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

If you have sold or transferred all your shares in Agricultural Bank of China Limited, you should at once hand this circular and the enclosed proxy form to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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中国农业银行

AGRICULTURAL BANK OF CHINA

AGRICULTURAL BANK OF CHINA LIMITED

中國農業銀行股份有限公司

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

(Stock Code: 1288)

**GRANT TO THE BOARD OF DIRECTORS OF
A GENERAL MANDATE TO ISSUE NEW SHARES
AMENDMENTS TO THE ARTICLES OF ASSOCIATION
ISSUANCE PLAN FOR PREFERENCE SHARES
COMPENSATION ON INSTANT RETURNS TO SHAREHOLDERS
AFTER ISSUANCE OF PREFERENCE SHARES
FEASIBILITY ANALYSIS REPORT OF THE USE OF PROCEEDS
SHAREHOLDERS RETURN PLAN FOR 2014-2016
FINAL FINANCIAL ACCOUNTS FOR 2013
PROFIT DISTRIBUTION PLAN FOR 2013
FIXED ASSETS INVESTMENT BUDGET FOR 2014
RE-ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS
ELECTION OF SUPERVISOR REPRESENTING SHAREHOLDERS
FINAL REMUNERATION PLAN FOR DIRECTORS AND SUPERVISORS FOR 2012
APPOINTMENTS OF EXTERNAL AUDITORS FOR 2014
AND
NOTICE OF THE 2013 ANNUAL GENERAL MEETING**

A notice convening the AGM to be held at the Bank's headquarter, No.18B Jianguomen Nei Avenue, Beijing, PRC at 2:30 p.m. on Monday, 23 June 2014 is set out on pages 41 to 45 of this circular.

A proxy form and a reply slip for use at the AGM is enclosed with this circular. Holders of H Shares who intend to attend the AGM by proxy are required to complete the proxy form in accordance with the instructions printed thereon and return the same to the Bank's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time designated for the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the AGM or any adjourned meeting should you so wish. Holders of H Shares who intend to attend the AGM in person or by proxy are required to complete and return the reply slip in person, by mail or by fax to Computershare Hong Kong Investor Services Limited on or before Tuesday, 3 June 2014.

8 May 2014

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DEFINITIONS

In this circular, unless the context otherwise requires, the following terms shall have the meanings set out below:

“AGM”	the 2013 annual general meeting of the Bank to be held on 23 June 2014
“Articles of Association”	the articles of association of the Bank
“A Share(s)”	the domestic share(s) of RMB1.00 each in the issued share capital of the Bank, which are listed on the Shanghai Stock Exchange
“Bank/Issuer”	Agricultural Bank of China Limited (中國農業銀行股份有限公司), a joint stock limited company incorporated in the PRC and the A Shares and H Shares of which are listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, respectively
“Board of Directors”	the board of Directors of the Bank
“Board of Supervisors”	the board of Supervisors of the Bank
“CBRC”	China Banking Regulatory Commission (中國銀行業監督管理委員會)
“China” or “PRC”	the People’s Republic of China, excluding, for the purpose of this circular, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Company Law”	the Company Law of the PRC
“County Area”	the county-level regions (excluding the district-level areas in the cities) in China and the areas, under their administration, including counties and county-level cities
“County Area Banking Business”	The Bank provides customers in the County Areas with a broad range of financial products and services through its branch outlets located in counties and county-level cities in China
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Bank
“Group”	the Bank and its subsidiaries
“H Share(s)”	the overseas listed foreign share(s) of RMB1.00 each in the issued share capital of the Bank, which are listed on the Hong Kong Stock Exchange

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Issuance/ Issuance of Preference Shares”	the proposed PRC on-shore private placement of preference shares by the Issuer to not more than 200 qualified investors in aggregate
“RMB”	Renminbi, the lawful currency of the PRC
“Sannong”	agriculture, rural areas and farmers
“Shareholder(s)”	the holder(s) of the shares of the Bank
“Supervisor(s)”	the supervisor(s) of the Bank

LETTER FROM THE BOARD OF DIRECTORS



中国农业银行

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中國農業銀行股份有限公司

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

(Stock Code: 1288)

Executive Directors

JIANG Chaoliang
ZHANG Yun
GUO Haoda
LOU Wenlong

Registered Office

No. 69, Jianguomen Nei Avenue
Dongcheng District
Beijing
PRC

Non-Executive Directors

SHEN Bingxi
LIN Damao
CHENG Fengchao
LI Yelin
XIAO Shusheng
ZHAO Chao

*Principal Place of Business
in Hong Kong*

25/F, Agricultural Bank of China Tower
50 Connaught Road Central, Central
Hong Kong

Independent Non-Executive Directors

Anthony WU Ting-yuk
QIU Dong
Frederick MA Si-hang
WEN Tiejun
Francis YUEN Tin-fan

8 May 2014

To the Shareholders,

Dear Sir or Madam,

**GRANT TO THE BOARD OF DIRECTORS OF
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LETTER FROM THE BOARD OF DIRECTORS

1. INTRODUCTION

The special resolutions for approving (i) the grant to the Board of Directors of a general mandate to issue new shares, (ii) the amendments to the Articles of Association and (iii) the *Issuance Plan for Preference Shares* will be proposed at the AGM.

The ordinary resolutions, among other things, for approving (i) the compensation on instant returns to Shareholders after issuance of preference shares, (ii) the feasibility analysis report of the use of proceeds, (iii) the Shareholders return plan for 2014–2016, (iv) the final financial accounts for 2013, (v) the profit distribution plan for 2013, (vi) the fixed assets investment budget for 2014, (vii) the re-election of Mr. Frederick MA Si-hang as an independent non-executive Director, (viii) the re-election of Mr. WEN Tiejun as an independent non-executive Director, (ix) the election of Mr. WANG Xingchun as a Supervisor representing Shareholders, (x) the final remuneration plan for Directors and Supervisors for 2012 and (xi) the appointments of external auditors for 2014 will also be proposed at the AGM.

The purpose of this circular is to set out the notice of the AGM and to provide you with details regarding the resolutions mentioned above.

2. GRANT TO THE BOARD OF DIRECTORS OF A GENERAL MANDATE TO ISSUE NEW SHARES

In order to ensure the continuous growth of the Bank's business and the Shareholders' long-term interests, satisfy the requirements of domestic and international capital regulation of banks, replenish the Bank's capital in a timely manner, it is hereby proposed to the AGM to grant the Board of Directors the general mandate to separately or concurrently allot, issue and/or deal with newly issued shares (including ordinary and preference shares), and enter into or grant offers, agreements, share subscription rights or conversion rights (including warrants, convertible bonds or other securities which carry rights to subscribe for or convert into shares) not exceeding 20% of the aggregate nominal amount of each of the existing A Shares and/or H Shares at the date of the granting of the Shareholders' approval. The specific terms of the general mandate are set out below:

- (1) Subject to the conditions set out in paragraphs (i), (ii) and (iii) below and in accordance with applicable laws and regulations of the PRC, relevant requirements of the Hong Kong Listing Rules (as amended from time to time) and the Articles of Association, the Bank proposes to grant the unconditional general mandate to the Board of Directors to allot, issue and/or deal with, separately or concurrently, newly issued shares (including ordinary and preference shares) and enter into or grant offers, agreements, share subscription rights or conversion rights (including warrants, convertible bonds or other securities which carry rights to subscribe for or convert into shares) that are required or may be required for the allotment and issuance of the shares during the Relevant Period (as defined below);
 - (i) such mandate shall not extend beyond the Relevant Period except that the Board of Directors, within the Relevant Period, enter into or grant offers, agreements, share subscription rights or conversion rights that are required or may be required to be conducted or exercised at or after the end of the Relevant Period;

LETTER FROM THE BOARD OF DIRECTORS

- (ii) the respective number of the newly issued shares (including ordinary and preference shares) proposed to be allotted, issued and/or dealt with or approved conditionally or unconditionally to be allotted, issued and/or dealt with, and offers, agreements, share subscription rights or conversion rights (including warrants, convertible bonds or other securities which carry rights to subscribe for or convert into shares) entered into or granted by the Board of Directors shall not exceed 20% of the respective number of each of the A Shares and/or H Shares outstanding as at the date on which this proposal is approved by the Shareholders' general meeting (among which, preference shares convertible to ordinary shares shall be calculated by class and number following the conversion into ordinary shares);
 - (iii) the Board of Directors can exercise such mandate mentioned above only in the circumstance that it is in compliance with the Company Law, the Hong Kong Listing Rules (as amended from time to time) or any applicable laws, regulations and rules of any other government or regulatory authority, and all necessary approvals from the CSRC and/or other relevant PRC government authorities are obtained.
- (2) For the purpose of this proposal, "Relevant Period" means the period from the date on which this resolution is approved by the AGM until the earliest of:
- (i) the conclusion of the next annual general meeting of the Bank following the approval of this proposal;
 - (ii) 12 months following the approval of this proposal at the AGM; or
 - (iii) the date on which the mandate granted to the Board of Directors set out in this proposal is revoked or amended by a special resolution of the Shareholders of the Bank at a Shareholders' general meeting.
- (3) In accordance with the method, type, size of the issuance and the capital structure of the Bank following the completion of the issuance, among others, the Board of Directors is authorized to amend the Articles of Association of the Bank as it deems appropriate and necessary so as to reflect the latest capital structure and registered capital (as applicable); and to take any necessary actions and to go through any necessary procedures (including but not limited to obtaining approvals from relevant regulatory authorities and completing registration processes with relevant industrial and commercial administration) in order to give effect to the issuance of shares under this resolution.
- (4) For the purpose of enhancing efficiency in the decision making process and ensuring the success of issuance, it is proposed to the AGM to approve that the Board of Directors delegates such authorization to the Chairman of the Board of Directors, the President, executive vice president, the board secretary or other person designated by the Board of Directors to take charge of all matters related to the issue of shares.

The above proposal has been approved at the fourth meeting of the Board of Directors of the Bank in 2014 and it is hereby submitted to the AGM for consideration.

LETTER FROM THE BOARD OF DIRECTORS

3. AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In order to meet the requirements of issuing the preference shares, in accordance with the *State Council Guiding Opinions on the Experimental Development of Preference Shares*, the *Experimental Administrative Measures on Preference Shares* of the CSRC and other relevant laws, administrative regulations and rules, and taking into consideration the *Issuance Plan for the Preference Shares* of the Bank, the Bank proposes to amend the Articles of Association (the “**Proposed Amendments**”).

The Proposed Amendments primarily specify the rights and obligations of the holders of preference shares, add relevant contents about, among others, the issuance, conversion and redemption of preference shares, which includes, among others, the order of preference in distributing profits and remaining assets of the Bank; discretionary distribution of dividends; the restrictions on and the restoration of the voting rights; the coupon rate, non-accumulation of dividends, non-participation in the distribution of the Bank’s remaining profits, the conversion and redemption mechanisms of the preference shares under the Issuance, and relevant authorization to be granted by the Shareholders’ general meeting to the Board of Directors.

The Proposed Amendments add 10 new articles and amend 38 articles. The number of the articles of the amended Articles of Association increases from 306 to 316, and the numbering of the relevant chapters and sections of the amended articles is adjusted accordingly.

The above proposal has been considered and approved at the fourth meeting of the Board of Directors of the Bank in 2014. It is hereby proposed to the AGM for consideration. Meanwhile, it is also proposed that the AGM shall authorize the Board of Directors and further delegate such authorization to the Chairman of the Board of Directors to amend the Articles of Association from time to time in accordance with regulatory opinions received during the period of issuing the preference shares in order to obtain the approval of the CBRC and the approval of the CSRC on the issuance of the preference shares. After the approval of the CBRC, the Articles of Association shall become effective on the date of completion of the issuance of the preference shares.

Details of the Proposed Amendments are set forth in the Appendix I to this circular.

4. ISSUANCE PLAN FOR PREFERENCE SHARES

In order to improve the Bank’s capital structure, establish and optimize the long-term mechanism for capital management, increase the capital adequacy ratios and strengthen its ability for sustainable development, the Bank proposes to issue preference shares in the PRC to replenish its Additional Tier-1 capital.

In accordance with the *State Council Guiding Opinions on the Experimental Development of Preference Shares*, the *Experimental Administrative Measures on Preference Shares*, *Capital Rules for Commercial Banks (Provisional)*, the *CBRC and CSRC Joint Guiding Opinions on the Issuance of Preference Shares by Commercial Banks to Replenish Additional Tier-1 Capital* and other relevant provisions, the Bank prepared the *Issuance Plan for Preference Shares* (Appendix II to this circular). Pursuant to the CSRC’s regulatory requirements, the Bank also formulated the *Preliminary Plan for the Issuance of Preference Shares*, which was included in the *Announcement on the Proposed Issuance of Preference Shares* published by the Bank on 8 May 2014.

LETTER FROM THE BOARD OF DIRECTORS

The *Issuance Plan for Preference Shares* includes 16 provisions: (1) type and number of securities to be issued, (2) duration, (3) method of the issuance, (4) subscribers of the issuance, (5) nominal value and issuance price, (6) dividend distribution provisions, (7) optional redemption provisions, (8) mandatory conversion provisions, (9) restriction on and restoration of voting rights, (10) sequence of settlement and method of liquidation, (11) use of proceeds, (12) rating arrangement, (13) guarantee arrangement, (14) transfer arrangement, (15) effective period of the resolution of the Issuance and (16) authorization of the Issuance of Preference Shares. The aforesaid provisions (1) to (16) shall be voted on provision by provision.

The Bank will issue such Preference Shares pursuant to the general mandate to issue new shares proposed for consideration by Shareholders at the AGM, and any issuance of Preference Shares shall be subject to the terms of such general mandate including, among other matters, the size and timing of any issuance.

The above proposal has been considered and approved at the fourth meeting of the Board of Directors of the Bank in 2014.

The independent non-executive Directors of the Bank expressed the following opinions on the impacts of the Issuance of Preference Shares on different classes of Shareholders:

- (1) Under normal circumstances, holders of preference shares shall not attend Shareholders' general meetings and shall not have voting rights. Nonetheless: (i) when required by regulatory authorities and in the event of the special situations specified in the Issuance Plan arise, holders of preference shares may attend Shareholders' general meetings whereby the relevant resolutions shall be approved both by more than two thirds (2/3) of the voting rights of the ordinary Shareholders present at the meeting (including the holders of preference shares whose voting rights have been restored) and by more than two thirds (2/3) of the voting rights of the holders of preference shares present at the meeting (excluding the holders of preference shares whose voting rights have been restored); and (ii) when the voting rights of the holders of preference shares are restored, the holders of preference shares are entitled to attend Shareholders' general meetings and vote alongside ordinary Shareholders as if they were A Share ordinary Shareholders based on their restored voting rights as calculated by the formula set out in the *Issuance Plan for Preference Shares*. As such, the above situations may affect the voting rights of the existing ordinary Shareholders.
- (2) As the holders of preference shares are entitled to receive profit distribution of the Bank prior to ordinary Shareholders, the Issuance of Preference Shares may result in decreases in dividend distribution to ordinary Shareholders. In addition, according to relevant regulatory requirements and the *Issuance Plan for Preference Shares*, when the conditions for mandatory conversion are triggered, the remaining existing preference shares under the Issuance, subject to regulatory approvals, will be wholly or partially converted into A Share ordinary Shares. As a result, the total number of ordinary Shares will increase, which will dilute the shareholding percentages and voting rights of existing ordinary Shareholders and certain financial indicators (including earnings per share).

The independent non-executive Directors of the Bank considered that the above proposal is in the interests of the Bank and Shareholders as a whole and accordingly approved the above proposal.

LETTER FROM THE BOARD OF DIRECTORS

The proposal is hereby proposed to the AGM for consideration.

In addition to the proposed issuance of preference shares under the *Issuance Plan for Preference Shares*, the Bank may conduct other equity issuance plans within the Relevant Period defined above (including the issuance of preference shares in overseas markets) under the general mandate to be obtained at the AGM so as to satisfy relevant capital adequacy and other regulatory requirements. Notwithstanding the general mandate, each of these potential equity issuance plans will be submitted to general meeting of the Bank for consideration and approval when the relevant issuance plan is available as required by the *State Council Guiding Opinions on the Experimental Development of Preference Shares*, the *Experimental Administrative Measures on Preference Shares* and relevant laws and regulations.

5. COMPENSATION ON INSTANT RETURNS TO SHAREHOLDERS AFTER ISSUANCE OF PREFERENCE SHARES

In accordance with the requirements under the *Opinions of the General Office of the State Council on Further Strengthening the Protection of Legitimate Rights of Minority Investors in the Capital Market* (Guo Ban Fa No. [2013]110), listed companies, whose refinancing, mergers and acquisitions or reorganization would result in dilution of instant returns to Shareholders, shall undertake and take specific measures to compensate for such diluted returns.

As the holders of preference shares are entitled to receive their profit distribution of the Bank prior to the ordinary Shareholders at the agreed coupon rate, without taking into account any financial returns that may be generated from the use of proceeds, the Issuance will reduce the net profit attributable to ordinary Shareholders, which will result in decreases of RMB0.01 in earnings per share attributable to the ordinary Shareholders of the Bank and 0.54 percentage points in returns on equity, respectively.¹

In light of the above, the Bank plans to use the proceeds from the Issuance of Preference Shares rationally by strengthening capital constraints, optimizing resource allocation, improving development advantages, and maintaining the risk limitation, and through the following measures to enhance the Bank's sustainable development capabilities as well as enhance Shareholders' value in the mid- to long-term to compensate for the negative impacts on instant returns to Shareholders:

- (1) Strengthen capital constraints and promote business development mode to change towards a capital-saving one. The Bank will adhere to the basic principles of established capital management and capital adequacy ratio management objectives, strengthen capital constraints and returns management and establish and improve long-term capital management mechanisms.
- (2) Optimize the allocation of resources and improve capital efficiency. The Bank will conscientiously implement the requirements of the national industrial structural adjustment and rationally allocate credit resources. The Bank will manage the diversity and yield of the investment portfolio while ensuring adequate liquidity.
- (3) Enhance the competitive advantage of the Bank's County Area Banking Business, tap into the new financial needs arising from rural reforms and new-type urbanization, innovate the financial services model and continuously improve the service synergies between urban and rural areas.

¹ Based on the financial data for the 12 months ended on 31 December 2013, assuming the Issuance of Preference Share was completed on 1 January 2013 with an Issuance size of RMB80 billion and a coupon rate of 6%.

LETTER FROM THE BOARD OF DIRECTORS

- (4) Maintain the risk limitation and strengthen risk management. The Bank will continue to strengthen comprehensive risk management system construction from culture, structure, systems and instruments perspectives and enhance risk prevention and control of key areas.

Based on the above measures, the Bank undertakes that, in the absence of major incidents resulting in substantial material impact on the Bank's operations, earnings per share attributable to ordinary Shareholders of the Bank in 2014 (i.e. the year of the Issuance of Preference Shares) will be able to return to the level above those in 2013, which is RMB0.51. Currently, the remuneration of the Chairman of the Board of Directors, the President, the Chairman of the Board of Supervisors, executive directors and other senior managers of the Bank are approved by the relevant authorities in accordance with the Bank's results of operations. In the event that the results of operation decline, the remuneration of the Chairman of the Board of Directors, the President, the Chairman of the Board of Supervisors, executive directors and other senior managers of the Bank will be significantly affected.

The above proposal has been approved at the fourth meeting of the Board of Directors of the Bank in 2014 and is hereby proposed to the AGM for consideration. It is also proposed that the Shareholders' general meeting authorizes the Board of Directors to amend and supplement the undertakings to compensate the Shareholders' instant returns after the issuance of preference shares in accordance with relevant regulatory requirements in the event that the regulatory authorities specified regulatory requirements on compensating Shareholders' instant returns after refinancing. The Bank will make announcements timely.

6. FEASIBILITY ANALYSIS REPORT OF THE USE OF PROCEEDS

The proceeds from the initial public offering of the Bank in 2010 have been fully utilized to replenish the capital of the Bank in accordance with the use of proceeds disclosed in the prospectus. Since listing, facing complex internal and external business operation environment, the Bank consistently adhered to prudent management, effectively enhanced the ability to serve the real economy, continuously improved financial services for the County Areas, continued to promote the reform of key areas, realized steady development of the business and growth of the operation results. As at the end of 2013, the total assets of the Group was RMB14,562,102 million, increased by 9.9% as compared to the end of the previous year. In 2013, net profit was RMB166,211 million, increased by 14.5% over the previous year. Weighted average return on equity was 20.89%, increased by 0.15 percentage points over the previous year. As at the end of 2013, non-performing loan ratio was 1.22%, decreased by 0.11 percentage points as compared to the end of the previous year.

In recent years, the Bank has been strengthening its capital management and replenishment through its own capital reserves, debt financing instruments with capital characters, asset-liability management and various other methods. The Bank's business development comes with growth in total assets as well as risk weighted assets, leading to a decline in capital adequacy ratio. As at 31 December 2013, the Group's Common Equity Tier-1 capital adequacy ratio and the Tier-1 capital adequacy ratio stood at 9.25%, and the capital adequacy ratio stood at 11.86%. Currently, the Bank is in a critical period of implementing its development strategies. In order to seize important opportunities for development since the Third Plenary Session of the 18th Central Committee of the Communist Party of China, the Bank needs adequate capital support to enhance its ability to serve the real economy and facilitate effective business development.

LETTER FROM THE BOARD OF DIRECTORS

The *State Council Guiding Opinions on the Experimental Development of Preference Shares*, the *Experimental Administrative Measures on Preference Shares*, the *Capital Rules for Commercial Banks (Provisional)* and the *CBRC and CSRC Joint Guiding Opinions on the Issuance of Preference Shares by Commercial Banks to Replenish Tier-1 Capital* and other relevant rules laid the policy foundation for the issuance of preference shares. The Bank proposes to conduct the Issuance by a private placement. The total number of preference shares proposed to be issued shall not exceed 800 million with the nominal value of RMB100 per share, and the preference shares shall be issued at their par value. In accordance with applicable laws, regulations and the approvals of the CBRC, the CSRC and other regulatory authorities, the proceeds from the Issuance of Preference Shares will be used to replenish the Bank's Additional Tier 1 capital.

The Issuance of Preference Shares will improve the Bank's capital structure, establish and optimize long-term capital management mechanisms, increase capital adequacy ratios and strengthen sustainable development capacities, which will have significant positive effects on the Bank's long-term development and the increase in its Shareholders' value.

The above proposal has been approved at the fourth meeting of the Board of Directors of the Bank in 2014. It is hereby proposed to AGM for consideration.

7. SHAREHOLDERS RETURN PLAN FOR 2014–2016

In accordance with the relevant provisions of the *Company Law*, the *Securities Law of the People's Republic of China*, the *China Securities Regulatory Commission's Notice on Further Implementation of the Issues concerning Cash Dividends of Listed Companies*, *Guideline No. 3 on Supervision and Administration of Listed Companies — Cash Dividends of Listed Companies* and other laws, administrative regulations, normative documents and the Articles of Association, in order to improve and implement the profit distribution policy, the Bank formulated the *Shareholders Return Plan of Agricultural Bank of China Limited for 2014–2016* (the “**Plan**”).

(1) Principles of formulating the Plan

The formulation of the Plan is based on the following principles including compliance with the requirements relating to profit distribution policy as contained in relevant laws, regulations and the Articles of Association, ensuring the continuity and stability of the profit distribution policy, emphasizing reasonable investment returns, taking into account of the Bank's long-term interests, all Shareholders' interests and the sustainable development of the Bank as a whole, as well as highlighting cash dividends as the preferred method of profit distribution.

(2) Content of the Plan

- (i) Based on the basic principles of the Plan, the Bank may distribute dividends in cash, stock, a combination of cash and stock or other methods permitted by laws and regulations. The Bank will preferably adopt cash dividend for profit distribution. The Bank may conduct interim profit distribution if the condition permits.

LETTER FROM THE BOARD OF DIRECTORS

- (ii) Except where the circumstances prohibit the distribution of dividends as stipulated by the laws and regulations, including but without limitation when the Bank's general reserve or capital adequacy level does not meet the regulatory requirements, if the Bank recorded profit and accumulated undistributed profit for a year, it will preferably adopt the method of cash dividends for profit distribution. The Bank's profit distributed annually to ordinary Shareholders in the form of cash dividends shall not be less than 10% of net profit attributable to ordinary Shareholders of the Bank of the financial year on a consolidated basis. In the events of force majeure such as war, natural disasters, among others, or changes in the external business environment which have significant impact on the Bank's operations, or the Bank's own operating conditions change materially, the Bank can make adjustments to the profit distribution policy.
 - (iii) When the Board of Directors of the Bank is of the view that the Bank's share price does not match the size of the share capital or when the Board of Directors deems necessary, on the basis of satisfying the distribution of cash dividends mentioned above, the Board of Directors may propose a preliminary plan for dividend distribution by way of shares and implement such plan after it is considered and approved at the shareholders' general meeting.
- (3) Decision-making and supervision mechanism of formulating, implementing and adjusting the Plan
- (i) The Board of Directors formulated this Plan in accordance with relevant laws and regulations, regulatory requirements, the Articles of Association and the specific circumstances. The Board of Directors has sufficiently consulted the views of the Shareholders, independent non-executive Directors and Board of Supervisors. After being considered and approved by the Board of Directors, the Plan is submitted to the shareholders' general meeting and will be implemented after the consideration and approval by the shareholders' general meeting.
 - (ii) If the Plan needs to be adjusted as a result of significant changes of external regulatory environment or internal operating conditions, the Board of Directors shall explain in detail the reasons for making such adjustments based on the underlying principle of protecting Shareholders' interests. Such adjustments shall be submitted to the shareholders' general meeting for approval after being considered by independent non-executive Directors.
 - (iii) If the Bank realizes profit in the previous financial year, whereas the Board of Directors does not propose cash profit distribution plan at the end of the previous financial year, the reasons for not distributing dividends and the use of undistributed capital reserved in the Bank shall be specified in detail in periodic reports. Independent non-executive Directors should express their independent opinion with respect to such matter.
 - (iv) The Bank encourages small- and medium-sized investors and institutional investors to actively participate in the decision-making of the matters relating to the Bank's profit distribution. Prior to the shareholders' general meeting's consideration of the detailed profit distribution plan, the Bank should take the views and demands of minority Shareholders sufficiently, and answer their questions of concern promptly.

LETTER FROM THE BOARD OF DIRECTORS

(4) Effectiveness mechanism of the Plan

The aforementioned Shareholders' return applies to ordinary Shareholders. Returns to holders of preference shares will be implemented in accordance with the Articles of Association and the relevant content of the *Issuance Plan for Preference Shares*. The matters not provided for in this Plan shall be implemented in accordance with relevant provisions of the relevant laws and regulations, normative documents and the Articles of Association. The Board of Directors is responsible for interpretation of the Plan which shall be implemented starting from the date of the approval of the Bank's shareholders' general meeting.

The above proposal has been approved at the fourth meeting of the Board of Directors of the Bank in 2014 and is hereby proposed to the AGM for consideration.

8. FINAL FINANCIAL ACCOUNTS FOR 2013

Please refer to the financial statements in the 2013 Annual Report of the Bank published on 28 April 2014 for details of the final financial accounts for 2013.

9. PROFIT DISTRIBUTION PLAN FOR 2013

Pursuant to relevant laws and regulatory requirements, the Bank proposed the following profit distribution plan for 2013:

- (i) RMB16,578 million will be appropriated to the statutory surplus reserve pursuant to the Company Law;
- (ii) RMB17,330 million will be appropriated to the general reserve pursuant to relevant requirements including the *Administrative Measures for Provision of Reserves of Financial Enterprises* issued by the Ministry of Finance of the PRC;
- (iii) a total amount of RMB57,489 million (tax inclusive) will be distributed to holders of A Shares and H Shares whose names appear on the registers of members of the Bank at close of business on 2 July 2014, based on the total share capital of the Bank of 324,794 million shares as at 31 December 2013 and a cash dividend of RMB1.77 per ten Shares (tax inclusive). The dividend payout ratio is 34.57% of the net profits attributable to the Shareholders during the period; and
- (iv) no capital reserve will be transferred to increase the share capital of the Bank.

The H Share register of members of the Bank will be closed from 27 June 2014 to 2 July 2014 (both days inclusive). To qualify for the entitlement to the proposed cash dividend distribution for 2013, holders of H Shares are required to deposit the transfer documents together with the relevant share certificates at the H Share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong at or before 4:30 p.m., on 26 June 2014.

LETTER FROM THE BOARD OF DIRECTORS

10. FIXED ASSETS INVESTMENT BUDGET FOR 2014

According to the needs of the Bank's overall business development, the fixed assets investment budget of the Bank for 2014 will be RMB24,800 million, which remains the same as that of 2013, of which, the investment budget for Sannong business will be RMB12,720 million, representing an increase of RMB1,870 million as compared to that of 2013.

The structured plan will be deployed as follows pursuant to the needs for investment management and based on three aspects regarding specific, strategic and general plans:

- (i) RMB20,300 million for specific plans, mainly including the establishment of branch outlets, the development of information technology system, the upgrade of self-service facilities, the construction of office buildings for county-level and above sub-branches, the renewal of vehicles, the establishment of Home of Employees and other specific purposes;
- (ii) RMB1,800 million for strategic plans, mainly used for supporting the priority development of key sub-branches in County Areas, key urban branches and key businesses; and
- (iii) RMB2,700 million for general plans, mainly including the sporadic purchase in small amount of new facilities for daily operation, and security and operational facilities.

11. RE-ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Reference is made to the Bank's announcement on the resolutions of the Board of Directors on 25 March 2014. The Board of Directors had nominated Mr. Frederick MA Si-hang and Mr. WEN Tiejun as independent non-executive Directors of the Bank, subject to the approval by the AGM.

The profiles of Mr. Frederick MA Si-hang and Mr. WEN Tiejun are set out in the Bank's announcement on the resolutions of the Board of Directors on 25 March 2014. As at the date of this circular, there has been no change to such profiles.

The terms of office for Mr. Frederick MA Si-hang and Mr. WEN Tiejun will be three years, commencing upon the date of approval by the AGM.

Mr. Frederick MA Si-hang and Mr. WEN Tiejun will receive allowances during his term in accordance with the *Allowance Policy for Independent Directors of Agricultural Bank of China Limited*. The Bank will disclose the remuneration of Directors in its annual report each year.

12. ELECTION OF SUPERVISOR REPRESENTING SHAREHOLDERS

Reference is made to the Bank's announcement on change in Supervisors on 25 April 2014. The Board of Supervisors had nominated Mr. WANG Xingchun as a Supervisor representing Shareholders, subject to the approval by the AGM.

The profile of Mr. WANG Xingchun is set out in the Bank's announcement on change in Supervisors on 25 April 2014. As at the date of this circular, there has been no change to such profile.

LETTER FROM THE BOARD OF DIRECTORS

The terms of office for Mr. WANG Xingchun will be three years, commencing upon the date of approval by the AGM.

Mr. WANG Xingchun will receive allowances from the Bank during his term. The Bank will disclose the remuneration of Supervisors in its annual report each year.

13. FINAL REMUNERATION PLAN FOR DIRECTORS AND SUPERVISORS FOR 2012

Pursuant to the Articles of Association and the relevant policies of the PRC, please refer to Appendix III to this circular for details of the final remunerations for Directors and Supervisors for 2012.

14. APPOINTMENTS OF EXTERNAL AUDITORS FOR 2014

Reference is made to the Bank's announcement on the resolutions of the Board of Directors on 25 March 2014. The Board of Directors had, subject to the approval of the AGM, resolved to appoint PricewaterhouseCoopers Zhong Tian CPAs Limited Company and PricewaterhouseCoopers as external auditors of the Bank for 2014 to provide relevant services (including quarterly agreed-upon procedure, interim review and annual audit) in accordance with Chinese and international auditing standards, respectively. The term of the appointment of external auditors above will commence upon the approval by the AGM and terminate at the end of the next annual general meeting.

The total audit fee amounts to RMB118.5 million. Of which, the audit fee of annual accounting statements, fee for interim review, agreed-upon procedure fee for quarter and internal control audit fee amount to RMB63.99 million, RMB36.735 million, RMB5.925 million and RMB11.85 million, respectively.

15. AGM

A notice convening the AGM to be held at the Bank's headquarter, No.18B Jianguomen Nei Avenue, Beijing, PRC at 2:30 p.m. on Monday, 23 June 2014 is set out on pages 41 to 45 of this circular.

The special resolutions for approving (i) the grant to the Board of Directors of a general mandate to issue new shares, (ii) the amendments to the Articles of Association and (iii) the *Issuance Plan for Preference Shares* will be proposed at the AGM.

The ordinary resolutions, among other things, for approving (i) compensation on instant returns to Shareholders after issuance of preference shares, (ii) the feasibility analysis report of the use of proceeds, (iii) the Shareholders return plan for 2014–2016, (iv) the final financial accounts for 2013, (v) the profit distribution plan for 2013, (vi) the fixed assets investment budget for 2014, (vii) the re-election of Mr. Frederick MA Si-hang as an independent non-executive Director, (viii) the re-election of Mr. WEN Tiejun as an independent non-executive Director, (ix) the election of Mr. WANG Xingchun as a Supervisor representing Shareholders, (x) the final remuneration plan for Directors and Supervisors for 2012 and (xi) the appointments of external auditors for 2014 will also be proposed at the AGM.

Any voting on the resolutions at the AGM shall be taken by poll.

LETTER FROM THE BOARD OF DIRECTORS

A proxy form and a reply slip for use at the AGM is enclosed with this circular. Holders of H Shares who intend to attend the AGM by proxy are required to complete the proxy form in accordance with the instructions printed thereon and return the same to the Bank's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time designated for the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the AGM or any adjourned meeting should you so wish. Holders of H Shares who intend to attend the AGM in person or by proxy are required to complete and return the reply slip in person, by mail or by fax to Computershare Hong Kong Investor Services Limited on or before 3 June 2014.

In order to determine the holders of H Shares who are entitled to attend the AGM, the H Share register of members of the Bank will be closed from 24 May 2014 to 23 June 2014 (both days inclusive). Holders of H Shares who wish to attend the AGM are required to deposit the transfer documents together with the relevant share certificates at the H Share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong at or before 4:30 p.m. on 23 May 2014.

16. RECOMMENDATION

The Board of Directors considers that the aforementioned proposals are in the interests of the Bank and the Shareholders as a whole. Accordingly, the Board of Directors recommends the Shareholders to vote in favour of the relevant resolutions at the AGM.

By Order of the Board of Directors
Agricultural Bank of China Limited
ZHU Gaoming
Company Secretary

As at the date of this circular, our executive directors are Mr. JIANG Chaoliang, Mr. ZHANG Yun, Mr. GUO Haoda and Mr. LOU Wenlong; our non-executive directors are Mr. SHEN Bingxi, Mr. LIN Damao, Mr. CHENG Fengchao, Mr. LI Yelin, Mr. XIAO Shusheng and Mr. ZHAO Chao; and our independent non-executive directors are Mr. Anthony WU Ting-yuk, Mr. QIU Dong, Mr. Frederick MA Si-hang, Mr. WEN Tiejun and Mr. Francis YUEN Tin-fan.

APPENDIX I:

PROPOSED AMENDMENTS TO THE ARTICLES OF
ASSOCIATION OF AGRICULTURAL BANK OF CHINA LIMITED

No.	Current Articles of Association	Revised Content
	CHAPTER I GENERAL PROVISIONS	CHAPTER I GENERAL PROVISIONS
1.	Article 1 The Articles of Association are formulated in accordance with the <i>Company Law of the People's Republic of China</i> (the "Company Law"), the <i>Securities Law of the People's Republic of China</i> (the "Securities Law"), the <i>Commercial Banking Law of the People's Republic of China</i> (the "Commercial Banking Law"), the <i>Special Provisions of the State Council on the Offshore Offering of Shares and Listing of Companies Limited By Shares</i> , the <i>Mandatory Provisions for the Articles of Association of Companies Listing Overseas</i> and the <i>Guidelines on the Articles of Association of Listed Companies</i> as well as other relevant laws, administrative regulations and departmental rules for the purposes of protecting the legitimate rights and interests of Agricultural Bank of China Limited ("the Bank") and its shareholders and creditors and regulating the organization and activities of the Bank.	Article 1 The Articles of Association are formulated in accordance with the <i>Company Law of the People's Republic of China</i> (the "Company Law"), the <i>Securities Law of the People's Republic of China</i> (the "Securities Law"), the <i>Commercial Banking Law of the People's Republic of China</i> (the "Commercial Banking Law"), the <i>Special Provisions of the State Council on the Offshore Offering of Shares and Listing of Companies Limited By Shares</i> , the <i>Mandatory Provisions for the Articles of Association of Companies Listing Overseas</i> , the State Council Guiding Opinions on the Experimental Development of Preference Shares , and the <i>Guidelines on the Articles of Association of Listed Companies</i> as well as other relevant laws, administrative regulations and departmental rules for the purposes of protecting the legitimate rights and interests of Agricultural Bank of China Limited ("the Bank") and its shareholders and creditors and regulating the organization and activities of the Bank.
2.	Article 7 The entire capital of the Bank shall be divided into shares of equal value. Shareholders of the Bank shall be liable for liabilities of the Bank to the extent of their respective shareholdings and the Bank shall be liable for its debts to the extent of all its assets.	Article 7 ~~The entire capital of the Bank shall be divided into shares of equal value.~~ Shareholders of the Bank shall be liable for liabilities of the Bank to the extent of their respective shareholdings and the Bank shall be liable for its debts to the extent of all its assets.
	CHAPTER III SHARES AND REGISTERED CAPITAL	CHAPTER III SHARES AND REGISTERED CAPITAL
	Section 1 Share Issue	Section 1 Share Issue
3.	Article 15 The Bank shall have ordinary shares at any time. According to its needs, the Bank may also have other classes of shares upon approval by the approval departments authorised by the State Council.	Article 15 The Bank shall have ordinary shares at any time. According to its needs, the Bank may also have other classes of shares such as preference shares upon approval by the approval departments authorised by the State Council.
4.	Article 16 The shares of the Bank shall be in form of stocks. The shares issued by the Bank shall be shares with par value and the par value of each share shall be RMB1.00.	Article 16 The shares of the Bank shall be in form of stocks. The shares issued by the Bank shall be shares with par value, and the par value of each ordinary share shall be RMB1.00, and the par value of each preference share shall be RMB100.
	Section 2 Increase or Reduction and Repurchase of Shares	Section 2 Increase or Reduction and Repurchase of Shares
5.	Article 28 After the approval by relevant competent authorities, the Bank may repurchase its shares in any of the following manners: (1) by repurchasing shares through open transactions in a stock exchange; (2) by making an offer for repurchasing the shares to all shareholders on a pro rata basis; (3) by repurchasing shares under an off-market agreement; and (4) in any other manner as approved by the laws, administrative regulations, departmental rules as well as the relevant competent authorities.	Article 28 After the approval by relevant competent authorities, the Bank may repurchase its shares in any of the following manners: (1) by repurchasing shares through open transactions in a stock exchange; (2) by making an offer for repurchasing the shares to all shareholders of such class on a pro rata basis; (3) by repurchasing shares under an off-market agreement; and (4) in any other manner as approved by the laws, administrative regulations, departmental rules as well as the relevant competent authorities.

6.	Article 30 If the Bank cancels a portion of its shares due to its repurchase of that portion of shares, the Bank shall apply to an administrative authority for industry and commerce for the registration of a change of its registered capital. The amount of the registered capital of the Bank shall be reduced by the total par value of the shares so cancelled.	Article 30 If the Bank cancels a portion of its shares due to its repurchase of that portion of shares, and results in the change to its registered capital , the Bank shall apply to an administrative authority for industry and commerce for the registration of a change of its registered capital. The amount of the registered capital of the Bank shall be reduced by the total par value of the aforesaid shares so cancelled.
		New Section: Section 4: Special Requirements on the Issuance, Repurchase and Conversion of Preference shares
7.		Article 36 The Bank may issue preference shares, subject to the approvals of the banking regulatory authority and the securities regulatory authority of the State Council or other regulatory authorities.
8.		Article 37 The holders of preference shares of the Bank shall have the priority over ordinary shareholders in receiving distribution of profit at the agreed fixed coupon rate or floating coupon rate. The Bank shall make dividend payments in cash to the holders of preference shares, and no profit shall be distributed to ordinary shareholders before the agreed dividends have been fully paid to holders of the preference shares.
9.		Article 38 The holders of the preference shares shall have priority over ordinary shareholders in receiving distribution of the remaining assets of the Bank.
10.		Article 39 Where the Bank has distributable profit after tax, it may exercise its discretion to not distribute dividend to the holders of preference shares.
11.		Article 40 The preference shares of the Bank can be converted into ordinary shares in accordance with the requirements of the laws, administrative regulations, departmental rules, securities regulatory authorities of the listing places of the Bank, this Articles of Association or upon occurrence of the conversion events as agreed at the time of issuance of preference shares.
12.		Article 41 The requirements on issuance of preference shares of the Bank: (1) The dividend of the preference shares issued by the Bank will be paid at an agreed fixed coupon rate for each coupon rate adjustment interval. The coupon rate of the preference shares shall not exceed the mean of the weighted average return on net assets of the Bank for the two most recent financial years. The coupon rate shall consist of two parts: a base rate and a fixed premium. Among them, the fixed premium shall be the difference between the coupon rate set at the time of issuance and the base rate at the time of issuance. Once the fixed premium is determined, it shall no longer be adjusted.

		On the re-pricing date, the new coupon rate applicable to the subsequent dividend period will be determined. The new coupon rate shall be determined by adding the base rate preceding the re-pricing date onto the fixed premium determined at the initial pricing. (2) Where the Bank resolves to cancel part or all of the dividends to holders of the preference shares, such undistributed dividends shall not be accumulated to the subsequent dividend periods. (3) In the event of liquidation, the remaining assets of the Bank following a settlement pursuant to the requirements of applicable laws, administrative regulations and departmental rules shall be first distributed to holders of preference shares for the payment of the sum of the nominal value (i.e. par value) and the dividends resolved to be paid but unpaid of the then-current period. In the event that the remaining assets are not sufficient to satisfy these payments, they will be distributed on a pro rata basis in accordance with the shareholding percentage of holders of preference shares. (4) The holders of preference shares of the Bank, upon receiving dividends at the agreed coupon rate, shall not participate together with the ordinary shareholders in the distribution of the remaining profit. (5) Following the fifth anniversary of the issuance date, the Bank is entitled to redeem all or part of the preference shares issued by the Bank on every dividend distribution date, with such redemption right remaining exercisable until all the preference shares have been converted or redeemed in full. Preference shares shall be redeemed in cash. The redemption price shall be the sum of the nominal value and any declared but unpaid dividends in the then-current dividend period. The specific arrangement for the redemption shall be implemented as agreed at the issuance of the preference shares.
13.		Article 42 Where the laws, administrative regulations, departmental rules, securities regulatory authorities of the listing places of the Bank provide otherwise in terms of the issuance, repurchase, conversion, transfer and other matters of the preference shares of the Bank, such relevant provisions thereof shall prevail.

	CHAPTER V SHARE CERTIFICATES AND REGISTER OF SHAREHOLDERS	CHAPTER V SHARE CERTIFICATES AND REGISTER OF SHAREHOLDERS
14.	Article 45 No change may be made to the register of shareholders as a result of a transfer of shares within 30 days prior to the date of a shareholders' general meeting or within five days prior to the base date set by the Bank for the purpose of distribution of dividends. If separate provisions are stipulated by the securities regulatory authorities located at the places where the Bank's shares are listed, such provisions shall apply.	Article 4552 No change may be made to the register of shareholders as a result of a transfer of shares within 30 days prior to the date of a shareholders' general meeting or within five days prior to the base date set by the Bank for the purpose of distribution of dividends. If separate provisions are stipulated by the laws, administrative regulations, departmental rules, other normative rules and the securities regulatory authorities located at the places where the Bank's shares are listed, such provisions shall apply.
	CHAPTER VI SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETINGS	CHAPTER VI SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETINGS
	Section 1 Shareholders	Section 1 Shareholders
15.	Article 50 A shareholder of the Bank is a person who lawfully holds shares in the Bank and whose name is entered in the register of shareholders. A shareholder shall enjoy rights and assume obligations according to the class and amount of shares held by such shareholder. Shareholders who hold shares of the same class shall have the same rights and obligations. Where two or more persons are registered as the joint holders of any share(s), they shall be deemed as the joint owners of such share(s), provided that they must be subject to the following terms:	Article 5057 A shareholder of the Bank is a person who lawfully holds shares in the Bank and whose name is entered in the register of shareholders. A shareholder shall enjoy rights and assume obligations according to the class and amount of shares held by such shareholder. Shareholders who hold shares of the same class shall have the same rights and obligations. The preference shares issued by the Bank shall have the same prioritized sequence in terms of the distribution of dividends and remaining assets, provided however that other terms can be designed differently. Where two or more persons are registered as the joint holders of any share(s), they shall be deemed as the joint owners of such share(s), provided that they must be subject to the following terms:
16.	Article 52 Holders of ordinary shares of the Bank shall have the following rights: (1) to receive dividends and other kinds of distribution of interests based on the number of shares held by them; (2) to attend or appoint a proxy to attend the shareholders' general meetings, and to exercise voting rights based on the number of shares held by them; (3) to supervise the business operation of the Bank, and to make suggestions and enquiries accordingly; (4) to transfer, donate as a gift of, pledge or otherwise dispose shares held by them in accordance with the laws, administrative regulations, departmental rules, relevant provisions stipulated by the securities regulatory authorities located at the places where the Bank's shares are listed and the Articles of Association;	Article 5259 ~~Shareholders~~ ~~Holders of ordinary shares of~~ the Bank shall have the following rights: (1) to receive dividends and other kinds of distribution of interests based on the number of shares held by them; (2) to attend or appoint a proxy to attend the shareholders' general meetings, and to exercise voting rights based on the number of shares held by them; (3) to supervise the business operation of the Bank, and to make suggestions and enquiries accordingly; (4) to transfer, donate as a gift of, pledge or otherwise dispose shares held by them in accordance with the laws, administrative regulations, departmental rules, relevant provisions stipulated by the securities regulatory authorities located at the places where the Bank's shares are listed and the Articles of Association;

(5) to obtain relevant information in accordance with the Articles of Association, including: 1 obtaining a copy of the Articles of Association after paying the costs and expenses incurred; and 2 having the right to inspect free of charge and to photocopy, after paying the reasonable costs incurred, the following documents: (i) all parts of the register of shareholders; (ii) the personal information of the directors, supervisors and other senior management members of the Bank; (iii) status of the share capital of the Bank and counterfoil of the bonds of the Bank; (iv) minutes of the shareholders' general meetings; (v) the published financial and accounting reports, interim reports and annual reports of the Bank; and (vi) reports on the aggregate par value, number of shares, and highest and lowest prices of each class of shares repurchased by the Bank since the last financial year as well as all the expenses paid by the Bank therefor; (6) to participate in the distribution of the remaining assets of the Bank based on the number of shares held by them in the event of the termination or liquidation of the Bank; (7) for shareholders who disagree with the resolutions in respect of the merger or division of the Bank adopted at a shareholders' general meeting, to require the Bank to acquire their shares; and (8) to have any other rights conferred upon them under the laws, administrative regulations, departmental rules and the Articles of Association. Notwithstanding the foregoing provisions, the Bank may refuse to provide any of the above information if the information so inspected or photocopied involves trade secrets and price sensitive information of the Bank. Shareholders may inspect copies of the minutes of the shareholders' general meeting free of charge during the office hours of the Bank. If any shareholder requests to obtain from the Bank a copy of the relevant minutes, the Bank shall send such copy within seven days after the receipt of the reasonable fees.	(5) to obtain relevant information in accordance with the Articles of Association, including: 1 obtaining a copy of the Articles of Association after paying the costs and expenses incurred; and 2 having the right to inspect free of charge and to photocopy, after paying the reasonable costs incurred, the following documents: (i) all parts of the register of shareholders; (ii) the personal information of the directors, supervisors and other senior management members of the Bank; (iii) status of the share capital of the Bank and counterfoil of the bonds of the Bank; (iv) minutes of the shareholders' general meetings; (v) the published financial and accounting reports, interim reports and annual reports of the Bank; and (vi) reports on the aggregate par value, number of shares, and highest and lowest prices of each class of shares repurchased by the Bank since the last financial year as well as all the expenses paid by the Bank therefor; (6) to participate in the distribution of the remaining assets of the Bank based on the number of shares held by them in the event of the termination or liquidation of the Bank; (7) for shareholders who disagree with the resolutions in respect of the merger or division of the Bank adopted at a shareholders' general meeting, to require the Bank to acquire their shares; and (8) to have any other rights conferred upon them under the laws, administrative regulations, departmental rules and the Articles of Association. Notwithstanding the foregoing provisions, the Bank may refuse to provide any of the above information if the information so inspected or photocopied involves trade secrets and price sensitive information of the Bank. Shareholders may inspect copies of the minutes of the shareholders' general meeting free of charge during the office hours of the Bank. If any shareholder requests to obtain from the Bank a copy of the relevant minutes, the Bank shall send such copy within seven days after the receipt of the reasonable fees.
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17.	Article 55 Holders of the ordinary shares of the Bank shall have the following obligations: (1) to abide by the Articles of Association; (2) to contribute to the share capital according to the number of shares subscribed by them and the methods of capital contribution; (3) not to withdraw their contributed share capital unless in such circumstances as stipulated by the laws and administrative regulations; (4) where the capital adequacy ratio of the Bank falls below the statutory standard, to support any measure proposed by the Board of Directors to reasonably increase the capital adequacy ratio; (5) where the Bank is likely to face any liquidity difficulty, to immediately repay by any shareholder of the Bank who has borrowed any loan from the Bank any due and payable loans and to make early repayment by such shareholder of any loans that has not been fallen due and payable; for the purposes of this paragraph, the standard relating to “liquidity difficulty” shall be determined in accordance with relevant laws, administrative regulations, departmental rules and the provisions stipulated by the banking regulatory authority of the State Council; (6) not to abuse the shareholder’s rights to harm the interest of the Bank or any other shareholders, and to be liable for indemnity in accordance with the laws if a shareholder of the Bank abuses his shareholders’ rights and causes loss on the Bank or other shareholders; (7) not to abuse the Bank’s independent status as a legal person and the shareholders’ limited liability to harm the interest of the creditors of the Bank, and to be jointly and severally liable for the debts of the Bank if a shareholder abuses the Bank’s independent status as a legal person and evades the repayment of debts, resulting in materially damaging the interest of the creditors of the Bank; and (8) to assume any other obligation that should be assumed in accordance with the laws, administrative regulations, departmental rules and the Articles of Association. Shareholders shall not be liable for making any additional contribution to the share capital of the Bank other than according to the terms as agreed by a subscriber of the shares at the time of subscription.	Article 5562 ~~Shareholders~~ Holders of the ordinary shares of the Bank shall have the following obligations: (1) to abide by the Articles of Association; (2) to contribute to the share capital according to the number of shares subscribed by them and the methods of capital contribution; (3) not to withdraw their contributed share capital unless in such circumstances as stipulated by the laws and administrative regulations; (4) where the capital adequacy ratio of the Bank falls below the statutory standard, to support any measure proposed by the Board of Directors to reasonably increase the capital adequacy ratio; (5) where the Bank is likely to face any liquidity difficulty, to immediately repay by any shareholder of the Bank who has borrowed any loan from the Bank any due and payable loans and to make early repayment by such shareholder of any loans that has not been fallen due and payable; for the purposes of this paragraph, the standard relating to “liquidity difficulty” shall be determined in accordance with relevant laws, administrative regulations, departmental rules and the provisions stipulated by the banking regulatory authority of the State Council; (6) not to abuse the shareholder’s rights to harm the interest of the Bank or any other shareholders, and to be liable for indemnity in accordance with the laws if a shareholder of the Bank abuses his shareholders’ rights and causes loss on the Bank or other shareholders; (7) not to abuse the Bank’s independent status as a legal person and the shareholders’ limited liability to harm the interest of the creditors of the Bank, and to be jointly and severally liable for the debts of the Bank if a shareholder abuses the Bank’s independent status as a legal person and evades the repayment of debts, resulting in materially damaging the interest of the creditors of the Bank; and (8) to assume any other obligation that should be assumed in accordance with the laws, administrative regulations, departmental rules and the Articles of Association. Shareholders shall not be liable for making any additional contribution to the share capital of the Bank other than according to the terms as agreed by a subscriber of the shares at the time of subscription.
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18.		Article 63 Where the laws, administrative regulations, departmental rules, securities regulatory authorities of the listing places of the Bank, banking regulatory authorities of the State Council provide otherwise in terms of the rights and obligations of the holders of the preference shares of the Bank, such relevant provisions thereof shall prevail.
19.	Article 56 Any unit or individual which or who purchases 5% or more of the total number of the issued and outstanding shares of the Bank shall have the prior approval of the banking regulatory authority of the State Council. If, in the absence of the prior approval of the banking regulatory authority of the State Council, the number of shares held by a shareholder is equal to or in excess of 5% or more of the total number of the issued and outstanding shares of the Bank (the “Excess Shares”), prior to the approval of the banking regulatory authority of the State Council, such shareholder holding the Excess Shares shall be subject to the necessary restrictions when exercising the shareholders’ rights in respect of the Excess Shares as stipulated in Article 52 of the Articles of Association, including but not limited to: Notwithstanding the foregoing provisions, shareholders of the Bank holding the Excess Shares shall not be subject to any restriction when exercising other rights stipulated in items (1) and (6) of Article 52 of the Articles of Association.	Article 5664 Any unit or individual which or who purchases 5% or more of the total number of the issued and outstanding voting shares of the Bank shall have the prior approval of the banking regulatory authority of the State Council. If, in the absence of the prior approval of the banking regulatory authority of the State Council, the number of shares held by a shareholder is equal to or in excess of 5% or more of the total number of the issued and outstanding voting shares of the Bank (the “Excess Shares”), prior to the approval of the banking regulatory authority of the State Council, such shareholder holding the Excess Shares shall be subject to the necessary restrictions when exercising the shareholders’ rights in respect of the Excess Shares as stipulated in Article 5259 of the Articles of Association, including but not limited to: Notwithstanding the foregoing provisions, shareholders of the Bank holding the Excess Shares shall not be subject to any restriction when exercising other rights stipulated in items (1) and (6) of Article 5259 of the Articles of Association.
20.	Article 58 The conditions upon which the Bank grants loans to its shareholders shall not be more favourable than those for granting loans to other borrowers. The balance of the loans granted to a single shareholder by the Bank shall not be more than 10% of the net capital of the Bank.	Article 5866 The conditions upon which the Bank grants loans to its shareholders who have voting rights shall not be more favourable than those for granting loans to other borrowers. The balance of the loans granted to a single shareholder who has voting rights by the Bank shall not be more than 10% of the net capital of the Bank.
21.	Article 60 During the period when the loans borrowed from the Bank by a shareholder who holds 5% or more of the total number of shares of the Bank falls due and remains unpaid, such shareholder cannot exercise any voting right and the number of shares held by such shareholder shall not be counted into the total number of voting shares present at a shareholders’ general meeting. The Bank shall have the right to take priority to apply the dividend received by such shareholder, and the property distributed to him/it at the time of liquidation of the Bank, to repay his/its loans from the Bank.	Article 6068 During the period when the loans borrowed from the Bank by a shareholder who holds 5% or more of the total number of voting shares of the Bank falls due and remains unpaid, such shareholder cannot exercise any voting right and the number of shares held by such shareholder shall not be counted into the total number of voting shares present at a shareholders’ general meeting. The Bank shall have the right to take priority to apply the dividend received by such shareholder, and the property distributed to him/it at the time of liquidation of the Bank, to repay his/its loans from the Bank.
22.	Article 61 If the balance of loans from the Bank by a shareholder holding 5% or more of the total number of shares of the Bank exceeds the audited net value of equity held by him for the previous year, and if such shareholder fails to provide deposit receipts or treasury bonds as a guarantee, he shall not create further pledge over his shares in the Bank.	Article 6169 If the balance of loans from the Bank by a shareholder holding 5% or more of the total number of voting shares of the Bank exceeds the audited net value of equity held by him for the previous year, and if such shareholder fails to provide deposit receipts or treasury bonds as a guarantee, he shall not create further pledge over his shares in the Bank.

23.	Article 62 The Bank shall not provide any financing guarantee for any shareholder holding 5% or more of the total number of shares in the Bank and his affiliate, except that the shareholder provides a counter-guarantee based on his deposit receipts or treasury bonds.	Article 6270 The Bank shall not provide any financing guarantee for any shareholder holding 5% or more of the total number of voting shares in the Bank and his affiliate, except that the shareholder provides a counter-guarantee based on his deposit receipts or treasury bonds.
24.		Article 73 Excluding the circumstances outlined below, holders of preference shares shall not attend shareholders' general meetings and shall not have voting rights: (1) any amendments to the provisions regarding preference shares in the Articles of Association; (2) any decrease or series of decreases representing in aggregate more than 10% of the registered capital of the Bank; (3) any merger, division, dissolution or change in corporate form of the Bank; (4) any issuance of preference shares by the Bank; (5) any other circumstances specified by laws, regulations, departmental rules, or any securities regulatory authorities of the listing places of the Bank or this Articles of Association. In the event of any of the foregoing circumstances, holders of preference shares shall have the right to attend shareholders' general meetings, and the notice of such meetings shall be delivered to holders of preference shares prior to convention of the meeting. The Bank shall also comply with the required notice procedure for ordinary shareholders set forth herein. Any resolutions relating to the foregoing matters must be adopted by more than two thirds (2/3) of the ordinary shareholders present at the meeting (including the holders of preference shares who have had their voting rights restored) as well as more than two thirds (2/3) of the holders of preference shares present at the meeting (excluding the holders of preference shares who have had their voting rights restored). Each preference share (excluding preference shares with restored voting rights) shall have one voting right, while each of the preference shares held by holders who had their voting rights restored shall possess voting rights calculated in accordance with conversion ratio determined at the issuance of such preference shares. However, the preference shares held by the Bank shall have no voting rights.

25.		Article 74 When the Bank fails to pay dividends on preference shares for a total of three financial years or for two consecutive financial years, holders of preference shares shall have the right to attend the shareholders' general meetings and jointly vote with ordinary shareholders, starting from the day following the date on which the shareholders' general meeting resolves to not distribute profits as agreed in profit distribution plan and until the dividends that shall be paid by the Bank when voting rights are restored as determined at the issuance of such preference shares are paid in full. Each preference share shall have the voting rights as calculated in accordance with conversion ratio determined at the issuance of such preference shares.
	Section 2 General Provisions on Shareholders' General Meetings	Section 2 General Provisions on Shareholders' General Meetings
26.	Article 65 The shareholders' general meeting shall be the authoritative body of the Bank and has the following powers in accordance with the laws:..... (11) to adopt resolutions on the repurchase of shares of the Bank;..... (20) to examine other issues which should be decided by the shareholders' general meeting as stipulated by the laws, administrative regulations, departmental rules, relevant regulations of the securities regulatory authorities of the places where the Bank's shares are listed as well as the Articles of Association.....	Article 6575 The shareholders' general meeting shall be the authoritative body of the Bank and has the following powers in accordance with the laws:..... (11) to adopt resolutions on the repurchase of ordinary shares of the Bank;..... (20) to determine or authorise the Board of Directors to determine the matters in relation to the issued preference shares of the Bank, including but not limited to whether to repurchase, convert or distribute the dividends of such preference shares; (21) to examine other issues which should be decided by the shareholders' general meeting as stipulated by the laws, administrative regulations, departmental rules, relevant regulations of the securities regulatory authorities of the places where the Bank's shares are listed as well as the Articles of Association.....
27.	Article 66 The authorisation conferred by the shareholders' general meeting upon the Board of Directors shall be clear and specific. If the authorised matters should be adopted by the shareholders' general meeting by way of ordinary resolution according to the Articles of Association, such resolutions shall be approved by more than half of the voting rights of the shareholders (including the proxies of shareholders) attending the shareholders' general meeting. If the authorised matters should be adopted by the shareholders' general meeting by way of special resolutions according to the Articles of Association, such resolution shall be approved by two-thirds or more of the voting rights of the shareholders (including the proxies of shareholders) attending the shareholders' general meeting.	Article 6676 The authorisation conferred by the shareholders' general meeting upon the Board of Directors shall be clear and specific. If the authorised matters should be adopted by the shareholders' general meeting by way of ordinary resolution according to the Articles of Association, such resolutions shall be approved by more than half of the voting rights of the shareholders who have voting rights (including the proxies of shareholders) attending the shareholders' general meeting. If the authorised matters should be adopted by the shareholders' general meeting by way of special resolutions according to the Articles of Association, such resolution shall be approved by two-thirds or more of the voting rights of the shareholders who have voting rights (including the proxies of shareholders) attending the shareholders' general meeting.

APPENDIX I:

**PROPOSED AMENDMENTS TO THE ARTICLES OF
ASSOCIATION OF AGRICULTURAL BANK OF CHINA LIMITED**

28.	Article 73 The shareholders' general meeting of the Bank shall maintain the minutes of meeting, which shall be prepared by the Secretary to the Board of Directors and shall include the following particulars:..... (3) number of shareholders or their proxies present at the meeting, number of voting shares held by them and its proportion to the total number of shares of the Bank;.....	Article 7383 The shareholders' general meeting of the Bank shall maintain the minutes of meeting, which shall be prepared by the Secretary to the Board of Directors and shall include the following particulars:..... (3) number of shareholders or their proxies present at the meeting, number of voting shares held by them and its proportion to the total number of voting shares of the Bank;.....
	Section 3 Convening of Shareholders' General Meeting	Section 3 Convening of Shareholders' General Meeting
29.	Article 78..... If the Board of Supervisors fails to give the notice of such meeting within the prescribed period, it shall be deemed to have failed to convene and preside over the meeting and shareholders who individually or jointly hold 10% or more of the Bank's shares for not less than 90 consecutive days (the "Convening Shareholders") shall be entitled to convene and preside over the meeting.	Article 7888..... If the Board of Supervisors fails to give the notice of such meeting within the prescribed period, it shall be deemed to have failed to convene and preside over the meeting and shareholders who individually or jointly hold 10% or more of the Bank's total number of voting shares for not less than 90 consecutive days (the "Convening Shareholders") shall be entitled to convene and preside over the meeting.
30.	Article 79 If the Board of Supervisors or Convening Shareholders propose to convene a shareholders' general meeting on their own, the Board of Directors shall be informed in writing and the relevant documents shall be filed with the local office of securities regulatory authority of the State Council and the stock exchanges located at the places where the Bank's shares are listed. Shareholding proportion of the Convening Shareholders prior to announcement of the resolution of the shareholders' general meeting shall not be less than 10%.	Article 7989 If the Board of Supervisors or Convening Shareholders propose to convene a shareholders' general meeting on their own, the Board of Directors shall be informed in writing and the relevant documents shall be filed with the local office of securities regulatory authority of the State Council and the stock exchanges located at the places where the Bank's shares are listed. Shareholding proportion of the Convening Shareholders prior to announcement of the resolution of the shareholders' general meeting shall not be less than 10% of the Bank's total number of voting shares.
	Section 4 Proposals and Notice of Shareholders' General Meeting	Section 4 Proposals and Notice of Shareholders' General Meeting
31.	Article 84 The Bank shall calculate the number of voting shares held by shareholders to be present at the meeting based upon the written replies received 20 days prior to the shareholders' general meeting. Where the number of voting shares held by shareholders who intend to attend the meeting is less than half of the total voting shares of the Bank, the Bank shall inform the shareholders again within five days in the form of an announcement containing the matters to be considered and the venue, date and time of the meeting to be held. Once the announcement is made, the Bank may convene the shareholders' general meeting.	Article 8494 The Bank shall calculate the number of voting shares held by shareholders to be present at the meeting based upon the written replies received 20 days prior to the shareholders' general meeting. Where the total number of voting shares held by shareholders who intend to attend the meeting is less than half of the total voting shares of the Bank, the Bank shall inform the shareholders again within five days in the form of an announcement containing the matters to be considered and the venue, date and time of the meeting to be held. Once the announcement is made, the Bank may convene the shareholders' general meeting.

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**PROPOSED AMENDMENTS TO THE ARTICLES OF
ASSOCIATION OF AGRICULTURAL BANK OF CHINA LIMITED**

32.	Article 87 Unless otherwise required by the Articles of Association, the notice of the shareholders' general meeting shall be delivered by hand or prepaid mail to all shareholders (regardless of their voting right at the shareholders' general meeting). The address of the recipients shall be the address registered in the register of shareholders. For holders of the domestic shares, the notice of a shareholders' general meeting may be in form of announcement.	Article 8797 Unless otherwise required by the Articles of Association, the notice of the shareholders' general meeting shall be delivered by hand or prepaid mail to all shareholders entitled to attend such meetings (regardless of their voting right at the shareholders' general meeting). The address of the recipients shall be the address registered in the register of shareholders. For holders of the domestic shares, the notice of a shareholders' general meeting may be in form of announcement.
	Section 5 Holding of Shareholders' General Meeting	Section 5 Holding of Shareholders' General Meeting
33.	Article 90 All registered shareholders (including their proxies) whose names appear on the register of shareholders as at the record date are entitled to attend a shareholders' general meeting and exercise their voting rights in accordance with the applicable laws, administrative rules and the Articles of Association.	Article 90100 All registered shareholders who have voting rights (including their proxies) whose names appear on the register of shareholders as at the record date are entitled to attend a shareholders' general meeting and exercise their voting rights in accordance with the applicable laws, administrative rules and the Articles of Association.
34.	Article 93 Proxy form used by shareholders to appoint others to attend the shareholders' general meeting shall contain the following contents: (1) name of the proxy; (2) the number of shares represented by the proxy; (3) whether or not having the right to vote;	Article 93103 Proxy form used by shareholders to appoint others to attend the shareholders' general meeting shall contain the following contents: (1) name of the proxy; (2) the number and class of shares represented by the proxy; (3) whether or not having the right to vote;
35.	Article 97 The attendance records of the meeting shall be prepared by the Bank. The records shall contain the names (or corporate name), the identity card numbers and the residential addresses of the participants and number of voting shares held or represented by such participants, and the names (or corporate name) of appointers.	Article 97107 The attendance records of the meeting shall be prepared by the Bank. The records shall contain the names (or corporate name), the identity card numbers and the residential addresses of the participants and number and class of voting shares held or represented by such participants, and the names (or corporate name) of appointers.
	Section 6 Voting and Resolutions of Shareholders' General Meetings	Section 6 Voting and Resolutions of Shareholders' General Meetings
36.	Article 101 The resolutions of shareholders' general meeting shall be classified as ordinary resolutions and special resolutions. Ordinary resolutions shall be passed and adopted by a simple majority of voting rights held by shareholders (including their proxies) attending the meeting. Special resolutions shall be passed and adopted by not less than two-thirds of voting rights held by shareholders (including their proxies) attending the meeting.	Article 101111 The resolutions of shareholders' general meeting shall be classified as ordinary resolutions and special resolutions. Ordinary resolutions shall be passed and adopted by a simple majority of voting rights held by shareholders who have voting rights (including their proxies) attending the meeting. Special resolutions shall be passed and adopted by not less than two-thirds of voting rights held by shareholders who have voting rights (including their proxies) attending the meeting.

37.	Article 102 The following matters shall be adopted as special resolutions at a shareholders' general meeting: (4) repurchase of shares by the Bank; (10) other matters which have been approved by ordinary resolutions of shareholders' general meeting as having significant impact on the Bank and requiring adoption by way of special resolution; and (11) other matters which shall be adopted by way of special resolutions as required by the laws, administrative regulations, departmental rules and the Articles of Association. Save for matters described above requiring approval by way of special resolutions, other matters requiring approval by the shareholders' general meeting shall be adopted as ordinary resolutions.	Article ~~102~~112 The following matters shall be adopted as special resolutions at a shareholders' general meeting: (4) repurchase of ordinary shares by the Bank; (10) to determine or authorise the Board of Directors to determine the matters in respect of the issued preference shares of the Bank, including but not limited to whether to repurchase, convert or distribute dividend of such preference shares; (11) other matters which have been approved by ordinary resolutions of shareholders' general meeting as having significant impact on the Bank and requiring adoption by way of special resolution; and (12) other matters which shall be adopted by way of special resolutions as required by the laws, administrative regulations, departmental rules and the Articles of Association. Save for matters described above requiring approval by way of special resolutions, other matters requiring approval by the shareholders' general meeting shall be adopted as ordinary resolutions.
38.	Article 105 When voting at the shareholders' general meeting, the shareholders (including their proxies) shall exercise their voting rights according to the number of voting shares, with each share representing one vote. The shares held by the Bank shall bear no voting right, and such shares shall not be included in the total number of voting shares of shareholders present at the meeting.	Article ~~105~~115 When voting at the shareholders' general meeting, the shareholders (including their proxies) shall exercise their voting rights according to the number of voting shares, with each ordinary share representing one vote, while provision of Article 73 herein shall apply in relation to preference shares. The shares held by the Bank shall bear no voting right, and such shares shall not be included in the total number of voting shares of shareholders present at the meeting.
39.	Article 113 Public announcement of the voting results of a shareholders' general meeting shall be issued in a timely manner. The public announcement shall contain the number of shareholders and proxies attending the meeting, the total number of voting shares held by them and its proportion to the total number of voting shares of the Bank, the form of voting, the voting result of each resolution and the content of each adopted resolution.	Article ~~113~~123 Public announcement of the voting results of a shareholders' general meeting shall be issued in a timely manner. The public announcement shall contain the number of ~~shareholders~~ the holders of each class of shares and proxies attending the meeting, the total number of voting shares held by them and its proportion to the total number of voting shares of the Bank, the form of voting, the voting result of each resolution and the content of each adopted resolution.
	CHAPTER VIII DIRECTORS AND BOARD OF DIRECTORS	CHAPTER VIII DIRECTORS AND BOARD OF DIRECTORS
	Section 2 Independent Directors	Section 2 Independent Directors
40.	Article 134 In addition to persons who are prohibited from serving as directors of the Bank, the following persons also may not serve as independent directors of the Bank: (1) a shareholder who has held, directly or indirectly, 1% or more of the shares of the Bank during the most recent year, or a person who is employed by such shareholder as well as the close relatives of the said persons;	Article ~~134~~144 In addition to persons who are prohibited from serving as directors of the Bank, the following persons also may not serve as independent directors of the Bank: (1) a shareholder who has held, directly or indirectly, 1% or more of the total number of voting shares of the Bank during the most recent year, or a person who is employed by such shareholder as well as the close relatives of the said persons;

41.	Article 138 Independent directors shall provide objective, fair and independent opinions on the matters discussed at shareholder's general meetings and board meetings, in particular the following matters: (8) any other matters as required by the laws, administrative regulations, departmental rules and the Articles of Association. Independent directors who are experts of the urban and rural economy and financial markets shall express their opinions regarding the County Area Banking Business of the Bank.	Article 138148 Independent directors shall provide objective, fair and independent opinions on the matters discussed at shareholder's general meetings and board meetings, in particular the following matters: (8) the impact of issuance of preference shares on the interest of holders of each class of shares of the Bank; (9) any other matters as required by the laws, administrative regulations, departmental rules and the Articles of Association. Independent directors who are experts of the urban and rural economy and financial markets shall express their opinions regarding the County Area Banking Business of the Bank.
	Section 3 Board of Directors	Section 3 Board of Directors
42.	Article 147 The Board of Directors shall perform the following duties: (10) to formulate proposal on the share repurchase; (29) to perform other duties as required by applicable laws, administrative regulations, departmental rules and the Articles of Association or authorised by the shareholders' general meeting.	Article 147157 The Board of Directors shall perform the following duties: (10) to formulate proposal on the ordinary share repurchase; (29) to determine the matters related to the issued preference shares of the Bank, including but not limited to whether to repurchase, convert or distribute dividend of the preference shares, to the extent of authorization by the shareholders' general meeting; (30) to perform other duties as required by applicable laws, administrative regulations, departmental rules and the Articles of Association or authorised by the shareholders' general meeting.
43.	Article 163 The following matters shall be approved and adopted by more than two thirds of all directors and shall not be approved by written resolutions: (6) repurchase of shares by the Bank; (12) other matters required by the relevant laws, administrative regulations, departmental rules or the Articles of Association, or considered significant to the Bank by more than half of all directors that shall be approved and adopted by more than two thirds of all directors.	Article 163173 The following matters shall be approved and adopted by more than two thirds of all directors and shall not be approved by written resolutions: (6) repurchase of ordinary shares by the Bank; (12) to determine the matters related to the issued preference shares of the Bank, including but not limited to whether to repurchase, convert or distribute dividend of the preference shares, to the extent of authorization by the shareholders' general meeting; (13) other matters required by the relevant laws, administrative regulations, departmental rules or the Articles of Association, or considered significant to the Bank by more than half of all directors that shall be approved and adopted by more than two thirds of all directors.

	CHAPTER XII FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION PLAN AND INTERNAL AUDIT	CHAPTER XII FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION PLAN AND INTERNAL AUDIT
44.	Article 254 The after-tax profit of the Bank for the year shall be distributed in the following order: (1) to make up for the losses of previous years; (2) to allocate 10% as statutory reserve fund; (3) to allocate for general reserve; (4) to allocate for discretionary reserve fund; and (5) to divide profits and pay dividends to shareholders in proportion to their shareholdings. Where the cumulative amount of the statutory reserve funds of the Bank amounts to not less than 50% of the registered capital of the Bank, allocation becomes not strictly necessary. After allocation to the statutory reserve fund and general reserve fund, whether allocation shall be made to the discretionary reserve fund shall be determined by the shareholders' general meeting. The Bank shall not distribute its profits to shareholders before making up losses and making allocations to the statutory reserve fund and general reserve fund. Where the shareholders' general meeting distributes its profits to the shareholders in breach of the provisions of the preceding paragraph, the shareholders must refund to the Bank the profits distributed in violation of the provisions. The shares held by the Bank in the Bank shall not be entitled to profit distribution.	Article 254264 The after-tax profit of the Bank for the year shall be distributed in the following order: (1) to make up for the losses of previous years; (2) to allocate 10% as statutory reserve fund; (3) to allocate for general reserve fund; (4) to pay dividends of preference shares; (5) to allocate for discretionary reserve fund; and (6) ~~to divide profits and~~ pay dividends of ordinary shares to shareholders in proportion to their shareholdings. Where the cumulative amount of the statutory reserve funds of the Bank amounts to not less than 50% of the registered capital of the Bank, allocation becomes not strictly necessary. After allocation to the statutory reserve fund, ~~and~~ general reserve fund; and payment of dividends of preference shares, whether allocation shall be made to the discretionary reserve fund shall be determined by the shareholders' general meeting. The Bank shall not distribute its profits to shareholders before making up losses and making allocations to the statutory reserve fund and general reserve fund. Where the shareholders' general meeting distributes its profits to the shareholders in breach of the provisions of the preceding paragraph, the shareholders must refund to the Bank the profits distributed in violation of the provisions. The shares held by the Bank in the Bank shall not be entitled to profit distribution.
45.	Article 258 Except in extraordinary circumstance, the Bank shall make its profit distribution by way of cash dividend if the Bank makes profits and its accumulated undistributed profit is a positive figure in the current year. The profit distributed by way of cash dividend shall not be less than 10% of the net profit of the Bank in the relevant financial year. In case of force majeure such as war and natural disaster, or external changes in the operation circumstances having material effects to the Bank's operation, or material internal changes in the Bank's operation, the Bank may modify its profit distribution policy. When modifying the profit distribution policy, the Board of Directors shall provide specific explanations to the reasons thereof, and such modification shall be submitted to the shareholders' general meeting for approval after being approved by the independent shareholders.	Article 258268 Except in extraordinary circumstance, the Bank shall make its profit distribution by way of cash dividend if the Bank makes profits and its accumulated undistributed profit is a positive figure in the current year. The profit distributed to ordinary shareholders by way of cash dividend shall not be less than 10% of the net profit attributable to ordinary shareholders of the Bank in the relevant financial year. In case of force majeure such as war and natural disaster, or external changes in the operation circumstances having material effects to the Bank's operation, or material internal changes in the Bank's operation, the Bank may modify its profit distribution policy. When modifying the profit distribution policy, the Board of Directors shall provide specific explanations to the reasons thereof, and such modification shall be submitted to the shareholders' general meeting for approval after being approved by the independent shareholders.

	“Extraordinary circumstance” shall mean any circumstance in which profit distribution is forbidden by the state laws and regulations, including but not limited to the situation that the general reserves or capital adequacy ratio fail to reach the regulator’s requirements. Where the Board of Directors opines that the price of the Bank’s shares does not match the size of share capital of the Bank, or if the Board of Directors deems necessary, the Board of Directors may, subject to the satisfaction of the above conditions for profit distribution in cash dividend, present a proposal for profit distribution in share dividend and implement the same upon review and approval by the shareholders’ general meeting. Where the Bank recorded profit in the previous financial year but the Board of Directors of the Bank did not present any proposal for profit distribution in cash dividend after the end of such year, details of reasons for not distributing dividend and the usage of such undistributed funds retained by the Bank shall be contained in the regular report, and independent directors shall issue independent opinions thereon.	“Extraordinary circumstance” shall mean any circumstance in which profit distribution is forbidden by the state laws and regulations, including but not limited to the situation that the general reserves or capital adequacy ratio fail to reach the regulator’s requirements. Where the Board of Directors opines that the price of the Bank’s shares does not match the size of share capital of the Bank, or if the Board of Directors deems necessary, the Board of Directors may, subject to the satisfaction of the above conditions for profit distribution in cash dividend, present a proposal for profit distribution in share dividend and implement the same upon review and approval by the shareholders’ general meeting. Where the Bank recorded profit in the previous financial year but the Board of Directors of the Bank did not present any proposal for profit distribution in cash dividend after the end of such year, details of reasons for not distributing dividend and the usage of such undistributed funds retained by the Bank shall be contained in the regular report, and independent directors shall issue independent opinions thereon.
	CHAPTER XVII MERGER, DIVISION, DISSOLUTION AND LIQUIDATION	CHAPTER XVII MERGER, DIVISION, DISSOLUTION AND LIQUIDATION
	Section 1 Merger and Division	Section 1 Merger and Division
46.	Article 286 The Bank may carry out merger or division in accordance with the laws. Any merger or separation of the Bank shall be in compliance with the Company Law, the Commercial Banking Law and other laws and administrative regulations. The merger of the Bank may take two forms: merger by absorption or merger by new establishment.	Article 286296 The Bank may carry out merger or division in accordance with the laws. Any merger or separation of the Bank shall be in compliance with the Company Law, the Commercial Banking Law and other laws, ~~and~~ administrative regulations and departmental rules. The merger of the Bank may take two forms: merger by absorption or merger by new establishment.

	Section 2 Dissolution and Liquidation	Section 2 Dissolution and Liquidation
47.	Article 296 After liquidating the property of the Bank and preparing a balance sheet and a property inventory list, the liquidation team shall formulate a liquidation plan and submit it to the shareholders' general meeting or the competent authority for confirmation. The property of the Bank shall be used for settlement in the following order: (1) settlement of costs; (2) salaries owed to employees of the Bank; social insurance fees and statutory compensation; (3) payments for the principal and interest of personal savings deposits; (4) payment of any taxes owed; and (5) settlement of other debts of the Bank. The property of the Bank shall not be distributed to the shareholders before it is used for settlement in accordance with the provisions of the preceding paragraph. The property which remains after settlement is made in accordance with the provisions of the preceding paragraph shall be distributed by the shareholders of the Bank in proportion to the class and proportion of the shares they hold. During liquidation, the Bank shall not carry on any operating activity which does not relate to the liquidation.	Article 296306 After liquidating the property of the Bank and preparing a balance sheet and a property inventory list, the liquidation team shall formulate a liquidation plan and submit it to the shareholders' general meeting or the competent authority for confirmation. The property of the Bank shall be used for settlement in the following order: (1) settlement of costs; (2) salaries owed to employees of the Bank; social insurance fees and statutory compensation; (3) payments for the principal and interest of personal savings deposits; (4) payment of any taxes owed; and (5) settlement of other debts of the Bank. The property of the Bank shall not be distributed to the shareholders before it is used for settlement in accordance with the provisions of the preceding paragraph. The property which remains after settlement is made in accordance with the provisions of the preceding paragraph shall be distributed by the shareholders of the Bank in ~~proportion to~~ accordance with the class and proportion of the shares they hold. During liquidation, the Bank shall not carry on any operating activity which does not relate to the liquidation.
	CHAPTER XX SUPPLEMENTAL PROVISIONS	CHAPTER XX SUPPLEMENTAL PROVISIONS
48.	Article 303 Interpretation: (2) "Controlling shareholders" shall be any person who meets any of the following conditions: 1. a person who when acting alone or in concert with others may elect not less than half of the directors; 2. a person who when acting alone or in concert with others may exercise not less than 30% of the voting right or may control the exercise of not less than 30% of the voting right; 3. a person who when acting alone or in concert with others holds not less than 30% of the outstanding shares of the Bank; and 4. a person who when acting alone or in concert with others is in de facto control of the Bank.	Article 303313 Interpretation: (2) "Controlling shareholders" shall be any person who meets any of the following conditions: 1. a person who when acting alone or in concert with others may elect not less than half of the directors; 2. a person who when acting alone or in concert with others may exercise not less than 30% of the voting right or may control the exercise of not less than 30% of the voting right; 3. a person who when acting alone or in concert with others holds not less than 30% of the outstanding voting shares of the Bank; and 4. a person who when acting alone or in concert with others is in de facto control of the Bank. (5) The "total number of voting shares" herein consists of solely the total number of ordinary shares and the preference shares with restored voting rights.

In accordance with the *State Council Guiding Opinions on the Experimental Development of Preference Shares*, the *Experimental Administrative Measures on Preference Shares*, the *Capital Rules for Commercial Banks (Provisional)*, and the *CBRC and CSRC Joint Guiding Opinions on the Issuance of Preference Shares by Commercial Banks to Replenish Tier-1 Capital*, and other relevant rules, in order to improve the Bank's capital structure, establish and optimize long-term capital management mechanisms, increase capital adequacy ratios and strengthen sustainable development capacities, the Bank proposes to issue preference shares in the PRC to replenish its Additional Tier-1 capital. Pursuant to related provisions of the relevant laws and regulations and normative documents, the Bank is in compliance with the requirements for issuing preference shares. The detailed plan for Issuance of Preference Shares is put forward as follows:

1. Type and Number of Securities to be Issued

The type of securities under the Issuance will be preference shares to be issued in the PRC that are in compliance with the China Banking Regulatory Commission (the "CBRC") rules regarding the eligibility criteria of Additional Tier-1 capital instruments. The number of the preference shares proposed to be issued shall not exceed 800 million shares. The specific size of the Issuance will be determined by the Board of Directors of the Bank within the aforesaid limit on the maximum number of shares in accordance with the authorization of the shareholders' general meeting.

2. Duration

The duration of the preference shares under the Issuance is perpetual.

3. Method of the Issuance

The Issuance of Preference Shares will be entirely conducted through a private placement. Pursuant to the details of the approvals of the CBRC, the China Securities Regulatory Commission (the "CSRC") and other relevant regulatory authorities, the Issuance will be conducted in several tranches in accordance with market conditions. The initial tranche shall be conducted within six months starting from the date of the CSRC's approval of the Issuance. The amount of the initial tranche shall not be less than 50% of the total approved size of the Issuance and the remaining tranches shall be issued within the following 24 months.

In any event, any Issuance of Preference Shares shall be subject to the general mandate² to issue new shares to be proposed for consideration by Shareholders at the AGM, and any Issuance shall not exceed the maximum size permitted under such general mandate during the valid period of such general mandate. To the extent the Bank wishes to issue any further Preference Shares after the expiry of any general mandate, the Bank will seek a new general mandate from Shareholders.

4. Subscribers of the Issuance

Subscribers of the preference shares under the Issuance shall be qualified investors in compliance with the requirements of the *Experimental Administrative Measures on Preference Shares* and other laws and regulations, and shall not exceed 200 in number. In addition, the aggregate number of all subscribers of preference shares with the same terms and conditions shall not exceed 200. The Issuance does not arrange for preferential offerings to existing Shareholders.

² The general mandate proposed to be granted by the Shareholders to the Board of Directors to issue new shares in accordance with the provisions of the Hong Kong Listing Rules.

5. Nominal Value and Issuance Price

The nominal value (i.e. par value) of the preference shares under the Issuance will be RMB100 per share, and the preference shares shall be issued at their par value.

6. Dividend Distribution Provisions

(1) The coupon rate and determination principles

The dividend of the preference shares under the Issuance will be paid at an agreed fixed coupon rate for each coupon rate adjustment interval. The coupon rate for the preference shares shall be determined by a book-building procedure or through another approach recognized by the CSRC. The coupon rate of the preference shares shall not exceed the mean of the weighted average return on equity of the Bank for the two most recent financial years³. The coupon rate shall consist of two parts: a base rate and a fixed premium. Among them, the base rate shall be the yield of the PRC Treasury bonds with a pre-agreed maturity, and the fixed premium shall be the difference between the coupon rate set at the time of Issuance and the base rate at the time of Issuance. Once the fixed premium is determined, it shall no longer be adjusted.

On the re-pricing date, the new coupon rate applicable to the subsequent dividend period will be determined. The new coupon rate shall be determined by adding the base rate preceding the re-pricing date to the fixed premium determined at the initial pricing.

The relevant arrangements for the final coupon rate shall be determined by the Board of Directors of the Bank pursuant to the authorization of the Shareholders' general meeting and market conditions under the principle and framework passed by the Shareholders' general meeting.

(2) Conditions of Dividend Distribution

- 1) In order to satisfy the regulatory requirements regarding the eligibility criteria of Additional Tier-1 capital instruments, the Bank has the right to cancel the distribution of part or all of the dividends on preference shares, and such cancellation shall not constitute a breach of the agreement by the Bank. The Bank will make its best effort to protect the interests of holders of preference shares when resolving matters of dividend distribution.
- 2) Decisions on the declaration and payment of all of the dividends on preference shares shall be made by the Board of Directors of the Bank in accordance with the authorization of the Shareholders' general meeting. If the distribution of part or all of the dividends on preference shares is cancelled, the cancellation shall be approved by the Shareholders' general meeting. Where the Bank resolves to cancel the distribution of part or all of the dividends on preference shares, the Bank shall inform holders of preference shares at least 10 business days prior to dividend distribution date in accordance with the provisions of relevant authorities.
- 3) The distribution of dividends shall be neither linked to the Bank's rating, nor be adjusted pursuant to any change thereof.

³ Calculated in accordance with the Guidelines on the Compilation of Information Disclosure Documents by Companies that Offer Securities to the Public No.9 — Calculation and Disclosure of Return on Equity and Earnings Per Share (amended in 2010).

- 4) Unless the Bank resolves to distribute all of the dividends on preference shares for the current dividend period, the Bank shall not distribute any dividends to its ordinary Shareholders over the same period.

(3) Method of Dividend Payments

Dividends on the preference shares will be paid in cash and shall be paid annually. The dividends will start to accrue on the last day for receiving investors' subscription payments. The dividend distribution date shall be the anniversary date of the last day for receiving preference share investors' subscription payments (for example, if 1 March is the last day to receive investors' subscription payments, then every subsequent 1 March shall be the dividend distribution date). If any dividend distribution date falls on a statutory holiday of the PRC, it shall be postponed to the next trading day and the interest of the payable dividends shall not be accrued during such postponement period.

In the event that any dividends on the preference shares need to be calculated and distributed depending on the circumstances prior to the agreed dividend distribution date, such dividend shall be calculated based on the actual holding period of the preference shares, starting from the preceding dividend distribution date on a 360 days per year basis.

(4) Dividend accumulation

Where the Bank resolves to cancel part or all of the dividends to holders of the preference shares, such undistributed dividends shall not be accumulated to the subsequent dividend periods.

(5) Distribution of remaining profit

The holders of preference shares of the Bank, upon receiving dividends at the agreed coupon rate, shall not participate together with ordinary Shareholders in the distribution of the remaining profit.

7. Optional Redemption Provisions

(1) The holder of the right of redemption

The Issuance of preference shares provides for optional redemption by the Issuer but does not provide for an investor's right to put back their preference shares. Holders of preference shares do not have the right to call for the Bank's redemption of their preference shares.

(2) Conditions and timing of the redemption

The Bank is entitled to exercise its redemption right in the following circumstances with prior approval from the CBRC:

- 1) Replacing the redeemed preference shares with capital instruments of equal or higher quality while maintaining the Bank's sustainable earnings; or
- 2) Ensuring a capital level significantly higher than the regulatory capital requirements stipulated by the CBRC following the redemption.

Following the fifth anniversary of the issuance date, the Bank is entitled to redeem all or part of the preference shares under the Issuance on every dividend distribution date, with such redemption right remaining exercisable until all the preference shares have been converted or redeemed in full. The detailed arrangements for the redemption right shall be finalized by the Board of Directors of the Bank in accordance with the authorization of the Shareholders' general meeting.

(3) Redemption price

Preference shares shall be redeemed in cash. The redemption price shall be the nominal value plus any declared but unpaid dividends for the then-current dividend period.

8. Mandatory Conversion Provisions

When the trigger conditions for mandatory conversion are met, the remaining existing preference shares under the Issuance, subject to regulatory approvals, will be wholly or partially converted into A Share ordinary shares.

(1) Trigger conditions for mandatory conversion

- 1) If the Common Equity Tier-1 ("CET 1") capital adequacy ratio of the Bank decreases to 5.125% (or below), preference shares under the Issuance shall be wholly or partially converted into A Share ordinary shares in order to restore the Bank's CET 1 capital adequacy ratio to above 5.125%. In the case of partial conversion, all preference shares under the Issuance shall be converted on a pro rata basis on the same terms and conditions.
- 2) All preference shares under the Issuance shall be converted into A Share ordinary shares upon the earlier occurrence of either of the following two situations: (i) the CBRC is of the view that the Bank can no longer sustain itself if the preference shares are not converted; (ii) relevant authorities are of the view that the Bank can no longer sustain itself without capital injections from the public sector or any support to the same effect.

When the above trigger conditions of mandatory conversion are met, the Bank shall report the matter of converting the preference shares under the Issuance into ordinary shares to the CBRC for vetting and approval, and perform its obligations of information disclosure pursuant to the *Securities Law of The People's Republic of China* and relevant provisions of the CSRC, such as provisional reports, announcements, among others.

(2) Conversion amount and determination principles

The number of ordinary shares converted from preference shares shall be calculated based on the following formula: $Q=V/P$.

Among which:

"V" is the aggregate nominal value of the preference shares to be converted; "P" is the conversion price.

Following a calculation based on the above formula, any remaining preference shares held by a holder of preference shares that can only be converted into less than one full A Share ordinary share shall be handled by the Bank in accordance with the requirements of relevant regulatory authorities.

(3) Conversion price and adjustment mechanisms

The initial conversion price of the preference shares under the Issuance shall be the average trading price⁴ of the A Share ordinary shares of the Bank in 20 trading days preceding the date of the Board of Directors resolution on the Issuance Plan (i.e. RMB2.43 per share).

After the date of the Board of Directors resolution, in the event the Bank issues stock dividends, converts capital reserves to share capital, conducts follow-on issuances of shares (excluding the ordinary shares that may be converted from the convertible capital instruments issued by the Bank such as preference shares and convertible corporate bonds, among others), conducts a rights issue or acts under similar circumstances, the Bank will adjust the conversion price on a cumulative basis in accordance with the sequence of occurrences of the foregoing events. The specific adjustment measures are as follows:

In the event of issuing stock dividends or converting capital reserves to share capital: $P1 = P0 / (1 + n)$;

In the event of conducting follow-on issuances of shares or rights issue: $P1 = P0 \times (N + Q \times (A/M)) / (N + Q)$;

Among which: “P0” is the conversion price before the adjustment; “n” is the ratio of stock dividends or converting capital reserves to share capital; “Q” is the number of ordinary shares issued in the follow-on issuances of shares or the rights issue; “N” is the total number of the Bank’s ordinary shares before the increase or rights issue; “A” is the subscription price of the follow-on issuances of shares or rights issue; “M” is the newly issued shares’ closing price on the trading day one day prior to the announcement date of the follow-on issuances of shares or rights issue; P1 is the adjusted conversion price.

When the above changes in the Bank’s shares and/or Shareholder’s interests occur, the Bank will adjust the conversion price in sequence, and will make corresponding information disclosure in accordance with relevant requirements. The mandatory conversion price of the preference shares will not be adjusted according to the Bank’s distribution of cash dividends on ordinary shares.

(4) Attribution of dividends on ordinary shares in the year of mandatory conversion

Any additional A Share ordinary shares of the Bank resulting from the mandatory conversion of the preference shares under the Issuance shall rank pari passu with the Bank’s existing A Share ordinary shares. All ordinary Shareholders registered on the share register of the Bank on the dividend record date (including any holders of A Share ordinary shares converted from the preference shares under the Issuance) shall be entitled to dividend distributions on ordinary shares in the then-current period and shall equally enjoy all the interests of ordinary Shareholders.

⁴ The average trading price of the A Share ordinary shares of the Bank in 20 trading days preceding the date of the Board of Directors resolution on the Issuance Plan = the total trading amount of the Bank’s A Share ordinary shares in these 20 trading days ÷ the total trading volume of the Bank’s A Share ordinary shares in these 20 trading days.

9. Restriction on and Restoration of Voting Rights

(1) Restriction on voting rights

Excluding the circumstances outlined below, holders of preference shares shall not attend Shareholders' general meetings and shall not have voting rights. Upon the occurrence of any of the following situations, holders of preference shares shall have the right to attend Shareholders' general meetings and shall resolve, as a different class from the ordinary Shareholders, the following matters. Each preference share held by the holders of preference shares shall have one voting right except for preference shares held by the Bank, which shall have no voting rights:

- 1) any amendments to the provisions regarding preference shares in the Articles of Association;
- 2) any decrease or series of decreases representing in aggregate more than 10% of the registered capital of the Bank;
- 3) any merger, division, dissolution or change in corporate form of the Bank;
- 4) any issuance of preference shares by the Bank;
- 5) any other circumstances specified by laws, administrative regulations, departmental rules, any securities regulatory authorities of the listing places of the Bank or the Articles of Association.

Any resolutions on the foregoing matters shall be adopted both by more than two thirds (2/3) of the voting rights of the ordinary Shareholders present at the meeting (including the holders of preference shares whose voting rights have been restored) and by more than two thirds (2/3) of the voting rights of the holders of preference shares present at the meeting (excluding the holders of preference shares whose voting rights have been restored).

(2) Restoration of voting rights

For the duration of the preference shares under the Issuance, when the Bank fails to pay dividends on preference shares for a total of three financial years or for two consecutive financial years, holders of preference shares shall have the right to attend the Shareholders' general meetings and jointly vote with ordinary Shareholders starting from the day following the date on which the Shareholders' general meeting resolves to not distribute dividends on preference shares as agreed in the profit distribution plan for that year.

The number of voting rights to be restored from preference shares shall be calculated using the following formula: $Q=V/P$. The number of voting rights shall be rounded down to the nearest integer.

"V" is the total nominal value of preference shares from which the voting rights shall be restored; "P" is the average trading price of the A Share ordinary shares of the Bank for the 20 trading days preceding the date of the Board of Directors resolution on the Issuance Plan⁵ (i.e. RMB2.43 per share).

The voting rights shall be restored until the date on which all dividends for preference shares of that year are distributed.

⁵ The average trading price of the A Share ordinary shares of the Bank in 20 trading days preceding the date of the Board of Directors resolution on the Issuance Plan = the total trading amount of the Bank's A Share ordinary shares in these 20 trading days ÷ the total trading volume of the Bank's A Share ordinary shares in these 20 trading days.

10. Sequence of Settlement and Method of Liquidation

Holders of preference shares under the Issuance shall rank senior to ordinary Shareholders in receiving distribution of the remaining assets of the Bank. In the event of liquidation, the remaining assets of the Bank following a settlement pursuant to the requirements of applicable laws, administrative regulations and departmental rules shall be first distributed to holders of preference shares for the payment of the sum of the nominal value and the dividends resolved to be paid but unpaid of the then-current period. In the event that the remaining assets are not sufficient to satisfy these payments, they will be distributed on a pro rata basis in accordance with the shareholding percentages of holders of preference shares.

11. Use of Proceeds

The total amount of the proceeds shall be not more than RMB80 billion. The proceeds will be used to replenish the Additional Tier-1 capital of the Bank in accordance with applicable laws and regulations and with the approval of the regulatory authorities including the CBRC and the CSRC.

12. Rating Arrangement

The preference shares under the Issuance do not have a rating arrangement. If a rating is to be conducted, the Bank will make a disclosure in the prospectus or relevant announcements of the Issuance. The detailed rating arrangements of preference shares under the Issuance will be determined by the Board of Directors in accordance with authorization from the shareholders' general meeting and in accordance with relevant laws and regulations and market conditions.

13. Guarantee Arrangement

There is no guarantee arrangement in relation to the Issuance.

14. Transfer arrangement

No lock-up period is attached to the preference shares under the Issuance. The preference shares will be traded on the designated trading platform of the Shanghai Stock Exchange.

15. Effective Period of the Resolution of the Issuance

The effective period of the resolution of the Issuance shall be 24 months starting from the date of the resolution of the Shareholders' general meeting.

16. Authorization of the Issuance of Preference Shares

In order to ensure that the Issuance and subsequent matters proceed smoothly, it is proposed that the Shareholders' general meeting grant the Board of Directors the authorization and the Board of Directors delegate such authorization to the Chairman of the Board of Directors, President, executive vice president, board secretary or other persons to deal with all matters with full power related to the Issuance within the effective period of the Board of Directors resolution relating to the Issuance, subject to the framework and principles resolved separately or jointly at the Shareholders' general meeting. Such matters include but without limitation to the following:

- A. to formulate and implement the final Issuance Plan, including but not limited to determining the size of the Issuance, coupon rate determination method and the exact coupon rate, conversion arrangement, timing of the Issuance, relevant arrangements for issuing in several tranches, subscribers, rating arrangement, special account for the proceeds and all other matters related to the Issuance Plan;

- B. to formulate, revise, file application documents for the Issuance, transfer transaction in accordance with regulatory authority's requirements (including but not limited to the CSRC, the CBRC, the Hong Kong Stock Exchange, the Shanghai Stock Exchange, the Securities Depository Trust and Clearing Company. Further references to "regulatory authorities" have the same meaning.)
- C. to revise, execute, implement and suspend any agreement, contract and other documents relating to the Issuance of Preference Shares (including but not limited to subscription agreement, sponsor engagement letter and underwriting agreement, and relevant agreements and regime relating to the proceeds);
- D. to revise the provisions of the articles of association of the Bank relating to the Issuance from time to time pursuant to regulatory authorities' opinions and the final results of the Issuance, and handle relevant procedural matters at industrial and commercial administrative authorities (if needed) and matters relating to the registration of the preference shares;
- E. to make appropriate amendments, adjustments and supplements to the Issuance Plan under the Issuance in accordance with regulatory authorities' opinions and specific circumstances of the Bank to the extent permitted by law and regulations;
- F. to make corresponding adjustments to the Issuance Plan of the preference shares under the Issuance and related matters if regulatory authorities have new policy requirements regarding preference shares or market conditions change, except the matters that have to be resolved again by the Shareholders' general meeting pursuant to relevant laws, regulations and the articles of association of the Bank.

Meanwhile, it is proposed to the Shareholders' general meeting to authorize the Board of Directors to take charge of the following matters with full power starting from the date of completing the Issuance under the framework and principles resolved at the Shareholders' general meeting:

- A. to declare and pay all of the dividends on the preference shares in accordance with the provisions of the Issuance Plan (If the distribution of part or all of the dividends on preference shares is cancelled, the cancellation shall be approved by the Shareholders' general meeting);
- B. to activate redemption procedure in accordance with market conditions, among others, within the period of the redemption of the preference shares under the Issuance, and take charge of all matters relating to the redemption with full power pursuant to approvals of regulatory authorities including the CBRC;
- C. to take charge of all the matters relating to conversion of preference shares with full power when the triggering conditions of the mandatory conversion provisions of the preference shares under the Issuance are satisfied, including but not limited to the issuance of corresponding ordinary shares pursuant to the mandatory conversion provisions, the revision of the relevant provisions of the articles of association of the Bank, handling relevant approval procedures of the regulatory authorities including the CBRC and industrial and commercial registration of the change of registered capital, among others;
- D. to amend contract terms of the Issuance pursuant to the latest requirements of the regulatory authorities in order to ensure that the preference shares under Issuance are in continuous compliance with the regulatory requirements of Additional Tier 1 capital instruments eligibility criteria, in the event that new regulatory capital requirements are published or material amendments are made to the existing regulatory capital requirements which exclude the preference shares under the Issuance from being calculated as Additional Tier 1 capital.

APPENDIX III: FINAL REMUNERATIONS FOR DIRECTORS AND SUPERVISORS FOR 2012

Unit: RMB Ten Thousand

Name	Position	Basic annual salary (1)	Performance-related annual salary (2)	Salary of part-time positions (3)	Welfare (4)	Total remuneration before tax (5) = (1)+(2)+(3)+(4)	Deferred payment (6) = (2) × 50%	Total payable remuneration before tax for 2012 (7) = (5) - (6)
Directors								
JIANG Chaoliang	Chairman of the Board of Directors, Executive Director	49.50	116.61	—	31.97	198.08	58.31	139.77
ZHANG Yun	Vice Chairman of the Board of Directors, Executive Director, President	44.55	104.95	—	29.39	178.89	52.48	126.41
GUO Haoda	Executive Director, Executive Vice President	42.08	99.03	—	28.08	169.19	49.52	119.67
LOU Wenlong	Executive Director, Executive Vice President	14.03	33.01	—	10.38	57.42	16.51	40.91
SHEN Bingxi	Non-executive Director	—	—	—	—	—	—	—
LIN Damao	Non-executive Director	—	—	—	—	—	—	—
CHENG Fengchao	Non-executive Director	—	—	—	—	—	—	—
LI Yelin	Non-executive Director	—	—	—	—	—	—	—
XIAO Shusheng	Non-executive Director	—	—	—	—	—	—	—
ZHAO Chao	Non-executive Director	—	—	—	—	—	—	—
Anthony WU Ting-yuk	Independent Non-executive Director	—	—	41.11	—	41.11	—	41.11
QIU Dong	Independent Non-executive Director	—	—	44.12	—	44.12	—	44.12
Frederick MA Si-hang	Independent Non-executive Director	—	—	35.10	—	35.10	—	35.10
WEN Tiejun	Independent Non-executive Director	—	—	36.10	—	36.10	—	36.10
Francis YUEN Tin-fan	Independent Non-executive Director	—	—	—	—	—	—	—
Supervisors								
CHE Yingxin	Chairman of the Board of Supervisors	43.56	102.61	—	28.88	175.05	51.31	123.74
LIU Hong	Supervisor Representing Shareholders	—	—	—	—	—	—	—
JIA Xiangsen	Supervisor Representing Employees	—	—	3.00	—	3.00	—	3.00
WANG Yurui	Supervisor Representing Employees	—	—	3.00	—	3.00	—	3.00
YAN Chongwen	Supervisor Representing Employees	—	—	3.00	—	3.00	—	3.00
ZHENG Xin	Supervisor Representing Employees	—	—	3.00	—	3.00	—	3.00
DAI Genyou	External Supervisor	—	—	4.34	—	4.34	—	4.34

Notes:

1. Mr. LOU Wenlong's received his remuneration based on his term of office as an executive Director and an executive vice president of the Bank in 2012.
2. The non-executive Directors of the Bank, namely Mr. SHEN Bingxi, Mr. LIN Damao, Mr. CHENG Fengchao, Mr. LI Yelin, Mr. XIAO Shusheng and Mr. ZHAO Chao, did not received remunerations from the Bank in 2012.
3. Mr. Francis YUEN Tin-fan did not receive allowance for independent non-executive Directors from the Bank in 2012.
4. Mr. LIU Hong did not receive salary of part-time positions for Supervisors representing employees from the Bank in 2012.
5. Mr. DAI Genyou received his remuneration based on his term of office as the external Supervisor of the Bank in 2012.
6. Mr. PAN Gongsheng received a total remuneration of RMB844.8 thousand (before tax) for his term of office in the Bank in 2012.



中国农业银行

AGRICULTURAL BANK OF CHINA

AGRICULTURAL BANK OF CHINA LIMITED

中國農業銀行股份有限公司

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

(Stock Code: 1288)

NOTICE OF THE 2013 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2013 annual general meeting (the “AGM”) of Agricultural Bank of China Limited (the “Bank”) will be held at 2:30 p.m. on Monday, 23 June 2014, at the Bank’s headquarter, No.18B Jianguomen Nei Avenue, Beijing, PRC to consider and, if thought fit, pass the following businesses:

SPECIAL RESOLUTIONS

1. To consider and approve the grant to the Board of Directors of a general mandate to issue new shares:

“**THAT:**

In order to ensure the continuous growth of the Bank’s business and the Shareholders’ long-term interests, satisfy the requirements of domestic and international capital regulation of banks, replenish the Bank’s capital in a timely manner, it is hereby proposed to the AGM to grant the Board of Directors the general mandate to separately or concurrently allot, issue and/or deal with newly issued shares (including ordinary and preference shares), and enter into or grant offers, agreements, share subscription rights or conversion rights (including warrants, convertible bonds or other securities which carry rights to subscribe for or convert into shares) not exceeding 20% of the aggregate nominal amount of each of the existing A Shares and/or H Shares at the date of the granting of the Shareholders’ approval. The specific terms of the general mandate are set out below:

- (1) Subject to the conditions set out in paragraphs (i), (ii) and (iii) below and in accordance with applicable laws and regulations of the PRC, relevant requirements of the Hong Kong Listing Rules (as amended from time to time) and the Articles of Association, the Bank proposes to grant the unconditional general mandate to the Board of Directors to allot, issue and/or deal with, separately or concurrently, newly issued shares (including ordinary and preference shares) and enter into or grant offers, agreements, share subscription rights or conversion rights (including warrants, convertible bonds or other securities which carry rights to subscribe for or convert into shares) that are required or may be required for the allotment and issuance of the shares during the Relevant Period (as defined below);
 - (i) such mandate shall not extend beyond the Relevant Period except that the Board of Directors, within the Relevant Period, enter into or grant offers, agreements, share subscription rights or conversion rights that are required or may be required to be conducted or exercised at or after the end of the Relevant Period;

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- (ii) the respective number of the newly issued shares (including ordinary and preference shares) proposed to be allotted, issued and/or dealt with or approved conditionally or unconditionally to be allotted, issued and/or dealt with, and offers, agreements, share subscription rights or conversion rights (including warrants, convertible bonds or other securities which carry rights to subscribe for or convert into shares) entered into or granted by the Board of Directors shall not exceed 20% of the respective number of each of the A Shares and/or H Shares outstanding as at the date on which this proposal is approved by the Shareholders' general meeting (among which, preference shares convertible to ordinary shares shall be calculated by class and number following the conversion into ordinary shares);
 - (iii) the Board of Directors can exercise such mandate mentioned above only in the circumstance that it is in compliance with the Company Law, the Hong Kong Listing Rules (as amended from time to time) or any applicable laws, regulations and rules of any other government or regulatory authority, and all necessary approvals from the CSRC and/or other relevant PRC government authorities are obtained.
 - (2) For the purpose of this proposal, "Relevant Period" means the period from the date on which this resolution is approved by the AGM until the earliest of:
 - (i) the conclusion of the next annual general meeting of the Bank following the approval of this proposal;
 - (ii) 12 months following the approval of this proposal at the AGM; or
 - (iii) the date on which the mandate granted to the Board of Directors set out in this proposal is revoked or amended by a special resolution of the Shareholders of the Bank at a Shareholders' general meeting.
 - (3) In accordance with the method, type, size of the issuance and the capital structure of the Bank following the completion of the issuance, among others, the Board of Directors is authorized to amend the Articles of Association of the Bank as it deems appropriate and necessary so as to reflect the latest capital structure and registered capital (as applicable); and to take any necessary actions and to go through any necessary procedures (including but not limited to obtaining approvals from relevant regulatory authorities and completing registration processes with relevant industrial and commercial administration) in order to give effect to the issuance of shares under this resolution.
 - (4) For the purpose of enhancing efficiency in the decision making process and ensuring the success of issuance, it is proposed to the AGM to approve that the Board of Directors delegates such authorization to the Chairman of the Board of Directors, the President, executive vice president, the board secretary or other person designated by the Board of Directors to take charge of all matters related to the issue of shares."
- 2. To consider and approve the amendments to the Articles of Association;
 - 3. To consider and approve the *Issuance Plan for Preference Shares*:
 - (1) type and number of securities to be issued;
 - (2) duration;

NOTICE OF THE 2013 ANNUAL GENERAL MEETING

- (3) method of the issuance;
- (4) subscribers of the issuance;
- (5) nominal value and issuance price;
- (6) dividend distribution provisions;
- (7) optional redemption provisions;
- (8) mandatory conversion provisions;
- (9) restriction on and restoration of voting rights;
- (10) sequence of settlement and method of liquidation;
- (11) use of proceeds;
- (12) rating arrangement;
- (13) guarantee arrangement;
- (14) transfer arrangement;
- (15) effective period of the resolution of the issuance; and
- (16) authorization of the Issuance of Preference Shares.

The aforesaid provisions (1) to (16) shall be voted provision by provision.

ORDINARY RESOLUTIONS

- 4. To consider and approve the compensation on instant returns to Shareholders after issuance of preference shares;
- 5. To consider and approve the feasibility analysis report of the use of proceeds;
- 6. To consider and approve the Shareholders return plan for 2014–2016;
- 7. To consider and approve the 2013 work report of the board of directors of the Bank;
- 8. To consider and approve the 2013 work report of the board of supervisors of the Bank;
- 9. To consider and approve the final financial accounts of the Bank for 2013;
- 10. To consider and approve the profit distribution plan of the Bank for 2013;
- 11. To consider and approve the fixed assets investment budget of the Bank for 2014;
- 12. To consider and approve the re-election of Mr. Frederick MA Si-hang as an independent non-executive director of the Bank;

NOTICE OF THE 2013 ANNUAL GENERAL MEETING

13. To consider and approve the re-election of Mr. WEN Tiejun as an independent non-executive director of the Bank;
14. To consider and approve the election of Mr. WANG Xingchun as a supervisor representing shareholders of the Bank;
15. To consider and approval the final remuneration plan for directors and supervisors of the Bank for 2012;
16. To consider and approve the appointments of external auditors of the Bank for 2014;

OTHER BUSINESSES

17. To listen to the 2013 work report of independent directors of the Bank;
18. To listen to the 2013 report on the implementation of the *Plan on Authorization of General Meeting of Shareholders to the Board of Directors of the Bank*; and
19. To listen to the report on the management of related transactions.

By Order of the Board of Directors
Agricultural Bank of China Limited
ZHU Gaoming
Company Secretary

Beijing, PRC
8 May 2014

Notes:

- (1) Purchasers of shares who have submitted their instruments of share transfer to the H share registrar of the Bank and registered as a shareholder on the H share register of members of the Bank before 4:30 p.m. on 23 May 2014 are entitled to attend the AGM.

The H share register of members of the Bank will be closed from 27 June 2014 to 2 July 2014 (both days inclusive). To qualify for the entitlement to the proposed cash dividend distribution for 2013, holders of H shares are required to deposit the transfer documents together with the relevant share certificates at the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong at or before 4:30 p.m. on 26 June 2014.

- (2) Shareholders of H shares who are entitled to attend and vote at the AGM may designate one or more proxies to attend and vote at the AGM on his/her behalf. A proxy need not be a shareholder of the Bank.

To be valid, the proxy form together with the power of attorney (if any) and other relevant authorization document(s) (if any) which have been notarized shall be deposited at the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited, not less than 24 hours before the time designated for the AGM. Completion and return of the proxy form will not preclude the Shareholders of H shares from attending and voting at the AGM or any adjourned meeting should they so wish.

The address of the H share registrar of the Bank is as follows:

Computershare Hong Kong Investor Services Limited
17M Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

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- (3) Any voting at the AGM shall be taken by poll.
- (4) Registration procedures for attending the AGM are as follows:
- (a) holders of H shares or their proxies shall present proof of identity when attending the AGM. If a holder of H share is a corporate entity, its legal representative or other persons authorized by the board of directors or other governing body of such corporate entity may attend the AGM by producing a copy of the resolution of the board of directors or other governing body of such corporate entity designating such persons to attend the AGM.
 - (b) holders of H shares who intend to attend the AGM shall return the reply slips for attending the meeting to the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited, in person, by mail or by fax on or before 3 June 2014.
- (5) Closure of H share register of members:
- The H share register of members of the Bank will be closed from 24 May 2014 to 23 June 2014 (both days inclusive).
- (6) The AGM is expected to last for half a day. Shareholders attending (in person or by proxy) the AGM shall be responsible for their own travel and accommodation expenses.
- (7) Please refer to the circular of the AGM dated 8 May 2014 for the details of the above resolutions to be proposed at the AGM for consideration and approval.

As at the date of this notice, our executive directors are Mr. JIANG Chaoliang, Mr. ZHANG Yun, Mr. GUO Haoda and Mr. LOU Wenlong; our non-executive directors are Mr. SHEN Bingxi, Mr. LIN Damao, Mr. CHENG Fengchao, Mr. LI Yelin, Mr. XIAO Shusheng and Mr. ZHAO Chao; and our independent non-executive directors are Mr. Anthony WU Ting-yuk, Mr. QIU Dong, Mr. Frederick MA Si-hang, Mr. WEN Tiejun and Mr. Francis YUEN Tin-fan.