may implement its plan to separately issue overseas-listed shares and domestic-listed shares pursuant to the preceding paragraph within fifteen (15) months from the date of approval by the securities regulatory authority of the State Council.</p>	<p>Article 22 Upon the <u>registration with or fulfillment of relevant procedures</u> approval of the securities regulatory authority of the State Council <u>or authorities authorized by the State Council</u> in respect of the plan of the Bank to issue overseas-listed shares and domestic-listed shares, the Board of the Bank may make implementation arrangements for such plans by means of separate issuance.</p> <p>The Bank may implement its plan to separately issue overseas-listed shares and domestic-listed shares pursuant to the preceding paragraph within fifteen (15) months from the date of <u>the registration with or fulfillment of relevant procedures of</u> approval by the securities regulatory authority of the State Council <u>or authorities authorized by the State Council</u>.</p>
10.	<p>Article 23 In the event that there are overseas-listed foreign shares and domestic-listed shares included in the total number of shares specified in the issuance plan, such shares shall be fully subscribed for at one time at their respective offerings. If the shares cannot be fully subscribed at one time due to special circumstances, such shares may be issued in separate tranches subject to the approval of the securities regulatory authority of the State Council.</p>	<p>Article 23 In the event that there are overseas-listed foreign shares and domestic-listed shares included in the total number of shares specified in the issuance plan, such shares shall be fully subscribed for at one time at their respective offerings. If the shares cannot be fully subscribed at one time due to special circumstances, such shares may be issued in separate tranches subject to the <u>registration with or fulfillment of relevant procedures</u> approval of the securities regulatory authority of the State Council <u>or authorities authorized by the State Council</u>.</p>

**APPENDIX III COMPARATIVE TABLE OF AMENDMENTS TO THE ARTICLES OF
ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
	Section 2 Increase, Reduction and Repurchase of Shares	Section 2 Increase, Reduction and Repurchase of Shares
11.	<p>Article 26 ...</p> <p>The shares repurchased by the Bank in the circumstance set out in (3), (5) and (6) of the first paragraph above shall not exceed 10% of the total number of issued shares of the Bank, and shall be transferred or cancelled within three years.</p>	<p>Article 26 ...</p> <p>The shares repurchased by the Bank in the circumstance set out in (3), (5) and (6) of the first paragraph above shall not exceed 10% of the total number of issued shares of the Bank, and shall be transferred or cancelled within three years.</p> <p><u>If there are other stipulations with respect to the share repurchase and cancellation prescribed by the laws, administrative regulations, departmental regulations and relevant regulations of securities regulatory authorities of the place where the Bank's shares are listed, these stipulations shall prevail.</u></p>
12.	<p>Article 29 The Bank shall apply for a change of registration in registered capital to the Administration for Industry and Commerce when the Bank repurchases shares and cancels such shares. The amount of the Bank's registered capital shall be reduced by the total par value of the shares cancelled.</p>	<p>Article 29 The Bank shall apply for a change of registration in registered capital to the Administration for Industry and Commerce <u>market regulatory authorities</u> when the Bank repurchases shares and cancels such shares. The amount of the Bank's registered capital shall be reduced by the total par value of the shares cancelled.</p>

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No.	Current Articles	Amended Articles
	Section 3 Transfer and Pledge of Shares	Section 3 Transfer and Pledge of Shares
13.	<p>Article 35 If the directors, supervisors, members of senior management, and shareholders holding more than 5% shares of the Bank sell the domestic-listed shares of the Bank within six (6) months after purchasing the same or purchase the domestic-listed shares of the Bank within six (6) months after selling the same, the earnings arising therefrom shall belong to the Bank and the Board shall collect such earnings. If the applicable laws and regulations have otherwise provisions, such provisions shall apply.</p> <p>If the Board of the Bank fails to act in accordance with the provisions of the preceding paragraph, the shareholders shall have the right to require the Board to act within thirty (30) days. If the Board fails to act within the aforesaid period, the shareholders have the right to directly institute legal proceedings to the people’s court in their own names for the interest of the Bank.</p> <p>If the Board fails to act in accordance with the provisions in the first paragraph, the responsible directors shall bear joint liability in accordance with laws.</p>	<p>Article 35 If the directors, supervisors, members of senior management, and shareholders holding more than 5% shares of the Bank sell the domestic-listed shares <u>shares or other securities with the nature of equity</u> of the Bank within six (6) months after purchasing the same or purchase the domestic-listed shares <u>shares or other securities with the nature of equity</u> of the Bank within six (6) months after selling the same, the earnings arising therefrom shall belong to the Bank and the Board shall collect such earnings. If the applicable laws and regulations have otherwise provisions, such provisions shall apply.</p> <p><u>Shares or other securities with the nature of equity held by directors, supervisors, members of senior management and natural person shareholders referred to in the preceding paragraph include those held by their spouse, parents and children and held under accounts opened by others.</u></p> <p>If the Board of the Bank fails to act in accordance with the provisions of the preceding paragraph <u>first paragraph of this Article</u>, the shareholders shall have the right to require the Board to act within thirty (30) days. If the Board fails to act within the aforesaid period, the shareholders have the right to directly institute legal proceedings to the people’s court in their own names for the interest of the Bank.</p> <p>If the Board fails to act in accordance with the provisions in the first paragraph <u>of this Article</u>, the responsible directors shall bear joint liability in accordance with laws.</p>

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No.	Current Articles	Amended Articles
	CHAPTER V SHARE CERTIFICATES AND REGISTER OF SHAREHOLDERS	CHAPTER V SHARE CERTIFICATES AND REGISTER OF SHAREHOLDERS
14.	<p>Article 43 The Bank may deposit its register of shareholders of the overseas-listed shares abroad and entrust an overseas agency to manage it in accordance with the memorandum of understanding or agreements reached between the securities regulatory authorities under the State Council and the overseas securities regulatory authorities. The original register of shareholders of the overseas-listed shares listed in Hong Kong (for ordinary shares only) shall be maintained in Hong Kong.</p> <p align="center">...</p>	<p>Article 43 The Bank may deposit its register of shareholders of the overseas-listed shares abroad <u>for inspection by shareholders</u> and entrust an overseas agency to manage it in accordance with the memorandum of understanding or agreements reached between the securities regulatory authorities under the State Council and the overseas securities regulatory authorities. The original register of shareholders of the overseas-listed shares listed in Hong Kong (for ordinary shares only) shall be maintained in Hong Kong.</p> <p align="center">...</p>
15.	<p>Article 46 If the relevant laws and regulations and the securities regulatory authorities of the place where the shares of the Bank are listed stipulate that no share transfer may be entered in the register of shareholders prior to the date of a shareholders' general meeting or the record date set by the Bank for the purpose of distribution of dividends, such provisions shall prevail.</p>	<p>Article 46 If the relevant laws and regulations and the securities regulatory authorities of the place where the shares of the Bank are listed stipulate that no <u>there is a change in the register of shareholders due to the</u> share transfer may be entered in the register of shareholders prior to the date of a shareholders' general meeting or the record date set by the Bank for the purpose of distribution of dividends, it shall comply with the laws, administrative regulations, departmental regulations and the relevant provisions of the securities regulatory authorities of the place where the Bank's shares are listed such provisions shall prevail.</p>

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No.	Current Articles	Amended Articles
	CHAPTER VI PARTY ORGANIZATION	CHAPTER VI PARTY ORGANIZATION
16.	<p>Article 51 The Bank shall set up a CPC committee, which shall consist of one (1) secretary, one (1) or two (2) deputy secretaries and several other members. The chairman of the Board shall concurrently serve as the secretary to the CPC Committee. One (1) deputy secretary shall assist the secretary in carrying out Party construction works. Eligible members of the CPC Committee may assume the position of directors, supervisors and members of the senior management of the Bank through legal procedures, and eligible CPC members who are directors, supervisors and senior management may join the CPC Committee in accordance with relevant rules and procedures. Meanwhile, the Bank shall establish the Discipline Committee in accordance with relevant regulations.</p>	<p>Article 51 The Bank shall set up a CPC committee, which shall consist of one (1) secretary, one (1) or two (2) deputy secretaries and several other members. The chairman of the Board shall concurrently serve as the secretary to the CPC Committee. One (1) deputy secretary shall assist the secretary in carrying out Party construction works. Eligible members of the CPC Committee may assume the position of directors, supervisors and members of the senior management of the Bank through legal procedures, and eligible CPC members who are directors, supervisors and senior management may join the CPC Committee in accordance with relevant rules and procedures. Meanwhile, the Bank shall establish the Discipline Committee <u>disciplinary inspection department</u> in accordance with relevant regulations.</p>

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No.	Current Articles	Amended Articles
17.	<p>Article 52 The CPC Committee of the Bank shall perform the following duties according to the Constitution of the Communist Party of China and other regulations of the CPC:</p> <p>(1) ensure and supervise the Bank’s implementation of the principles and guidelines of the CPC and the State, and to implement major strategic decisions of the Central Committee of the CPC and the State Council, as well as important work arrangements of higher-level Party organizations.</p>	<p>Article 52 The CPC Committee of the Bank shall perform the following duties according to the Constitution of the Communist Party of China and other regulations of the CPC:</p> <p>(1) <u>thoroughly study and implement Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, strengthen the Party organizations in the Bank in political terms, adhere to and implement the fundamental, basic and important systems that underpin socialism with Chinese characteristics,</u> ensure and supervise the Bank’s implementation of the principles and guidelines of the CPC and the State, and to implement major strategic decisions of the Central Committee of the CPC and the State Council, as well as important work arrangements of higher-level Party organizations.</p>

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No.	Current Articles	Amended Articles
	<p>(2) strengthen its role of leadership and final oversight in the selection and appointment of personnel, focus on standards, procedure, evaluation, recommendation and supervision, uphold the integration of the principle that the CPC manages the officials with the function of the Board 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.</p> <p>(3) research and discuss the reform, development and stability of the Bank, major operational and management issues and major issues concerning employee interests, and to provide comments and suggestions in this regard. To support the shareholders' general meeting, the Board, the Board of Supervisors and the senior management in performing their duties in accordance with laws; to support the Congress of Employees in carrying out its work.</p>	<p>(2) strengthen its role of leadership and final oversight in the selection and appointment of personnel, <u>strengthen the development of the leadership teams, the contingents of cadres and talents of the Bank,</u> focus on standards, procedure, evaluation, recommendation and supervision, uphold the integration of the principle that the CPC manages the officials with the function of the Board 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.</p> <p>(3) research and discuss the reform, development and stability of the Bank, major operational and management issues and major issues concerning employee interests, and to provide comments and suggestions in this regard. To support the shareholders' general meeting, the Board, the Board of Supervisors and the senior management in performing their duties in accordance with laws; to support the Congress of Employees in carrying out its work.</p>

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No.	Current Articles	Amended Articles
	<p>(4) assume the primary responsibility to run the CPC 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 Labor Union of the Bank and the Communist Youth League, lead the construction of the CPC’s working style and its clean and honest administration, and support the discipline inspection commissions 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 CPC Committee.</p>	<p>(4) assume the primary responsibility to run the CPC 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 Labor Union of the Bank and the Communist Youth League, lead the construction of the CPC’s working style and its clean and honest administration, and support the discipline—inspection commissions <u>disciplinary inspection department</u> 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 CPC Committee.</p>

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No.	Current Articles	Amended Articles
	CHAPTER VII SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETINGS	CHAPTER VII SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETINGS
	Section 1 Shareholders	Section 1 Shareholders
18.	<p>Article 53 A shareholder of the Bank is a person who lawfully holds shares in the Bank and whose name (title) is entered in the register of shareholders.</p> <p>A shareholder shall enjoy rights and assume obligations according to the class and number of shares held by them. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.</p> <p style="text-align: center;">...</p>	<p>Article 53 A shareholder of the Bank is a person who lawfully holds shares in the Bank and whose name (title) is entered in the register of shareholders.</p> <p>A shareholder shall, <u>in accordance with the Company Law and other laws, administrative regulations, departmental regulations, regulatory requirements and the Articles,</u> enjoy rights and assume obligations according to the class and number of shares held by them. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.</p> <p style="text-align: center;">...</p>

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No.	Current Articles	Amended Articles
19.	<p>Article 55 The ordinary shareholders of the Bank shall be entitled to the following rights:</p> <p>...</p> <p>(2) to lawfully request, convene, preside over, attend and vote in person or appoint a proxy to attend and vote on their behalf at a shareholders' general meeting;</p> <p>...</p> <p>(5) to obtain relevant information in accordance with the laws, administrative regulations, departmental rules and provisions of the Articles, including:</p> <p>...</p> <p>(viii) a copy of the latest annual return filed with the Administration for Industry and Commerce;</p> <p>...</p>	<p>Article 55 The ordinary shareholders of the Bank shall be entitled to the following rights:</p> <p>...</p> <p>(2) to lawfully request, convene, preside over, attend and vote in person or appoint a proxy to attend <u>and speak at a shareholders' general meeting</u> and vote on their behalf at a shareholders' general meeting;</p> <p>...</p> <p>(5) to obtain relevant information in accordance with the laws, administrative regulations, departmental rules and provisions of the Articles, including:</p> <p>...</p> <p>(viii) a copy of the latest annual return filed with the Administration for Industry and Commerce <u>market regulatory authorities</u>;</p> <p>...</p>

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No.	Current Articles	Amended Articles
20.	<p>Article 56 Shareholders, 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 the total shares of the Bank, shall report to the banking regulatory authority of the State Council or its local offices for approval. Shareholders, together with their related parties and persons acting in concert, who hold, severally or jointly, more than 1% but less than 5% of the total shares of the Bank, shall report to the banking regulatory authority of the State Council or its local offices within ten working days after obtaining their equities.</p> <p align="center">...</p>	<p>Article 56 Shareholders, 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 the total shares of the Bank, shall report to the banking regulatory authority of the State Council or its local offices for approval. Shareholders, together with their related parties and persons acting in concert, who hold, severally or jointly, more than 1% but less than 5% of the total shares of the Bank, shall report to the banking regulatory authority of the State Council or its local offices through the Bank within ten (10) working days after obtaining their equities.</p> <p align="center">...</p>
21.	<p>Article 60 The ordinary shareholders of the Bank shall have the following obligations:</p> <p>(1) to abide by the laws, administrative regulations, regulatory requirements and the Articles;</p> <p>(2) to make the payment in respect of the shares subscribed for and the method of subscription;</p> <p>(3) not to withdraw the shares unless required by the laws and administrative regulations;</p>	<p>Article 60 The ordinary shareholders of the Bank shall have the following obligations:</p> <p>(1) to abide by the laws, administrative regulations, regulatory requirements and the Articles;</p> <p>(2) to make the payment in respect of the shares subscribed for and the method of subscription;</p> <p>(3) not to withdraw the shares unless required by the laws and administrative regulations;</p>

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No.	Current Articles	Amended Articles
	<p>(4) shareholders shall support the reasonable measures suggested by the Board to raise the capital adequacy ratio of the Bank when such ratio is below the statutory standard;</p> <p>(5) Substantial shareholders shall contribute additional capital to the Bank when necessary;</p>	<p>(4) <u>major shareholders shall make a long-term commitment in writing to the Bank to replenish capital when necessary, except for shareholders to whom exemptions are prescribed or approved by the banking regulatory authority of the State Council, etc.;</u> shareholders shall support the reasonable measures suggested by the Board to raise the capital adequacy ratio of the Bank when such ratio is below the statutory standard;</p> <p>(5) <u>shareholders and their controlling shareholders and de facto controllers shall not abuse the shareholder's rights or use related party relations to harm the legitimate rights and interests of the Bank or other shareholders and stakeholders, and shall not interfere with the decision-making power and management power entitled to the Board and senior management pursuant to the Articles, nor directly interfere in the operation and management of the Bank beyond the Board and senior management.</u> Substantial shareholders shall contribute additional capital to the Bank when necessary;</p>

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No.	Current Articles	Amended Articles
	<p>(6) not to abuse the shareholder’s rights to the detriment of the interests of the Bank or other shareholders, and shall be liable for compensation in accordance with the laws in the event that a shareholder abuses his or her shareholder’s rights and causes loss to the Bank or other shareholders;</p> <p>(7) not to abuse the Bank’s status as an independent legal entity and shareholders’ limited liability to the detriment of the interests of the creditors of the Bank, and in the event that a shareholder abuses the Bank’s status as an independent legal entity and the shareholders’ limited liability and evades the repayment of debts, resulting in material damage to the interests of the creditors of the Bank, such shareholder shall be jointly and severally liable for the debts of the Bank;</p>	<p>(6) not to abuse the shareholder’s rights to the detriment of the interests of the Bank or other shareholders, and <u>a shareholder</u> shall be liable for compensation in accordance with the laws in the event that a such shareholder abuses his or her shareholder’s rights and causes loss to the Bank or other shareholders;</p> <p>(7) not to abuse the Bank’s status as an independent legal entity and shareholders’ limited liability to the detriment of the interests of the creditors of the Bank, and in the event that a shareholder abuses the Bank’s status as an independent legal entity and the shareholders’ limited liability and evades the repayment of debts, resulting in material damage to the interests of the creditors of the Bank, such shareholder shall be jointly and severally liable for the debts of the Bank;</p>

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No.	Current Articles	Amended Articles
	<p>(8) after completing the registration of share pledge, the shareholders shall timely provide the Bank with relevant information about the share pledge in accordance with the Bank's risk management and information disclosure requirements;</p> <p>(9) to assume other obligations required by the laws, administrative regulations, departmental rules and the Articles.</p> <p>Unless stipulated otherwise in the Articles, save for the conditions agreed by the subscribers of shares at the time of subscription, shareholders shall not be liable to make further contributions to the share capital.</p>	<p><u>(7) to buy shares of the Bank with their own funds from legal sources rather than entrusted funds, debt funds and other non-self-owned funds, save as otherwise provided by laws, regulations or regulatory requirements;</u></p> <p>(8) <u>the shareholding ratio and the number of shareholding institutions shall comply with the regulatory provisions, and shareholders shall not entrust others or accept the entrustment of others to hold the shares of the Bank;</u> after completing the registration of share pledge, the shareholders shall timely provide the Bank with relevant information about the share pledge in accordance with the Bank's risk management and information disclosure requirements;</p>

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No.	Current Articles	Amended Articles
		<p><u>(9) to truthfully inform the Bank, in accordance with laws, regulations and regulatory requirements, of financial information, shareholding structure, sources of equity capital, controlling shareholders, de facto controllers, related parties, parties acting in concert, ultimate beneficiaries, investment in other financial institutions and other information;</u></p> <p><u>(10) in case of any change in their controlling shareholders, de facto controllers, related parties, parties acting in concert or ultimate beneficiaries of the shareholders, the relevant shareholders shall promptly inform the Bank of the change in writing in accordance with laws, regulations and regulatory requirements;</u></p>

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No.	Current Articles	Amended Articles
		<p><u>(11) in the event of merger, division, order to suspend business for rectification, designated custody, takeover, revocation or entering into dissolution, liquidation, bankruptcy procedures, or any change in its legal representative, company name, business place, business scope and other major matters, the shareholders shall promptly inform the Bank of the relevant information in writing in accordance with laws, regulations and regulatory requirements;</u></p> <p><u>(12) in the event that the shares of the Bank held by a shareholder are involved in litigation, arbitration, compulsory legal measures taken by judicial authorities, pledge or release of pledge, the shareholders shall promptly inform the Bank of the relevant information in writing in accordance with laws, regulations and regulatory requirements;</u></p>

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No.	Current Articles	Amended Articles
		<p><u>(13) shareholders who transfer or pledge their shares of the Bank or conduct related party transactions with the Bank shall comply with the laws, regulations and regulatory requirements and shall not harm the interests of other shareholders and the Bank;</u></p> <p><u>(14) if any risk incident or material violation occurs in the Bank, the shareholders shall cooperate with the regulatory authorities in conducting investigation and risk disposal;</u></p> <p>(915) to assume other obligations required by the laws, administrative regulations, departmental regulations, <u>regulatory requirements</u> and the Articles.</p> <p><u>The Bank shall establish a loss absorption and risk defense mechanism in the event of material risk incidents.</u></p> <p>Unless stipulated otherwise in the Articles, save for the conditions agreed by the subscribers of shares at the time of subscription, shareholders shall not be liable to make further contributions to the share capital.</p>

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No.	Current Articles	Amended Articles
22.	<p>Article 61 For a shareholder that makes any false statement, abuses shareholders' rights or otherwise damages the interests of the Bank, the banking regulatory authority of 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>Article 61 For a shareholder that makes any false statement, abuses shareholders' rights or otherwise damages the interests of the Bank, the banking regulatory authority of 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><u>Major shareholders shall make relevant undertakings and earnestly perform such undertakings in accordance with the laws, regulations and regulatory requirements. The Bank has the right to take corresponding restrictive measures against major shareholders who do not comply with their undertakings.</u></p>
23.	<p>Article 62 Shareholders shall strictly comply with the laws, administrative regulations, departmental rules and the conditions and procedures required by the Articles when nominating directors and supervisors of the Bank.</p> <p>Directors and supervisors nominated by the shareholders shall have the relevant professional knowledge and the ability to make decisions and supervise.</p>	<p>Article 62 Shareholders shall strictly comply with the laws, administrative regulations, departmental rules and the conditions and procedures required by the Articles when nominating directors and supervisors of the Bank.</p> <p>Directors and supervisors nominated by the shareholders shall have the relevant professional knowledge and the ability to make decisions and supervise.</p> <p><u>Shareholders and their related parties who have already nominated non-independent directors shall not nominate another independent director.</u></p>

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No.	Current Articles	Amended Articles
24.	<p>Article 65 In case of providing guarantee for themselves or others with their equity interest in the Bank, the shareholders shall strictly comply with laws, regulations and the requirements of regulatory bodies and give a prior notice to the Board of the Bank.</p> <p>...</p>	<p>Article 65 In case of providing guarantee for themselves or others with their equity interest in the Bank, the shareholders shall strictly comply with laws, regulations and the requirements of regulatory bodies and give a prior notice to the Board of the Bank. <u>The office of the Board of Directors is responsible for collection, collation and submission of information relating to equity pledge of the Bank.</u></p> <p>...</p> <p><u>After providing guarantee and completing the equity pledge registration, shareholders shall assist the Bank with risk management and information disclosure, and promptly provide the Bank with relevant information relating to the pledged equity.</u></p>
	Section 2 General Provisions on Shareholders' General Meetings	Section 2 General Provisions on Shareholders' General Meetings
25.	<p>Article 70 The shareholders' general meeting is the authoritative body of the Bank and has the following duties and powers in accordance with the laws:</p> <p>...</p> <p>(10) to decide on resolutions regarding merger, division, dissolution, liquidation or plans for the change of corporate form of the Bank;</p> <p>(11) to decide on resolutions regarding plans to repurchase shares of the Bank;</p> <p>...</p>	<p>Article 70 The shareholders' general meeting is the authoritative body of the Bank and shall have has the following duties and powers in accordance with the laws <u>within the scope prescribed by the laws, administrative regulations, departmental regulations, regulatory requirements and the Articles:</u></p> <p>...</p> <p>(10) to decide on resolutions regarding merger, division, <u>spin-off,</u> dissolution, liquidation or plans for the change of corporate form of the Bank;</p> <p>(11) to decide on resolutions regarding <u>the acquisition of the plans to repurchase</u> shares of the Bank;</p> <p>...</p>

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No.	Current Articles	Amended Articles
	<p>(14) to consider and approve or authorize the Board to consider and approve matters regarding the establishment of important legal entities by the Bank, major corporate mergers and acquisitions, major external investments, major asset write-offs, as well as major asset purchases, major asset disposals, major asset mortgages and other non-commercial banking guarantees other than those specified in paragraph (13) and other matters;</p> <p>(15) to consider and approve share incentive schemes;</p> <p>...</p> <p>(17) to decide on the appointment, dismissal or non-reappointment of accounting firms;</p> <p>...</p>	<p>(14) to consider and approve or authorize the Board to consider and approve matters regarding the establishment of important legal entities by the Bank, major corporate mergers and acquisitions, major external investments, major asset write-offs, as well as major asset purchases, major asset disposals, major asset mortgages and other non-commercial banking guarantees, <u>major donations</u> other than those specified in paragraph (13) and other matters;</p> <p>(15) to consider and approve share incentive schemes <u>and employee stock ownership plans</u>;</p> <p>...</p> <p>(17) to decide on <u>consider and approve</u> the appointment, <u>and</u> dismissal or non-reappointment of accounting firms <u>that conduct periodic statutory audit of the financial accounting reports of the Bank</u>;</p> <p>...</p>

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No.	Current Articles	Amended Articles
	<p>(21) to consider other issues that shall be decided by the shareholders' general meeting as required by the laws, administrative regulations, departmental rules, relevant requirements of the securities regulatory authorities of the place where the shares of the Bank are listed as well as the Articles.</p> <p>The aforementioned matters within the scope of duties and powers of the shareholders' general meeting shall be considered and decided by the shareholders' general meetings, but the shareholders' general meeting may authorize the Board to make decisions provided that it is necessary, reasonable and lawful.</p>	<p>(21) to consider other issues that shall be decided by the shareholders' general meeting as required by the laws, administrative regulations, departmental rules, regulatory requirements relevant requirements of the securities regulatory authorities of the place where the shares of the Bank are listed as well as the Articles.</p> <p>The aforementioned matters within the scope of duties and powers of the shareholders' general meeting shall be considered and decided by the shareholders' general meetings, but the shareholders' general meeting may authorize the Board to make decisions provided that it is necessary, reasonable and, lawful and compliant.</p>
26.	<p>Article 75 An extraordinary general meeting shall be convened within two (2) months from the date of occurrence of any of the following events:</p> <p>(1) when the number of directors is under the minimum number required by the laws or by the Articles or is less than two-thirds of the number of Board members determined by the shareholders' general meeting;</p> <p>...</p>	<p>Article 75 An extraordinary general meeting shall be convened within two (2) months from the date of occurrence of any of the following events:</p> <p>(1) when the number of directors is under the minimum number required by the laws or by the Articles or is less than two-thirds of the number of Board members as stipulated by the Articles determined by the shareholders' general meeting;</p> <p>...</p>

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No.	Current Articles	Amended Articles
	Section 4 Proposals and Notice of Shareholders' General Meetings	Section 4 Proposals and Notice of Shareholders' General Meetings
27.	<p>Article 92 Notice of shareholders' general meeting shall comply with the following requirements:</p> <p>...</p> <p>(10) specify the name and phone number of the permanent contact person for meeting enquiry.</p>	<p>Article 92 Notice of shareholders' general meeting shall comply with the following requirements:</p> <p>...</p> <p>(10) specify the name and phone number of the permanent contact person for meeting enquiry;</p> <p><u>(11) specify the time and procedure of voting on the Internet or by any other means.</u></p>
28.	<p>Article 94 ...</p> <p>The aforesaid announcement shall be published in one or more newspapers specified by the securities regulatory authorities under the State Council. All holders of domestic-listed shares shall be deemed as having been notified of the forthcoming shareholders' general meetings once the announcement is published.</p> <p>...</p>	<p>Article 94 ...</p> <p>The aforesaid announcement shall be published <u>on the website of the stock exchange and the media that meet the requirements prescribed by</u> in one or more newspapers specified by the securities regulatory authorities under the State Council. All holders of domestic-listed shares shall be deemed as having been notified of the forthcoming shareholders' general meetings once the announcement is published.</p> <p>...</p>

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No.	Current Articles	Amended Articles
	Section 6 Voting and Resolutions at Shareholders' General Meetings	Section 6 Voting and Resolutions at Shareholders' General Meetings
29.	<p>Article 110 The following matters shall be resolved by way of special resolution at the shareholders' general meeting:</p> <p>(1) an increase or reduction of the registered capital of the Bank;</p> <p>(2) the merger, division, dissolution, liquidation or any other change in the corporate form of the Bank;</p> <p>(3) the issuance of bonds or other negotiable securities by the Bank and the listing of the Bank;</p> <p>(4) share repurchases by the Bank;</p>	<p>Article 110 The following matters shall be resolved by way of special resolution at the shareholders' general meeting:</p> <p>(1) an increase or reduction of the registered capital of the Bank;</p> <p>(2) the merger, division, spin-off, dissolution, liquidation or any other change in the corporate form of the Bank;</p> <p>(3) the issuance of corporate bonds or other negotiable securities by the Bank and the listing of the Bank;</p> <p>(4) the acquisition of the shares ofshare repurchases by the Bank;</p>

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No.	Current Articles	Amended Articles
	<p>(5) amendments to the Articles;</p> <p>(6) stock incentive plans;</p> <p>(7) consideration and approval of purchase or sale of major assets or provision of guarantee by the Bank of which the total amount in a year exceeds 30% of the Bank's latest audited total assets;</p> <p>(8) any other matters as required by the law, administrative regulations, departmental rules and the Articles, or other matters that, according to the shareholders' general meeting by way of an ordinary resolution, may have a material effect on the Bank and should therefore be adopted by a special resolution.</p>	<p>(5) amendments to the Articles;</p> <p><u>(6) removal of an independent director;</u></p> <p><u>(67) consideration and approval of</u> stock incentive plans;</p> <p><u>(78)</u> consideration and approval of purchase or sale of major assets or provision of guarantee by the Bank of which the total amount in a year exceeds 30% of the Bank's latest audited total assets;</p> <p><u>(89)</u> any other matters as required by the law, administrative regulations, departmental rules, <u>regulatory requirements</u> and the Articles, or other matters that, according to the shareholders' general meeting by way of an ordinary resolution, may have a material effect on the Bank and should therefore be adopted by a special resolution.</p>

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No.	Current Articles	Amended Articles
30.	<p>Article 112 ...</p> <p>Shares of the Bank held by the Bank shall not carry voting rights and shall not be included in the total number of voting shares present at a shareholders' general meeting.</p> <p>The Board, independent directors and shareholders of the Bank who meet the relevant requirements may publicly collect votes from shareholders. Information including the specific voting preference shall be fully provided to the shareholders from whom voting rights are being solicited. Consideration or de facto consideration for soliciting shareholders' voting rights is prohibited. The Bank shall not impose any minimum shareholding limitation for soliciting voting rights.</p>	<p>Article 112 ...</p> <p>Shares of the Bank held by the Bank shall not carry voting rights and shall not be included in the total number of voting shares present at a shareholders' general meeting.</p> <p><u>When the voting shares issued by the Bank as held by an investor through securities trading on the stock exchange or jointly with others through agreements or other arrangements reach 5%, the investor shall, within three (3) days after such event occurs, submit a written report to the securities regulatory authority of the State Council and the domestic stock exchange, notify the Bank and make an announcement thereon. The investor shall not trade in the Bank's shares within the aforesaid period, unless under any circumstance prescribed by the securities regulatory authority of the State Council.</u></p>

APPENDIX III COMPARATIVE TABLE OF AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.

No.	Current Articles	Amended Articles
		<p><u>After the voting shares issued by the Bank as held by an investor or jointly with others through agreements or other arrangements reach 5%, the investor shall, according to the provisions of the preceding paragraph, make a report and announcement each time when the proportion of voting shares issued by the Bank held by the investor increases or decreases by 5%. From the day when such event occurs to the end of three (3) days after the announcement is made, the investor shall not trade in the Bank's shares, unless under any circumstance prescribed by the securities regulatory authority of the State Council.</u></p> <p><u>After the voting shares issued by the Bank as held by an investor or jointly with others through agreements or other arrangements reach 5%, each time when the proportion of voting shares issued by the Bank held by the investor increases or decreases by 1%, the investor shall notify the Bank and make an announcement thereon on the day immediately after such event occurs.</u></p> <p><u>For violation of paragraphs 4 and 5 of this Article, voting rights involving the shares exceeding the stipulated proportion shall not be exercised within thirty six (36) months upon such acquisition, and the relevant shares shall not be included in the total number of shares carrying voting rights present at the shareholders' general meeting.</u></p> <p><u>If there are other provisions of the securities regulatory authorities or stock exchange of the place where the Bank's shares are listed, such provisions shall prevail.</u></p>

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ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
		<p>The Board, independent directors <u>and shareholders holding more than 1% of voting shares or investor protection institutions established in accordance with the laws, administrative regulations or provisions of the securities regulatory authority of the State Council</u>—and shareholders of the Bank who meet the relevant requirements may publicly collect votes from shareholders. Information including the specific voting preference shall be fully provided to the shareholders from whom voting rights are being solicited. Consideration or de facto consideration for soliciting shareholders' voting rights is prohibited. <u>Save for statutory conditions,</u> the Bank shall not impose any minimum shareholding limitation for soliciting voting rights.</p>

**APPENDIX III COMPARATIVE TABLE OF AMENDMENTS TO THE ARTICLES OF
ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
	CHAPTER IX DIRECTORS AND BOARD OF DIRECTORS	CHAPTER IX DIRECTORS AND BOARD OF DIRECTORS
	Section 1 Directors	Section 1 Directors
31.	<p>Article 135 A director shall be a natural person and is not required to hold any shares of the Bank.</p> <p>Directors of the Bank are comprised of executive directors and non-executive directors, and non-executive directors comprise of independent directors. An executive director shall mean a director holding operation and management positions as a member of senior management in the Bank. A non-executive director shall mean a director who does not hold an operation and management position as a senior management in the Bank.</p>	<p>Article 135 A director shall be a natural person and is not required to hold any shares of the Bank.</p> <p>Directors of the Bank are comprised of executive directors and non-executive directors, and non-executive directors comprise of independent directors. An executive director shall mean a director <u>who, in addition to serving as a director, also assumes the responsibilities</u> holding operation and management positions as a member of senior management in the Bank. A non-executive director shall mean a director who does not hold an operation and management position <u>other than as a director and does not assume the responsibilities of</u> as a senior management in the Bank.</p>
32.	<p>Article 139 A director shall attend at least two-thirds or more of the Board meetings in person each year.</p> <p>...</p>	<p>Article 139 A director shall attend at least two-thirds or more of the <u>on-site</u> Board meetings in person each year.</p> <p>...</p>

**APPENDIX III COMPARATIVE TABLE OF AMENDMENTS TO THE ARTICLES OF
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No.	Current Articles	Amended Articles
33.	<p>Article 140 A director may resign prior to the expiry of his or her term of office. He or she shall submit a written resignation to the Board. The Board will disclose relevant information within two days.</p> <p>If the normal operation of the Bank is affected or the number of directors is under the statutory minimum number or the minimum number provided in the Articles or two-thirds of the members of the Board as determined by a shareholders' general meeting of the Bank due to the resignation of a director, the resignation letter shall not take effect until a new director is elected to fill the vacancy left due to his or her resignation.</p> <p>Other than the circumstances set out above, the written resignation of a director shall take effect upon delivery to the Board.</p>	<p>Article 140 A director may resign prior to the expiry of his or her term of office. He or she shall submit a written resignation to the Board. The Board will disclose relevant information within two (2) days.</p> <p>If the normal operation of the Bank is affected or the number of directors is under the statutory minimum number or the minimum number provided in the Articles or two-thirds of the members of the Board as determined by a shareholders' general meeting of the Bank <u>as stipulated by the Articles</u> due to the resignation of a director, the resignation letter shall not take effect until a new director is elected to fill the vacancy left due to his or her resignation. <u>If there are major risks occurred in the Bank, the directors of the Bank shall not resign without the approval of the regulatory authorities.</u></p> <p>Other than the circumstances set out above, the written resignation of a director shall take effect upon delivery to the Board.</p> <p><u>The duties and powers of the Board of Directors shall be exercised by the shareholders' general meeting until the number of directors meets the requirements when the membership of the Board is lower than the minimum number specified in the Company Law or the minimum number required for voting by the Board of Directors due to the dismissal by the shareholders' general meeting, death of directors, resignation of independent directors due to the loss of independence, or other circumstances where they cannot perform their duties as directors.</u></p>

APPENDIX III COMPARATIVE TABLE OF AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.

No.	Current Articles	Amended Articles
34.	Newly added	<p><u>Article 143 The directors shall perform the following duties or obligations:</u></p> <p>(1) <u>to continuously pay attention to the operation and management of the Bank and have the right to require the senior management to provide relevant information reflecting the operation and management of the Bank in a comprehensive, timely and accurate manner or explanations on relevant issues;</u></p> <p>(2) <u>to attend Board meetings on time, fully review matters to be considered by the Board, express opinions independently, professionally and objectively, and vote independently on the basis of prudent judgment;</u></p> <p>(3) <u>to assume responsibility for the Board resolutions;</u></p> <p>(4) <u>to supervise implementation of the resolutions of the shareholders' general meeting and the Board by the senior management;</u></p>

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No.	Current Articles	Amended Articles
		<p>(5) <u>to actively participate in the training organized by the Bank and regulatory authorities, understand the rights and obligations of directors, be familiar with relevant laws, regulations and regulatory requirements, and continuously possess the professional knowledge and ability necessary to perform their functions and duties;</u></p> <p>(6) <u>to be accountable to the Bank and all shareholders in the performance of their duties and treat all shareholders fairly;</u></p> <p>(7) <u>to implement high standards of professional ethics and consider the legitimate rights and interests of stakeholders;</u></p> <p>(8) <u>to be faithful and diligent to the Bank, exercise due diligence and care in the performance of duties, and ensure that they have sufficient time and energy to perform their duties;</u></p> <p>(9) <u>to ensure the truthfulness, accuracy and completeness of information disclosed by the Bank and sign the written confirmation for periodic reports;</u></p> <p>(10) <u>to abide by the laws, administrative regulations, departmental rules, regulatory requirements and the provisions of the Articles.</u></p>

**APPENDIX III COMPARATIVE TABLE OF AMENDMENTS TO THE ARTICLES OF
ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
	Section 2 Independent Directors	Section 2 Independent Directors
35.	<p>Article 143 The Bank has independent directors. Independent directors refer to directors who do not hold other positions (other than as a director) in the Bank, and who are not related to the Bank and its major shareholders, de facto controllers or other institutions or personnel who are interested in the Bank in a way that may affect their independent and objective judgment.</p> <p>...</p>	<p>Article 1434 The Bank has independent directors. Independent directors refer to directors who do not hold other positions (other than as a director) in the Bank, and who are not related to the Bank and its major shareholders, de facto controllers or other institutions or personnel who are interested in the Bank in a way that may affect their independent and objective judgment. <u>The Bank shall appoint suitable persons as independent directors, including at least one accounting professional.</u></p> <p>...</p>
36.	<p>Article 145 The following persons shall not serve as independent directors of the Bank:</p> <p>...</p> <p>(6) the close relatives of the aforesaid persons (referring to spouses, parents, children, grandparents, maternal grandparents and siblings);</p> <p>...</p>	<p>Article 1456 The following persons shall not serve as independent directors of the Bank:</p> <p>...</p> <p>(6) the close relatives of the aforesaid persons (referring to spouses, parents, children, grandparents, maternal grandparents and siblings);</p> <p>...</p>

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No.	Current Articles	Amended Articles
37.	<p style="text-align: center;">Article 146 ...</p> <p>Independent directors shall serve a term of office of three (3) years and may serve consecutive terms if so re-elected after his or her term of office expires, provided that such term of office shall not be more than six (6) years on an accumulative basis.</p> <p>An independent director shall not concurrently hold positions in more than two (2) commercial banks.</p>	<p style="text-align: center;">Article 1466<u>7</u> ...</p> <p>Independent directors shall serve a term of office of three (3) years and may serve consecutive terms if so re-elected after his or her term of office expires, provided that such term of office shall not be more than six (6) years on an accumulative basis.</p> <p>An independent director shall not concurrently hold positions in more than two (2) commercial banks. <u>A natural person may serve as an independent director in at most five (5) domestic or overseas enterprises concurrently. For banking or insurance institutions with a common independent director, the relevant institutions shall not have a related party relationship and there shall be no conflict of interest. A natural person shall not serve as an independent director in more than two (2) commercial banks concurrently.</u></p>

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No.	Current Articles	Amended Articles
38.	<p style="text-align: center;">Article 147 ...</p> <p>If the resignation of an independent director causes the number of independent directors to fall below the minimum number required under the laws, administrative regulations, departmental rules and other normative documents or the Articles, the resignation of the independent director shall not become effective until the vacancy is filled by a succeeding independent director.</p>	<p style="text-align: center;">Article 1478 ...</p> <p>If the resignation of an independent director causes the number of independent directors to fall below the minimum number required under the laws, administrative regulations, departmental rules and other normative documents or the Articles, the resignation of the independent director shall not become effective until the vacancy is filled by a succeeding independent director <u>the resigning independent director shall continue to perform his or her duties until a new independent director takes office, except for resignation due to loss of independence or dismissal.</u></p>

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ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
39.	Newly added	<p align="center"><u>Article 149 Independent directors shall perform their duties in good faith, independently and diligently, earnestly safeguard the legitimate rights and interests of the Bank, small and medium shareholders and financial consumers, and shall not be influenced by shareholders, de facto controllers, senior management or other entities or individuals with significant interests in the Bank.</u></p> <p align="center"><u>In the event of any material deficiencies or failures in the corporate governance mechanism of the Bank, the independent directors shall promptly report the relevant information to the regulatory authorities. The independent directors shall, in addition to reporting the relevant information to the regulatory authorities in accordance with the regulations, keep the commercial secrets of the Bank.</u></p>

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ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
40.	<p>Article 148 In addition to duties and powers granted by the Company Law and other relevant laws, administrative regulations, departmental rules, relevant requirements of the securities regulatory authorities of the place where the shares of the Bank are listed and the Articles, the independent director shall have the following duties and powers:</p> <p style="text-align: center;">...</p> <p>(4) to independently engage intermediaries or professionals;</p> <p>(5) other duties and powers prescribed by laws, administrative regulations, departmental rules and the Articles.</p> <p>The approval by half or more independent directors (at least two (2)) shall be obtained for the exercise of the above duties and powers by an independent director. If any of the above proposals is not adopted or the above duties and powers cannot be exercised in a normal manner, the Bank shall notify shareholders of the relevant circumstances.</p> <p>Reasonable fees incurred by an independent director due to the engagement of an intermediary or professional as well as the reasonable fees required by such director to perform his or her duties and responsibilities shall be borne by the Bank.</p>	<p>Article 14850 In addition to duties and powers granted by the Company Law and other relevant laws, administrative regulations, departmental rules, relevant requirements of the securities regulatory authorities of the place where the shares of the Bank are listed and the Articles, the independent director shall have the following duties and powers:</p> <p style="text-align: center;">...</p> <p>(4) to independently engage <u>external auditing and consulting institutions to conduct audit and consultation with the Bank on specific matters</u> intermediaries or professionals;</p> <p>(5) <u>to propose to the Board the engagement or dismissal of accounting firms that conduct periodic statutory audit of the financial accounting reports of the Bank;</u></p> <p>(6) <u>to publicly solicit voting rights from shareholders prior to the shareholders' general meeting;</u></p> <p>(57) other duties and powers prescribed by laws, administrative regulations, departmental rules and the Articles.</p> <p><u>Except for the exercise of the duties and powers in item (4) above, which is subject to the approval by all independent directors, the approval by half or more independent directors (at least two (2)) shall be obtained for the exercise of the above other duties and powers by an independent director. Matters in items (1) and (5) above shall be subject to the approval by half or more independent directors (at least two (2)) before they are submitted to the Board for discussion.</u> If any of the above proposals is not adopted or the above duties and powers cannot be exercised in a normal manner, the Bank shall notify shareholders of the relevant circumstances.</p>

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No.	Current Articles	Amended Articles
		<p><u>Independent directors shall have the equal access to information as the other directors. The Bank shall protect the access to information of independent directors, provide independent directors with necessary information to participate in decision-making in a timely and complete manner, and provide necessary working conditions for independent directors to perform their duties.</u></p> <p>Reasonable fees incurred by an independent director due to the engagement of <u>external auditing and consulting institutions</u> an intermediary or professional as well as the reasonable fees required by such director to perform his or her duties and responsibilities shall be borne by the Bank.</p>
41.	<p>Article 149 Independent directors shall express objective, impartial and independent opinions on the matters discussed at the shareholders' general meeting or Board meeting of the Bank, and shall in particular, express their opinions at the shareholders' general meeting or Board meeting on the following matters:</p> <ol style="list-style-type: none"> (1) major related party transactions; (2) profit distribution plans; (3) appointment and dismissal of members of the senior management; (4) matters that may impair the lawful interests of the depositors, small and medium shareholders and other persons who have interests in the Bank; (5) matters that may cause material loss to the Bank; (6) appointment of external auditors; (7) provision of independent opinion on the effect of the issuance of preference shares on the rights and interests of each class of shareholders; 	<p>Article 14951 Independent directors shall express objective, impartial and independent opinions on the matters discussed at the shareholders' general meeting or Board meeting of the Bank, and shall in particular, express their opinions at the shareholders' general meeting or Board meeting on the following matters:</p> <ol style="list-style-type: none"> (1) major related party transactions; (2) profit distribution plans; (3) <u>nomination, engagement and dismissal of directors, and</u> appointment and dismissal of members of the senior management; <u>(4) remuneration of directors and the members of the senior management;</u> (5) matters that may cause material loss to the Bank; (6) appointment of external auditors <u>engagement or dismissal of accounting firms that conduct periodic statutory audit of the financial accounting reports of the Bank;</u>

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ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
	<p>(8) other matters stipulated by the laws, administrative regulations, departmental rules and the Articles.</p>	<p>(7) provision of independent opinion on the effect of the issuance of preference shares on the rights and interests of each class of shareholders;</p> <p>(4)(8) other matters that may have important impacts on impair the lawful interests of the Bank depositors, small and medium shareholders and financial consumers and other persons who have interests in the Bank;</p> <p>(8)(9) other matters stipulated by the laws, administrative regulations, departmental rules, regulatory requirements and the Articles.</p>
42.	<p>Article 155 The Bank shall pay remuneration and allowances to independent directors. The standard of payment standard shall be formulated by the Board, considered and passed at the shareholders' general meeting, and disclosed in the annual report of the Bank.</p> <p>Except for the above remuneration and allowances, an independent director shall not obtain any other extra and undisclosed benefits from the Bank or any of its major shareholder, de facto controller or any other entities or individuals that have an interest in the Bank.</p>	<p>Article 1557 The Bank shall pay remuneration and (or allowances) to independent directors. The standard of payment standard shall be formulated by the Board, considered and passed at the shareholders' general meeting, and disclosed in the annual report of the Bank.</p> <p>Except for the above remuneration and (or allowances), an independent director shall not obtain any other extra and undisclosed benefits from the Bank or any of its major shareholder, de facto controller or any other entities or individuals that have an interest in the Bank.</p>

**APPENDIX III COMPARATIVE TABLE OF AMENDMENTS TO THE ARTICLES OF
ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
	Section 3 Board of Directors	Section 3 Board of Directors
43.	<p>Article 159 The Board shall perform the following duties and powers:</p> <p>...</p> <p>(4) to consider and approve capital fund management plans and risk-based capital allocation plans of the Bank;</p> <p>(5) to formulate the Bank's annual financial budgets and annual accounting; the Bank's profit distribution plans and loss recovery plans; proposals on the increase or reduction of the Bank's registered capital; the Bank's plans of issuance of bonds or other marketable securities and listing plans; plans for merger, division, dissolution, liquidation or other changes in corporate form of the Bank; plans for repurchase of the Bank's shares; plans for material change in equity interest or financial reorganization; capital replenishment plans;</p> <p>(6) to formulate the general management policies, risk management and internal control policies of the Bank and supervise the implementation of such policies; to consider and approve the internal audit rules of the Bank;</p> <p>(7) to listen to the risk management report presented by the senior management and evaluate the effectiveness of risk management in the Bank in order to improve the Bank's risk management;</p>	<p>Article 15961 The Board shall perform the following duties and powers:</p> <p><u>(1) to implement and supervise the Bank's implementation of the principles and guidelines of the CPC and the State, and to implement major strategic decisions of the Central Committee of the CPC and the State Council;</u></p> <p>...</p> <p><u>(45) to consider and approve capital planning capital fund management plans and risk-based capital allocation plans of the Bank, and assume ultimate responsibility for capital management;</u></p> <p><u>(56) to formulate the Bank's annual financial budgets and annual accounting; the Bank's profit distribution plans and loss recovery plans; proposals on the increase or reduction of the Bank's registered capital; the Bank's plans of issuance of bonds or other marketable securities and listing plans; plans for merger, division, spin-off, dissolution, liquidation or other changes in corporate form of the Bank; plans for major acquisitions and acquisition repurchase of the Bank's shares; plans for material change in equity interest or financial reorganization; capital replenishment plans;</u></p>

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No.	Current Articles	Amended Articles
	<p>(8) to formulate proposals for amendments to the Articles, rules of procedures of shareholders' general meeting and rules of procedures of the Board;</p> <p>(9) to consider and approve the working rules of the president proposed by the president;</p> <p>(10) to decide on matters, including the establishment of major legal entities of the Bank, major corporate mergers and acquisitions, major external investments, major asset acquisitions, major asset disposals, major asset write-offs, major asset mortgages and other non-commercial banking guarantees within the scope authorized by the shareholders' general meeting;</p> <p>(11) to decide on or authorize the president to decide on matters within the terms of reference of the Board, including other external investments of the Bank, asset acquisitions, asset disposals, asset write-offs, asset mortgages and other non-commercial banking guarantees and related party transactions;</p> <p>...</p> <p>(18) to formulate stock incentive schemes;</p> <p>(19) to manage the Bank's information disclosure;</p> <p>(20) to propose the engagement, dismissal and discontinuance of engagement of accounting firm for approval by the shareholders' general meeting;</p> <p>...</p>	<p>(67) to formulate the general management policies, risk tolerance, risk management and internal control policies of the Bank and supervise the implementation of such policies; to assume ultimate responsibility for comprehensive risk management to consider and approve the internal audit rules of the Bank;</p> <p>(78) to consider listen to the risk management report presented by the senior management and evaluate the effectiveness of risk management in the Bank in order to improve the Bank's risk management;</p> <p>(89) to formulate proposals for amendments to the Articles, rules of procedures of shareholders' general meeting and rules of procedures of the Board, and to consider and approve the terms of reference of the special committees of the Board;</p> <p>(910) to consider and approve the working rules of the president proposed by the president;</p> <p>(101) to decide on matters, in accordance with the laws and regulations, regulatory requirements and the provisions of the Articles, including the establishment of major legal entities of the Bank, major corporate mergers and acquisitions, major external investments, major asset acquisitions, major asset disposals, major asset write-offs, major asset mortgages and other non-commercial banking guarantees and major donations within the scope authorized by the shareholders' general meeting;</p>

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No.	Current Articles	Amended Articles
	<p>(22) to consider and approve or to authorize the Related Party Transactions Control Committee of the Board to approve related party transactions (other than those which shall be considered and approved by the shareholders' general meeting as required by laws), and report to the shareholders' general meeting on the implementation status of related party transactions management systems and the particulars of related party transactions;</p> <p>...</p> <p>(25) to perform other duties required by laws, administrative regulations, departmental rules and the Articles or authorized by the shareholders' general meeting.</p>	<p>(142) to decide on or authorize the president to decide on matters within the terms of reference of the Board, including other external investments of the Bank, asset acquisitions, asset disposals, asset write-offs, asset mortgages and other non-commercial banking guaranteesand, related party transactions <u>and donations</u>;</p> <p>...</p> <p>(189) to formulate stock incentive schemes <u>and employee stock ownership plans</u>;</p> <p>(4920) to <u>be responsible for</u> manage the Bank's information disclosure, <u>and assume ultimate responsibility for the truthfulness, accuracy, completeness and timeliness of financial accounting reports</u>;</p> <p>(201) to propose the engagement, <u>and</u> dismissal and discontinuance of engagement of accounting firms <u>that conduct periodic statutory audit of the financial accounting reports of the Bank</u> for approval by the shareholders' general meeting;</p> <p>...</p>

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No.	Current Articles	Amended Articles
		<p>(223) to consider and approve or to authorize the Related Party Transactions Control Committee of the Board to approve related party transactions (other than those which shall be considered and approved by the shareholders' general meeting as required by laws), and report to the shareholders' general meeting on the overall implementation—status of related party transactions management systems and the particulars of related party transactions;</p> <p>...</p> <p><u>(26) to consider and approve major data governance matters of the Bank in accordance with the laws and regulations, regulatory requirements and the provisions of the Articles;</u></p> <p><u>(27) to safeguard the legitimate rights and interests of financial consumers and other stakeholders;</u></p> <p><u>(28) to establish a mechanism to identify, review and manage conflicts of interest between the Bank and its shareholders, in particular major shareholders;</u></p>

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No.	Current Articles	Amended Articles
		<p><u>(29) to assume responsibility for the management of shareholders' affairs;</u></p> <p><u>(30) to establish and implement an accountability system for the performance of duties of the senior management, and clarify the specific ways for accountability of malfunction and improper performance of responsibilities;</u></p> <p>(2531) to perform other duties required by laws, administrative regulations, departmental rules, <u>regulatory requirements</u> and the Articles or authorized by the shareholders' general meeting.</p>
44.	Newly added	<p><u>Article 167 The Board shall practice high standard of professional ethics, which shall serve the Bank's long-term interests.</u></p>

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No.	Current Articles	Amended Articles
45.	<p>Article 174 Directors shall attend the Board meeting in person. If a director cannot attend the meeting in person due to certain reasons, he or she may appoint another director in writing to attend on his or her behalf (an independent director shall appoint another independent director to attend on his or her behalf). The instrument of proxy shall specify the proxy's name, authorized matters, the scope of authority and the validity period, and shall be signed by or affixed with the seal of the appointer.</p> <p align="center">...</p>	<p>Article 1747 Directors shall attend the Board meeting in person. If a director cannot attend the meeting in person due to certain reasons, he or she may appoint another director in writing to attend on his or her behalf (an independent director shall appoint another independent director to attend on his or her behalf). The instrument of proxy shall specify the proxy's name, authorized matters, the scope of authority and the validity period, <u>as well as the personal opinion and voting intention of the entrusting directors on the proposal</u>, and shall be signed by or affixed with the seal of the appointer.</p> <p align="center">...</p> <p><u>One (1) director, in principle, can only accept the entrustment of two (2) directors at most who fail to attend the meeting in person. When matters related to related party transactions are considered, non-related directors shall not entrust the related directors to attend the meeting.</u></p>

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No.	Current Articles	Amended Articles
46.	<p>Article 176 Resolutions of the Board shall be passed by more than half of all directors. If any director has a material interest in matters to be discussed at the Board meeting, resolutions shall be passed by more than half of the directors who have no material interest in such matters. Where under three (3) directors who have no material interest in the resolutions attend the Board meeting, such resolutions shall be submitted to the shareholder's general meeting for consideration.</p>	<p>Article 1769 Resolutions of the Board shall be passed by more than half of all directors. If any director has a material interest in matters to be discussed at the Board meeting, resolutions shall be passed by more than half of the directors who have no material interest in such matters. <u>Resolutions on material related party transactions shall be approved by more than two-thirds of the non-related directors at the Board meeting.</u> Where under three (3) directors who have no material interest in the resolutions attend the Board meeting, such resolutions shall be submitted to the shareholder's general meeting for consideration.</p>

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No.	Current Articles	Amended Articles
47.	<p>Article 177 Resolutions concerning the following matters shall be passed by two-thirds or more of all directors and the Board meeting shall not be convened by circulation of written resolution:</p> <p>(1) development strategies of the Bank;</p> <p>(2) capital fund management plans, risk-based capital allocation plans, capital replenishment plans, annual financial budget plans, annual financial accounts, profit distribution plans and loss recovery plans of the Bank;</p> <p>...</p> <p>(5) plans for merger, division, dissolution, liquidation or other changes in the corporate form of the Bank;</p> <p>(6) plans to repurchase the Bank's shares, plans for material change in equity interest and plans for financial reorganization;</p> <p>(7) proposals for amendments to the Articles;</p>	<p>Article 17780 Resolutions concerning the following matters shall be passed by two-thirds or more of all directors and the Board meeting shall not be convened by circulation of written resolution:</p> <p>(1) development strategies of the Bank;</p> <p>(2) capital planning—fund management plans, risk-based capital allocation plans, capital replenishment plans, annual financial budget plans, annual financial accounts, profit distribution plans, basic remuneration plans, remuneration plans for directors and members of the senior management and loss recovery plans of the Bank;</p> <p>...</p> <p>(5) plans for merger, division, spin-off, dissolution, liquidation or other changes in the corporate form of the Bank;</p> <p>(6) plans to acquire—repurchase the Bank's shares, plans for material change in equity interest and plans for financial reorganization;</p> <p>(7) proposals for amendments to the Articles;</p>

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No.	Current Articles	Amended Articles
	<p>(8) decision on matters including the establishment of major legal entities of the Bank, material corporate mergers and acquisitions, material external investments, major asset acquisitions, material asset disposals, major asset write-offs, major asset mortgages and other noncommercial banking guarantees, within the scope authorized by the shareholders' general meeting;</p> <p>...</p> <p>(11) to propose the appointment, dismissal or discontinuance of engagement of accounting firms for approval by the shareholders' general meeting;</p> <p>...</p>	<p>(8) decision on matters including the establishment of major legal entities of the Bank, material corporate mergers and acquisitions, material external investments, major asset acquisitions, material asset disposals, major asset write-offs, major asset mortgages and other noncommercial banking guarantees, within the scope authorized by the shareholders' general meeting <u>in accordance with the laws and regulations, regulatory requirements and the provisions of the Articles;</u></p> <p>...</p> <p>(11) to propose the appointment, <u>and</u> dismissal or discontinuance of engagement of accounting firms <u>that conduct periodic statutory audit of the financial accounting reports of the Bank</u> for approval by the shareholders' general meeting;</p> <p>...</p>
48.	<p>Article 180 ...</p> <p>Each Board committee shall be responsible to the Board and report its work to the Board, and provide professional opinions to the Board or make decisions on professional matters within the scope of authorization by the Board. The Bank shall provide necessary working conditions for each Board committee to fulfill its duties and responsibilities.</p> <p>...</p>	<p>Article 1830 ...</p> <p>Each Board committee shall be responsible to the Board and report its work to the Board, and provide professional opinions to the Board or make decisions on professional matters <u>in accordance with the Articles and</u> within the scope of authorization by the Board. The Bank shall provide necessary working conditions for each Board committee to fulfill its duties and responsibilities.</p> <p>...</p>

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ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
49.	<p>Article 182 The primary duties of the Strategic Planning Committee include:</p> <p>...</p> <p>(12) other matters required by laws, administrative regulations, departmental rules and authorized by the Board.</p>	<p>Article 1825 The primary duties of the Strategic Planning Committee include:</p> <p><u>(1) implementing _____ and supervising the Bank’s implementation of the principles and guidelines of the CPC and the State, implementing major strategic decisions of the Central Committee of the CPC and the State Council, and _____ making recommendations to the Board with respect to such supervision _____ and implementation;</u></p> <p>...</p> <p><u>(13) implementing _____ the requirements of relevant policies on inclusive finance, reviewing the development plan, major management system and other major issues of the Bank’s inclusive finance business, and _____ making recommendations to the Board;</u></p> <p>(124) other matters required by laws, administrative regulations, departmental rules and authorized by the Board.</p>

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No.	Current Articles	Amended Articles
50.	<p>Article 183 The primary duties of the Related Party Transactions Control Committee include:</p> <p>(1) managing the Bank’s related party transactions, reviewing the management system for related party transactions, supervising their implementation and making recommendations to the Board;</p> <p>(2) verifying the Bank’s related parties, reporting to the Board and Board of Supervisors, and informing the Bank’s relevant staff in a timely manner;</p> <p>...</p>	<p>Article 1836 The primary duties of the Related Party Transactions Control Committee include:</p> <p>(1) managing the Bank’s related party transactions <u>being responsible for the management, review and risk control of related party transactions of the Bank,</u> reviewing the management system for related party transactions, supervising their implementation and making recommendations to the Board, <u>focusing on the compliance, fairness and necessity of related party transactions, and bearing corresponding responsibility for the compliance of the Bank’s related party transactions;</u></p> <p>(2) verifying the Bank’s related parties, reporting to the Board and Board of Supervisors, and informing the Bank’s relevant staff in a timely manner;</p> <p>...</p>

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No.	Current Articles	Amended Articles
51.	<p>Article 184 The primary duties of the Audit Committee include:</p> <p>...</p> <p>(6) proposing, and submitting to the Board for review, the engagement or dismissal of an accounting firm, and supervising and evaluating the work of the accounting firm to ensure the independence and effectiveness of its work;</p> <p>...</p>	<p>Article 1847 The primary duties of the Audit Committee include:</p> <p>...</p> <p>(6) proposing, and submitting to the Board for review, the engagement or dismissal of an accounting firm <u>that conducts periodic statutory audit of the financial accounting reports of the Bank</u>, and supervising and evaluating the work of the accounting firm <u>that conducts periodic statutory audit of the financial accounting reports of the Bank</u> to ensure the independence and effectiveness of its work;</p> <p>...</p>

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No.	Current Articles	Amended Articles
52.	<p>Article 185 The primary duties of the Risk Management Committee include:</p> <p style="text-align: center;">...</p> <p>(2) reviewing plans for risk capital allocation and making recommendations to the Board; developing objectives of capital adequacy ratio management to be submitted to the Board for review, and reviewing and supervising the implementation of the Bank's capital planning;</p> <p>(3) monitoring the senior management to take necessary steps to effectively identify, evaluate, monitor and control/mitigate risks; supervising the control, management and duty performance of the senior management in relation to the Bank's credit, market, operational risks and other risks, and making recommendations to the Board;</p> <p>(4) hearing of the risk management report presented by the senior management, regularly evaluating the Bank's risks, management situation and risk tolerance level, and taking control of the general conditions, comprehensiveness and effectiveness of the Bank's risk management and making recommendations to the Board;</p> <p style="text-align: center;">...</p>	<p>Article 1858 The primary duties of the Risk Management Committee include:</p> <p style="text-align: center;">...</p> <p>(2) reviewing plans for risk capital allocation and making recommendations to the Board; developing objectives of capital adequacy ratio management to be submitted to the Board for review, and reviewing and supervising the implementation of the Bank's capital planning;</p> <p>(3) monitoring the senior management to take necessary steps to effectively identify, evaluate, monitor and control/mitigate risks; supervising the control, management and duty performance of the senior management in relation to the Bank's credit, market, operational, <u>money laundering and terrorist financing</u> risks and other risks, and making recommendations to the Board;</p> <p>(4) hearing of <u>considering</u> the risk management report presented by the senior management, regularly evaluating the Bank's risks, management situation and risk tolerance level, and taking control of the general conditions, comprehensiveness and effectiveness of the Bank's risk management and making recommendations to the Board;</p> <p style="text-align: center;">...</p>

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No.	Current Articles	Amended Articles
53.	<p>Article 186 The primary duties of the Nomination and Remuneration Committee include:</p> <p style="text-align: center;">...</p> <p>(2) developing the standards and procedures for the appointment of directors, chairman and members of each Board committee and members of the senior management, and submitting to the Board for review;</p> <p style="text-align: center;">...</p> <p>(7) reviewing the Bank’s major human resources and compensation policies and basic systems submitted by the senior management, and submitting the same to the Board for approval, and supervising the implementation of the relevant policies and basic management systems;</p> <p style="text-align: center;">...</p>	<p>Article 1869 The primary duties of the Nomination and Remuneration Committee include:</p> <p style="text-align: center;">...</p> <p>(2) developing the standards and review procedures for the appointment of directors, chairman and members of each Board committee and members of the senior management, and submitting to the Board for review;</p> <p style="text-align: center;">...</p> <p>(7) reviewing the Bank’s major human resources and compensation policies, share incentive schemes, employee stock ownership plans and basic systems submitted by the senior management, and submitting the same to the Board for approval, and supervising the implementation of the relevant policies and basic management systems;</p> <p style="text-align: center;">...</p>

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ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
54.	<p>Article 187 The primary duties of the Social Responsibility and Consumer Rights Protection Committee include:</p> <ol style="list-style-type: none"> (1) developing the Bank’s social responsibility and consumer rights protection strategies, policies and objectives that are consistent with the Bank’s development strategies and actual situation to be implemented upon submission to and approval by the Board; (2) developing the Bank’s basic management systems for social responsibility and consumer rights protection to be implemented upon submission to and approval by the Board; (3) supervising, inspecting and evaluating the implementation and effectiveness of the Bank’s strategies, policies, objectives, basic management systems, etc., for social responsibility and consumer rights protection, and making recommendations to the Board; (4) reviewing the Bank’s credit extension policies in relation to the environment and sustainable development, and making recommendations to the Board; 	<p>Article 18790 The primary duties of the Social Responsibility and Consumer Rights Protection Committee include:</p> <ol style="list-style-type: none"> (1) developing the Bank’s social responsibility and consumer rights protection strategies, policies and <u>basic management system</u> objectives that are consistent with the Bank’s development strategies and actual situation to be implemented upon submission to and approval by the Board; (2) developing the Bank’s basic management systems for social responsibility and consumer rights protection to be implemented upon submission to and approval by the Board;<u>formulating the Bank’s strategies, policies and objectives for consumer rights protection to be implemented upon submission to and approval by the Board;</u> (3) <u>guiding and supervising the establishment and improvement of the management system for consumer rights protection to ensure that relevant regulations are in line with the corporate governance, corporate culture cultivation, and business development strategies;</u> (3)(4) supervising, inspecting and evaluating the implementation and effectiveness of the Bank’s strategies, policies, objectives, basic management systems, etc., for social responsibility and consumer rights protection, and making recommendations to the Board;

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ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
	<p>(5) regularly listening to the work report of senior management on consumer rights protection, supervising and evaluating the comprehensiveness, promptness and effectiveness of the Bank's consumer protection work as well as the duty performance of the senior management, as authorized by the Board, and disclosing information regarding consumer rights protection according to relevant regulatory requirements;</p> <p>(6) approving matters in relation to external donation, as authorized by the Board;</p> <p>(7) other matters required by laws, administrative regulations, departmental rules and authorized by the Board.</p>	<p>(4)<u>(5)</u> reviewing the Bank's credit extension policies in relation to the environment and sustainable development, and making recommendations to the Board;</p> <p><u>(6) being accountable to the Board, submitting to the Board work reports and annual reports concerning consumer rights protection, carrying out any work in relation thereto under the authorization of the Board of Directors, discussing and deciding on relevant matters, and studying major issues and major policies on consumer rights protection;</u></p>

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No.	Current Articles	Amended Articles
		<p>(7) <u>supervising the comprehensiveness, promptness and effectiveness of the work of the senior management and the consumer rights protection department in accordance with the regulatory requirements, the execution of consumer protection strategies and policies, the progress against the objectives as well as the implementation of the work;</u></p> <p>(5)(8) regularly listening to the work report of senior management on consumer rights protection, supervising and evaluating the comprehensiveness, promptness and effectiveness of the Bank's consumer protection work as well as the duty performance of the senior management, as authorized by the Board, and disclosing information regarding consumer rights protection according to relevant regulatory requirements <u>holding regular work meetings on consumer rights protection, reviewing the work reports of the senior management and the consumer rights protection department; studying the audit reports, regulatory notices, and internal evaluation results related to the annual consumer rights protection work; urging the senior management and relevant departments to implement the issues found during rectification in a timely manner; providing guidance on disclosure of major information on consumer rights protection;</u></p>

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No.	Current Articles	Amended Articles
		<p><u>(9) being responsible for reviewing the Bank's green finance development strategy, reviewing the green finance objectives set by the senior management and the green finance reports submitted by the senior management, supervising and evaluating the implementation of the Bank's green finance development strategy, and making recommendations to the Board;</u></p> <p>(6)(10) approving matters in relation to external donation, as authorized by the Board;</p> <p>(7)(11) other matters required by laws, administrative regulations, departmental rules and authorized by the Board.</p>
55.	Article 188 The opinions of the CPC Committee shall be heard before the Board decides on material matters of the Bank.	<p>Article 188<u>91 The pre-placed procedure of the CPC Committee's research and discussion</u> The opinions of the CPC Committee shall be heard <u>performed</u> before the Board <u>or the senior management</u> decides on material <u>operation and management</u> matters of the Bank.</p>

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ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
	CHAPTER X MEMBERS OF THE SENIOR MANAGEMENT	CHAPTER X MEMBERS OF THE SENIOR MANAGEMENT
56.	<p>Article 194 Any person who has taken up other administrative position(s) other than a director or a supervisor in the controlling shareholder of the Bank shall not take the position of senior management of the Bank.</p> <p>Any member of the senior management of the Bank who has taken up a position in the controlling shareholder or a de facto controller of the Bank shall not significantly disperse his or her time and effort when performing duties of the Bank.</p>	<p>Article 1947 Any person who has taken up other administrative position(s) other than a director or a supervisor in the controlling shareholder of the Bank shall not take the position of senior management of the Bank.</p> <p><u>The remuneration of members of the senior management of the Bank shall only be paid by the Bank, and not be paid by controlling shareholders on behalf of the Bank.</u></p> <p>Any member of the senior management of the Bank who has taken up a position in the controlling shareholder or a de facto controller of the Bank shall not significantly disperse his or her time and effort when performing duties of the Bank.</p>

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ASSOCIATION OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

No.	Current Articles	Amended Articles
57.	<p>Article 195 The president shall exercise the following duties and powers:</p> <p>(1) to take charge of the operation and management of the Bank, to make arrangements to implement Board resolutions, and to report his or her work to the Board;</p> <p>...</p> <p>(3) to formulate the operational plans and investment plans of the Bank, and to make arrangements for their implementation upon approval by the Board;</p> <p>...</p> <p>(5) to formulate annual financial budget plans and annual accounts, capital management plans, risk capital allocation plans, profit distribution plans, loss recovery plans, plans for increase or reduction of registered capital, plans for issuance of bonds or other marketable securities and listing plans, and share repurchase plans of the Bank, and to make proposals to the Board;</p> <p>...</p>	<p>Article 1958 The president shall exercise the following duties and powers:</p> <p>(1) to take charge of the operation and management of the Bank, to make arrangements to implement <u>resolutions of shareholders' general meeting and</u> Board resolutions, and to report his or her work to the Board;</p> <p>...</p> <p>(3) to formulate the operational plans and investment plans of the Bank, and to make arrangements for their implementation upon approval by the Board, <u>and to report operation and management information in a timely, accurate and complete manner;</u></p> <p>...</p> <p>(5) to formulate annual financial budget plans and annual accounts, capital <u>planning management</u> plans, risk capital allocation plans, profit distribution plans, loss recovery plans, plans for increase or reduction of registered capital, plans for issuance of bonds or other marketable securities and listing plans, and share repurchase plans of the Bank, and to make proposals to the Board;</p> <p>...</p>

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No.	Current Articles	Amended Articles
	<p>(15) other duties and powers to be exercised by the president, as prescribed in laws, administrative regulations, departmental rules and the Articles or determined by the shareholders' general meeting or the Board.</p> <p>When deciding on employees' wages, welfare, safety operation, labor protection, labor insurance, termination (or dismissal) of the staff of the Bank and other issues involving the vital interests of staff, the president should listen to the views of the labor union or employee representative congress in advance.</p>	<p>(15) other duties and powers to be exercised by the president, as prescribed in laws, administrative regulations, departmental rules, <u>regulatory requirements</u> and the Articles or determined by the shareholders' general meeting or the Board.</p> <p>When deciding on employees' wages, welfare, safety operation, labor protection, labor insurance, termination (or dismissal) of the staff of the Bank and other issues involving the vital interests of staff, the president should listen to the views of the labor union or employee representative congress in advance.</p>
58.	<p>Article 199 When exercising his or her duties and powers, the president shall perform his or her duties in good faith and diligently in accordance with the laws, administrative regulations, requirements of the securities regulatory authorities of the place where the shares of the Bank are listed and provisions of the Bank's Articles.</p>	<p>Article 199202 When exercising his or her duties and powers, the president shall perform his or her duties in good faith and diligently in accordance with the laws, administrative regulations, requirements of the securities regulatory authorities of the place where the shares of the Bank are listed and provisions of the Bank's Articles.<u>Members of the senior management of the Bank shall faithfully perform their duties and safeguard the best interests of the Bank and all shareholders. If any member of the senior management of the Bank causes damage to the interests of the Bank and its public shareholders due to failure in faithfully performing his or her duties or violation of his or her fiduciary duties, he or she shall be liable for compensation in accordance with the laws.</u></p> <p><u>Members of the senior management of the Bank shall ensure the truthfulness, accuracy and completeness of information disclosed by the Bank and sign the written confirmation for periodic reports.</u></p>

**APPENDIX III COMPARATIVE TABLE OF AMENDMENTS TO THE ARTICLES OF
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No.	Current Articles	Amended Articles
	CHAPTER XI SUPERVISORS AND BOARD OF SUPERVISORS	CHAPTER XI SUPERVISORS AND BOARD OF SUPERVISORS
	Section 3 Board of Supervisors	Section 3 Board of Supervisors
59.	<p>Article 217 The Bank shall have a Board of Supervisors. The Board of Supervisors is a supervisory entity of the Bank and shall be responsible to the shareholders' general meeting.</p> <p>...</p>	<p>Article 24720 The Bank shall have a Board of Supervisors <u>in compliance with laws</u>. The Board of Supervisors is a supervisory entity of the Bank and shall be responsible to the shareholders' general meeting.</p> <p>...</p>
60.	CHAPTER XII QUALIFICATIONS AND OBLIGATIONS OF DIRECTORS, SUPERVISORS AND MEMBERS OF THE SENIOR MANAGEMENT AND INCENTIVE AND RESTRAINT MECHANISMS	CHAPTER XII <u>STAKEHOLDERS, SOCIAL RESPONSIBILITY,</u> QUALIFICATIONS AND OBLIGATIONS OF DIRECTORS, SUPERVISORS AND MEMBERS OF THE SENIOR MANAGEMENT AND INCENTIVE AND RESTRAINT MECHANISMS
61.	Newly added	<p><u>Article 239 The Bank shall respect the legitimate rights and interests of financial consumers, employees, suppliers, creditors, communities and other stakeholders, improve the protection mechanism for the legitimate rights and interests of financial consumers, and disclose social responsibility (ESG) reports on a regular basis.</u></p>

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No.	Current Articles	Amended Articles
62.	<p>Article 256 The evaluation of the performance of independent directors shall be conducted through peer review. The evaluation of the performance of other directors shall be conducted by the Board, and shall be reported to the shareholders' general meeting.</p> <p>The evaluation of the performance of external supervisors and other supervisors shall refer to that of the independent directors and other directors. The evaluation of the performance, remuneration and incentives of members of the senior management shall be determined by the Board. The Board shall take the evaluation of the performance of the members of the senior management as the basis to determine their remuneration and other incentives.</p> <p>No directors, supervisors and members of the senior management shall take part in the process of determining their own remuneration or performance appraisal.</p>	<p>Article 256 The evaluation of the performance of independent directors shall be conducted through peer review. The evaluation of the performance of other directors shall be conducted by the Board, and shall be reported to the shareholders' general meeting.</p> <p>The evaluation of the performance of external supervisors and other supervisors shall refer to that of the independent directors and other directors. The evaluation of the performance, remuneration and incentives of members of the senior management shall be determined by the Board. The Board shall take the evaluation of the performance of the members of the senior management as the basis to determine their remuneration and other incentives.</p> <p>No directors, supervisors and members of the senior management shall take part in the process of determining their own remuneration or performance appraisal.</p>

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No.	Current Articles	Amended Articles
	CHAPTER XIII FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT	CHAPTER XIII FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT
63.	Section 3 Internal Audit	Section 3 <u>Risk Management, Internal Control, and</u> Internal Audit
64.	Newly added	<u>Article 274 The Bank shall establish and improve its comprehensive risk management system and internal control system. The Board of Directors of the Bank takes ultimate responsibility for comprehensive risk management.</u>
	CHAPTER XVII STAFF MANAGEMENT	CHAPTER XVII STAFF MANAGEMENT
65.	Article 288 The Bank establishes and improves the employee representatives' general meeting system. The employee representatives' general meeting is the basic form of democratic management of the Bank and the organ through which the employees exercise their democratic management rights. The labor union of the Bank is responsible for the daily work of the employee representatives' general meeting.	Article 288 92 The Bank establishes and improves the employee representatives' general meeting system <u>under the leadership of the CPC Committee.</u> The employee representatives' general meeting is the basic form of democratic management of the Bank and the organ through which the employees exercise their democratic management rights. <u>Employee opinions shall be heard on major decisions, and major matters involving the interests of employees shall be considered by the employee representatives' general meeting.</u> The labor union of the Bank is responsible for the daily work of the employee representatives' general meeting.

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No.	Current Articles	Amended Articles
66.	<p>Article 290 ...</p> <p>The Bank shall adopt a staff remuneration system with satisfactory incentives and effective restrictions, and shall continuously improve the overall levels of remuneration and benefits of the staff in tandem with management and efficiency enhancement.</p> <p>...</p>	<p>Article 2904 ...</p> <p><u>The Bank shall establish and improve a scientific and reasonable remuneration management mechanism, performance assessment mechanism, mechanism for deferred payment and recovery and reduction of performance pay, that are aligned with the Bank's development strategy, risk management, overall benefits, job responsibilities, social responsibilities and corporate culture</u>The Bank shall adopt a staff remuneration system with satisfactory incentives and effective restrictions, and shall continuously improve the overall levels of remuneration and benefits of the staff in tandem with management and efficiency enhancement.</p> <p>...</p>
67.	Newly added	<p><u>Article 297 The Bank shall strengthen the protection of employees' rights and interests, ensure that employees enjoy an equal promotion and development environment, and provide necessary conditions for the employee representatives' general meeting and the labor union to perform their duties according to the law. The Bank shall give active encouragement and support to employees' participation in corporate governance in an orderly manner according to the law.</u></p>

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No.	Current Articles	Amended Articles
	CHAPTER XVIII MERGER, DIVISION, DISSOLUTION AND LIQUIDATION	CHAPTER XVIII MERGER, DIVISION, DISSOLUTION AND LIQUIDATION
	Section 2 Dissolution and Liquidation	Section 2 Dissolution and Liquidation
68.	<p>Article 305 ...</p> <p>The liquidation team shall, within thirty (30) days from the date of confirmation by the relevant competent authorities, submit the aforementioned documents to the relevant industry and commerce administration authorities, apply for cancellation of the Bank's registration and publish an announcement of the termination of the Bank.</p>	<p>Article 3051010 ...</p> <p>The liquidation team shall, within thirty (30) days from the date of confirmation by the relevant competent authorities, submit the aforementioned documents to the relevant <u>market regulatory</u> industry and commerce administration authorities, apply for cancellation of the Bank's registration and publish an announcement of the termination of the Bank.</p>
	CHAPTER XXII SUPPLEMENTAL PROVISIONS	CHAPTER XXII SUPPLEMENTAL PROVISIONS
69.	<p>Article 323 The Articles are written in Chinese. If there is any discrepancy between the articles written in another language or of a version different from that of the Articles, the most recent Chinese version filed for registration with the Administration for Industry and Commerce shall prevail.</p>	<p>Article 3232828 The Articles are written in Chinese. If there is any discrepancy between the articles written in another language or of a version different from that of the Articles, the most recent Chinese version filed for registration with the Administration for Industry and Commerce <u>market regulatory authorities</u> shall prevail.</p>
70.	<p>Article 326 The interpretation of the Articles shall be vested with the Board of the Bank.</p> <p>After consideration and approval by the shareholders' general meeting and approval by the banking regulatory authority of the State Council, the Articles shall become effective from the date of the initial public offering and listing of the shares of the Bank. The original articles of the Bank shall automatically expire upon the effective date of the Articles.</p>	<p>Article 3263131 The interpretation of the Articles shall be vested with the Board of the Bank.</p> <p>After consideration and approval by the shareholders' general meeting and approval by the banking regulatory authority of the State Council, the Articles shall become effective from the date of the initial public offering and listing of the shares of the Bank.</p> <p>The original articles of the Bank shall automatically expire upon the effective date of the Articles.</p>

Note: The numbering of the related chapters, articles and cross-referenced articles has been adjusted accordingly.

COMPARATIVE TABLE OF AMENDMENTS TO THE RULES OF
PROCEDURES OF SHAREHOLDERS' GENERAL MEETING OF
POSTAL SAVINGS BANK OF CHINA CO., LTD.

No.	Current Articles	Amended Articles
	CHAPTER II GENERAL PROVISIONS ON SHAREHOLDERS' GENERAL MEETINGS	CHAPTER II GENERAL PROVISIONS ON SHAREHOLDERS' GENERAL MEETINGS
1.	<p>Article 6 The shareholders' general meeting is the authoritative body of the Bank and has the following duties and powers in accordance with the laws:</p> <p>(1) to determine the business policies and investment plans of the Bank;</p> <p>(2) to elect, replace and remove directors and decide on matters concerning the remuneration of the relevant directors;</p> <p>(3) to elect, replace and remove external supervisors and shareholder representative supervisors, and decide on matters concerning the remuneration of the relevant supervisors;</p> <p>(4) to consider and approve the work report of the Board;</p>	<p>Article 6 The shareholders' general meeting is the authoritative body of the Bank and shall have has the following duties and powers in accordance with the laws <u>within the scope prescribed by the laws, administrative regulations, departmental regulations, regulatory requirements and the Articles:</u></p> <p>(1) to determine the business policies and investment plans of the Bank;</p> <p>(2) to elect, replace and remove directors and decide on matters concerning the remuneration of the relevant directors;</p> <p>(3) to elect, replace and remove external supervisors and shareholder representative supervisors, and decide on matters concerning the remuneration of the relevant supervisors;</p> <p>(4) to consider and approve the work report of the Board;</p>

No.	Current Articles	Amended Articles
	<p>(5) to consider and approve the work report of the Board of Supervisors;</p> <p>(6) to consider and approve the Bank's proposed annual financial budget and final accounts;</p> <p>(7) to consider and approve the Bank's profit distribution plans and loss recovery plans;</p> <p>(8) to approve resolutions concerning the increase or decrease of the Bank's registered capital;</p> <p>(9) to approve resolutions regarding the issuance of corporate bonds or other negotiable securities and listing plans;</p> <p>(10) to decide on resolutions regarding merger, division, dissolution, liquidation or plans for the change of corporate form of the Bank;</p> <p>(11) to decide on resolutions regarding plans to repurchase shares of the Bank;</p>	<p>(5) to consider and approve the work report of the Board of Supervisors;</p> <p>(6) to consider and approve the Bank's proposed annual financial budget and final accounts;</p> <p>(7) to consider and approve the Bank's profit distribution plans and loss recovery plans;</p> <p>(8) to approve resolutions concerning the increase or decrease of the Bank's registered capital;</p> <p>(9) to approve resolutions regarding the issuance of corporate bonds or other negotiable securities and listing plans;</p> <p>(10) to decide on resolutions regarding merger, division, spin-off, dissolution, liquidation or plans for the change of corporate form of the Bank;</p> <p>(11) to decide on resolutions regarding the acquisition of the plans to repurchase shares of the Bank;</p>

No.	Current Articles	Amended Articles
	<p>(12) to consider and approve the Articles, these Rules, the rules of procedures of the Board and the rules of procedures of the Board of Supervisors and relevant amendments;</p> <p>(13) to consider and approve purchase or sale of major assets or provision of guarantee by the Bank of which the total amount in a year exceeds 30% of the Bank's latest audited total assets;</p> <p>(14) to consider and approve or authorize the Board to consider and approve matters regarding the establishment of important legal entities by the Bank, major corporate mergers and acquisitions, major external investments, major asset write-offs, as well as major asset purchases, major asset disposals, major asset mortgages and other non-commercial banking guarantees other than those specified in paragraph (13) and other matters;</p> <p>(15) to consider and approve share incentive schemes;</p>	<p>(12) to consider and approve the Articles, these Rules, the rules of procedures of the Board and the rules of procedures of the Board of Supervisors and relevant amendments;</p> <p>(13) to consider and approve purchase or sale of major assets or provision of guarantee by the Bank of which the total amount in a year exceeds 30% of the Bank's latest audited total assets;</p> <p>(14) to consider and approve or authorize the Board to consider and approve matters regarding the establishment of important legal entities by the Bank, major corporate mergers and acquisitions, major external investments, major asset write-offs, as well as major asset purchases, major asset disposals, major asset mortgages and other non-commercial banking guarantees, major donations other than those specified in paragraph (13) and other matters;</p> <p>(15) to consider and approve share incentive schemes and employee stock ownership plans;</p>

No.	Current Articles	Amended Articles
	<p>(16) to consider and approve proposals submitted by shareholder(s) who individually or in aggregate hold 3% or more of the total shares of the Bank with voting rights (the “Proposing Shareholders”);</p> <p>(17) to decide on the appointment, dismissal or non-reappointment of accounting firms;</p> <p>(18) to consider and approve matters concerning the change of use of proceeds;</p> <p>(19) to consider related party transactions required to be approved by the shareholders’ general meeting as required by the laws, administrative regulations, departmental rules, relevant requirements of the securities regulatory authorities of the place where the shares of the Bank are listed as well as the Articles;</p> <p>(20) to determine the issuance of preference shares; to determine or authorize the Board to determine matters relating to preference shares issued by the Bank, including but not limited to redemption, conversion and distribution of dividends;</p>	<p>(16) to consider and approve proposals submitted by shareholder(s) who individually or in aggregate hold 3% or more of the total shares of the Bank with voting rights (the “Proposing Shareholders”);</p> <p>(17) to decide on <u>consider and approve</u> the appointment; <u>and</u> dismissal or non-reappointment of accounting firms <u>that conduct periodic statutory audit of the financial accounting reports of the Bank;</u></p> <p>(18) to consider and approve matters concerning the change of use of proceeds;</p> <p>(19) to consider related party transactions required to be approved by the shareholders’ general meeting as required by the laws, administrative regulations, departmental rules, relevant requirements of the securities regulatory authorities of the place where the shares of the Bank are listed as well as the Articles;</p> <p>(20) to determine the issuance of preference shares; to determine or authorize the Board to determine matters relating to preference shares issued by the Bank, including but not limited to redemption, conversion and distribution of dividends;</p>

No.	Current Articles	Amended Articles
	<p>(21) to consider other issues that shall be decided by the shareholders' general meeting as required by the laws, administrative regulations, departmental rules, relevant requirements of the securities regulatory authorities of the place where the shares of the Bank are listed as well as the Articles.</p> <p>The aforementioned matters within the scope of duties and powers of the shareholders' general meeting shall be considered and decided by the shareholders' general meetings, but the shareholders' general meeting may authorize the Board to make decisions provided that it is necessary, reasonable and lawful.</p> <p>The authorization conferred by the shareholders' general meeting upon the Board shall be clear and specific. If the authorized matters shall be passed by the shareholders' general meeting by way of ordinary resolutions according to the Articles, such resolutions shall be approved by more than half of the voting rights held by the shareholders or the proxies of shareholders attending the shareholders' general meeting. If the authorized matters shall be passed by the shareholders' general meeting by way of special resolutions according to the Articles, such resolutions shall be approved by two-thirds or more of the voting rights held by the shareholders or the proxies of shareholders attending the shareholders' general meeting.</p>	<p>(21) to consider other issues that shall be decided by the shareholders' general meeting as required by the laws, administrative regulations, departmental rules, regulatory requirements relevant requirements of the securities regulatory authorities of the place where the shares of the Bank are listed as well as the Articles.</p> <p>The aforementioned matters within the scope of duties and powers of the shareholders' general meeting shall be considered and decided by the shareholders' general meetings, but the shareholders' general meeting may authorize the Board to make decisions provided that it is necessary, reasonable and, lawful and compliant.</p> <p>The authorization conferred by the shareholders' general meeting upon the Board shall be clear and specific. If the authorized matters shall be passed by the shareholders' general meeting by way of ordinary resolutions according to the Articles, such resolutions shall be approved by more than half of the voting rights held by the shareholders or the proxies of shareholders attending the shareholders' general meeting. If the authorized matters shall be passed by the shareholders' general meeting by way of special resolutions according to the Articles, such resolutions shall be approved by two-thirds or more of the voting rights held by the shareholders or the proxies of shareholders attending the shareholders' general meeting.</p>

No.	Current Articles	Amended Articles
2.	<p data-bbox="323 314 821 442">Article 8 An extraordinary general meeting shall be convened within two (2) months from the date of occurrence of any of the following events:</p> <ol data-bbox="387 478 821 1447" style="list-style-type: none"> <li data-bbox="387 478 821 702">(1) when the number of directors is under the minimum number required by the laws or by the Articles or is less than two-thirds of the number of Board members determined by the shareholders' general meeting; <li data-bbox="387 734 821 861">(2) when the uncovered loss of the Bank reaches one-third of the Bank's total paid-up share capital; <li data-bbox="387 893 821 1000">(3) when the Board of Supervisors proposes to convene the meeting; <li data-bbox="387 1032 821 1255">(4) when shareholders who individually or jointly hold in aggregate 10% or more of the voting shares of the Bank (the "Requesting Shareholders") have requested to convene the meeting in writing; <li data-bbox="387 1287 821 1447">(5) any other circumstances as stipulated by the laws, administrative regulations, departmental rules and the Articles. <p data-bbox="323 1478 821 1585">The Board may convene an extraordinary general meeting if it deems necessary.</p> <p data-bbox="323 1606 821 1904">The number of shares held by the shareholder(s) as described in the aforementioned item (4) above shall be calculated as of the date when such shareholder(s) submit a request in writing or as of the date of the preceding trading day (if the date of such written request is made falls on a non-trading day).</p>	<p data-bbox="853 314 1351 442">Article 8 An extraordinary general meeting shall be convened within two (2) months from the date of occurrence of any of the following events:</p> <ol data-bbox="917 478 1351 1478" style="list-style-type: none"> <li data-bbox="917 478 1351 734">(1) when the number of directors is under the minimum number required by the laws or by the Articles or is less than two-thirds of the number of Board members <u>as stipulated by the Articles</u> determined by the shareholders' general meeting; <li data-bbox="917 766 1351 893">(2) when the uncovered loss of the Bank reaches one-third of the Bank's total paid-up share capital; <li data-bbox="917 925 1351 1032">(3) when the Board of Supervisors proposes to convene the meeting; <li data-bbox="917 1064 1351 1287">(4) when shareholders who individually or jointly hold in aggregate 10% or more of the voting shares of the Bank (the "Requesting Shareholders") have requested to convene the meeting in writing; <li data-bbox="917 1319 1351 1478">(5) any other circumstances as stipulated by the laws, administrative regulations, departmental rules and the Articles. <p data-bbox="853 1510 1351 1617">The Board may convene an extraordinary general meeting if it deems necessary.</p> <p data-bbox="853 1638 1351 1936">The number of shares held by the shareholder(s) as described in the aforementioned item (4) above shall be calculated as of the date when such shareholder(s) submit a request in writing or as of the date of the preceding trading day (if the date of such written request is made falls on a non-trading day).</p>

No.	Current Articles	Amended Articles
	CHAPTER III THE PROCEDURES FOR CONVENING OF THE SHAREHOLDERS' GENERAL MEETING	CHAPTER III THE PROCEDURES FOR CONVENING OF THE SHAREHOLDERS' GENERAL MEETING
3.	<p>Article 22 Unless otherwise required by relevant laws, administrative regulations, relevant requirements of the securities regulatory authorities of the place where the shares of the Bank are listed and the Articles, notice of shareholders' general meeting shall be served to the shareholders who are entitled to attend the shareholders' general meeting (whether or not entitled to vote at the shareholders' general meeting) by personal delivery or prepaid mail to their addresses. The address of the recipient shall be the address registered in the register of shareholders. For holders of domestic-listed shares, notice of shareholders' general meeting may be issued in the form of an announcement.</p> <p>The aforesaid announcement shall be published in one or more newspapers specified by the securities regulatory authorities under the State Council. All holders of domestic-listed shares shall be deemed as having been notified of the forthcoming shareholders' general meetings once the announcement is published.</p>	<p>Article 22 Unless otherwise required by relevant laws, administrative regulations, relevant requirements of the securities regulatory authorities of the place where the shares of the Bank are listed and the Articles, notice of shareholders' general meeting shall be served to the shareholders who are entitled to attend the shareholders' general meeting (whether or not entitled to vote at the shareholders' general meeting) by personal delivery or prepaid mail to their addresses. The address of the recipient shall be the address registered in the register of shareholders. For holders of domestic-listed shares, notice of shareholders' general meeting may be issued in the form of an announcement.</p> <p>The aforesaid announcement shall be published <u>on the website of the stock exchange and the media that meet the requirements prescribed by</u> in one or more newspapers specified by the securities regulatory authorities under the State Council. All holders of domestic-listed shares shall be deemed as having been notified of the forthcoming shareholders' general meetings once the announcement is published.</p>

No.	Current Articles	Amended Articles
	<p>For holders of overseas-listed shares, subject to the compliance with laws, administrative regulations, normative documents and relevant requirements of the securities regulatory authorities of the place where the shares of the Bank are listed, the notice of a shareholders' general meeting may be published on the websites of the Bank and The Stock Exchange of Hong Kong Limited instead of delivery by hand or by prepaid mail to the holders of overseas-listed shares who are entitled to attend the shareholders' general meeting.</p> <p>Where, as a result of accidental omission, a notice of meeting is not given to a person who is entitled to receive such notice or where such person has not received the notice, the meeting or any resolution adopted at the meeting shall not be invalidated.</p>	<p>For holders of overseas-listed shares, subject to the compliance with laws, administrative regulations, normative documents and relevant requirements of the securities regulatory authorities of the place where the shares of the Bank are listed, the notice of a shareholders' general meeting may be published on the websites of the Bank and The Stock Exchange of Hong Kong Limited instead of delivery by hand or by prepaid mail to the holders of overseas-listed shares who are entitled to attend the shareholders' general meeting.</p> <p>Where, as a result of accidental omission, a notice of meeting is not given to a person who is entitled to receive such notice or where such person has not received the notice, the meeting or any resolution adopted at the meeting shall not be invalidated.</p>

No.	Current Articles	Amended Articles
4.	<p data-bbox="323 314 821 427">Article 23 Notice of shareholders' general meeting shall comply with the following requirements:</p> <ul style="list-style-type: none"> <li data-bbox="387 476 651 506">(1) in written form; <li data-bbox="387 555 821 668">(2) specify the designated time, location and duration of the meeting; <li data-bbox="387 717 821 829">(3) state the matters and proposals to be considered at the meeting; <li data-bbox="387 878 821 1225">(4) make a prominent statement that shareholders entitled to attend and vote at the shareholders' general meeting may entrust one or more proxies, who does or do not need to be a shareholder of the Bank, to attend and vote on their behalf; <li data-bbox="387 1276 821 1949">(5) provide all necessary information and explanations to enable shareholders to make reasonable judgments on the matters to be discussed, which shall include, but shall not be limited to, the detailed terms and contracts (if any) of the proposed transaction and a detailed explanation as to the cause and effect where the Bank proposes a merger, share repurchase, share capital reorganization or any proposals relating to the change in the structure of the Bank; 	<p data-bbox="853 314 1351 427">Article 23 Notice of shareholders' general meeting shall comply with the following requirements:</p> <ul style="list-style-type: none"> <li data-bbox="917 476 1181 506">(1) in written form; <li data-bbox="917 555 1351 668">(2) specify the designated time, location and duration of the meeting; <li data-bbox="917 717 1351 829">(3) state the matters and proposals to be considered at the meeting; <li data-bbox="917 878 1351 1225">(4) make a prominent statement that shareholders entitled to attend and vote at the shareholders' general meeting may entrust one or more proxies, who does or do not need to be a shareholder of the Bank, to attend and vote on their behalf; <li data-bbox="917 1276 1351 1949">(5) provide all necessary information and explanations to enable shareholders to make reasonable judgments on the matters to be discussed, which shall include, but shall not be limited to, the detailed terms and contracts (if any) of the proposed transaction and a detailed explanation as to the cause and effect where the Bank proposes a merger, share repurchase, share capital reorganization or any proposals relating to the change in the structure of the Bank;

No.	Current Articles	Amended Articles
	<p>(6) where any of the directors, supervisors and members of senior management have a material interest in matters to be discussed, the nature and extent of that interest shall be disclosed; and where the impact of the matters to be discussed on such director, supervisor, president and other members of senior management who are shareholders is different from the impact on other shareholders of the same class, the difference shall be explicitly explained;</p> <p>(7) contain the full text of any special resolution proposed to be passed at the meeting;</p> <p>(8) specify the place and time for delivery of the proxy letter of the meeting;</p> <p>(9) specify the shareholding registration date on which the shareholders are eligible to attend the shareholders' general meeting;</p> <p>(10) specify the name and phone number of the permanent contact person for meeting enquiry.</p>	<p>(6) where any of the directors, supervisors and members of senior management have a material interest in matters to be discussed, the nature and extent of that interest shall be disclosed; and where the impact of the matters to be discussed on such director, supervisor, president and other members of senior management who are shareholders is different from the impact on other shareholders of the same class, the difference shall be explicitly explained;</p> <p>(7) contain the full text of any special resolution proposed to be passed at the meeting;</p> <p>(8) specify the place and time for delivery of the proxy letter of the meeting;</p> <p>(9) specify the shareholding registration date on which the shareholders are eligible to attend the shareholders' general meeting;</p> <p>(10) specify the name and phone number of the permanent contact person for meeting enquiry;</p> <p><u>(11) specify the time and procedure of voting on the Internet or by any other means.</u></p>

No.	Current Articles	Amended Articles
5.	<p data-bbox="323 314 821 825">Article 38 The shareholders' general meetings shall be chaired and presided over by the chairman of the Board. If the chairman of the Board is unable to or fails to perform such duty, the meeting shall be chaired and presided over by the vice chairman of the Board. If there is no vice chairman of the Board and if the vice chairman of the Board is unable to or fails to perform such duty, the meeting shall be chaired and presided over by a director jointly elected by half or more of the directors.</p> <p data-bbox="323 878 821 1304">In a shareholders' general meeting convened by the Board of Supervisors on its own initiative, the meeting shall be chaired and presided over by the chairman of the Board of Supervisors. If the chairman of the Board of Supervisors is unable to or fails to perform his or her duties, the shareholders' general meeting shall be chaired and presided over by a supervisor jointly elected by half or more of the supervisors.</p> <p data-bbox="323 1357 821 1834">In a shareholders' general meeting convened by the Convening Shareholders on its own initiative, the meeting shall be chaired and presided over by a representative elected by the Convening Shareholders; if the Convening Shareholders fail to elect a chairman of the meeting, the meeting shall be chaired and presided over by the shareholder who attends the meeting or his or her proxy who holds the largest proportion of voting shares.</p>	<p data-bbox="853 314 1351 825">Article 38 The shareholders' general meetings shall be chaired and presided over by the chairman of the Board. If the chairman of the Board is unable to or fails to perform such duty, the meeting shall be chaired and presided over by the vice chairman of the Board. If there is no vice chairman of the Board and if the vice chairman of the Board is unable to or fails to perform such duty, the meeting shall be chaired and presided over by a director jointly elected by half or more of the directors.</p> <p data-bbox="853 878 1351 1304">In a shareholders' general meeting convened by the Board of Supervisors on its own initiative, the meeting shall be chaired and presided over by the chairman of the Board of Supervisors. If the chairman of the Board of Supervisors is unable to or fails to perform his or her duties, the shareholders' general meeting shall be chaired and presided over by a supervisor jointly elected by half or more of the supervisors.</p> <p data-bbox="853 1357 1351 1834">In a shareholders' general meeting convened by the Convening Shareholders on its own initiative, the meeting shall be chaired and presided over by a representative elected by the Convening Shareholders; if the Convening Shareholders fail to elect a chairman of the meeting, the meeting shall be chaired and presided over by the shareholder who attends the meeting or his or her proxy who holds the largest proportion of voting shares.</p>

No.	Current Articles	Amended Articles
	<p>When a shareholders' general meeting is held and the chairman violates these Rules which makes the meeting unable to proceed, a person may be elected at the shareholders' general meeting to act as the chairman, subject to the approval of more than half of the attending shareholders having the voting rights.</p>	<p>When a shareholders' general meeting is held and the chairman violates these Rules which makes the meeting unable to proceed, a person may be elected at the shareholders' general meeting to act as the chairman, subject to the approval of more than half of the attending shareholders having the voting rights.</p>
6.	<p>Article 44 The following matters shall be resolved by way of special resolution at the shareholders' general meeting:</p> <ul style="list-style-type: none"> (1) an increase or reduction of the registered capital of the Bank; (2) the merger, division, dissolution, liquidation or any other change in the corporate form of the Bank; (3) the issuance of bonds or other negotiable securities by the Bank and the listing of the Bank; (4) share repurchases by the Bank; (5) amendments to the Bank's Articles; 	<p>Article 44 The following matters shall be resolved by way of special resolution at the shareholders' general meeting:</p> <ul style="list-style-type: none"> (1) an increase or reduction of the registered capital of the Bank; (2) the merger, division, spin-off, dissolution, liquidation or any other change in the corporate form of the Bank; (3) the issuance of corporate bonds or other negotiable securities by the Bank and the listing of the Bank; (4) the acquisition of the shares of share repurchases by the Bank; (5) amendments to the Bank's Articles;

No.	Current Articles	Amended Articles
	<p>(6) stock incentive plans;</p> <p>(7) consideration and approval of purchase or sale of major assets or provision of guarantee by the Bank of which the total amount in a year exceeds 30% of the Bank's latest audited total assets;</p> <p>(8) any other matters as required by the law, administrative regulations, departmental rules, the Bank's Articles and these Rules, or other matters that, according to the shareholders' general meeting by way of an ordinary resolution, may have a material effect on the Bank and should therefore be adopted by a special resolution.</p>	<p><u>(6) removal of an independent director;</u></p> <p><u>(67) consideration and approval of</u> stock incentive plans;</p> <p>(78) consideration and approval of purchase or sale of major assets or provision of guarantee by the Bank of which the total amount in a year exceeds 30% of the Bank's latest audited total assets;</p> <p><u>(89)</u> any other matters as required by the law, administrative regulations, departmental rules, <u>regulatory requirements</u>, the Bank's Articles and these Rules, or other matters that, according to the shareholders' general meeting by way of an ordinary resolution, may have a material effect on the Bank and should therefore be adopted by a special resolution.</p>

No.	Current Articles	Amended Articles
7.	<p>Article 46 The shareholders or their proxies, when voting at a shareholders' general meeting, shall exercise their voting rights according to the number of voting shares held by them, and each share shall have one vote.</p> <p>When material matters affecting the interests of minority shareholders are considered at a shareholders' general meeting, the votes of minority shareholders of domestic-listed shares shall be counted separately and be disclosed publicly in a timely manner.</p> <p>Shares of the Bank held by the Bank shall not carry voting rights and shall not be included in the total number of voting shares present at a shareholders' general meeting.</p> <p>The Board, independent directors and shareholders of the Bank who meet the relevant requirements may publicly collect votes from shareholders. Information including the specific voting preference shall be fully provided to the shareholders from whom voting rights are being solicited. Consideration or de facto consideration for soliciting shareholders' voting rights is prohibited. The Bank shall not impose any minimum shareholding limitation for soliciting voting rights.</p>	<p>Article 46 The shareholders or their proxies, when voting at a shareholders' general meeting, shall exercise their voting rights according to the number of voting shares held by them, and each share shall have one vote.</p> <p>When material matters affecting the interests of minority shareholders are considered at a shareholders' general meeting, the votes of minority shareholders of domestic-listed shares shall be counted separately and be disclosed publicly in a timely manner.</p> <p>Shares of the Bank held by the Bank shall not carry voting rights and shall not be included in the total number of voting shares present at a shareholders' general meeting.</p> <p><u>When the voting shares issued by the Bank as held by an investor through securities trading on the stock exchange or jointly with others through agreements or other arrangements reach 5%, the investor shall, within 3 days after such event occurs, submit a written report to the securities regulatory authority of the State Council and the domestic stock exchange, notify the Bank and make an announcement thereon. The investor shall not trade in the Bank's shares within the aforesaid period, unless under any circumstance prescribed by the securities regulatory authority of the State Council.</u></p> <p><u>After the voting shares issued by the Bank as held by an investor or jointly with others through agreements or other arrangements reach 5%, the investor shall, according to the provisions of the preceding paragraph, make a report and announcement each time when the proportion of voting shares issued by the Bank held by the investor increases or decreases by 5%. From the day when such event occurs to the end of 3 days after the announcement is made, the investor shall not trade in the Bank's shares, unless under any circumstance prescribed by the securities regulatory authorities of the State Council.</u></p>

No.	Current Articles	Amended Articles
		<p><u>After the voting shares issued by the Bank as held by an investor or jointly with others through agreements or other arrangements reach 5%, each time when the proportion of voting shares issued by the Bank held by the investor increases or decreases by 1%, the investor shall notify the Bank and make an announcement thereon on the day immediately after such event occurs.</u></p> <p><u>For violation of paragraphs 4 and 5 of this Article, voting rights involving the shares exceeding the stipulated proportion shall not be exercised within 36 months upon such acquisition, and the relevant shares shall not be included in the total number of shares carrying voting rights present at the shareholders' general meeting.</u></p> <p><u>If there are other provisions of the securities regulatory authorities or stock exchange of the place where the Bank's shares are listed, such provisions shall prevail.</u></p> <p>The Board, independent directors <u>and shareholders holding more than 1% of voting shares or investor protection institutions established in accordance with the laws, administrative regulations or provisions of the securities regulatory authority of the State Council</u>—and shareholders of the Bank who meet the relevant requirements may publicly collect votes from shareholders. Information including the specific voting preference shall be fully provided to the shareholders from whom voting rights are being solicited. Consideration or de facto consideration for soliciting shareholders' voting rights is prohibited. <u>Save for statutory conditions,</u> the Bank shall not impose any minimum shareholding limitation for soliciting voting rights.</p>

No.	Current Articles	Amended Articles
	CHAPTER IX SUPPLEMENTAL PROVISIONS	CHAPTER IX SUPPLEMENTAL PROVISIONS
8.	Article 85 After approval by the shareholders' general meeting, these Rules shall become effective from the date of the initial public offering and listing of the shares of the Bank. Changes and amendments to these Rules shall be passed by an ordinary resolution at the shareholders' general meeting.	Article 85 After approval by the shareholders' general meeting, t These Rules shall become effective from the date of the initial public offering and listing of the shares of the Bank <u>approval by the shareholders' general meeting, and the Rules of Procedures of Shareholders' General Meeting of Postal Savings Bank of China Co., Ltd. (2021 Revised) (You Yin Zhi [2021] No. 38) shall be repealed simultaneously.</u> Changes and amendments to these Rules shall be passed by an ordinary resolution at the shareholders' general meeting.

Note: The numbering of the cross-referenced articles has been adjusted accordingly.

COMPARATIVE TABLE OF AMENDMENTS TO THE RULES OF
PROCEDURES OF THE BOARD OF DIRECTORS OF
POSTAL SAVINGS BANK OF CHINA CO., LTD.

No.	Current Articles	Amended Articles
	CHAPTER II COMPOSITION AND DUTIES AND POWERS OF THE BOARD	CHAPTER II COMPOSITION AND DUTIES AND POWERS OF THE BOARD
1.	<p>Article 4 The Board of the Bank shall be composed of five (5) to nineteen (19) directors. The exact number of members of the Board is to be determined by a shareholders' general meeting, of which the number of independent directors shall be no less than three (3) and shall account for no less than one-third of the total number of Board members. The qualifications for serving as a director shall be approved by the banking regulatory authority of the State Council.</p> <p>A director shall be a natural person and is not required to hold any shares of the Bank. Directors of the Bank are comprised of executive directors and non-executive directors (including independent directors). An executive director shall mean a director holding operation and management positions as a member of senior management in the Bank. A non-executive director shall mean a director who does not hold an operation and management position as a senior management in the Bank. Independent directors refer to directors who do not hold other positions (other than as a director) in the Bank, and who are not related to the Bank and its major shareholders, de facto controllers or other institutions or personnel who are interested in the Bank in a way that may affect their independent and objective judgment.</p>	<p>Article 4 The Board of the Bank shall be composed of five (5) to nineteen (19) directors. The exact number of members of the Board is to be determined by a shareholders' general meeting, of which the number of independent directors shall be no less than three (3) and shall account for no less than one-third of the total number of Board members. The qualifications for serving as a director shall be approved by the banking regulatory authority of the State Council.</p> <p>A director shall be a natural person and is not required to hold any shares of the Bank. Directors of the Bank are comprised of executive directors and non-executive directors (including independent directors). An executive director shall mean a director <u>who, in addition to serving as a director, also assumes the responsibilities</u> holding operation and management positions as a member of senior management in the Bank. A non-executive director shall mean a director who does not hold an operation and management position <u>other than as a director and does not assume the responsibilities of</u> as a senior management in the Bank. Independent directors refer to directors who do not hold other positions (other than as a director) in the Bank, and who are not related to the Bank and its major shareholders, de facto controllers or other institutions or personnel who are interested in the Bank in a way that may affect their independent and objective judgment. <u>The Bank shall appoint suitable persons as independent directors, including at least one accounting professional.</u></p>

No.	Current Articles	Amended Articles
2.	<p>Article 8 The Board shall perform the following duties and powers:</p> <p>(1) to convene and report its performance at the shareholders' general meetings;</p> <p>(2) to implement resolutions adopted at the shareholders' general meetings;</p> <p>(3) to make decisions on the Bank's development strategies, business plans and investment plans;</p> <p>(4) to consider and approve capital fund management plans and risk-based capital allocation plans of the Bank;</p> <p>(5) to formulate the Bank's annual financial budgets and annual accounting; the Bank's profit distribution plans and loss recovery plans; proposals on the increase or reduction of the Bank's registered capital; the Bank's plans of issuance of bonds or other marketable securities and listing plans; plans for merger, division, dissolution, liquidation or other changes in corporate form of the Bank; plans for repurchase of the Bank's shares; plans for material change in equity interest or financial reorganization; capital replenishment plans;</p> <p>(6) to formulate the general management policies, risk management and internal control policies of the Bank and supervise the implementation of such policies; to consider and approve the internal audit rules of the Bank;</p>	<p>Article 8 The Board shall perform the following duties and powers:</p> <p>(1) to implement and supervise the Bank's implementation of the principles and guidelines of the CPC and the State, and to implement major strategic decisions of the Central Committee of the CPC and the State Council;</p> <p>(12) to convene and report its performance at the shareholders' general meetings;</p> <p>(23) to implement resolutions adopted at the shareholders' general meetings;</p> <p>(34) to make decisions on the Bank's development strategies, business plans and investment plans;</p> <p>(45) to consider and approve capital planning of the Bank, and assume ultimate responsibility for capital management to consider and approve capital fund management plans and risk-based capital allocation plans of the Bank;</p> <p>(56) to formulate the Bank's annual financial budgets and annual accounting; the Bank's profit distribution plans and loss recovery plans; proposals on the increase or reduction of the Bank's registered capital; the Bank's plans of issuance of bonds or other marketable securities and listing plans; plans for merger, division, spin-off, dissolution, liquidation or other changes in corporate form of the Bank; plans for major acquisitions and acquisition repurchase of the Bank's shares; plans for material change in equity interest or financial reorganization; capital replenishment plans;</p>

No.	Current Articles	Amended Articles
	<p>(7) to listen to the risk management report presented by the senior management and evaluate the effectiveness of risk management in the Bank in order to improve the Bank's risk management;</p> <p>(8) to formulate proposals for amendments to the Articles, rules of procedures of shareholders' general meeting and rules of procedures of the Board of the Bank;</p> <p>(9) to consider and approve the working rules of the president proposed by the president;</p> <p>(10) to decide on matters, including the establishment of major legal entities of the Bank, major corporate mergers and acquisitions, major external investments, major asset acquisitions, major asset disposals, major asset write-offs, major asset mortgages and other non-commercial banking guarantees within the scope authorized by the shareholders' general meeting;</p>	<p>(67) to formulate the general management policies, risk tolerance, risk management and internal control policies of the Bank and supervise the implementation of such policies; to assume ultimate responsibility for comprehensive risk managementto consider and approve the internal audit rules of the Bank;</p> <p>(78) to considerlisten to the risk management report presented by the senior management and evaluate the effectiveness of risk management in the Bank in order to improve the Bank's risk management;</p> <p>(89) to formulate proposals for amendments to the Articles, rules of procedures of shareholders' general meeting and rules of procedures of the Board of the Bank, and to consider and approve the terms of reference of the special committees of the Board;</p> <p>(910) to consider and approve the working rules of the president proposed by the president;</p>

No.	Current Articles	Amended Articles
	<p>(11) to decide on or authorize the president to decide on matters within the terms of reference of the Board, including other external investments of the Bank, asset acquisitions, asset disposals, asset write-offs, asset mortgages and other non-commercial banking guarantees and related party transactions;</p> <p>(12) to appoint and dismiss the president and the secretary to the Board according to the proposals of the chairman of the Board;</p> <p>(13) to appoint and dismiss the vice president and other members of senior management according to the nomination of the president;</p>	<p>(11) to decide on matters, <u>in accordance with the laws and regulations, regulatory requirements and the provisions of the Articles of the Bank,</u> including the establishment of major legal entities of the Bank, major corporate mergers and acquisitions, major external investments, major asset acquisitions, major asset disposals, major asset write-offs, major asset mortgages and other non-commercial banking guarantees <u>and major donations</u> within the scope authorized by the shareholders' general meeting;</p> <p>(12) to decide on or authorize the president to decide on matters within the terms of reference of the Board, including other external investments of the Bank, asset acquisitions, asset disposals, asset write-offs, asset mortgages and other non-commercial banking guarantees and related party transactions <u>and donations;</u></p> <p>(13) to appoint and dismiss the president and the secretary to the Board according to the proposals of the chairman of the Board;</p>

No.	Current Articles	Amended Articles
	<p>(14) to elect the chairman and members of the Nomination and Remuneration Committee proposed by Requesting Shareholders, the chairman of the Board, and one-third or more of directors or half or more (at least two (2)) of the independent directors; to elect the chairman and members of other Board committees (excluding the chairman of Strategic Planning Committee) proposed by the Nomination and Remuneration Committee;</p> <p>(15) to decide on the remuneration, performance appraisal, incentive and punishment of members of senior management;</p> <p>(16) to decide on the establishment of internal departments at the head office, tier-one domestic and overseas branches, other branches and divisions directly under the head office and any overseas entities;</p> <p>(17) to evaluate and improve the Bank's corporate governance regularly;</p>	<p>(13)<u>14</u> to appoint and dismiss the vice president and other members of senior management according to the nomination of the president;</p> <p>(14)<u>15</u> to elect the chairman and members of the Nomination and Remuneration Committee proposed by Requesting Shareholders, the chairman of the Board, and one-third or more of directors or half or more (at least two (2)) of the independent directors; to elect the chairman and members of other Board committees (excluding the chairman of Strategic Planning Committee) proposed by the Nomination and Remuneration Committee;</p> <p>(15)<u>16</u> to decide on the remuneration, performance appraisal, incentive and punishment of members of senior management;</p> <p>(16)<u>17</u> to decide on the establishment of internal departments at the head office, tier-one domestic and overseas branches, other branches and divisions directly under the head office and any overseas entities;</p>

No.	Current Articles	Amended Articles
	<p>(18) to formulate stock incentive schemes;</p> <p>(19) to manage the Bank's information disclosure;</p> <p>(20) to propose the engagement, dismissal and discontinuance of engagement of accounting firm for approval by the shareholders' general meeting;</p> <p>(21) to consider and approve the proposals submitted by the Board committees;</p> <p>(22) to consider and approve or to authorize the Related Party Transactions Control Committee of the Board to approve related party transactions (other than those which shall be considered and approved by the shareholders' general meeting as required by laws), and report to the shareholders' general meeting on the implementation status of related party transactions management systems and the particulars of related party transactions;</p>	<p>(17)18) to evaluate and improve the Bank's corporate governance regularly;</p> <p>(18)19) to formulate stock incentive schemes <u>and employee stock ownership plans</u>;</p> <p>(19)20) to manage <u>be responsible for</u> the Bank's information disclosure, <u>and assume ultimate responsibility for the truthfulness, accuracy, completeness and timeliness of financial accounting reports</u>;</p> <p>(20)21) to propose the engagement, <u>and</u> dismissal and discontinuance of engagement of accounting firms <u>that conduct periodic statutory audit of the financial accounting reports of the Bank</u> for approval by the shareholders' general meeting;</p> <p>(21)22) to consider and approve the proposals submitted by the Board committees;</p>

No.	Current Articles	Amended Articles
	<p>(23) to listen to the work reports of the president of the Bank in accordance with the relevant regulatory requirements to ensure that all directors are timely and fully informed of relevant information for the performance of their duties, and to examine the work of the senior management to monitor and ensure the effective performance of their management responsibilities;</p> <p>(24) to consider execution and rectification of the regulatory suggestions from the banking regulatory authority of the State Council to the Bank;</p> <p>(25) to perform other duties required by laws, administrative regulations, departmental rules and the Articles of the Bank or authorized by the shareholders' general meeting.</p>	<p>(22)<u>(23)</u> to consider and approve or to authorize the Related Party Transactions Control Committee of the Board to approve related party transactions (other than those which shall be considered and approved by the shareholders' general meeting as required by laws), and report to the shareholders' general meeting on the <u>overall implementation</u> status of related party transactions management systems and the particulars of related party transactions;</p> <p>(23)<u>(24)</u> to listen to the work reports of the president of the Bank in accordance with the relevant regulatory requirements to ensure that all directors are timely and fully informed of relevant information for the performance of their duties, and to examine the work of the senior management to monitor and ensure the effective performance of their management responsibilities;</p> <p>(24)<u>(25)</u> to consider execution and rectification of the regulatory suggestions from the banking regulatory authority of the State Council to the Bank;</p>

No.	Current Articles	Amended Articles
		<p data-bbox="916 317 1359 572"><u>(26) to consider and approve major data governance matters of the Bank in accordance with the laws and regulations, regulatory requirements and the provisions of the Articles of the Bank;</u></p> <p data-bbox="916 608 1359 732"><u>(27) to safeguard the legitimate rights and interests of financial consumers and other stakeholders;</u></p> <p data-bbox="916 768 1359 955"><u>(28) to establish a mechanism to identify, review and manage conflicts of interest between the Bank and its shareholders, in particular major shareholders;</u></p> <p data-bbox="916 991 1359 1087"><u>(29) to assume responsibility for the management of shareholders' affairs;</u></p> <p data-bbox="916 1123 1359 1406"><u>(30) to establish and implement an accountability system for the performance of duties of the senior management, and clarify the specific ways for accountability of malfunction and improper performance of responsibilities;</u></p> <p data-bbox="884 1442 1359 1693"><u>(2531)</u> to perform other duties required by laws, administrative regulations, departmental rules, <u>regulatory requirements</u> and the Articles of the Bank or authorized by the shareholders' general meeting.</p>

No.	Current Articles	Amended Articles
3.	Newly added	<u>Article 13 The Board shall practice high standard of professional ethics, which shall serve the Bank's long-term interests.</u>
4.	Article 18 The opinions of the CPC Committee shall be heard before the Board decides on material matters of the Bank.	<u>Article 189 The pre-placed procedure of the CPC Committee's research and discussion</u> The opinions of the CPC Committee shall be heard <u>performed</u> before the Board <u>or the senior management</u> decides on material <u>operation and management</u> matters of the Bank.
5.	<p>Article 20 Each Board committee shall be responsible to the Board and report its work to the Board, and provide professional opinions to the Board or make decisions on professional matters within the scope of authorization by the Board. The Bank shall provide necessary working conditions for each Board committee to fulfill its duties and responsibilities.</p> <p>Each Board committee may, when necessary, engage intermediaries and professionals to provide professional opinions. The reasonable expenses incurred shall be borne by the Bank.</p>	<p>Article 20<u>1</u> Each Board committee shall be responsible to the Board and report its work to the Board, and provide professional opinions to the Board or make decisions on professional matters <u>in accordance with the Articles of the Bank and</u> within the scope of authorization by the Board. The Bank shall provide necessary working conditions for each Board committee to fulfill its duties and responsibilities.</p> <p>Each Board committee may, when necessary, engage intermediaries and professionals to provide professional opinions. The reasonable expenses incurred shall be borne by the Bank.</p>

No.	Current Articles	Amended Articles
6.	<p>Article 22 The primary duties of the Strategic Planning Committee include:</p> <p>(1) reviewing and making recommendations to the Board on the Bank's business objectives, general strategic development plan and specific strategic development plans;</p> <p>(2) evaluating factors which may affect the Bank's strategic development plans and their implementation, in light of domestic and overseas economic and financial conditions and market development trends, and making recommendations to the Board on adjustment to the Bank's strategic development plans in a timely manner;</p> <p>(3) evaluating the general development conditions relating to various financial businesses, and making recommendations to the Board on adjustment to the Bank's strategic development plans in a timely manner;</p>	<p>Article 223 The primary duties of the Strategic Planning Committee include:</p> <p><u>(1) implementing and supervising the Bank's implementation of the principles and guidelines of the CPC and the State, implementing major strategic decisions of the Central Committee of the CPC and the State Council, and making recommendations to the Board with respect to such supervision and implementation;</u></p> <p>(2) reviewing and making recommendations to the Board on the Bank's business objectives, general strategic development plan and specific strategic development plans;</p> <p>(2) evaluating factors which may affect the Bank's strategic development plans and their implementation, in light of domestic and overseas economic and financial conditions and market development trends, and making recommendations to the Board on adjustment to the Bank's strategic development plans in a timely manner;</p>

No.	Current Articles	Amended Articles
	<p>(4) reviewing the Bank's strategic capital allocation and objectives of asset and liability management, and making recommendations to the Board;</p> <p>(5) reviewing the Bank's business development plans and major investment and financing proposals submitted by the senior management, and making recommendations to the Board;</p> <p>(6) reviewing plans for establishment or adjustment of the head office's internal departments, tier-one domestic and overseas branches, direct branches or other direct affiliates, or overseas affiliates, and making recommendations to the Board;</p> <p>(7) supervising and inspecting the implementation of the Bank's business plans and investment plans;</p>	<p>(34) evaluating the general development conditions relating to various financial businesses, and making recommendations to the Board on adjustment to the Bank's strategic development plans in a timely manner;</p> <p>(45) reviewing the Bank's strategic capital allocation and objectives of asset and liability management, and making recommendations to the Board;</p> <p>(56) reviewing the Bank's business development plans and major investment and financing proposals submitted by the senior management, and making recommendations to the Board;</p> <p>(67) reviewing plans for establishment or adjustment of the head office's internal departments, tier-one domestic and overseas branches, direct branches or other direct affiliates, or overseas affiliates, and making recommendations to the Board;</p>

No.	Current Articles	Amended Articles
	<p>(8) reviewing proposals for the Bank's annual financial budget and accounts submitted by the senior management, and making recommendations to the Board;</p> <p>(9) reviewing the Bank's plans for establishment of a legal entity and merger and acquisition proposals, and making recommendations to the Board;</p> <p>(10) reviewing the Bank's matters on external investment, acquisition of assets, disposal of assets, asset write-off, asset mortgages and other non-commercial banking guarantees, and making recommendations to the Board;</p> <p>(11) evaluating the Bank's corporate governance and making recommendations to the Board;</p> <p>(12) other matters required by laws, administrative regulations, departmental rules and authorized by the Board.</p>	<p>(78) supervising and inspecting the implementation of the Bank's business plans and investment plans;</p> <p>(89) reviewing proposals for the Bank's annual financial budget and accounts submitted by the senior management, and making recommendations to the Board;</p> <p>(910) reviewing the Bank's plans for establishment of a legal entity and merger and acquisition proposals, and making recommendations to the Board;</p> <p>(1011) reviewing the Bank's matters on external investment, acquisition of assets, disposal of assets, asset write-off, asset mortgages and other non-commercial banking guarantees, and making recommendations to the Board;</p> <p>(1112) evaluating the Bank's corporate governance and making recommendations to the Board;</p> <p>(13) <u>implementing the requirements of relevant policies on inclusive finance, reviewing the development plan, major management system and other major issues of the Bank's inclusive finance business, and making recommendations to the Board;</u></p> <p>(1214) other matters required by laws, administrative regulations, departmental rules and authorized by the Board.</p>

No.	Current Articles	Amended Articles
7.	<p>Article 23 The primary duties of the Related Party Transactions Control Committee include:</p> <p>(1) managing the Bank's related party transactions, reviewing the management system for related party transactions, supervising their implementation and making recommendations to the Board;</p> <p>(2) verifying the Bank's related parties, reporting to the Board and Board of Supervisors, and informing the Bank's relevant staff in a timely manner;</p>	<p>Article 234 The primary duties of the Related Party Transactions Control Committee include:</p> <p>(1) managing the Bank's related party transactions <u>being responsible for the management, review and risk control of related party transactions of the Bank,</u> reviewing the management system for related party transactions, supervising their implementation and making recommendations to the Board, <u>focusing on the compliance, fairness and necessity of related party transactions, and bearing corresponding responsibility for the compliance of the Bank's related party transactions;</u></p> <p>(2) verifying the Bank's related parties, reporting to the Board and Board of Supervisors, and informing the Bank's relevant staff in a timely manner;</p> <p>(32) reviewing major related party transactions or related party transactions that are subject to approval by the Board or shareholders' general meeting, and making submissions to the Board or the shareholders' general meeting through the Board for approval;</p>

No.	Current Articles	Amended Articles
	<p>(3) reviewing major related party transactions or related party transactions that are subject to approval by the Board or shareholders' general meeting, and making submissions to the Board or the shareholders' general meeting through the Board for approval;</p> <p>(4) to the extent authorized by the Board, reviewing and approving the Bank's related party transactions and other matters in relation to such related party transactions, and receiving the record of general related party transactions for filing;</p> <p>(5) reviewing matters in relation to the disclosure of information on the Bank's major related party transactions;</p> <p>(6) other matters required by laws, administrative regulations, departmental rules and authorized by the Board.</p>	<p>(43) to the extent authorized by the Board, reviewing and approving the Bank's related party transactions and other matters in relation to such related party transactions, and receiving the record of general related party transactions for filing;</p> <p>(54) reviewing matters in relation to the disclosure of information on the Bank's major related party transactions;</p> <p>(65) other matters required by laws, administrative regulations, departmental rules and authorized by the Board.</p>

No.	Current Articles	Amended Articles
8.	<p data-bbox="323 314 821 378">Article 24 The primary duties of the Audit Committee include:</p> <p data-bbox="387 421 419 442">...</p> <p data-bbox="387 474 821 729">(6) proposing, and submitting to the Board for review, the engagement or dismissal of an accounting firm, and supervising and evaluating the work of the accounting firm to ensure the independence and effectiveness of its work;</p> <p data-bbox="387 761 821 1208">(7) reviewing the Bank's annual audit report and other specific opinions issued by accounting firm, the Bank's audited annual financial statements, other financial reports and other financial information to be disclosed, and reporting judgments on the truthfulness, completeness and accuracy of the Bank's audited financial statements and financial information for submission to the Board for approval;</p> <p data-bbox="387 1240 821 1368">(8) facilitating communications between the Bank's internal audit department and the accounting firm;</p> <p data-bbox="387 1400 821 1527">(9) reviewing the annual audit plans, scope of work and important audit rules of the accounting firm;</p> <p data-bbox="387 1559 821 1730">(10) other matters required by laws, administrative regulations, departmental rules and authorized by the Board.</p>	<p data-bbox="853 314 1351 378">Article 245 The primary duties of the Audit Committee include:</p> <p data-bbox="917 421 949 442">...</p> <p data-bbox="917 474 1351 953">(6) proposing, and submitting to the Board for review, the engagement or dismissal of an accounting firm <u>that conducts periodic statutory audit of the financial accounting reports of the Bank</u>, and supervising and evaluating the work of the accounting firm <u>that conducts periodic statutory audit of the financial accounting reports of the Bank</u> to ensure the independence and effectiveness of its work;</p> <p data-bbox="917 985 1351 1432">(7) reviewing the Bank's annual audit report and other specific opinions issued by accounting firm, the Bank's audited annual financial statements, other financial reports and other financial information to be disclosed, and reporting judgments on the truthfulness, completeness and accuracy of the Bank's audited financial statements and financial information for submission to the Board for approval;</p> <p data-bbox="917 1464 1351 1591">(8) facilitating communications between the Bank's internal audit department and the accounting firm;</p> <p data-bbox="917 1623 1351 1751">(9) reviewing the annual audit plans, scope of work and important audit rules of the accounting firm;</p> <p data-bbox="917 1783 1351 1953">(10) other matters required by laws, administrative regulations, departmental rules and authorized by the Board.</p>

No.	Current Articles	Amended Articles
9.	<p data-bbox="325 321 820 389">Article 25 The primary duties of the Risk Management Committee include:</p> <p data-bbox="389 442 820 1070">(1) examining and revising the Bank's risk management strategies, basic policies on risk management, risk appetite, comprehensive risk management framework and major procedures and systems for risk management according to the Bank's general strategic development plan, and supervising and evaluating their implementation and effectiveness, and making recommendations to the Board;</p> <p data-bbox="389 1123 820 1513">(2) reviewing plans for risk capital allocation and making recommendations to the Board; developing objectives of capital adequacy ratio management to be submitted to the Board for review, and reviewing and supervising the implementation of the Bank's capital planning;</p>	<p data-bbox="852 321 1347 431">Article 25<u>6</u> The primary duties of the Risk Management Committee include:</p> <p data-bbox="916 485 1347 1112">(1) examining and revising the Bank's risk management strategies, basic policies on risk management, risk appetite, comprehensive risk management framework and major procedures and systems for risk management according to the Bank's general strategic development plan, and supervising and evaluating their implementation and effectiveness, and making recommendations to the Board;</p> <p data-bbox="916 1166 1347 1555">(2) reviewing plans for risk capital allocation and making recommendations to the Board; developing objectives of capital adequacy ratio management to be submitted to the Board for review, and reviewing and supervising the implementation of the Bank's capital planning;</p>

No.	Current Articles	Amended Articles
	<p>(3) monitoring the senior management to take necessary steps to effectively identify, evaluate, monitor and control/mitigate risks; supervising the control, management and duty performance of the senior management in relation to the Bank's credit, market, operational risks and other risks, and making recommendations to the Board;</p> <p>(4) hearing of the risk management report presented by the senior management, regularly evaluating the Bank's risks, management situation and risk tolerance level, and taking control of the general conditions, comprehensiveness and effectiveness of the Bank's risk management and making recommendations to the Board;</p> <p>(5) evaluating the structure, working procedures and performance of the Bank's risk management department and make recommendations for improvement;</p>	<p>(3) monitoring the senior management to take necessary steps to effectively identify, evaluate, monitor and control/mitigate risks; supervising the control, management and duty performance of the senior management in relation to the Bank's credit, market, operational, money laundering and terrorist financing risks and other risks, and making recommendations to the Board;</p> <p>(4) hearing of considering the risk management report presented by the senior management, regularly evaluating the Bank's risks, management situation and risk tolerance level, and taking control of the general conditions, comprehensiveness and effectiveness of the Bank's risk management and making recommendations to the Board;</p> <p>(5) evaluating the structure, working procedures and performance of the Bank's risk management department and make recommendations for improvement;</p>

No.	Current Articles	Amended Articles
	<p>(6) making recommendations on how to improve the Bank's risk management and internal control from the perspective of the Bank and in light of the overall circumstance;</p> <p>(7) reviewing major risk management issues or transactions that are beyond the authority of the president and that are submitted by the president to this committee for review, and making recommendations to the Board;</p> <p>(8) supervising the Bank's legal and compliance management; reviewing its legal and compliance policies as well as relevant basic management systems and expressing opinions thereon to be submitted to the Board for review and approval; and listening to and reviewing the implementation of the Bank's legal and compliance policies;</p> <p>(9) other matters required by laws, administrative regulations, departmental rules and authorized by the Board.</p>	<p>(6) making recommendations on how to improve the Bank's risk management and internal control from the perspective of the Bank and in light of the overall circumstance;</p> <p>(7) reviewing major risk management issues or transactions that are beyond the authority of the president and that are submitted by the president to this committee for review, and making recommendations to the Board;</p> <p>(8) supervising the Bank's legal and compliance management; reviewing its legal and compliance policies as well as relevant basic management systems and expressing opinions thereon to be submitted to the Board for review and approval; and listening to and reviewing the implementation of the Bank's legal and compliance policies;</p> <p>(9) other matters required by laws, administrative regulations, departmental rules and authorized by the Board.</p>

No.	Current Articles	Amended Articles
10.	<p data-bbox="325 321 820 427">Article 26 The primary duties of the Nomination and Remuneration Committee include:</p> <p data-bbox="389 480 820 672">(1) performing annual review on the structure, size and composition of the Board, and making recommendations to the Board;</p> <p data-bbox="389 725 820 1034">(2) developing the standards and procedures for the appointment of directors, chairman and members of each Board committee and members of the senior management, and submitting to the Board for review;</p> <p data-bbox="389 1087 421 1108">...</p> <p data-bbox="389 1161 820 1587">(7) reviewing the Bank's major human resources and compensation policies and basic systems submitted by the senior management, and submitting the same to the Board for approval, and supervising the implementation of the relevant policies and basic management systems;</p> <p data-bbox="389 1640 421 1661">...</p>	<p data-bbox="852 321 1347 427">Article 26<u>7</u> The primary duties of the Nomination and Remuneration Committee include:</p> <p data-bbox="916 480 1347 672">(1) performing annual review on the structure, size and composition of the Board, and making recommendations to the Board;</p> <p data-bbox="916 725 1347 1034">(2) developing the standards and review procedures for the appointment of directors, chairman and members of each Board committee and members of the senior management, and submitting to the Board for review;</p> <p data-bbox="916 1087 948 1108">...</p> <p data-bbox="916 1161 1347 1672">(7) reviewing the Bank's major human resources and compensation policies, share incentive schemes, employee stock ownership plans and basic systems submitted by the senior management, and submitting the same to the Board for approval, and supervising the implementation of the relevant policies and basic management systems;</p> <p data-bbox="916 1725 948 1747">...</p>

No.	Current Articles	Amended Articles
11.	<p>Article 27 The primary duties of the Social Responsibility and Consumer Rights Protection Committee include:</p> <p>(1) developing the Bank's social responsibility and consumer rights protection strategies, policies and objectives that are consistent with the Bank's development strategies and actual situation to be implemented upon submission to and approval by the Board;</p> <p>(2) developing the Bank's basic management systems for social responsibility and consumer rights protection to be implemented upon submission to and approval by the Board;</p> <p>(3) supervising, inspecting and evaluating the implementation and effectiveness of the Bank's strategies, policies, objectives, basic management systems, etc., for social responsibility and consumer rights protection, and making recommendations to the Board;</p>	<p>Article 278 The primary duties of the Social Responsibility and Consumer Rights Protection Committee include:</p> <p>(1) developing the Bank's social responsibility and consumer rights protection strategies, policies and <u>basic management system objectives</u> that are consistent with the Bank's development strategies and actual situation to be implemented upon submission to and approval by the Board;</p> <p>(2) developing <u>formulating</u> the Bank's basic management systems <u>strategies, policies and objectives</u> for social responsibility and consumer rights protection to be implemented upon submission to and approval by the Board;</p> <p><u>(3) guiding and supervising the establishment and improvement of the management system for consumer rights protection to ensure that relevant regulations are in line with the corporate governance, corporate culture cultivation, and business development strategies;</u></p>

No.	Current Articles	Amended Articles
	<p>(4) reviewing the Bank's credit extension policies in relation to the environment and sustainable development, and making recommendations to the Board;</p> <p>(5) regularly listening to the work report of senior management on consumer rights protection, supervising and evaluating the comprehensiveness, promptness and effectiveness of the Bank's consumer protection work as well as the duty performance of the senior management, as authorized by the Board, and disclosing information regarding consumer rights protection according to relevant regulatory requirements;</p> <p>(6) approving matters in relation to external donation, as authorized by the Board;</p> <p>(7) other matters required by laws, administrative regulations, departmental rules and authorized by the Board.</p>	<p>(34) supervising, inspecting and evaluating the implementation and effectiveness of the Bank's strategies, policies, objectives, basic management systems, etc., for social responsibility and consumer rights protection, and making recommendations to the Board;</p> <p>(45) reviewing the Bank's credit extension policies in relation to the environment and sustainable development, and making recommendations to the Board;</p> <p><u>(6) being accountable to the Board, submitting to the Board work reports and annual reports concerning consumer rights protection, carrying out any work in relation thereto under the authorization of the Board of Directors, discussing and deciding on relevant matters, and studying major issues and major policies on consumer rights protection;</u></p> <p><u>(7) supervising the comprehensiveness, promptness and effectiveness of the work of the senior management and the consumer rights protection department in accordance with the regulatory requirements, the execution of consumer protection strategies and policies, the progress against the objectives as well as the implementation of the work;</u></p>

No.	Current Articles	Amended Articles
		<p>(58) <u>holding regular work meetings on consumer rights protection, reviewing the work reports of the senior management and the consumer rights protection department; studying the audit reports, regulatory notices, and internal evaluation results related to the annual consumer rights protection work; urging the senior management and relevant departments to implement the issues found during rectification in a timely manner; providing guidance on disclosure of major information on consumer rights protection;</u>regularly listening to the work report of senior management on consumer rights protection, supervising and evaluating the comprehensiveness, promptness and effectiveness of the Bank's consumer protection work as well as the duty performance of the senior management, as authorized by the Board, and disclosing information regarding consumer rights protection according to relevant regulatory requirements;</p>

No.	Current Articles	Amended Articles
		<p data-bbox="917 314 1356 910"><u>(9)</u> being responsible for reviewing the Bank's green finance development strategy, reviewing the green finance objectives set by the senior management and the green finance reports submitted by the senior management, supervising and evaluating the implementation of the Bank's green finance development strategy, and making recommendations to the Board;</p> <p data-bbox="880 959 1356 1070"><u>(610)</u> approving matters in relation to external donation, as authorized by the Board;</p> <p data-bbox="880 1119 1356 1268"><u>(711)</u> other matters required by laws, administrative regulations, departmental rules and authorized by the Board.</p>

No.	Current Articles	Amended Articles
	CHAPTER III CONVENING OF BOARD MEETINGS	CHAPTER III CONVENING OF BOARD MEETINGS
12.	<p>Article 49 Directors shall attend the Board meeting in person. If a director cannot attend the meeting in person due to certain reasons, he or she may appoint another director in writing to attend on his or her behalf (an independent director shall appoint another independent director to attend on his or her behalf). If other directors are appointed to sign a written confirmation on the periodical reports, they shall make a special authorization in the power of attorney. The director who attends the meeting on behalf of another director shall exercise the rights of a director within the scope of authorization.</p> <p>If a director fails to attend a Board meeting and does not appoint a proxy to attend on his or her behalf, he or she shall be deemed to have waived his or her voting rights at that meeting.</p> <p>A director shall attend at least two-thirds of the Board meetings in person each year. If the director fails to attend the meetings in person for two (2) consecutive times and without appointing other directors to attend the Board meetings on his or her behalf, the director shall be deemed as unable to perform their duties, and the Board shall make a proposal at the shareholders' general meeting to remove such director.</p>	<p>Article 4950 Directors shall attend the Board meeting in person. If a director cannot attend the meeting in person due to certain reasons, he or she may appoint another director in writing to attend on his or her behalf (an independent director shall appoint another independent director to attend on his or her behalf). If other directors are appointed to sign a written confirmation on the periodical reports, they shall make a special authorization in the power of attorney. The director who attends the meeting on behalf of another director shall exercise the rights of a director within the scope of authorization.</p> <p>If a director fails to attend a Board meeting and does not appoint a proxy to attend on his or her behalf, he or she shall be deemed to have waived his or her voting rights at that meeting.</p> <p>A director shall attend at least two-thirds or more of the on-site Board meetings in person each year. If the director fails to attend the meetings in person for two (2) consecutive times and without appointing other directors to attend the Board meetings on his or her behalf, the director shall be deemed as unable to perform their duties, and the Board shall make a proposal at the shareholders' general meeting to remove such director.</p> <p><u>A director shall sign written confirmation for periodic reports in accordance with laws, shall not either appoint others to sign, or refuse to do so on account of having an objection to the contents of the periodic reports or disagreement with audit institutions.</u></p>

No.	Current Articles	Amended Articles
13.	<p>Article 51 Proxy attendance at Board meetings shall follow the principles below:</p> <p>(1) an independent director shall not appoint a non-independent director to attend the meeting on his or her behalf, and a non-independent director shall also not accept the appointment of an independent director;</p> <p>(2) a director shall not give any other director carte blanche to attend the meeting on his or her behalf without providing his own opinions and voting intent on the proposals, and the relevant director shall also not accept the carte blanche or any appointment not well defined;</p> <p>(3) one director shall not accept entrustment by more than two directors, and a director shall also not appoint any other director who has been appointed by two other directors to attend the meeting on his or her behalf;</p> <p>(4) when matters related to related party transactions are considered, non-related directors shall not appoint the related directors to attend the meeting, while the related directors shall not accept the appointment of the non-related directors either;</p>	<p>Article 512 Proxy attendance at Board meetings shall follow the principles below:</p> <p>(1) an independent director shall not appoint a non-independent director to attend the meeting on his or her behalf, and a non-independent director shall also not accept the appointment of an independent director;</p> <p>(2) a director shall not give any other director carte blanche to attend the meeting on his or her behalf without providing his own opinions and voting intent on the proposals, and the relevant director shall also not accept the carte blanche or any appointment not well defined;</p> <p>(3) <u>one director, in principle, can only accept the entrustment of two directors at most who fail to attend the meeting in person</u> one director shall not accept entrustment by more than two directors, and a director shall also not appoint any other director who has been appointed by two other directors to attend the meeting on his or her behalf;</p> <p>(4) when matters related to related party transactions are considered, non-related directors shall not appoint the related directors to attend the meeting, while the related directors shall not accept the appointment of the non-related directors either;</p>

No.	Current Articles	Amended Articles
	CHAPTER IV PROVISIONS FOR THE PROCEEDINGS OF BOARD MEETINGS	CHAPTER IV PROVISIONS FOR THE PROCEEDINGS OF BOARD MEETINGS
14.	<p>Article 62 Independent directors shall express objective, impartial and independent opinions on the matters discussed at the Board meeting, and shall in particular, express their opinions at Board meeting on the following matters:</p> <ol style="list-style-type: none"> (1) major related party transactions; (2) profit distribution plans; (3) appointment and dismissal of members of the senior management; (4) matters that may impair the lawful interests of the depositors, small and medium shareholders and other persons who have interests in the Bank; (5) matters that may cause material loss to the Bank; 	<p>Article 623 Independent directors shall express objective, impartial and independent opinions on the matters discussed at the Board meeting, and shall in particular, express their opinions at Board meeting on the following matters:</p> <ol style="list-style-type: none"> (1) major related party transactions; (2) profit distribution plans; (3) <u>nomination, engagement and dismissal of directors, and</u> appointment and dismissal of members of the senior management; (4) <u>remuneration of directors and the members of the senior management</u>matters that may impair the lawful interests of the depositors, small and medium shareholders and other persons who have interests in the Bank; (5) matters that may cause material loss to the Bank;

No.	Current Articles	Amended Articles
	<p>(6) appointment of external auditors;</p> <p>(7) provision of independent opinion on the effect of the issuance of preference shares on the rights and interests of each class of shareholders;</p> <p>(8) other matters stipulated by the laws, administrative regulations, departmental rules and the Articles of the Bank.</p>	<p>(6) <u>engagement or dismissal of accounting firms that conduct periodic statutory audit of the financial accounting reports of the Bank</u>appointment of external auditors;</p> <p>(7) provision of independent opinion on the effect of the issuance of preference shares on the rights and interests of each class of shareholders;</p> <p>(8) <u>other matters that may have important impacts on the lawful interests of the Bank, small and medium shareholders, and financial consumers;</u></p> <p>(89) other matters stipulated by the laws, administrative regulations, departmental rules, <u>regulatory requirements</u> and the Articles of the Bank.</p>

No.	Current Articles	Amended Articles
15.	<p>Article 70 For a Board meeting convened by means of circulation of a written resolution, a director shall, within five days from the date of receiving the written notice of the meeting and the written resolution, make the voting decision carefully, fill in or sign the voting ballot, and send it by fax or e-mail to the facsimile number or email address of the secretary to the Board of Directors specified in the written notice. A vote returned beyond the time limit for return of votes specified in the written notice shall be invalid and the director shall be deemed to have waived voting rights.</p>	<p>Article 701 For a Board meeting convened by means of circulation of a written resolution, a director shall, within <u>the time limit for return of votes specified in</u> five days from the date of receiving the written notice of the meeting and the written resolution, make the voting decision carefully, fill in or sign the voting ballot, and send it by fax or e-mail to the facsimile number or email address of the secretary to the Board of Directors specified in the written notice. A vote returned beyond the time limit for return of votes specified in the written notice shall be invalid and the director shall be deemed to have waived voting rights.</p>
16.	<p>Article 73 Resolutions of the Board shall be passed by more than half of all directors. If any director has a material interest in matters to be discussed at the Board meeting, resolutions shall be passed by more than half of the directors who have no material interest in such matters. Where under three (3) directors who have no material interest in the resolutions attend the Board meeting, such resolutions shall be submitted to the shareholder's general meeting for consideration.</p>	<p>Article 734 Resolutions of the Board shall be passed by more than half of all directors. If any director has a material interest in matters to be discussed at the Board meeting, resolutions shall be passed by more than half of the directors who have no material interest in such matters. <u>Resolutions on material related party transactions shall be approved by more than two-thirds of the non-related directors at the Board meeting.</u> Where under three (3) directors who have no material interest in the resolutions attend the Board meeting, such resolutions shall be submitted to the shareholder's general meeting for consideration.</p>

No.	Current Articles	Amended Articles
17.	<p>Article 74 Resolutions concerning the following matters shall be passed by two-thirds or more of all directors and the Board meeting shall not be convened by circulation of written resolution:</p> <p>(1) development strategies of the Bank;</p> <p>(2) capital fund management plans, risk-based capital allocation plans, capital replenishment plans, annual financial budget plans, annual financial accounts, profit distribution plans and loss recovery plans of the Bank;</p> <p>(3) increase or reduction of registered capital of the Bank;</p> <p>(4) the Bank's proposal to issue bonds or other marketable securities and the proposal to list the Bank;</p> <p>(5) plans for merger, division, dissolution, liquidation or other changes in the corporate form of the Bank;</p>	<p>Article 74<u>74</u>5 Resolutions concerning the following matters shall be passed by two-thirds or more of all directors and the Board meeting shall not be convened by circulation of written resolution:</p> <p>(1) development strategies of the Bank;</p> <p>(2) capital fund management plans, risk-based capital allocation plans, <u>planning</u>—fund management plans, risk-based capital allocation plans, capital replenishment plans, annual financial budget plans, annual financial accounts, profit distribution plans, <u>basic remuneration plans, remuneration plans for directors and senior management</u> and loss recovery plans of the Bank;</p> <p>(3) increase or reduction of registered capital of the Bank;</p> <p>(4) the Bank's proposal to issue bonds or other marketable securities and the proposal to list the Bank;</p> <p>(5) plans for merger, division, <u>spin-off,</u> dissolution, liquidation or other changes in the corporate form of the Bank;</p>

No.	Current Articles	Amended Articles
	<p>(6) plans to repurchase the Bank's shares, plans for material change in equity interest and plans for financial reorganization;</p> <p>(7) proposals for amendments to the Articles of the Bank;</p> <p>(8) decision on matters including the establishment of major legal entities of the Bank, material corporate mergers and acquisitions, material external investments, major asset acquisitions, material asset disposals, major asset write-offs, major asset mortgages and other noncommercial banking guarantees, within the scope authorized by the shareholders' general meeting;</p>	<p>(6) plans to repurchase <u>acquire</u> the Bank's shares, plans for material change in equity interest and plans for financial reorganization;</p> <p>(7) proposals for amendments to the Articles of the Bank;</p> <p>(8) decision on matters including the establishment of major legal entities of the Bank, material corporate mergers and acquisitions, material external investments, major asset acquisitions, material asset disposals, major asset write-offs, major asset mortgages and other noncommercial banking guarantees, within the scope authorized by the shareholders' general meeting <u>in accordance with the laws and regulations, regulatory requirements and the provisions of the Articles of the Bank;</u></p>

No.	Current Articles	Amended Articles
	<p>(9) appointment or dismissal of the president, vice president and other members of senior management of the Bank and decision on matters relating to the remuneration, performance evaluation and award or punishment of members of senior management of the Bank;</p> <p>(10) election of the chairmen and members of each Board committee (excluding the chairman of the Strategic Planning Committee);</p> <p>(11) to propose the appointment, dismissal or discontinuance of engagement of accounting firms for approval by the shareholders' general meeting;</p> <p>(12) other matters that are deemed to have a material impact on the Bank by more than half of all directors and are required to be passed by two-thirds or more of all directors.</p>	<p>(9) appointment or dismissal of the president, vice president and other members of senior management of the Bank and decision on matters relating to the remuneration, performance evaluation and award or punishment of members of senior management of the Bank;</p> <p>(10) election of the chairmen and members of each Board committee (excluding the chairman of the Strategic Planning Committee);</p> <p>(11) to propose the appointment, and dismissal or discontinuance of engagement of accounting firms that conduct periodic statutory audit of the financial accounting reports of the Bank for approval by the shareholders' general meeting;</p> <p>(12) other matters that are deemed to have a material impact on the Bank by more than half of all directors and are required to be passed by two-thirds or more of all directors.</p>

No.	Current Articles	Amended Articles
	CHAPTER VII SUPPLEMENTAL PROVISIONS	CHAPTER VII SUPPLEMENTAL PROVISIONS
18.	Article 91 After approval by the shareholders' general meeting, these Rules shall become effective from the date of the initial public offering and listing of the shares of the Bank, and the former Rules of Procedures of the Board of Directors of Postal Savings Bank of China Co., Ltd. (2019 Revised) (You Yin Zhi [2019] No. 256) shall be repealed simultaneously. Changes and amendments to these Rules shall be passed by an ordinary resolution at the shareholders' general meeting.	Article 91 2 After approval by the shareholders' general meeting, the <u>These</u> Rules shall become effective from the date of the initial public offering and listing of the shares of the Bank <u>approval by the shareholders' general meeting</u> , and the former Rules of Procedures of the Board of Directors of Postal Savings Bank of China Co., Ltd. (2019 21 Revised) (You Yin Zhi [2019 21] No. 256 39) shall be repealed simultaneously. Changes and amendments to these Rules shall be passed by an ordinary resolution at the shareholders' general meeting.

Note: The numbering of the related chapters, articles and cross-referenced articles has been adjusted accordingly.

**2022 WORK REPORT OF INDEPENDENT DIRECTORS
OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

In 2022, the Independent Directors of the Bank strictly followed the domestic and overseas laws, regulations and normative documents, such as the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Corporate Governance Guidelines for Banking and Insurance Institutions, the Rules for Independent Directors of Listed Companies and the Corporate Governance Code in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and also followed the Articles of Association, the Working Rules of Independent Directors of Postal Savings Bank of China Co., Ltd., the Working Procedures for Annual Report of Independent Directors of Postal Savings Bank of China Co., Ltd. and other requirements. The Independent Directors implemented high-standard code of professional ethics, overcame the impact of the pandemic and other factors, and performed duties diligently, dedicatedly and faithfully. The Independent Directors attended the Shareholders' General Meeting and the meetings of the Board of Directors and its special committees earnestly, made independent and autonomous decisions, expressed independent, professional, objective and unbiased opinions on matters under review, and effectively safeguarded the legitimate rights and interests of the Bank, all Shareholders and other stakeholders. The work report of Independent Directors in 2022 is presented as follows.

I. Basic Information of Independent Directors

As of the Latest Practicable Date, the Bank has five Independent Directors, accounting for more than one-third of the total number of members of the Board of Directors, which is in compliance with relevant regulatory requirements and the Articles of Association. Three special committees under the Board of Directors, namely the Audit Committee, the Nomination and Remuneration Committee and the Related Party Transactions Control Committee are all chaired by Independent Directors, of which the Independent Director chairing the Audit Committee has accounting expertise, and other special committees have at least one Independent Director as a member. From March 10, 2023, Mr. Tang Zhihong has been appointed as an Independent Non-executive Director of the Bank, and he simultaneously served as Chairman and a member of the Related Party Transactions Control Committee, member of the Risk Management Committee and member of the Nomination and Remuneration Committee of the Board of Directors of the Bank. As his term of office has expired, Mr. Fu Tingmei ceased to serve as an Independent Non-executive Director of the Bank since the date when Mr. Tang Zhihong took office. Mr. Fu Tingmei also ceased to be Chairman and a member of the Related Party Transactions Control Committee, member of the Risk Management Committee and member of the Nomination and Remuneration Committee of the Board of Directors of the Bank. In addition to the annual remunerations, the Independent Directors of the Bank neither have any business or financial interests in the Bank or its subsidiaries, nor assume any management positions in the Bank. The independence of the Independent Directors

of the Bank is in compliance with the relevant regulatory requirements. The Bank has received an annual commitment letter from each of the Independent Directors on their independence and acknowledged their independence. The biographies of the Independent Directors of the Bank are as follows:

Wen Tiejun, male, obtained a doctor's degree in Management from China Agricultural University. Mr. Wen has served as Independent Non-executive Director of the Bank since October 2019. He previously served as an assistant researcher of the Rural Development Research Center of the State Council, a researcher of the Research Center for Rural Economy of the Ministry of Agriculture, Deputy Secretary General of the China Society of Economic Reform, Dean of School of Agricultural Economics and Rural Development at Renmin University of China, and independent non-executive director of Agricultural Bank of China Limited. Mr. Wen currently serves as Executive Dean of Institute of Rural Reconstruction of China at Southwest University, a member of the National Environment Advisory Committee, a member of the Committee of Experts on Food Security, a provincial and ministerial-level adviser and policy advisory expert of the Ministry of Commerce, the Ministry of Civil Affairs, the National Forestry and Grassland Administration, Beijing Municipality and Fujian Province of the PRC, and external director of Xinjiang Culture & Tourism Investment Group Co., Ltd.

Chung Shui Ming Timpson, male, obtained an honorary doctor's degree in Social Science from the City University of Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, and received the title of Justice of the Peace from the HKSAR Government in 1998 and was awarded the Gold Bauhinia Star by the HKSAR Government in 2000. Mr. Chung has served as Independent Non-executive Director of the Bank since October 2019. He previously served as Senior Auditing Director of Coopers & Lybrand, Chairman of the Management Board of the City University of Hong Kong, Chief Executive Officer of Shimao International Holdings Ltd., Chairman of the Hong Kong Housing Society, a member of the HKSAR Executive Council, Chief Executive Officer of HKSAR Government Land Fund Trust, and independent non-executive director of Nine Dragons Paper (Holdings) Limited, Henderson Land Development Co., Ltd., China Everbright Bank Co., Ltd., China Construction Bank Corporation, Jinmao Hotel and Jinmao (China) Hotel Investments and Management Limited, Glorious Sun Enterprises Limited, etc. He currently serves as independent non-executive director of China Unicom (Hong Kong) Limited, Miramar Hotel and Investment Company Limited, China Overseas Grand Oceans Group Ltd., China Everbright Limited, China Railway Group Limited and Orient Overseas (International) Limited and Pro-Chancellor of City University of Hong Kong.

Hu Xiang, male, obtained a master's degree in Economics from the Graduate School of the PBOC. Mr. Hu has served as Independent Non-executive Director of the Bank since October 2017. He previously served as Principal Staff Member of Entrusted Investment Division of Investment Department and Deputy Director (presiding over the work) of Share Transfer Division of Overseas Investment Department of National Council for Social Security Fund, Deputy General Manager of Penghua Fund Management Co., Ltd., and director of Shanghai Zhitong Construction Development Co., Ltd. Mr. Hu currently serves as Chairman

and General Manager of Great Wheel Asset Management Company Zhejiang, director of World Transmission Technology (Tianjin) Co., Ltd., independent director of New China Fund Management Co., Ltd. and Chairman of Shanghai TURIN Chi Robot Co., Ltd.

Pan Yingli, female, obtained a doctor's degree in World Economics from East China Normal University. Ms. Pan has served as Independent Non-executive Director of the Bank since December 2019. She previously served as associate professor, professor and tutor of doctorate candidates in East China Normal University, an invited expert of Shanghai Municipal Government on decision-making consultation, as well as an independent non-executive director of China Merchants Bank Co., Ltd. Ms. Pan currently serves as Director of Research Center for Global Finance at Shanghai Jiao Tong University, professor in Finance at Antai College of Economics and Management of Shanghai Jiao Tong University, Chief Expert of the Decision-making Consultation Research Base Pan Yingli Studio of Shanghai Municipal Government, independent non-executive director of Pujiang International Group Limited and independent director of Asia Cuanon Technology (Shanghai) Co., Ltd.

Tang Zhihong, male, obtained a Bachelor of Arts degree from Jilin University and is a senior economist. Mr. Tang has served as Independent Non-executive Director of the Bank since March 2023. Mr. Tang previously served as Deputy Director of the Education Department and Deputy Director of the Audit Department of Liaoning branch of the People's Bank of China, Deputy Secretary of Party Group and Vice President, Secretary of Party Group and President of Liaoning Jinzhou branch of the People's Bank of China, Director of Jinzhou branch of the State Administration of Foreign Exchange, Vice President of Shenyang branch of China Merchants Bank Co., Ltd., Deputy Director of Shenzhen management department of China Merchants Bank Co., Ltd., President of Lanzhou branch of China Merchants Bank Co., Ltd., Secretary of the Party Committee and President of Shanghai branch of China Merchants Bank Co., Ltd., Secretary of the Party Committee and Director of the Shenzhen management department of China Merchants Bank Co., Ltd., a member of the Party Committee, Assistant President and Vice President of China Merchants Bank Co., Ltd. He currently serves as independent non-executive director of Harbin Electric Company Limited and external director of Overseas Chinese Town Holdings Company.

II. Performance of Independent Directors in the Year

(I) Attendance of Independent Directors at Meetings

In 2022, the Bank convened a total of three Shareholders' General Meetings, at which 26 proposals were reviewed and approved and four reports heard; convened 10 meetings of the Board of Directors, at which 100 proposals were reviewed and approved and 23 reports heard; and convened 34 meetings of special committees of the Board of Directors, at which 102 proposals were reviewed and approved and 15 reports heard. The Independent Directors of the Bank earnestly attended the Shareholders' General Meetings and the meetings of the Board of Directors and its special committees, provided objective, unbiased and independent opinions based on the overall interests of the Bank, and

safeguarded the interests of depositors and minority Shareholders by giving full play to their professional advantages and relying on their extensive industrial experiences. In 2022, the Independent Directors of the Bank did not provide dissenting opinions to the resolution of the Board of Directors or its special committees. The attendance of Independent Directors at meetings is set out below:

Number of attendance in person/Number of meetings that should be attended

Independent Directors	Shareholders' General Meeting	Board of Directors	Special Committees under the Board of Directors					
			Strategic Planning Committee	Related Party Transactions Control Committee	Audit Committee	Risk Management Committee	Nomination and Remuneration Committee	Social Responsibility and Consumer Rights Protection Committee
Wen Tiejun	3/3	10/10	5/5	-	6/7	-	7/7	-
Chung Shui Ming Timpson	3/3	9/10	-	4/4	7/7	0/0	-	-
Hu Xiang	3/3	10/10	5/5	-	6/7	-	-	4/4
Pan Yingli	3/3	10/10	-	4/4	7/7	-	7/7	-
Tang Zhihong	-	-	-	-	-	-	-	-
Resigned Independent Director								
Fu Tingmei	3/3	10/10	-	4/4	-	7/7	7/7	-

- Notes:
1. "Attendance in person" refers to on-site attendances and attendances by way of electronic communications, such as telephone and video conferences.
 2. Directors who did not attend the meetings of the Board of Directors and its special committees in person had designated other Directors as proxies to attend and vote on their behalf at the meetings.

(II) Performance of Independent Directors during the Closing Period of the Meeting

First, proactive communication with various stakeholders of corporate governance. In 2022, in addition to the Shareholders' General Meetings and the meetings of the Board of Directors and its special committees, the Independent Directors of the Bank also attended operation and management work meetings of the Bank, heard special reports from the operation and communicated with external auditors and the chairman, etc., and strengthened communication with the Board of Supervisors, the senior management, business departments and external auditors, to track and learn about overall operation and management of the Bank. Independent Directors leveraged their expertise and extensive experience to support decision-making of the Board of Directors and transformation of the Bank. Their constructive opinions greatly contributed to the Bank's improved corporate governance, stronger internal controls and higher-quality growth.

Second, diligent research and investigations. With their responsibilities and top concerns in mind, Independent Directors of the Bank visited a number of branches. Through thorough research on important matters concerning the operations and management of the Bank, including serving rural vitalization, risk management for institutions at the primary level and internal control compliance management, Independent Directors actively offered their great insights and suggestions as reference for the decision-making of the Board of Directors and senior management.

Third, active training attendance. In accordance with the Hong Kong Listing Rules and relevant regulatory requirements, the Independent Directors of the Bank attended training organized by the Ministry of Finance, the SSE, the Listed Companies Association, other intermediaries and the Bank. Training covers a wide range of topics such as macroeconomic situations, corporate governance, investor relations management, responsibilities and legal obligations of directors, supervisors and senior management, anti-money laundering and counter-terrorist financing, ESG development and green finance, etc.

(III) The Bank's Support to the Work of Independent Directors

The Bank, including its Board of Directors, the Board of Supervisors and senior management, provided all-round support to Independent Directors in performing their duties to ensure that Independent Directors have a comprehensive understanding of the operation and management of the Bank. First, in 2022, the Bank organized and convened a symposium for Independent Directors, at which all Independent Directors earnestly provided opinions and suggestions for business development on matters including improving corporate governance, enhancing risk management, realizing further transformation and development, etc., after taking into account of both internal and external environment and the Bank's actual situations. The Bank attached great importance to the opinions and suggestions of the Independent Directors and timely organized researches and implementation based on the actual situations of the Bank. Second, the Bank continued to improve its information reporting mechanism for Independent Directors, provided various operation and management information in a timely, objective and complete manner, including financial reports, risk management, internal control, audit supervision, investor relations, consumer protection and bank policies, and promoted Independent Directors' communication with senior management, thereby providing effective guarantee for the performance of duties of Independent Directors. Third, the Bank organized briefings before Board of Directors meetings, invited Independent Directors to attend workshops and facilitated Directors' research efforts and training. This ensured Independent Directors' right to be informed and ensured they could perform their duties adequately.

III. Focus of Independent Directors during Performance of Duties in the Year***(I) Related Party Transactions***

Independent Directors of the Bank attached great importance to the management of connected transactions. They reviewed and approved the special report on connected transactions and other matters in accordance with relevant requirements, and expressed independent opinions and pre-approval on the 2021 Special Report on Connected Transactions, the adjustment to caps for connected transactions of provision of bancassurance services by the Bank to China Post Group and its associates from 2022 to 2024, the adjustment to deposit agency fee rates for agency Renminbi personal deposit-taking business by the Bank and China Post Group and other connected transactions, thereby ensuring that the connected transactions were conducted in accordance with the laws and regulations and in compliance with business practices.

(II) Guarantee Business and Capital Utilization

Upon verification, the guarantee business carried out by the Bank was mainly guarantees and letters of guarantee, which is one of the routine banking businesses within the scope of the Bank's daily operation approved by the PBOC and the banking regulatory authority of the State Council. As of December 31, 2022, the outstanding amount of the guarantees and letters of guarantee issued by the Bank was RMB56.229 billion. The Bank attaches great importance to the risk management of the guarantee business, has strict rules on the creditworthiness standard of guaranteed companies, the operational processes and the approval procedure of the guarantee business, and conducts relevant business accordingly.

(III) Use of Proceeds Raised

The funds raised by the Bank were used for the purpose disclosed in offering prospectuses, i.e., to replenish the Bank's capital for high-quality development.

(IV) Nomination and Remuneration of Senior Management

In 2022, based on the Bank's strategic performance appraisal for 2021 and comprehensive assessment by leaders, the Board of Directors and the Nomination and Remuneration Committee of the Board reviewed and approved the 2021 Senior Management Remuneration Distribution Plan. The Independent Directors agreed and expressed their independent opinion on matters related to nomination and remuneration of the senior management of the Bank.

(V) Results Forecast and Preliminary Results Estimate

In 2022, there was no results forecast or preliminary results estimate of the Bank to be disclosed.

(VI) Appointment or Change of Accounting Firms

In 2022, upon approval by the 2021 annual general meeting, Deloitte Touche Tohmatsu Certified Public Accountants LLP and Deloitte Touche Tohmatsu were engaged as auditors of the Bank for the year of 2022. Independent Directors expressed their pre-approval and independent opinions on the appointment of accounting firms. They maintained full communication with external auditors according to the requirements relating to the annual report and effectively performed relevant responsibilities and obligations. Independent Directors considered that accounting firms engaged by the Bank have followed the principles of independence, objectivity and fairness when conducting audit and their duty performance was satisfying.

(VII) Cash Dividends and Other Investor Returns

The Bank formulated and implemented the cash dividend policy in line with the requirements of the Articles of Association and resolutions of the Shareholders' General Meeting. In the interest of long-term development and reasonable value creation for Shareholders, the cash dividend policy had clear distribution standards and proportions with proper decision-making procedures and mechanism and was reviewed and approved by Independent Non-executive Directors. Minority Shareholders were allowed to fully make advice and suggestions with their legitimate interests being protected.

(VIII) Performance of the Undertakings by the Company and Shareholders

As of December 31, 2022, the commitments made by the Bank and its Shareholders were fulfilled.

(IX) Implementation of Information Disclosure

In 2022, the Bank continued to improve its information disclosure mechanism in strict accordance with laws and regulations, regulatory requirements of listing places and the Articles of Association. The Bank fulfilled its obligations truthfully, accurately, completely, timely and fairly by disclosing periodic reports and temporary announcements as required. Independent Directors of the Bank actively fulfilled their responsibilities in the preparation and disclosure of periodic reports, and conducted full communication and discussion with external auditors on the audit work.

(X) Implementation of Internal Control

In 2022, the Board of Directors of the Bank continued to promote the development and implementation of internal control standards and facilitated the improvement of the effectiveness of internal control. Independent Directors attached great importance to the implementation and appraisal of internal control and reviewed the internal control appraisal report. They were of the opinion that the Bank maintained effective internal

control of financial reporting in all material aspects in accordance with the requirements of the Bank's internal control policies and related provisions. There was no major deficiency in the internal control of financial reporting, and no major deficiencies in the internal control of non-financial reporting were found. Independent Directors have expressed their independent opinions on internal control evaluation.

(XI) The Operation of the Board of Directors and Its Special Committees

In 2022, the Board of Directors and its special committees performed their duties in a standardized manner, thoroughly studied the operation and management of the Bank, carefully studied the relevant matters for review, operated in a legal and compliant manner, and made scientific and efficient decisions. The operation of the Board of Directors and its special committees was as follows:

The Bank convened 10 meetings of the Board of Directors, reviewed 100 proposals and listened to 23 reports. The Board of Directors deliberated on and approved proposals including the fixed asset investment budget, final financial accounts and profit distribution plan, as well as development planning proposals including the three-year capital rolling plan for 2022-2024, and other major matters related to business management and operation such as the non-public issuance of A Shares, issuance of write-down undated capital bonds, redemption of overseas preference shares, adjustment of the deposit agency fee rates for the agency Renminbi personal deposit-taking business, selection and appointment of Directors, etc. At the same time, the Board of Directors regularly reviewed work progresses on risk management, internal control, case prevention management, data governance, the implementation of the Board diversity policy, and the rectification pursuant to regulatory opinions, and regularly listened to work reports regarding the implementation of major decisions and plans of the CPC Central Committee in respect of supporting rural revitalization, implementing inclusive financial policies, facilitating the development of the Xiong'an New Area, improving the quality and efficiency of services for the real economy, and carrying out the three-year action plan for SOE reform. All Directors conducted in-depth research and earnest discussions, and put forward many valuable opinions and suggestions at their meetings and during recess periods, which were duly adopted or responded to by the Bank, ensuring that the Board of Directors made well-convincing decisions in leading the reform and development of the Bank.

The Strategic Planning Committee convened five meetings, at which it reviewed and approved 27 proposals and heard one report. It reviewed and approved proposals on supporting rural revitalization, implementing inclusive financial policies, serving the development of Xiong'an New Area, serving the real economy, and serving the high-quality development of the manufacturing industry, strictly implemented major plans and decisions of the CPC Central Committee and improved the quality and efficiency of the work on inclusive finance on all fronts. It also reviewed and approved proposals including the assessment report on implementation of the Outline of the 14th

Five-Year Plan in 2021, strengthened strategic guidance and pushed forward the implementation of key strategic measures. It reviewed and approved proposals regarding the non-public issuance of A Shares, the issuance of write-down undated capital bonds, the annual asset and liability business plan, and the annual capital allocation plan, which provided drive for enhancing capital strength and risk resistance ability and achieving sustainable development.

The Related Party Transactions Control Committee convened four meetings, at which it reviewed and approved five proposals. It reviewed and approved the proposals including the adjustment to deposit agency fee rates for agency Renminbi personal deposit-taking business by the Bank and China Post Group, and the adjustment to caps for connected transactions of provision of bancassurance services by the Bank to China Post Group and its associates from 2022 to 2024. It focused on reviewing the compliance, fairness and necessity of connected transactions, and made suggestions thereon to the Board of Directors. It also reviewed and approved proposals on the Amendment to the Management Measures for the Connected Transactions of Postal Savings Bank of China, the annual special report on connected transactions and related parties, etc. The Committee timely improved the connected transaction management mechanism in accordance with new regulatory rules, updated the criteria for identifying related parties, and provided opinions and suggestions to the Board of Directors on strengthening the Bank's connected transaction management.

The Audit Committee convened seven meetings, at which it reviewed and approved 21 proposals and heard seven reports. The Audit Committee reviewed and approved proposals on the financial statements and auditor's report for 2021, the financial statements for the first quarter of 2022, the interim financial statements and review report of 2022, the financial statements for the third quarter of 2022, etc. It expressed opinions on the truthfulness, completeness and accuracy of the information contained in the financial reports, and put forward opinions and suggestions on improving forward-looking analysis of the economic and financial situations, strengthening asset quality management, and vigorously developing the intermediary business. The Audit Committee reviewed and approved the 2021 internal control assessment report, and regularly supervised and assessed the effectiveness of the Bank's internal control system by reviewing the Bank's policies and their implementation, and checking and evaluating the compliance and effectiveness of major business activities. The Committee reviewed and approved the audit reports for 2021, the first half of 2022 and third quarter of 2022, and the 2022 audit plan. It also supervised and provided guidance on the work of the internal audit department, ensured that the audit department had sufficient resources for functioning, and provided opinions and suggestions to the Board of Directors on improving the quality and efficiency of the internal audit work. The Committee reviewed and approved a number of audit reports on business continuity and implementation of the internal capital adequacy assessment procedures and the follow-up audits on rectification and accountability of audit findings. It checked the implementation and effects of work procedures and strengthened the application of audit findings.

The Risk Management Committee convened seven meetings, at which it reviewed and approved 30 proposals and heard five reports. The Risk Management Committee reviewed and approved the risk management strategy and risk appetite plan for 2022, the capital adequacy management objectives for 2022, the three-year capital rolling plan for 2022-2024 and the capital adequacy ratio management plan for 2022; and specified the Bank's overall risk management requirements, management objectives and strategies, which aimed at achieving a long-term balance between stabilizing growth and preventing risks to continuously create value by risk management. The Risk Management Committee reviewed and approved five basic management policies, namely the Management Measures for Risk Measurement Models, the Management Measures for Credit Rating of Corporate Customers, the Management Measures for Liability Quality, the Management Measures for the Recovery and Disposal Plans, and the Management Measures for the Implementation of Expected Credit Loss Method; improved the risk management and internal control policies; promoted the implementation of the advanced approaches for capital management in an orderly way; and strengthened the application and monitoring of implementation. The Committee regularly reviewed proposals regarding the annual, interim and quarterly comprehensive risk management reports, the annual internal control and compliance management report, the annual work report and work plan for case prevention, etc. It also regularly assessed the status, comprehensiveness, and effectiveness of the Bank's risk management and compliance, and provided opinions and suggestions to the Board of Directors on improving risk management and internal control as well as strengthening system coordination between three lines of defense.

The Nomination and Remuneration Committee convened seven meetings, at which it reviewed and approved 12 proposals. It reviewed and approved the proposals on the structure, size and composition of the Board of Directors and the implementation of the Board diversity policy, regularly reviewed the structure, size and composition of the Board of Directors and the implementation of the Board diversity policy, and continued to promote the development of Board diversity; reviewed and approved the proposals on the evaluation of Directors' performance in 2021 by the Board of Directors, the remuneration settlement plan for Directors, senior management and heads of internal audit department for 2021, etc., and strengthened the incentive and restraint mechanism for Directors and senior management in accordance with regulatory requirements; reviewed and approved the proposals on the qualifications and conditions of the Independent Directors including Wen Tiejun, Chung Shui Ming Timpson, Pan Yingli and Tang Zhihong, the adjustment of the composition of the special committees under the Board of Directors, strengthened the examination of Directors' qualifications, and constantly optimized the composition of the special committees of the Board of Directors.

The Social Responsibility and Consumer Rights Protection Committee convened four meetings, at which it reviewed and approved seven proposals and heard two work reports. It reviewed and approved the proposals on the annual work and plan of consumer protection, annual evaluation and special audit reports on consumer protection, etc., listened to the report on complaints referred from the regulators, regularly supervised, evaluated and provided guidance on the consumer rights protection work across the Bank, and made suggestions to the Board of Directors. It also reviewed and approved the 2021

Corporate Social Responsibility (Environmental, Social and Governance) Report and the 2021 Work Report on Green Bank Development, listened to the ESG peer benchmarking report, continued to enhance the capability to support green finance service, and actively and fully performed its social responsibility as a major state-owned bank.

The Independent Directors of the Bank conducted a serious review of the convening procedures and matters for review of the Board of Directors and its special committees, and was of the view that the convening procedures of the Board of Directors and its special committees of the Bank were in compliance with the requirements of the Company Law of the People's Republic of China and the Articles of Association, the meeting documents were complete, the relevant information materials were adequate, the Directors were diligent and conscientious, and there were no circumstances that were inconsistent with the relevant provisions for convening meetings of the Board of Directors and its special committees.

(XII) Other Issues that the Independent Directors Considered Necessary to Be Improved by the Listed Company

Independent Directors of the Bank approved the Bank's development strategy execution and its operation and management. They also had extensive discussions on important operational matters such as improving corporate governance, enhancing risk management, realizing further transformation and development, facilitating the development of information technology, giving full play to internal and external auditing and strengthening the management of connected transactions, and earnestly provided opinions and suggestions for business development of the PSBC. The Bank attached great importance to the opinions and suggestions of its Independent Directors, and took improvement measures in accordance with its daily operation.

IV. Overall Evaluation and Recommendations

In 2022, Independent Directors of the Bank actively performed their duties in good faith, with diligence, independence and professionalism in accordance with relevant laws and regulations, the Articles of Association and other relevant provisions, improved the operation efficiency and scientific decision-making of the Board of Directors and its special committees, promoted the improvement of the Bank's corporate governance and safeguarded the legitimate rights and interests of the Bank and all Shareholders and stakeholders.

In 2023, Independent Directors of the Bank will continue to perform their duties diligently and in good faith as required by regulators. For the sake of continued improvement in the Bank's corporate governance and high-quality development, Independent Directors will make good use of their expertise, continue to improve the ability to perform their duties and give independent and objective opinions.

Independent Directors of Postal Savings Bank of China Co., Ltd.
Wen Tiejun, Chung Shui Ming Timpson, Hu Xiang, Pan Yingli and Tang Zhihong

**REPORT ON THE 2022 EVALUATION OF THE SUBSTANTIAL SHAREHOLDER
OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

In accordance with the requirements of the Measures for the Supervision of the Behavior of the Substantial Shareholders of Banking and Insurance Institutions (Trial) (Yin Bao Jian Fa [2021] No. 43) (hereinafter the “Measures”) and other relevant regulations, the Board of Directors of a commercial bank shall perform an annual assessment of the substantial Shareholders, and the assessment report is to be reviewed at the Shareholders’ General Meeting and submitted to the National Administration of Financial Regulation in a timely manner. The Bank recently conducted the 2022 evaluation of the substantial Shareholder and the results are summarized below.

I. Equity management

In 2022, the Bank’s Board of Directors attached great importance to equity management. Diligently and continuously improving the equity management system, it actively promoted the implementation of regulatory requirements and earnestly listened to the report on equity management to improve the equity management system, formulate the management measures for substantial Shareholder’ commitments, revise the management measures for the shareholdings of Directors, Supervisors and senior management and relevant changes, and the Shareholders’ communication policy. Additionally, the Bank strengthened the routine management of and communication with Shareholders, assessed the performance of commitments by the substantial Shareholder, established management records of the substantial Shareholder’s commitments, strictly implemented reporting requirements for equity approval and report, enabling Shareholders to obtain equity in compliance with laws and regulations. The Bank paid close attention to changes in the shareholdings of Shareholders, continued to perform equity analysis, enhanced the initiative and sensitivity of equity management, and continuously promoted the steady operation and healthy development of the Bank.

II. Status of the substantial Shareholder

As at the end of 2022, China Post Group Corporation Limited (hereinafter “China Post Group”) held approximately 62,256 million shares of the Bank (including approximately 62,175 million A Shares and approximately 81 million H Shares), accounting for a shareholding percentage of 67.39%. In accordance with provisions of the Measures, China Post Group is a substantial Shareholder of the Bank as its shareholding percentage exceeds 15%.

China Post Group, a wholly state-owned enterprise incorporated in accordance with the Company Law of the People’s Republic of China, was established on October 4, 1995, and was officially restructured into China Post Group Corporation Limited on December 17, 2019. It is the controlling Shareholder and de facto controller of the Bank. In 2022, the consolidated total assets amounted to RMB14,704,607 million; the net assets amounted to RMB868,553 million; the operating income amounted to RMB129,939 million; the net profit amounted to RMB60,771 million.

III. Organization and implementation of the assessment

The Bank placed great importance on its assessment of the substantial Shareholder. It sent a notification letter to the substantial Shareholder in early 2023 requesting their cooperation in the 2022 evaluation of the substantial Shareholder. Performing comprehensive analysis and comparison of information and financial statements collected from the substantial Shareholder, as well as information from public channels, daily Shareholder performance, qualifications, financial position, shareholdings, related party transactions in the last year, exercise of Shareholder rights, fulfillment of obligations and commitments, observation of the Bank's Articles of Association and terms of agreements, and compliance with laws, regulations and regulatory requirements, the Bank formulated an assessment report. The assessment report has been reviewed and approved at the third meeting of the Board of Directors held on May 29, 2023.

IV. Assessment results

(I) Qualifications and financial position

China Post Group was incorporated in accordance with law and has legal entity status. During the reporting period, the Company had a sound corporate governance structure and effective organizational management methods, with no apparent defects in its corporate governance structure and mechanisms; had a sound financial position, robust operational and management capabilities and financial strength; had a good social reputation and records of integrity and tax, and enjoyed a long track record of development and stable operating condition, and was capable of repaying the principal and interest on loans from financial institutions in full and on time; did not have any circumstances which have a significant adverse impact on the Bank, such as its core main business not being prominent, its business scope involving too many industries, or its fluctuation in cash flows is greatly influenced by the economic climate; and was not subject to any regulatory measures such as being ordered to suspend business operations for rectification, designated custody, takeover or deregistration, or entering into dissolution, bankruptcy or liquidation procedures.

(II) Shareholdings

China Post Group holds a long-term and stable equity stake in the Bank, and the equity relationship is truthful and transparent. It went through the proper regulatory approval and reporting procedures when acquiring the equity. China Post Group invests in the Bank with its own funds from legitimate sources, and there are no instances of cross holding with the Bank. There were no instances of violations of laws and regulations such as concealment of actual controllers, affiliations, equity entrustment, or private agreements. There were no guarantees provided on debts with its equity in the Bank other

than to itself and its related parties, and there were no instances of using equity pledges, holding the Bank's equity on behalf of the Bank, illegally holding shares in related parties, or disguised equity transfer.

(III) Related party transactions

China Post Group complies with relevant laws, regulations and regulatory requirements on related party transactions. Transactions with the Bank are transparent and fair, and there have been no improper related party transactions with the Bank or instances of using its influence over the Bank to obtain illegitimate benefits. Routine related party transactions between the Bank and China Post Group did not exceed the annual cap, and relevant information was disclosed in the Bank's periodic reports. The audited average net interest spread of the four major state-owned commercial banks, namely Industrial and Commercial Bank of China, China Construction Bank, Agricultural Bank of China, and Bank of China for 2021 fell below the lower limit for passive adjustment to the deposit agency fee rates for agency renminbi personal deposit-taking business (the "Deposit Agency Fee Rates") for the first time in March 2022. China Post Group highly valued, actively cooperated with and jointly negotiated with the Bank and proposed adjustment plans for the passive adjustment to the Deposit Agency Fee Rates. The above adjustment plan was considered and approved at the first extraordinary general meeting in 2022 of the Bank.

(IV) Exercise of Shareholder rights

During the reporting period, China Post Group legally and effectively participated in corporate governance in accordance with laws, regulations, regulatory provisions and the Articles of Association, properly exercised Shareholder rights through corporate governance procedures, upheld the independent operation of the Bank, participated in Shareholders' General Meetings and exercised voting rights, and received dividends and other forms of benefit distribution based on its proportion of shares held. There were no instances such as abuses of Shareholders' rights, or improper interference with or restrictions on the Bank.

(V) Fulfillment of obligations and commitments

During the reporting period, China Post Group strictly fulfilled its obligations and abided by its commitments.

In terms of declarative commitments, China Post Group undertook to fulfill its capital contribution obligations in accordance with laws, regulations and regulatory requirements, and its shareholding ratio complied with regulatory requirements. There were no circumstances that may adversely affect the operation and management of the Bank, and the information it provided was truthful, effective, accurate and complete. The number of commercial banks that the substantial Shareholder invested in complied with regulatory requirements.

In terms of compliance commitments, China Post Group undertook to exercise its investor rights in strict accordance with laws and regulations, regulatory provisions and the Articles of Association, and carried out relevant activities in compliance with laws and regulations, such as not interfering with the Bank's operations, standardizing related party transactions, standardizing equity pledges, and not transferring the equity held within a specified period.

In terms of responsibility commitments, China Post Group had corresponding capital replenishment capabilities, was committed to replenishing the Bank's capital when necessary, and supported the Bank's Board of Directors in formulating reasonable capital planning, so as to ensure that the Bank's capital can continue to meet regulatory requirements. There were no circumstances that prevented other Shareholders from replenishing the Bank's capital or hindered the entry of qualified new Shareholders. In 2022, China Post Group actively fulfilled its plan of commitment to stabilizing the share price, fulfilled its obligation to stabilize the share price, and accumulated 11 million A Shares of the Bank through the secondary market, accounting for a shareholding increase of 0.01%. In addition, China Post Group fully supported the capital replenishment efforts of the Bank.

(VI) Observation of the Articles of Association and terms of agreements, and compliance with laws, regulations and regulatory requirements

During the reporting period, China Post Group strictly observed the Articles of Association and terms of agreements and was well versed in the requirements of Shareholders responsibilities in the Measures and related documents and strictly implemented laws, regulations and regulatory requirements. There were no major situations that may adversely affect the operation and management of the Bank.

The assessment found that the Bank complied with laws, regulations and regulatory requirements, continued to improve and standardize its equity management system, and had a clear equity structure. China Post Group's qualification and source of investment funds were found to be in compliance with laws and regulations, and it was well informed of the responsibilities and obligations of the substantial Shareholder in the Measures and relevant requirements. Further, it was confirmed that during the reporting period, it strictly adhered to laws, regulations, regulatory requirements and the Articles of Association, fulfilled its Shareholder responsibilities and obligations, performed Shareholder commitments, exercised

Shareholder rights, had sound financial conditions, conducted transparent and fair transactions with the Bank. There were no improper related party transactions with the Bank or instances of using its influence over the Bank to obtain illegitimate benefits. It supported the Bank's Board of Directors in formulating reasonable capital planning, committed to replenishing capital to the Bank when necessary, and complied with regulatory requirements.

**APPENDIX VIII REPORT ON THE IMPLEMENTATION OF THE PLAN ON AUTHORIZATION
OF THE SHAREHOLDERS' GENERAL MEETING TO THE BOARD OF
DIRECTORS OF POSTAL SAVINGS BANK OF CHINA CO., LTD. IN 2022**

**REPORT ON THE IMPLEMENTATION OF THE PLAN ON AUTHORIZATION OF
THE SHAREHOLDERS' GENERAL MEETING TO THE BOARD OF DIRECTORS
OF POSTAL SAVINGS BANK OF CHINA CO., LTD. IN 2022**

According to the relevant provisions of the Plan on Authorization of the Shareholders' General Meeting to the Board of Directors of Postal Savings Bank of China Co., Ltd. (the **"Plan on Authorization"**), the Board of Directors conducted a self-inspection of the implementation of the Plan on Authorization from January 1, 2022 to December 31, 2022.

The self-inspection results showed that the Board of Directors of the Bank strictly adhered to the requirements of the Plan on Authorization, earnestly performed their duties, scientifically and prudently made decisions and exercised their authority and powers in a well-regulated way. The Plan on Authorization was well implemented and there was no case of approval by the Board of Directors beyond its authority.

**REPORT ON THE 2022 SPECIAL REPORT ON RELATED PARTY TRANSACTIONS
OF POSTAL SAVINGS BANK OF CHINA CO., LTD.**

In 2022, in compliance with domestic and overseas laws and regulations and the Administrative Measures on Related Party Transactions of Postal Savings Bank of China (2022 Revision), the Bank strictly implemented various institutional norms and enhanced the management of related party transactions with an aim to further improve the management system of related party transactions. The related party transaction management and related party transactions of the Bank conducted in 2022 are as follows.

I. Management of Related Party Transactions***(I) The Related Party Transactions Control Committee under the Board of Directors diligently performed duties to provide strong support to the Board of Directors for scientific decision-making***

The Related Party Transactions Control Committee under the Board of Directors held a total of four meetings, and reviewed and approved five proposals including the 2021 Special Report on Related Party Transactions of Postal Savings Bank of China Co., Ltd., the Proposal on Revising the Annual Caps of the Bancassurance Services Provided by Postal Savings Bank of China to China Post Group and Its Associates from 2022 to 2024, the Proposal Regarding the Adjustment to Deposit Agency Fee Rates for Agency Renminbi Personal Deposit-Taking Business by Postal Savings Bank of China and China Post Group, the Proposal on the Amendment to the Management Measures for the Connected Transactions of Postal Savings Bank of China and the Proposal on the Related Parties of Postal Savings Bank of China. During the reporting period, the Related Party Transactions Control Committee of the Board of Directors operated in a professional and independent manner, and the members earnestly fulfilled their duties and worked actively to advance the development of a related party transactions management system, which provided strong support for the scientific decision-making of the Board, ensured the legal compliance of related party transactions and safeguarded the interests of the Bank and Shareholders.

(II) The Bank further improved the related party transactions management system to ensure the implementation of related party transaction management

The Bank has thoroughly studied and researched the new regulatory regulations issued by the banking regulatory authority of the State Council, sorted out important adjustments, studied detailed work measures, and steadily carried out the revision and improvement of the internal system in accordance with the principle of compliance with laws and regulations, implementation of category-based policies, and advance in an orderly manner. The Bank issued the Administrative Measures on Related Party Transactions of Postal Savings Bank of China (2022 Revision), which adjusted the scope of related parties, the cumulative calculation rules of material related party transactions

and disclosure of related party transaction reports in strict accordance with regulatory requirements to ensure the implementation of various management requirements and effectively control the risks of related party transactions.

(III) The Bank dynamically updated a multi-caliber list of related parties to consolidate the foundation of related party transaction management

The Bank strictly implemented the related party identification standards under the new regulatory regulations, and identified related parties based on the principle of substance over form. The Bank urged related parties to accurately report changes in information, continued to update the list of related parties in a planned and step-by-step manner and made dynamic adjustments, and filled in the relevant regulatory information system in a timely manner according to regulatory requirements. The Bank submitted the annual list of related parties to the Related Party Transactions Control Committee of the Board of Directors for consideration and reported it to the Board of Directors and the Board of Supervisors, so as to continuously consolidate the foundation of related party transaction management. During the reporting period, the list of related parties under the related party transaction management system was updated for a total of 47 times, adding 305 related legal entities and 292 related natural persons and deleting 178 related legal entities and 925 related natural persons as compared with the end of 2021.

(IV) The Bank implemented the regulatory requirements of the SSE and the Stock Exchange of Hong Kong and completed the adjustment to the forecast of the caps of related party transactions

In compliance with the regulatory requirements of the SSE and the Stock Exchange of Hong Kong and according to the development of agency insurance business, the Bank adjusted the maximum fees for provision of bancassurance services by the Bank to China Post Group and its associates from 2022 to 2024. The estimated amount of RMB1.5 billion, RMB1.75 billion and RMB2.0 billion for 2022, 2023 and 2024 was adjusted to RMB2.3 billion, RMB3.75 billion and RMB4.7 billion respectively. The Proposal on Revising the Annual Caps of the Bancassurance Services Provided by Postal Savings Bank of China to China Post Group and Its Associates from 2022 to 2024 was reviewed and approved by the Board of Directors, and was announced and disclosed. Meanwhile, the Bank further urged the responsible departments in the head office to properly implement and monitor the caps of related party transactions in its line of business on a daily basis, so as to ensure the standardized implementation of daily related party transactions.

(V) China Post Group and the Bank adjusted the scaled fee rates of deposit agency fees based on changes in the interest rate environment in the financial market

The fluctuation of the average net interest spread for the four major state-owned commercial banks, namely Industrial and Commercial Bank of China, Agricultural Bank of China, Bank of China, and China Construction Bank (the “Big Four banks”) triggers the passive adjustment mechanism of the deposit agency fees of China Post Group and the Bank. The Bank held a Board meeting and the Extraordinary General Meeting on September 29, 2022 and November 1, 2022 respectively, which reviewed and approved the Proposal Regarding the Adjustment to Deposit Agency Fee Rates for Agency Renminbi Personal Deposit-Taking Business by Postal Savings Bank of China and China Post Group, and adjusted the scaled fee rates of deposit agency fees.

(VI) The Bank organized special training on related party transaction management and improved the related party transaction management across the Bank

During the reporting period, the Bank provided special training to 233 staff involved in the related party transaction management across the Bank and fully explained the management of related parties and related party transactions, the application and operation of the related party transaction management system and frequently asked questions based on practices of the Bank, especially the explanation on the key points of regulatory requirements and internal system amendments, to cultivate a compliance culture for the related party transaction management and further enhance the awareness and capability of the Bank in this regard and achieved better results.

(VII) The Bank continued to optimize the functions of the related party transaction management system to enhance the informatization of related party transaction management

Based on external regulatory reporting, daily management needs and system usage, the Bank continued to optimize the functions of the related party transaction management system. Firstly, the Bank connected its system with external industry and commerce information to realize the verification functions such as the name and existence of related parties. Secondly, the Bank improved the quarterly statistical returns of the related party transaction management system in accordance with the regulatory rules, and added the function of alerting transaction data changes.

II. Related Parties and Related Party Transactions

(I) Overview of Related Parties

In 2022, the Bank further improved the information management mechanism of related parties and strictly complied with regulations of the banking regulatory authority of the State Council and domestic and overseas stock exchanges, collected and updated the information of

related parties and formed a list of related parties upon review and approval by the Related Party Transactions Control Committee under the Board of Directors. As of December 31, 2022, the total number of related parties under criteria of the banking regulatory authority of the State Council, A Shares and H Shares was 5,383. On the list, 3,934 related natural persons mainly include Directors, Supervisors, senior management of the head office of the Bank and their close relatives, as well as senior management of China Post Group Corporation Limited, etc.; 1,449 related legal entities mainly include China Post Group Corporation Limited, China State Shipbuilding Corporation Limited, Shanghai International Port (Group) Co., Ltd. and their controlling Shareholders, de facto controllers, related parties, persons acting in concert, ultimate beneficiaries, and legal entities or other organizations controlled or significantly influenced by related natural persons.

(II) Overview of Related Party Transactions

Based on the audited financial statements, related party transactions conducted in 2022 are as follows:

1. *Related party transactions with China Post Group Corporation Limited, the controlling Shareholder, and its relevant related parties.*

(1) Agency banking services provided by China Post Group Corporation Limited

The Bank entrusted China Post Group Corporation Limited to conduct certain commercial banking business through agency outlets. The deposit agency fees paid by the Bank to China Post Group Corporation Limited amounted to RMB104,781 million¹ and the composite rate was 1.27%, lower than the cap of 1.5%. Fees paid for the agency settlement services amounted to RMB6,885 million, and fees paid for agency sales services and other services amounted to RMB11,300 million.

In respect of deposit agency fee, internal fund transfer pricing (FTP) method was adopted to evaluate the fairness of deposit agency fee rates in 2022.

Internal fund transfer pricing (“FTP”) is a capital pricing mechanism applied to the transfer of funds between the internal fund centers and the business operating lines of commercial banks at a consideration, for the purpose of accounting for the cost of funds or revenue. From the operational perspective, for the deposits taken by the personal banking business of

¹ For the year ended December 31, 2022, deposit agency fee (including RMB and foreign currency deposit-taking business) amounted to RMB104,781 million. The offsetting settlement amount of the Bank’s relevant mechanisms to boost deposit-taking was RMB-2,533 million. The “deposit agency fee and others” in notes to the financial statements are settled on a net basis and amounted to RMB102,248 million.

commercial banks, save for a portion of which is used for providing personal loans, the remaining funds will be offered to other business lines through the treasury at FTP prices. In this process, the personal banking business is the provider of funds and other business lines are users of funds, and FTP prices are cost of fund paid by fund users. In respect of the Bank's entrustment of China Post Group Corporation Limited to conduct Renminbi deposit taking business through its agency outlets and deposit agency fees paid to it, the agency outlets of China Post Group Corporation Limited act as provider of funds to provide agency deposits, which is similar to the offer of funds to personal business lines of commercial banks through the treasury; whereas the Bank act as user of funds to use agency deposits, which is similar to the obtaining of funds from other business lines of commercial banks through the treasury. In this process, on top of cost of capital, the Bank is also required to pay interest on agency savings deposits to savers. Therefore, if the total cost paid by the Bank in obtaining the agent savings deposit is not higher than the FTP prices of the comparable commercial bank, it reflects to a certain degree that such costs and fees are reasonable. That is, the FTP-based net yield, calculated by reference to FTP prices of the Big Four banks and deducting the costs of interest payment, can be a reference pricing rate for deposit agency fees. The specific formula is as follows:

$$\textcircled{1}\text{FTP price (\%)} = \frac{\text{Internal interest income of the personal banking segment}}{(\text{Average balance of personal deposits} - \text{Average balance of personal loans})}$$

$\textcircled{2}\text{FTP-based net yield (\%)} = \text{FTP price (\%)} - \text{Interest rate for personal deposits}$

Considering that it is stipulated in the Agency Banking Businesses Framework Agreement that the passive adjustment mechanism of the deposit agency fee will be triggered by the fluctuation of the average net interest spread of the Big Four banks, data of the Big Four banks are used as comparable samples for the internal fund transfer pricing method. As illustrated above, composite rate of Renminbi deposit agency fee for 2022 is 1.27%, and agency fee rates for 2022 calculated based on the above FTP-based net yield and can be used as reference is 2.04%².

² The estimated FTP-based net yield is calculated based on the public information of the Big Four banks' 2022 A-share annual reports and based on the assumptions and formulas adopted in this report, and may not represent the true financial performance of the Big Four banks.

- (2) Mutual lease with China Post Group Corporation Limited and its relevant related parties

The Bank and China Post Group Corporation Limited and its relevant related parties leased properties, ancillary equipment and other assets to each other during the course of ordinary business. The Bank received RMB74 million for the leases provided to China Post Group Corporation Limited and its relevant related parties; and paid RMB957 million for the leases provided by China Post Group Corporation Limited and its relevant related parties.

- (3) Comprehensive services and other transactions with China Post Group Corporation Limited and its relevant related parties

The Bank received a fee of RMB1,964 million for comprehensive services and sales of business materials rendered to China Post Group Corporation Limited and its relevant related parties, including agency sales of insurance, agency sales of precious metals, custody business, transport and storage of banknotes, equipment maintenance and sales of business materials. While the Bank paid a fee of RMB2,712 million for comprehensive services and purchase of goods including transport and storage of banknotes, equipment maintenance, advertising, mail, marketing, precious metal payment and purchasing goods from China Post Group Corporation Limited and its relevant related parties.

- (4) Other businesses with China Post Group Corporation Limited and its relevant related parties

Investments in financial assets between the Bank and China Post Group Corporation Limited and China Post & Capital Fund Management Co., Ltd. and other related parties amounted to RMB9,639 million. Deposits from related parties of the Bank including China Post Group Corporation Limited, Shanghai Ule Network Technology Co., Ltd., China Post Technology Co., Ltd. and China Postal Express & Logistics Company Limited amounted to RMB6,381 million. Placements with banks and other financial institutions between the Bank and China Post Life Insurance Co., Ltd. and China Post Securities Company Limited and other related parties amounted to RMB2,455 million. Fee, commission, operation and management fees between the Bank and Shanghai Fufeitong Information Service Co., Ltd., China Post & Capital Fund Management Co., Ltd. and other related parties totals to RMB101 million. Discounted bills with China Postal Express & Logistics Company Limited amounted to RMB2 million.

2. *Related party transactions with subsidiaries.*

Deposits with banks between the Bank and PSBC Consumer Finance Co., Ltd. amounted to RMB3,028 million, and deposits with banks and other financial institutions between the Bank and PSBC Wealth Management Co., Ltd., PSBC Consumer Finance Co., Ltd. and YOU⁺ BANK Co., Ltd. amounted to RMB1,944 million. Placements to PSBC Consumer Finance Co., Ltd. amounted to RMB7,811 million. Fees for agency, recommendation and leasing services provided to PSBC Consumer Finance Co., Ltd. and PSBC Wealth Management Co., Ltd. amounted to RMB279 million.

3. *Related party transactions with the substantial Shareholders and their relevant related parties.*

The transactions with the substantial Shareholders, Shanghai International Port (Group) Co., Ltd., China State Shipbuilding Corporation Limited and their relevant related parties, mainly comprise of loans and bills business with an amount of RMB1,108 million, deposits of RMB85 million and payments of leasing services with China Shipbuilding Industry Corporation of RMB1 million.

4. *Related party transactions with related legal entities caused by related natural persons.*

The related party transactions with related legal entities caused by related natural persons mainly include deposits of RMB4,620 million, fees and commissions of RMB5,813 million and operation and management fees of RMB57 million.

5. *Related party transactions with related natural persons.*

The related party transactions with related natural persons were mainly loans of RMB94 million and deposits of RMB174 million.

During the reporting period, the above-mentioned related party transactions were conducted in compliance with laws, as well as in line with the interests of the Bank and its Shareholders as a whole. The related party transactions subject to cap estimation in accordance with the rules of the stock exchanges in mainland China and overseas had been verified and confirmed by the auditors and had not exceeded the cap.