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

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

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中国建设银行
China Construction Bank

中國建設銀行股份有限公司

China Construction Bank Corporation

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

(Stock Code: 939)

(USD Preference Shares Stock Code: 4606)

**2019 REPORT OF THE BOARD OF DIRECTORS
2019 REPORT OF THE BOARD OF SUPERVISORS
2019 FINAL FINANCIAL ACCOUNTS
2019 PROFIT DISTRIBUTION PLAN
2020 BUDGET FOR FIXED ASSETS INVESTMENT
ELECTION OF MR. TIAN GUOLI TO BE RE-APPOINTED AS
EXECUTIVE DIRECTOR OF THE BANK
ELECTION OF MS. FENG BING TO BE RE-APPOINTED AS
NON-EXECUTIVE DIRECTOR OF THE BANK
ELECTION OF MR. ZHANG QI TO BE RE-APPOINTED AS
NON-EXECUTIVE DIRECTOR OF THE BANK
ELECTION OF MR. XU JIANDONG AS
NON-EXECUTIVE DIRECTOR OF THE BANK
ELECTION OF SIR MALCOLM CHRISTOPHER MCCARTHY TO BE
RE-APPOINTED AS INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE BANK
ELECTION OF MR. YANG FENGLAI AS
SHAREHOLDER REPRESENTATIVE SUPERVISOR OF THE BANK
ELECTION OF MR. LIU HUAN AS
EXTERNAL SUPERVISOR OF THE BANK
ELECTION OF MR. BEN SHENGLIN AS
EXTERNAL SUPERVISOR OF THE BANK
APPOINTMENT OF EXTERNAL AUDITORS FOR 2020
AUTHORIZATION FOR TEMPORARY LIMIT ON
CHARITABLE DONATIONS FOR 2020
THE CAPITAL PLAN OF CHINA CONSTRUCTION BANK FOR 2021 TO 2023
AND
NOTICE OF 2019 ANNUAL GENERAL MEETING**

The 2019 Annual General Meeting of the Bank will be convened at 10:00 am on 19 June 2020 at No. 25, Financial Street, Xicheng District, Beijing. The notice of the 2019 Annual General Meeting is enclosed and is also published on the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk).

The H Shareholders who intend to attend the 2019 Annual General Meeting by proxy should complete and return the enclosed proxy form to Computershare Hong Kong Investor Services Limited before 10:00 am on 18 June 2020. Completion and return of the proxy form will not preclude you from attending the 2019 Annual General Meeting and voting in person if you so wish. H Shareholders who intend to attend the meeting in person or by proxy should complete and return the reply slip to Computershare Hong Kong Investor Services Limited on or before 29 May 2020.

28 April 2020

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DEFINITIONS

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

“2019 Annual General Meeting”	the 2019 annual general meeting of the Bank to be held on 19 June 2020
“A Share(s)”	domestic ordinary share(s) with a par value of RMB1.00 each in the share capital of the Bank, listed on the Shanghai Stock Exchange and traded in RMB
“A Shareholder(s)”	holder(s) of the A Shares
“Articles of Association”	the Articles of Association of the Bank (as amended from time to time)
“Bank” or “CCB”	China Construction Bank Corporation, a joint stock limited company duly incorporated in the PRC and the H Shares and A Shares of which are listed on the Hong Kong Stock Exchange (stock code: 939) and the Shanghai Stock Exchange (stock code: 601939), respectively
“Board” or “Board of Directors”	the board of directors of the Bank
“Board of Supervisors”	the board of supervisors of the Bank
“CBIRC”	China Banking and Insurance Regulatory Commission
“CSRC”	China Securities Regulatory Commission
“H Share(s)”	overseas listed foreign ordinary share(s) with a par value of RMB1.00 each in the share capital of the Bank, listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“H Shareholder(s)”	holder(s) of the H Shares
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Huijin”	Central Huijin Investment Ltd., the Bank’s controlling shareholder
“Independent Non-executive Director(s)” or “Independent Director(s)”	the independent non-executive director(s) of the Bank
“Ordinary Shares”	A Shares and H Shares
“PRC” or “China”	the People’s Republic of China
“Preference Shareholders”	holders of Preference Shares
“Preference Shares”	offshore preference shares and domestic preference shares
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	holders of Ordinary Shares

LETTER FROM THE BOARD



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China Construction Bank Corporation

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

(Stock Code: 939)

(USD Preference Shares Stock Code: 4606)

Executive directors:

Tian Guoli

Liu Guiping

Zhang Gengsheng

Registered office:

No. 25, Financial Street

Xicheng District

Beijing 100033

China

Non-executive directors:

Feng Bing

Zhu Hailin

Zhang Qi

Tian Bo

Xia Yang

Principal place of business in

Hong Kong:

28/F, CCB Tower

3 Connaught Road

Central

Hong Kong

Independent non-executive directors:

Anita Fung Yuen Mei

Malcolm Christopher McCarthy

Carl Walter

Kenneth Patrick Chung

Graeme Wheeler

Michel Madelain

LETTER FROM THE BOARD

Dear Sir or Madam,

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INTRODUCTION

The purpose of this circular is to give you notice of the 2019 Annual General Meeting and to provide you with reasonable and necessary information.

At the 2019 Annual General Meeting, resolutions will be proposed to consider and approve, among others, the following as ordinary resolutions: (i) 2019 report of the Board of Directors; (ii) 2019 report of the Board of Supervisors; (iii) 2019 final financial accounts; (iv) 2019 profit distribution plan; (v) 2020 budget for fixed assets investment; (vi) election of Mr. Tian Guoli to be re-appointed as executive director of the Bank; (vii) election of Ms. Feng Bing to be re-appointed as non-executive director of the Bank; (viii) election of Mr. Zhang Qi to be re-appointed as non-executive director of the Bank; (ix) election of Mr. Xu Jiandong as non-executive director of the Bank; (x) election of Sir Malcolm Christopher McCarthy to be re-appointed as Independent Non-executive Director of the Bank; (xi) election of Mr. Yang Fenglai as shareholder representative supervisor of the Bank; (xii) election of Mr. Liu Huan as external supervisor of the Bank; (xiii) election of Mr. Ben Shenglin as external supervisor of the Bank; (xiv) appointment of external auditors for 2020; (xv) authorization for temporary limit on charitable donations for 2020; and (xvi) the Capital Plan of China Construction Bank for 2021 to 2023. In addition, the work report of Independent Directors for the year 2019 and the 2019 special report on the related party transactions are incorporated in this circular for your reference.

LETTER FROM THE BOARD

2019 REPORT OF THE BOARD OF DIRECTORS

Please refer to the relevant section of the 2019 annual report of the Bank for the 2019 report of the Board of Directors.

2019 REPORT OF THE BOARD OF SUPERVISORS

Please refer to the relevant section of the 2019 annual report of the Bank for the 2019 report of the Board of Supervisors.

2019 FINAL FINANCIAL ACCOUNTS

Please refer to the financial report in the 2019 annual report of the Bank for the 2019 final financial accounts of the Bank.

2019 PROFIT DISTRIBUTION PLAN

Pursuant to the audited financial statements for the financial year ended 31 December 2019 prepared in accordance with the PRC Generally Accepted Accounting Principles and the International Financial Reporting Standards, the Board proposes the following plan for the distribution of profit for the year 2019:

1. On the basis of the after-tax profit of the Bank for 2019 in the amount of RMB259,466 million, 10% of such profit (being RMB25,947 million) be appropriated to the statutory surplus reserve fund;
2. RMB33,824 million be set aside as the general reserve according to the *Administrative Measures for the Provision of Reserves of Financial Enterprises* (Cai Jin [2012] No. 20) issued by the Ministry of Finance;
3. Cash dividend of RMB0.320 per share (inclusive of taxes) be distributed to all the Shareholders (whose names appear on the Shareholders' register after the close of trading hours on 9 July 2020) for the year 2019. The total amount of cash dividend is RMB80,004 million;
4. No capitalisation of the capital reserve to share capital in 2019.

2020 BUDGET FOR FIXED ASSETS INVESTMENT

According to the Bank's development strategy, based on enhancing the Bank's core competitiveness and long-term value creation capabilities, implementing the national policy requirements on the sinking of large-scale banking services, after comprehensively considering the external operating situation and technological development changes, the management formulated the proposal for the 2020 budget for fixed assets investment with the aims to improve operating efficiency. The total fixed asset investment budget for 2020 is set at RMB19

LETTER FROM THE BOARD

billion, which is the same as the previous year. The budget arrangement focuses on enhancing “Three Capabilities”, supporting the implementation of the “Three Major Strategies”, improving the overall competitiveness of the outlets, and promoting innovation in fintech and operation pattern, thus providing resource supports for the “Second Curve”; appropriately arranges for the construction of productive infrastructure throughout the Bank to improve operating capacity and efficiency; and strictly controls the expenditures on non-productive operational purchase and infrastructure operation.

ELECTION OF MR. TIAN GUOLI TO BE RE-APPOINTED AS EXECUTIVE DIRECTOR OF THE BANK

Pursuant to the relevant laws, regulations and the Articles of Association, the Board proposes to nominate Mr. Tian Guoli to be re-appointed as executive director of the Bank, whose term of office will be three years and will end on the date of the 2022 annual general meeting of the Bank. Mr. Tian Guoli satisfies the qualifications and requirements of director as provided for in relevant laws, regulations and the Articles of Association. After the approval by Shareholder’s general meeting, Mr. Tian Guoli will continue to serve as the chairman of the Board, executive director and chairman of the Strategy Development Committee of the Board.

Mr. Tian Guoli, aged 59, is of Chinese nationality. Mr. Tian has served as chairman and executive director of the Bank since October 2017, concurrently as chairman of Sino-German Bausparkasse since March 2018. Mr. Tian currently also serves as chairman of China Banking Association, a member of the Expert Committee for the 14th Five-Year Plan for Economic and Social Development of China, a member of the Monetary Policy Committee of the People’s Bank of China and chairman of Asian Financial Cooperation Association and a member of International Advisory Panel of Monetary Authority of Singapore. Mr. Tian joined Bank of China Limited in April 2013 and served as chairman of Bank of China Limited from May 2013 to August 2017. During this period, he also served as chairman and non-executive director of Bank of China Hong Kong (Holdings) Limited. From December 2010 to April 2013, Mr. Tian served as vice chairman and general manager of China CITIC Group Corporation. During this period, he also served as chairman and non-executive director of China CITIC Bank Corporation Limited. From April 1999 to December 2010, Mr. Tian served consecutively as vice president and president of China Cinda Asset Management Company, and chairman of China Cinda Asset Management Co., Ltd. From July 1983 to April 1999, Mr. Tian held various positions in the Bank, including sub-branch manager, branch deputy general manager, general manager of Head Office departments, and assistant president of the Bank. Mr. Tian is a senior economist. He received a bachelor’s degree in economics from Hubei Institute of Finance and Economics in 1983.

Save as disclosed in the biographical details, Mr. Tian Guoli has no other relationship with the Bank’s directors, supervisors, senior management, substantial Shareholders or controlling Shareholder. Mr. Tian Guoli has no interest in shares of the Bank as defined in Part XV of the *Securities and Futures Ordinance* (Chapter 571 of the Laws of Hong Kong). Mr. Tian Guoli is not in possession of any information that is required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Hong Kong Listing Rules, nor is he being involved or

LETTER FROM THE BOARD

has been involved in any activity that shall be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Hong Kong Listing Rules. Mr. Tian Guoli did not hold any directorship in any other listed company in the last three years, nor does he hold any positions in any members of the group. There is no other issue that shall be brought to the attention of the Shareholders of the Bank.

Emoluments of Mr. Tian Guoli shall be implemented pursuant to the relevant regulations. The Nomination and Remuneration Committee of the Board shall, after the end of each year, propose the emoluments distribution plan, which shall be presented to the Board for consideration and be submitted to the Shareholders' general meeting for approval.

ELECTION OF MS. FENG BING TO BE RE-APPOINTED AS NON-EXECUTIVE DIRECTOR OF THE BANK

Pursuant to the relevant laws, regulations and the Articles of Association, the Board proposes to nominate Ms. Feng Bing to be re-appointed as non-executive director of the Bank, whose term of office will be three years and will end on the date of the 2022 annual general meeting of the Bank. Ms. Feng Bing satisfies the qualifications and requirements of director as provided for in relevant laws, regulations and the Articles of Association. After the approval by Shareholder's general meeting, Ms. Feng Bing will continue to serve as non-executive director of the Bank and member of each of the Strategy Development Committee and Nomination and Remuneration Committee of the Board.

Ms. Feng Bing, aged 54, is of Chinese nationality. Ms. Feng has served as non-executive director of the Bank since July 2017. Ms. Feng served as deputy director (deputy director-general level) of Payment Centre of the National Treasury of Ministry of Finance from September 2015 to August 2017. From August 1988 to September 2015, she had served in various positions including deputy division-chief and division-chief of the Tax Department of Ministry of Finance. Ms. Feng graduated from Renmin University of China with a bachelor's degree in finance in 1988, and obtained her master's degree in finance from Renmin University of China in 2001. Ms. Feng is currently an employee of Huijin, the Bank's substantial Shareholder.

Save as disclosed in the biographical details, Ms. Feng Bing has no other relationship with the Bank's directors, supervisors, senior management, substantial Shareholders or controlling Shareholder. Ms. Feng Bing has no interest in shares of the Bank as defined in Part XV of the *Securities and Futures Ordinance* (Chapter 571 of the Laws of Hong Kong). Ms. Feng Bing is not in possession of any information that is required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Hong Kong Listing Rules, nor is she being involved or has been involved in any activity that shall be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Hong Kong Listing Rules. Ms. Feng Bing did not hold any directorship in any other listed company in the last three years, nor does she hold any positions in any members of the group. There is no other issue that shall be brought to the attention of the Shareholders of the Bank.

Ms. Feng Bing as non-executive director will not receive any emoluments from the Bank.

LETTER FROM THE BOARD

ELECTION OF MR. ZHANG QI TO BE RE-APPOINTED AS NON-EXECUTIVE DIRECTOR OF THE BANK

Pursuant to the relevant laws, regulations and the Articles of Association, the Board proposes to nominate Mr. Zhang Qi to be re-appointed as non-executive director of the Bank, whose term of office will be three years and will end on the date of the 2022 annual general meeting of the Bank. Mr. Zhang Qi satisfies the qualifications and requirements of director as provided for in relevant laws, regulations and the Articles of Association. After the approval by Shareholder's general meeting, Mr. Zhang Qi will continue to serve as non-executive director of the Bank, member of each of the Strategy Development Committee and Nomination and Remuneration Committee of the Board.

Mr. Zhang Qi, aged 47, is of Chinese nationality. Mr. Zhang has served as non-executive director of the Bank since July 2017. Mr. Zhang has served as non-executive director of Bank of China Limited from July 2011 to June 2017. Mr. Zhang worked consecutively at Central Expenditure Division One and Comprehensive Division of the Budget Department, and Ministers' Office under the General Office of Ministry of Finance, as well as in the Office of China Investment Corporation, and had served as deputy division-chief, division-chief and senior manager from 2001 to 2011. Mr. Zhang studied in the Investment Department and Finance Department of Dongbei University of Finance & Economics from 1991 to 2001 and obtained his bachelor's degree, master's degree and Ph.D. degree in economics in 1995, 1998 and 2001 respectively. Mr. Zhang is currently a doctoral supervisor at Dongbei University of Finance & Economics. Mr. Zhang is currently an employee of Huijin, the Bank's substantial Shareholder.

Save as disclosed in the biographical details, Mr. Zhang Qi has no other relationship with the Bank's directors, supervisors, senior management, substantial Shareholders or controlling Shareholder. Mr. Zhang Qi has no interest in shares of the Bank as defined in Part XV of the *Securities and Futures Ordinance* (Chapter 571 of the Laws of Hong Kong). Mr. Zhang Qi is not in possession of any information that is required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Hong Kong Listing Rules, nor is he being involved or has been involved in any activity that shall be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Hong Kong Listing Rules. Mr. Zhang Qi did not hold any directorship in any other listed company in the last three years, nor does he hold any positions in any members of the group. There is no other issue that shall be brought to the attention of the Shareholders of the Bank.

Mr. Zhang Qi as non-executive director will not receive any emoluments from the Bank.

ELECTION OF MR. XU JIANDONG AS NON-EXECUTIVE DIRECTOR OF THE BANK

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

Mr. Xu Jiandong, aged 56, is of Chinese nationality. Mr. Xu has served as non-executive director of Agricultural Bank of China Limited since February 2015. Mr. Xu worked at the

LETTER FROM THE BOARD

State Administration of Foreign Exchange from July 1986 to April 2015, during which, he served as deputy counsel of the Management and Inspection Department from June 2012 to April 2015, deputy director of the Financial Affairs Office of Jilin Province from April 2011 to June 2012, deputy counsel of the Balance of Payment Department from March 2004 to April 2011, division-chief of the Banking Management Division of the Balance of Payment Department from September 2000 to March 2004 and deputy division-chief of the Foreign Exchange Market Management Division of the Balance of Payment Department from September 1994 to September 2000. Mr. Xu Jiandong graduated from Central University of Finance and Economics with a bachelor's degree in finance in 1986.

Save as disclosed in the biographical details, Mr. Xu Jiandong has no other relationship with the Bank's directors, supervisors, senior management, substantial Shareholders or controlling Shareholder. Mr. Xu Jiandong has no interest in shares of the Bank as defined in Part XV of the *Securities and Futures Ordinance* (Chapter 571 of the Laws of Hong Kong). Mr. Xu Jiandong is not in possession of any information that is required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of The Hong Kong Listing Rules, nor is he being involved or has been involved in any activity that shall be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of The Hong Kong Listing Rules. Mr. Xu Jiandong did not hold any directorship in any other listed company in the last three years, nor does he hold any positions in any members of the group. There is no other issue that shall be brought to the attention of the Shareholders of the Bank.

Mr. Xu Jiandong as non-executive director will not receive any emoluments from the Bank.

ELECTION OF SIR MALCOLM CHRISTOPHER MCCARTHY TO BE RE-APPOINTED AS INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE BANK

Pursuant to the relevant laws, regulations and the Articles of Association, the Board proposes to nominate Sir Malcolm Christopher McCarthy to be re-appointed as Independent Non-executive Director of the Bank, whose term of office will be three years and will end on the date of the 2022 annual general meeting of the Bank. Sir Malcolm Christopher McCarthy satisfies the qualifications and requirements of director as provided for in relevant laws, regulations and the Articles of Association. After the approval by Shareholder's general meeting, Sir Malcolm Christopher McCarthy will continue to serve as Independent Non-executive Director of the Bank, chairman of the Nomination and Remuneration Committee, member of each of the Strategy Development Committee and the Risk Management Committee of the Board.

Sir Malcolm Christopher McCarthy, aged 76, is of British nationality. Sir McCarthy has served as director since August 2017. Sir McCarthy served as independent non-executive director of ICBC from December 2009 to October 2016. He worked first as an economist for ICI before joining the UK Department of Trade and Industry where he held various posts from economic adviser to undersecretary. He subsequently worked as a senior executive of Barclays Bank in London, Japan and North America. He served as chairman and chief executive of

LETTER FROM THE BOARD

Office of Gas and Electricity Markets (Ofgem), chairman of the Financial Services Authority (FSA), non-executive director of Her Majesty's Treasury, chairman of the board of directors of J.C. Flowers & Co. UK Ltd, non-executive director of NIBC Holding N.V., NIBC Bank N.V., OneSavings Bank plc, Castle Trust Capital plc and Intercontinental Exchange (ICE), and trustee of the Said Business School of Oxford University. Sir McCarthy is an Honorary Fellow of Merton College, an Honorary Doctorate of the University of Stirling and the Cass Business School, and a Freeman of the City of London. He has a MA History at Merton College of Oxford University, PhD Economics of Stirling University, and MS at Graduate School of Business of Stanford University.

Save as disclosed in the biographical details, Sir Malcolm Christopher McCarthy has no other relationship with the Bank's directors, supervisors, senior management, substantial Shareholders or controlling Shareholder. Sir Malcolm Christopher McCarthy has no interest in shares of the Bank within the meaning of Part XV of the *Securities and Futures Ordinance* (Chapter 571 of the Laws of Hong Kong). Sir Malcolm Christopher McCarthy is not in possession of any information that is required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2) (v) of the Hong Kong Listing Rules, nor is he being involved or has been involved in any activity that shall be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Hong Kong Listing Rules. Sir Malcolm Christopher McCarthy did not hold any directorship in any other listed company in the last three years, nor does he hold any positions in any members of the group. There is no other issue that shall be brought to the attention of the Shareholders of the Bank.

Emoluments of Sir Malcolm Christopher McCarthy shall be determined pursuant to the Measures on Management of Remuneration for Independent Directors and External Supervisors of China Construction Bank Corporation. The Nomination and Remuneration Committee of the Board shall, after the end of each year, propose the emoluments distribution plan, which shall be presented to the Board for consideration and be submitted to the Shareholders' general meeting for approval.

The nomination is proposed by the Nomination and Remuneration Committee of the Board, in accordance with the provision of the Bank's Articles of Association and in consideration of the candidates' past experience, skill background, knowledge, experience, independence and specific needs of the Bank, and has been considered by the Board. Such nomination is submitted to the Shareholders' general meeting of the Bank for election and determination. Sir Malcolm Christopher McCarthy has years of experience and good reputation in aspects such as economics. Sir Malcolm Christopher McCarthy being re-appointed as Independent Non-executive Director of the Bank enables the maintenance of the Board's diversity of the Bank, which will contribute extensive expertise and experience to the Board.

LETTER FROM THE BOARD

ELECTION OF MR. YANG FENGLAI AS SHAREHOLDER REPRESENTATIVE SUPERVISOR OF THE BANK

Pursuant to the relevant laws, regulations and the Articles of Association, the Board of Supervisors proposes to nominate Mr. Yang Fenglai as shareholder representative supervisor of the Bank, whose term of office will be three years and will end on the date of the 2022 annual general meeting of the Bank. Mr. Yang Fenglai satisfies the qualifications and requirements of supervisor as provided for in relevant laws, regulations and the Articles of Association.

Mr. Yang Fenglai, aged 57, is of Chinese nationality. Mr. Yang has served as the general manager of Sichuan Branch of the Bank since June 2014. From July 2011 to April 2014, he served as the person in charge of the operation and management department of the Bank; from January 2005 to July 2011, he was the deputy general manager of Sichuan Branch of the Bank; from October 2003 to January 2005, he served as assistant general manager (deputy general manager level) of the Sichuan Branch of the Bank; from March 2003 to October 2003, he served as full-time credit approver (deputy general manager level) of credit approval department of the Bank; from April 2002 to March 2003, he served as full-time credit approver (deputy general manager level) of the credit approval office of the risk and internal control management committee of the Bank; from November 1994 to April 2002, he worked consecutively as the deputy chief of the credit division of Sichuan Branch of the Bank, deputy chief and chief of the credit management department of the head office, chief of credit risk management division, chief of credit operation division, general manager of the corporate business department of Sichuan Branch of the Bank. Mr. Yang is a senior economist. He graduated from University of Chengdu with a bachelor's degree in enterprise management in 1983 and obtained a master's degree in economics from Southwestern University of Finance and Economics in 2004.

Saved as disclosed in the biographical details, Mr. Yang Fenglai has no other relationship with the Bank's directors, supervisors, senior management, substantial Shareholders or controlling Shareholder. Except for 16,789 H Shares of the Bank indirectly held by Mr. Yang Fenglai by participating in the employee stock incentive plan, he has no interest in shares of the Bank within the meaning of Part XV of the *Securities and Futures Ordinance* (Chapter 571 of the Laws of Hong Kong). Mr. Yang Fenglai is not in possession of any information that is required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Hong Kong Listing Rules, nor is he being involved or has been involved in any activity that shall be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Hong Kong Listing Rules. Mr. Yang Fenglai did not hold any directorship in any other listed company in the last three years, nor does he hold any positions in any members of the group. There is no other issue that shall be brought to the attention of the Shareholders of the Bank.

Emoluments of Mr. Yang Fenglai shall be determined pursuant to the relevant regulations of the Bank and be submitted to the Shareholders' general meeting for approval.

LETTER FROM THE BOARD

ELECTION OF MR. LIU HUAN AS EXTERNAL SUPERVISOR OF THE BANK

Pursuant to the relevant laws, regulations and the Articles of Association, the Board of Supervisors proposes to nominate Mr. Liu Huan as external supervisor of the Bank, whose term of office will be three years and will end on the date of the 2022 annual general meeting of the Bank. Mr. Liu Huan satisfies the qualifications and requirements of supervisor as provided for in relevant laws, regulations and the Articles of Association.

Mr. Liu Huan, aged 65, is of Chinese nationality. Mr. Liu serves as Counselor of the State Council and professor at the School of Public Finance and Tax of Central University of Finance and Economics. From 2006 to 2016, he served as deputy dean of the School of Tax of Central University of Finance and Economics; from 1997 to 2006, he served consecutively as the deputy director of the Department of Tax of the Central University of Finance and Economics, and deputy dean of the School of Finance and Public Management; from 2004 to 2005, he worked consecutively on secondment as deputy director of Local Taxation Bureau in Xicheng district of Beijing, assistant director of the Beijing Local Taxation Bureau; he worked in the Central Institute of Finance and Banking (now Central University of Finance and Economics) since 1982, and served as deputy director of the Department of Finance from 1992 to 1997. Mr. Liu is a standing member of Beijing Municipal Committee of the Chinese People's Political and Consultative Conference and deputy director of the Economic Committee of the Beijing Municipal Committee of the Chinese People's Political and Consultative Conference; he also worked concurrently as visiting professor at the School of Economics and Management of Tsinghua University, visiting professor at the School of Overseas Education of Shanghai Jiao Tong University and master advisor of Tax in University of Chinese Academy of Social Sciences. He also serves as independent director of the Liaoning Wellhope Agri-Tech Group Company. Mr. Liu is a certified public accountant and obtained his bachelor's degree in economics from the Central Institute of Finance and Banking in 1982.

Saved as disclosed in the biographical details, Mr. Liu Huan has no other relationship with the Bank's directors, supervisors, senior management, substantial Shareholders or controlling Shareholder. Mr. Liu Huan has no interest in shares of the Bank within the meaning of Part XV of the *Securities and Futures Ordinance* (Chapter 571 of the Laws of Hong Kong). Mr. Liu Huan is not in possession of any information that is required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Hong Kong Listing Rules, nor is he being involved or has been involved in any activity that shall be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Hong Kong Listing Rules. Mr. Liu Huan did not hold any directorship in any other listed company in the last three years, nor does he hold any positions in any members of the group. There is no other issue that shall be brought to the attention of the Shareholders of the Bank.

Remuneration of Mr. Liu Huan shall be determined pursuant to the Measures on Management of Remuneration for Independent Directors and External Supervisors of China Construction Bank Corporation and be submitted to the Shareholders' general meeting for approval.

LETTER FROM THE BOARD

ELECTION OF MR. BEN SHENGLIN AS EXTERNAL SUPERVISOR OF THE BANK

Pursuant to the relevant laws, regulations and the Articles of Association, the Board of Supervisors proposes to nominate Mr. Ben Shenglin as external supervisor of the Bank, whose term of office will be three years and will end on the date of the 2022 annual general meeting of the Bank. Mr. Ben Shenglin satisfies the qualifications and requirements of supervisor as provided for in relevant laws, regulations and the Articles of Association.

Mr. Ben Shenglin, aged 54, is of Chinese nationality. Mr. Ben has served as professor and doctoral advisor of Zhejiang University since May 2014, the executive director of the International Monetary Institute of Renmin University of China since January 2014, and the co-director of the International Monetary Institute since July 2018; He served as dean of Academy of Internet Finance of Zhejiang University since April 2015; dean of the International Business School of Zhejiang University since October 2018. From April 2010 to April 2014, he served as the chief executive officer and a member of the global leadership team at global corporate bank of J.P. Morgan Chase Bank (China); from February 2005 to March 2010, he served as the head of financial institutions department and head of industrial commercial banking department and other positions of HSBC in China; from September 1994 to January 2005, he served as general manager of liquidity business of Dutch Bank in China. Mr. Ben currently serves as an independent director of China International Capital Corporation Limited, Wuchan Zhongda Group Co., Ltd. and Home Credit B.V., and an external supervisor of Industrial Bank Co., Ltd. Mr. Ben is a standing member of Zhejiang Provincial Committee of the Chinese People's Political and Consultative Conference and holds social positions such as the co-chairman of the Zhejiang Internet Finance Association. Mr. Ben graduated from Tsinghua University in 1987 with a bachelor's degree in engineering. He obtained a master's degree in enterprise management from Renmin University of China in 1990 and a PhD degree in economics from Purdue University in 1994.

Saved as disclosed in the biographical details, Mr. Ben Shenglin has no other relationship with the Bank's directors, supervisors, senior management, substantial Shareholders or controlling Shareholder. Mr. Ben Shenglin has no interest in shares of the Bank within the meaning of Part XV of the *Securities and Futures Ordinance* (Chapter 571 of the Laws of Hong Kong). Mr. Ben Shenglin is not in possession of any information that is required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Hong Kong Listing Rules, nor is he being involved or has been involved in any activity that shall be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Hong Kong Listing Rules. Mr. Ben Shenglin did not hold any directorship in any other listed company in the last three years, nor does he hold any positions in any members of the group. There is no other issue that shall be brought to the attention of the Shareholders of the Bank.

Remuneration of Mr. Ben Shenglin shall be determined pursuant to the Measures on Management of Remuneration for Independent Directors and External Supervisors of China Construction Bank Corporation and be submitted to the Shareholders' general meeting for approval.

LETTER FROM THE BOARD

APPOINTMENT OF EXTERNAL AUDITORS FOR 2020

The Bank proposed to appoint Ernst & Young Hua Ming LLP as the domestic accounting firm of the Bank and the onshore subsidiaries for 2020, and Ernst & Young as the international accounting firm of the Bank and the major offshore subsidiaries for 2020. The audit fee is RMB140.96 million in total (inclusive of internal control audit fee).

AUTHORIZATION FOR TEMPORARY LIMIT ON CHARITABLE DONATIONS FOR 2020

According to the demands for anti-pandemic and poverty alleviation and performing other social responsibilities, it is suggested that the Shareholders' general meeting should grant temporary limit for charitable donations and relevant authorization to the Board in 2020. The specific content of authorization is as follows:

In 2020, on the basis of existing RMB100 million external donation limit of the Board, another RMB53 million temporary limit is added for donations for anti-pandemic purpose. The donations within the temporary limit shall be approved by the Board upon authorization of the Shareholders' general meeting.

In the meantime, considering that the pandemic is not yet over, as for donations of anti-pandemic materials, the Shareholders' general meeting is herein requested to authorize the Board to delegate authority to the management for implementation, and then perform the corporate governance procedures as required and confirm according to facts.

The authorization shall be effective since the day when it is approved on the Shareholders' general meeting till 31 December 2020.

THE CAPITAL PLAN OF CHINA CONSTRUCTION BANK FOR 2021 TO 2023

The Bank has prepared the Capital Plan of China Construction Bank for 2021 to 2023 according to relevant regulatory requirements including the Capital Rules for Commercial Banks (Provisional), in order to further strengthen capital management, keep high capital quality and adequate capital level, effectively prevent and defuse financial risks and promote the Bank's transformation towards high-quality development. Please refer to the Appendix to this circular for the Capital Plan of China Construction Bank for 2021 to 2023.

LETTER FROM THE BOARD

REFERENCE DOCUMENT TO THE 2019 ANNUAL GENERAL MEETING

Work report of Independent Directors for the year 2019

2019 special report on the related party transactions

2019 ANNUAL GENERAL MEETING

The notice of the 2019 Annual General Meeting to be held at 10:00 am on 19 June 2020 at No. 25, Financial Street, Xicheng District, Beijing, is set out in this circular. Registration of the meeting will start from 09:20 am to 10:00 am on 19 June 2020.

In order to determine the H Shareholders who are entitled to attend the 2019 Annual General Meeting, the register of members of H Shares of the Bank will be closed from 20 May 2020 to 19 June 2020, both days inclusive, during which period no transfer of H Shares will be effected. Unregistered H Shareholders who wish to attend the 2019 Annual General Meeting must lodge the share certificates together with the transfer documents at the H Share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at or before 4:30 pm on 19 May 2020. The address of the share registrar, Computershare Hong Kong Investor Services Limited, is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

In order to determine the H Shareholders who are entitled to receive the 2019 cash dividends, the register of members of H Shares of the Bank will be closed from 4 July 2020 to 9 July 2020, both days inclusive, during which period no transfer of H Shares will be effected. Unregistered H Shareholders who wish to receive the 2019 cash dividends must lodge the share certificates together with the transfer documents at the H Share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at or before 4:30 pm on 3 July 2020. The address of the share registrar, Computershare Hong Kong Investor Services Limited, is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. If approved by the annual general meeting, the dividend will be distributed to the Shareholders whose names appeared on the register of members of the Bank after the closing of the stock market on 9 July 2020. The expected payment date of the H Shares annual cash dividend for 2019 is 30 July 2020. The expected payment date of the A Shares annual cash dividend for 2019 is 10 July 2020.

LETTER FROM THE BOARD

A proxy form and a reply slip for use at the 2019 Annual General Meeting are dispatched together with this circular and are available on the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk). To be valid, H Shareholders who intend to attend the 2019 Annual General Meeting by proxy should complete and return the enclosed proxy form to Computershare Hong Kong Investor Services Limited by 10:00 am on 18 June 2020. The address is 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Completion and return of the proxy form will not preclude you from attending the 2019 Annual General Meeting and voting in person if you so wish. H Shareholders who intend to attend the 2019 Annual General Meeting in person or by proxy should complete and return the reply slip in person, by post or by fax to Computershare Hong Kong Investor Services Limited on or before 29 May 2020. The address is 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

VOTING METHOD AT THE 2019 ANNUAL GENERAL MEETING

The voting at the 2019 Annual General Meeting will be taken by way of registered poll.

RECOMMENDATION

The Board considers that the proposals mentioned above are in the interests of the Bank and the Shareholders as a whole. Accordingly, the Board recommends that Shareholders vote in favour of the relevant resolutions to be proposed at the 2019 Annual General Meeting.

Yours faithfully,

For and on behalf of the Board of Directors

China Construction Bank Corporation

Liu Guiping

Vice Chairman, Executive Director and President

28 April 2020

The Capital Plan of China Construction Bank for 2021 to 2023

The Capital Plan is hereby prepared to implement regulatory requirements, arrange for operation development and internal management in a coordinated manner in the future, persistently promote capital transformation and refined management, enhance the “three capabilities” of supporting national development, preventing and mitigating financial risk, and participating in international competition, promote the “three major strategies” of house leasing, inclusive finance, and fintech, and strive to achieve high-quality development.

I. Opportunities and Challenges

With complex and dynamic international economic landscapes, domestic economic and social development entering into a new stage, all of them will bring business opportunities and challenges to CCB, which require adequate capital support.

i. Opportunities brought by serving national strategies. China’s economy is at a key stage of transformation of new and old drive. Huge demands for financial services will be triggered by deepening the supply side structural reform, implementing the strategy for coordinated regional development, accelerating inclusive finance, and promoting the rural revitalization strategy, indicating broad business development space for CCB. As a large state-owned commercial bank, CCB will foster new business edges in new fields on top of consolidating its traditional advantageous fields and key business. It will improve the linkage mechanism and supporting financial services, and promote implementation of national regional development strategies and major projects; enhance support of emerging industries, accelerate innovative development of green finance, support upgrading of household consumption, and facilitate the supply side structural reform; promote financial services for agriculture, rural areas and farmers and targeted poverty relief, implement 26 measures for serving private economy comprehensively, and improve capabilities of serving national development and effective financial supplies.

ii. Opportunities arising from participating in international competition vigorously. With the key of the development of the Belt and Road Initiative, China is forming a brand-new comprehensive opening landscape with internal and external linkage and mutual support between the east and the west. Overseas business is one of the strategic keys of CCB, which is meaningful for creating CCB as the best performer in China and a world-class leader with great influence and international competitiveness entity. Faced with new changes in the international and domestic situations, especially the new landscape of expanded financial opening, CCB will make full use of the domestic and overseas markets and resources in the two markets, support “going global”, “bringing in”, and development of the Belt and Road via financial innovation, duplicate and promote the integrated financial mode in free trade zones, consolidate the customer basis, improve service abilities, and share new fruits of financial reform and opening.

iii. Opportunities resulting from intelligence and empowerment of financial technology. With continuous integration of cloud computing, big data, artificial intelligence, blockchain technology, and finance, financial technology has been playing a bigger and bigger role in improving financial service efficiency, reducing service cost, and expanding the service boundary. By providing the best service via technological empowerment, CCB will transform technology into value creation activities via financial practice and display a promising development outlook. It will follow closely the cutting-edge fields of financial technology, regard “empowerment by financial technology and development of an intelligent and modern commercial bank” as the objectives, create intelligent finance internally to inspire innovation, build intelligent ecology externally, empower the Government Side, Business Side, and Customer Side, and release the “gathering energy effect”. It will make technology as the new engine for improving market competitiveness so as to promote solutions to resolve social pain spots.

iv. Opportunities due to changes in the economic operation mode. With changes in the thinking, cognition, behavioral habits, and consumption mode of people, profound changes will happen to China’s economic and financial operation mode. The young generation is no longer passionate about savings. Instead, young people make “borrowing to spend” more common. Online economy is gradually replacing offline economy, and this process will be accelerated after the coronavirus pandemic. Emerging business types, including “working from home”, remote medical services, online education, online entertainment, and intelligent cities, will achieve explosive growth and bring business opportunities to commercial banks. CCB will capture changes in the times sensibly and adapt to social demands, fully leverage its edges in customers, channels, products, and technology, make a layout for light-asset business related to consumer finance, online economy, and emerging industries, and achieve a win-win result by both meeting customer demands and realizing intensive capital development.

While witnessing these precious opportunities, CCB has simultaneously noticed increasing risks and challenges due to fluctuations in the external environment and greater downturn pressure. **Firstly**, trade friction and geopolitical risk increase uncertainties, instability, and inequity in global economy. **Secondly**, problems in the structure, system and cycle of domestic economy mix with each other, causing greater downturn pressure. CCB’s enhancement of the three capabilities to serve the development of the real economy will accelerate the rate of capital consumption and impose higher requirements on capital management. **Thirdly**, multiple regulatory policies such as the Basel Agreement III final reform plan and the total loss absorption capacity (TLAC) substantially increase the pressure on compliance of capital adequacy ratio. As a global systemically important bank, CCB will make it into a higher-rank group and subject to higher requirements on capital adequacy ratio. **Fourthly**, great challenges have formed for stable operation of banks due to, serious situation of financial risk control, impact of the coronavirus pandemic to be observed, stricter capital regulatory requirements, and fiercer competition with peers and counterparts in other industries. In particular, it is expected that profit will be impacted, and risk assets will maintain rapid growth due to the global spread and acceleration of the epidemic and sharp movement in domestic and foreign financial markets; the quality of industry and corporate assets that are significantly affected by the epidemic are deteriorated and excess loan loss reserves that can be counted as capital are consumed; overseas institutions may face difficulties in business development, asset quality decline and increased profit pressure, etc. due to the epidemic and financial market turmoil. The above factors will have a negative impact on the regulatory compliance of capitals. Therefore, CCB shall analyze opportunities comprehensively, adapt to the development requirements in the new era, promote high-quality development practically; and shall fully consider the extreme situations that may occur, and make arrangements for capital replenishment plans based on the results of stress tests to ensure the continuous and stable operation and development of CCB.

II. Principles and Ideas of Capital Planning

The period from 2021 to 2023 is a key stage for China to work on the second centenary goal and build a great modern socialist country that is prosperous, strong, democratic, culturally advanced, harmonious, and beautiful. While making the Capital Planning, CCB follows these **principles**: Adhering to the new development philosophy, focusing on accumulation of internal capital and external capital replenishment, actively seizing the opportunity for issuance of capital instrument and striving to achieve high-quality development of serving the real economy, lean management, capital intensity, effective risk control, and regulatory compliance; taking preferred measures such as increasing retained profits, maintaining reasonable asset growth rate, optimizing asset structure, and enhancing lean management to enhance capital strength, internal driving force, and core competitiveness; properly adopting market financing measures to issue multi-market and multi-type capital instruments and carrying out appropriate external capital replenishment to ensure constantly adequate capital level and high capital quality.

Firstly, CCB aims to display its responsibilities as a large bank and meet the demands for serving the real economy. It remains true to the initial intention of serving the real economy via finance, focuses on the development of the “three capabilities”, facilitates implementation of the “three major strategies”, and maintains stable growth of assets. It optimizes the structure of capital allocation, gives top priority to retail banking and corporate trading, provides more support for key areas, major projects, inclusive finance, manufacturing, green credit, and private enterprises, and effectively supports key areas and weak processes of the real economy.

Secondly, it adopts refined management to promote endogenous development of capital. It adheres to the new development idea, focuses on accumulation of internal capital supplemented with the replenishment of external capital, promotes optimization of the business structure continuously, and improves the capital utilization efficiency and returns on capital. It enhances the plan with capital as the core and the policy on rewards and disciplines, makes use of emerging technology and big data, embeds contents and requirements of capital management into operation management processes, and forms a coordinated development mechanism with balanced capital and assets, profit and risk, short-term and medium-and long-term operating results.

Thirdly, it enhances the capital risk barrier and prevents financial risk effectively. It values the compensation function of capital for risk, and assesses possible negative impact of risk fluctuations on the capital adequacy level prudently. While promoting capital intensive transformation, it employs market financing instruments to improve its capital strength, give play to the market stabilizer, protect the profit of customers, and create more values for shareholders.

Fourthly, it sticks to regulatory compliance and deals with changes in regulatory rules in a forward-looking manner. It fully considers the capital regulatory standards for Global Systemically Important Banks (G-SIB), sets more competitive objectives for the capital adequacy ratio, and reduces pressure on achieving regulatory indicators for the Total Loss-absorbing Capacity (TLAC) in the future. It replenishes capital via internal accumulation first. Meanwhile, it guarantees that CCB reaches the average level of world-class banks in terms of the capital adequacy ratio by employing capital financing instruments reasonably.

Fifthly, it reserves buffer appropriately and improves the capabilities of emergency management. It conservatively considers uncertain elements in the external environment, fully assesses the impact of the macro economy, market environment, regulatory policy, asset quality, changes and special events in business development on the capital adequacy level, and fully displays the sensitivity of capital to risk changes, so as to guarantee that the capital adequacy level meets the planning objectives continuously and strive for buffer and space for dealing with external shock.

III. Objectives of Capital Adequacy Ratio Planning

i. Approaches of calculating the capital adequacy ratio for capital planning

According to regulatory approval, CCB adopts the advanced approach of capital management to calculate the capital adequacy ratio, which is applicable to the arrangements in the parallel-run period. Based on the current regulatory rules, within the planning period, CCB adopts the advanced approach of capital management and other methods to calculate the capital adequacy level in the future. In case of adjustments to regulatory rules within the planning period, the calculation method would be adjusted accordingly.

ii. Bottom line objectives of the capital adequacy ratio

Based on comprehensive consideration of regulatory requirements, planning of strategic transformation of CCB, risk appetite, and risk assessment results, with the premise of basically stable macroeconomic financial situation, and if the capital regulatory policies remain unchanged, the bottom line objectives of the capital adequacy ratio at all tiers of CCB during the period from 2021 to 2023 are set to be no less than the minimum regulatory requirements and appropriate capital buffer is reserved for meeting the enhanced regulatory standards (HRS). According to the rule, during the planning period, the bottom line objective of the capital adequacy ratio is: Core tier-1 capital adequacy ratio should not be below 11%, tier-1 capital adequacy ratio should not be below 12% and capital adequacy ratio should not be below 14%. If the capital regulatory standards are improved in the future, the bottom line objectives will be upgraded accordingly.

IV. Arrangements and Management Measures for Capital Replenishment

i. Arrangements for capital replenishment

After comprehensive consideration of the financing cost, regulatory requirements, capital market status, and investor demands, CCB will carry out external capital financing appropriately. Meanwhile, special capital financing plan for epidemic prevention and control will be arranged based on the latest stress test results. And the specific issuance plan will be submitted to the Board of Directors for review separately. Given that CCB has a relatively higher core tier-1 capital, capital financing will be mainly about tier-2 capital so as to coordinate and balance the capital adequacy level and the capital cost. Meanwhile, CCB will follow closely the dynamics of domestic and overseas regulators and peers, and perform a good research and preparation work before issuing qualified TLAC instruments.

ii. Measures for capital management

1. To implement the development strategy for light-asset and light-capital business.

CCB will enhance the capital requirement guidance continuously, promote optimization of the business structure, direct resources to products and fields with lower capital employed yet high returns, and promote the transformation into the light-asset and light-capital business mode; reduce the reliance of profitability on the high-capital and high-asset business mode, develop the fee-based business vigorously, and improve the income structure continuously; enhance capital-saving and refined management, and reduce low-efficiency capital employed.

2. To improve the capital management mechanism covering the Group. It will enhance the plan and resource allocation mechanism with capital as the core, regard maintaining the leading capital adequacy ratio and the rate of capital return among peers as the objective, and arrange for the annual business development plan reasonably; improve the capital management system covering the Group, optimize the mechanism for regulatory capital transmission, regard returns on capital as the core, take the upper planned limit of risk-weighted assets as the restriction, arrange for the business volume and structure of institutions at all levels with their capital consumption and the capital supplied by realized profit are basically matched; enhance the application of returns on capital for resource allocation and performance assessment.

3. To enhance the application of financial technology and big data. It will improve the data supporting ability of capital management, integrate data including regulatory capital, economic capital, and business income, and establish dynamic display and monitoring report of multi-dimensional regulatory capital employed; improve data-based analysis and decision-making abilities, and add methods and means of saving capital effectively via data exploration and application; enrich the risk data mart continuously, optimize the risk parameters, and enhance rating sensitivity.

4. To improve the consolidated capital management ability comprehensively. It will enhance capital compliance management of overseas institutions and subsidiaries, and disseminate the Group's capital management requirements comprehensively, implementing into the whole work-flow of all institutions in terms of corporate governance, business operation, capital increase management, and performance assessment, and regard the implementation of the requirements as important basis for assessing capital management abilities of institutions; complete the reduction of equity levels as soon as possible through institution clearing, equity transfer, etc., simplify and clarify the Group's equity structure, and promote the matching of the Group's equity structure and management capabilities; enhance the development and application of relevant information systems, and improve timeliness and accuracy of capital measurement of overseas institutions and subsidiaries gradually.

REFERENCE DOCUMENT

Work Report of Independent Directors for the year 2019

In 2019, the Independent Directors of China Construction Bank Corporation (hereinafter referred to as the “**Bank**”) were loyal, diligent and devoted to their duties, attended the meetings of the Board of Directors and special committees, actively fulfilled their duties, made independent decisions and effectively safeguarded the interests of the Bank and all shareholders in accordance with domestic and overseas laws and regulations including the *Company Law*, *Securities Law*, *Guidelines on Establishment of the Independent Director System by Listed Companies*, *Guidelines on the Corporate Governance of Commercial Banks* and Appendix 14 *Corporate Governance Code to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*, as well as the *Articles of Association of China Construction Bank Corporation* (hereinafter referred to as the “**Articles of Association of the Bank**”), the *Measures for the Implementation of the Independent Director System of China Construction Bank Corporation* and the *Annual Report Work Regulations of Independent Directors of China Construction Bank Corporation*. Below is a report on their fulfillment of duties:

I. BASIC INFORMATION OF INDEPENDENT DIRECTORS

As of December 31, 2019, the Bank had five Independent Directors in total, accounting for 38% of all directors, which complies with relevant laws, regulations and the Articles of Association of the Bank. The chairmen of four special committees under the Board of Directors of the Bank, i.e. the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee and the Related Party Transaction, Social Responsibility and Consumer Protection Committee¹ are all Independent Directors.

In addition to the annual remuneration obtained, the Bank’s Independent Directors do not have any business or financial interests in the Bank or its subsidiaries, nor do they hold any management position in the Bank. The Bank has received the annual confirmation letters on independence from all Independent Directors, and confirmed their independence. The Bank complied with relevant regulatory requirements in terms of the independence of Independent Directors. Resumes of Independent Directors of the Bank are as follows:

Ms. Anita Fung Yuen Mei, aged 59, has served as a director since October 2016. From May 2008 to February 2015, Ms. Fung was the Group General Manager of HSBC Holdings plc; from September 1996 to February 2015, she successively served as the Head of Hong Kong Dollar Bond Markets, Head of Fixed Income Trading for Asia, Head of Trading for Asia-Pacific, Treasurer and Co-Head of Global Markets, Asia-Pacific, Treasurer and Head of Global Markets, Asia-Pacific, Head of Global Banking and Markets, Asia-Pacific, and Chief

¹ According to relevant regulatory requirements, after deliberation and approval at a meeting of the Board of Directors on January 17, 2020, the former Social Responsibilities and Related Party Transactions Committee under the Board of Directors was renamed as the Related Party Transaction, Social Responsibility and Consumer Protection Committee under the Board of Directors. The responsibilities of the committee were adjusted and improved accordingly.

REFERENCE DOCUMENT

Executive Officer, Hong Kong of The Hongkong and Shanghai Banking Corporation Limited. Meanwhile, from November 2010 to January 2015, Ms. Fung was a Non-Executive Director of Bank of Communications Co., Ltd. From September 2011 to February 2015, she served as the Chairman and a director at HSBC Global Asset Management (Hong Kong) Limited, a Non-Executive Director of HSBC Bank (China) Company Limited, a director at HSBC Markets (Asia) Limited, etc. From November 2011 to January 2014, she served as a Non-Executive Director of Hang Seng Bank Limited. At present, Ms. Fung also serves as an Independent Non-executive Director at Hong Kong Exchanges and Clearing Limited, Hang Lung Properties Limited and Westpac Banking Corporation, and is a Council Member of the Hong Kong University of Science and Technology. Ms. Fung obtained a master's degree in applied financing from Macquarie University of Australia in 1995. She was awarded the Bronze Bauhinia Star in 2013 by the government of Hong Kong SAR, and was appointed Justice of Peace in 2015 by the government of Hong Kong SAR.

Sir Malcolm Christopher McCarthy, aged 76, has served as a director since August 2017. Sir McCarthy served as an Independent Non-executive Director of Industrial and Commercial Bank of China Limited from December 2009 to October 2016. He once worked as an economist for ICI, an economic adviser and the undersecretary at the UK Department of Trade and Industry, Chief Executive Officer of Barclays Bank for London, Japan and then North America, Chairman and Chief Executive of Office of Gas and Electricity Markets (Ofgem) of the UK, Chairman of the Financial Services Authority (FSA) of the UK, a non-executive director of HM Treasury of the UK, chairman of the board of directors of J.C. Flowers & Co. UK Ltd, a non-executive director of NIBC Holding N.V., NIBC Bank N.V., OneSavings Bank plc, Castle Trust Capital plc and Intercontinental Exchange (ICE), and a Trustee of the Said Business School of Oxford University. Sir McCarthy is an Honorary Fellow of Merton College, an Honorary Doctorate of the University of Stirling and the Cass Business School, and a Freeman of the City of London. He has a MA History at Merton College of Oxford University, PhD Economics of Stirling University, and MS at Graduate School of Business of Stanford University.

Mr. Carl Walter, aged 72, has served as a director since October 2016. Mr. Carl Walter is currently an independent consultant, providing strategic consulting advice to various countries and financial institutions. Mr. Walter served as managing director and chief operating officer in China of JPMorgan Chase & Co and chief executive officer of JP Morgan Chase Bank (China) Company Limited from September 2001 to April 2011. He was seconded from Morgan Stanley to serve as managing director and chief executive officer of China International Capital Corporation (Beijing) from January 1999 to July 2001. He served concurrently as vice president and head of Asian Credit Management and Research (Singapore) of Credit Suisse First Boston as well as the director and head of China Investment Bank Corporation (Beijing) from September 1990 to December 1998. Mr. Walter served consecutively in various positions including as vice president and general manager of Taipei Branch of Chemical Bank from January 1981 to August 1990. Mr. Walter was a visiting scholar and an adjunct professor of Freeman Spogli Institute of Stanford University in 2012. He obtained a bachelor degree in politics and Russia language from Princeton University in 1970, an advanced studies certificate in economics from Peking University in 1980, and a doctoral degree in politics from Stanford University in 1981.

REFERENCE DOCUMENT

Mr. Kenneth Patrick Chung, aged 62, has served as a director since November 2018. He served as independent director of Industrial and Commercial Bank of China Limited from December 2009 to March 2017. He joined Deloitte Haskins and Sells London Office in 1980, became a partner of PricewaterhouseCoopers in 1992, and was a financial service specialist of PricewaterhouseCoopers (Hong Kong and China) since 1996. Previously, he was the human resources partner of PricewaterhouseCoopers (Hong Kong), the responsible partner of the audit department of PricewaterhouseCoopers (Hong Kong and China), the global lead partner of the audit engagement team for Bank of China Limited, the honorary treasurer of the Community Chest of Hong Kong and was a member of the Ethics Committee, Limitation of Professional Liability Committee, Communications Committee, and the Investigation Panel of the Hong Kong Society of Accountants. Mr. Chung also served as the audit head for the restructurings and initial public offerings of Bank of China Limited, Bank of China (Hong Kong) Limited and Bank of Communications, chairman of the audit committee of the Harvest Real Estate Investments (Cayman) Limited, and an independent director of Prudential Corporation Asia. Currently, Mr. Chung serves as an independent director of Sands China Ltd., and is a trustee of Fu Tak Iam Foundation Limited. He is a member of the Institute of Chartered Accountants in England and Wales, a member of the Hong Kong Institute of Certified Public Accountants and a member of the Macau Society of Certified Practising Accountants. Mr. Chung received a bachelor's degree in economics from the University of Durham, UK.

Mr. Graeme Wheeler, aged 68, has served as a director since October 2019. He has served as Non-executive Director of Thyssen-Bornemisza Group since 2017. He served as Governor of Reserve Bank of New Zealand from 2012 to 2017, Non-Executive Director of Thyssen-Bornemisza Group and Co-Founder of Privatisation Analysis and Consulting Ltd. from 2010 to 2012, Managing Director responsible for operations of World Bank from 2006 to 2010, Vice President and Treasurer of the World Bank from 2001 to 2006, Director of Financial Products and Services Department of World Bank from 1997 to 2001, Treasurer of New Zealand Debt management Office (NZDMO) and Deputy Secretary to the New Zealand Treasury from 1993 to 1997, Director of Macroeconomic Policy of New Zealand Treasury from 1990 to 1993, Economic and Financial Counsellor of New Zealand Delegation to the OECD, Paris from 1984 to 1990 and an advisor in the New Zealand Treasury from 1973 to 1984. Mr. Wheeler obtained his master of commerce in economics from University of Auckland in 1972. He was awarded Companion of the New Zealand Order of Merit in 2018.

II. ANNUAL DUTY PERFORMANCE

In 2019, the Bank's Independent Directors actively attended the Shareholders' General Meetings, the meetings of the Board of Directors and relevant special committees under the Board of Directors, and considered the resolutions of the Board of Directors and relevant special committees under the Board of Directors.

REFERENCE DOCUMENT

In 2019, the Bank held two Shareholders' General Meetings and seven Board meetings. Information on attendance of the meetings by Independent Directors is as follows:

	Shareholders'		
	General Meeting Attendance in person	Meetings of Board of Directors Attendance in person Attendance by proxy	
Independent Director			
Ms. Anita Fung Yuen Mei	1/2	6/7	1/7
Sir. Malcolm Christopher McCarthy	2/2	7/7	0/7
Mr. Carl Walter	2/2	6/7	1/7
Mr. Kenneth Patrick Chung	2/2	7/7	0/7
Mr. Graeme Wheeler	1/1	2/2	0/2
Former Independent Directors			
Mr. Chung Shui Ming Timpson	0/1	3/4	1/4
Mr. Murray Horn	1/1	5/5	0/5

Information on attendance of meetings of special committees under the Board of Directors by Independent Directors in 2019 is as follows:

	Strategy Development Committee		Audit Committee		Risk Management Committee		Nomination and Remuneration Committee		Related Party Transaction, Social Responsibility and Consumer Protection Committee	
	Attendance in person	Attendance by proxy	Attendance in person	Attendance by proxy	Attendance in person	Attendance by proxy	Attendance in person	Attendance by proxy	Attendance in person	Attendance by proxy
Independent Director										
Ms. Anita Fung Yuen Mei	6/7	1/7	5/6	1/6	3/6	3/6	4/7	3/7	–	–
Sir Malcolm Christopher McCarthy	7/7	0/7	–	–	6/6	0/6	7/7	0/7	–	–
Mr. Carl Walter	6/7	1/7	5/6	1/6	2/2	0/2	6/6	0/6	4/4	0/4
Mr. Kenneth Patrick Chung	0/0	0/0	6/6	0/6	6/6	0/6	7/7	0/7	4/4	0/4
Mr. Graeme Wheeler	–	–	1/1	0/1	1/1	0/1	1/1	0/1	0/0	0/0
Former Independent Directors										
Mr. Chung Shui Ming Timpson	–	–	4/4	0/4	2/3	1/3	3/5	2/5	1/3	2/3
Mr. Murray Horn	5/5	0/5	5/5	0/5	4/4	0/4	5/6	1/6	4/4	0/4

Notes:

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

REFERENCE DOCUMENT

The Bank's Independent Directors come from Hong Kong, the United States, the United Kingdom, New Zealand and some other countries and regions. These Independent Directors include professional regulators, senior management of commercial banks and investment banks, and professional accountants. In 2019, the Bank's Independent Directors actively attended meetings of the Board of Directors and relevant special committees under the Board of Directors, and listened to reports on operation and management; they timely communicated with the management and paid attention to the development of the Bank and the implementation of its development strategies; they also vigorously carried out surveys and on-site investigations of the operation and management of the Bank; they pondered on the Bank's operation plans in a forward-looking manner, and put forward constructive suggestions on the Bank's development strategies, risk management, capital management, overseas business, development of its subsidiaries, etc. The Independent Directors played an important role in decision making by the Board of Directors. During the reporting period, the Bank's Independent Directors did not raise any objection with respect to relevant matters deliberated by the Board of Directors.

To perform duties diligently according to laws and regulations, constantly improve duty performance capabilities, Independent Directors actively studied domestic and overseas regulatory policies, kept a close watch on latest changes in regulatory policies, and actively attended special trainings offered by domestic and overseas regulatory authorities on corporate governance, risk management and internal control and compliance, as well as trainings offered by the Board of Directors on compliance with the Bank Secrecy Act and Anti-money Laundering Act of the USA.

The work of Independent Directors was actively supported and coordinated by the management.

III. KEY CONCERNS OF DUTY PERFORMANCE OF THE YEAR

(I) Related party transactions

During the reporting period, the Bank's Independent Directors closely tracked changes in the domestic and overseas regulatory rules and scope, strengthened the review and supervision of management of related party transactions, improved the system of policies for management of related party transactions, promoted level improvement of management of related party transactions, and urged related party transactions to be conducted in accordance with laws, regulations and commercial principles.

(II) External guarantees and capital occupation

Approved by the People's Bank of China and China Banking and Insurance Regulatory Commission, the Bank's external guarantee business is a part of the Bank's normal business. With respect to the risks arising from guarantee business, the Bank formulated specific management measures, operational processes and approval procedures, and carried out the business accordingly. The guarantee business of the Bank mainly relates to letter of guarantee. As of December 31, 2019, the balance under letters of guarantee issued by the Group was proximately RMB1,187,338 million.

REFERENCE DOCUMENT

(III) Use of raised proceeds

The proceeds raised by the Bank were used for the purpose disclosed in the announcements, such as the prospectus, i.e. to supplement the capital of the Bank so as to support the development of business.

(IV) Nomination and remuneration of the senior management members

In 2019, the Board of Directors of the Bank considered and approved the *Proposal on Appointment of Mr. Liu Guiping as President of the Bank, Proposal on Appointment of Mr. Ji Zhihong as Executive Vice President of the Bank, Proposal on Appointment of Mr. Jin Yanmin as Chief Risk Officer of the Bank and Proposal on Appointment of Mr. Hu Changmiao as Secretary to the Board of Directors of the Bank*. The Board of Directors of the Bank considered and approved the 2018 remuneration allocation and settlement plan for senior management, the 2019 performance appraisal plan for senior management, etc. and determined the remuneration policy for senior management.

The Independent Directors agreed to the nominations and remunerations of the Bank's senior management.

(V) Operating results forecast and preliminary earnings estimate

During the reporting period, the Bank was not required to issue the operating results forecast nor the preliminary earnings estimate.

(VI) Engagement or change of accounting firm

During the reporting period, the Bank agreed to engage Ernst & Young Hua Ming LLP and Ernst & Young as the Bank's accounting firm in 2019 after consideration and approval at the Bank's 2018 Shareholders' Annual General Meeting. According to relevant requirements for annual reporting, the Independent Directors maintained sufficient communication with the external auditors of the Bank and earnestly fulfilled relevant responsibilities and obligations. Independent directors opined that the accounting firms engaged by the Bank conducted audit work independently, objectively and fairly, and performed all tasks properly.

(VII) Cash dividends and other return of investors

The Bank has well-designed procedures and mechanisms for decision making on profit distribution, attaches importance to returns for shareholders, and continuously pays dividends to shareholders in cash. When drawing up the profit distribution plan, the Board of Directors paid full heed to the opinions and requests of shareholders, protected the legitimate rights and interests of minority investors, and submitted the profit distribution plan at the Shareholders' General Meeting for approval. Independent directors fulfilled their duties and played their due role in the process of decision making on the profit distribution plan. In 2019, the Bank paid to all ordinary shareholders cash dividend of RMB0.306 per share (tax-inclusive) for 2018, which amounted to approximately RMB76,503 million.

(VIII) Implementation of commitments made by the Bank and its shareholders

Independent Directors paid great attention to the fulfillment of commitments by the Bank and its shareholders. Central Huijin Investment Ltd. (hereinafter referred to as "Huijin"), the

REFERENCE DOCUMENT

controlling shareholder of the Bank, made a commitment of “non-competition within the industry”, i.e., as long as Huijin continues to hold any shares of the Bank, or is deemed as a controlling shareholder or a related party of a controlling shareholder of the Bank in accordance with the relevant laws of the People’s Republic of China or listing rules of the Bank’s listing venues, Huijin would not engage in or participate in any competing commercial banking businesses, including but not limited to granting loans, taking deposits, providing settlement, and providing fund custody, bank card and currency exchange services.

However, Huijin may still engage in or participate in competing businesses through investing in other commercial banks. Accordingly, Huijin committed that it would: (1) fairly treat its investments in commercial banks, and would not abuse its shareholder position in the Bank or the information it obtained through its shareholder position in the Bank to make decisions or judgments detrimental to the Bank but beneficial to other commercial banks; (2) exercise its shareholder’s rights for the best interests of the Bank.

On 6 April 2016, in accordance with relevant rules of CSRC, in order to ensure the effective fulfilment of the measures to make up for the immediate return diluted by the issuance of preference shares of the Bank, Huijin undertook not to intervene with the operation and management of the Bank and not to misappropriate the interests of the Bank.

During the reporting period, Huijin had not breached any of the above undertakings.

(IX) Implementation of information disclosure

In accordance with the requirements of laws, regulations and the Articles of Association, the Bank timely and fully disclosed the periodic financial reports and ad-hoc announcements, such as the 2018 annual report, the 2019 half-year report and quarterly reports. Independent Directors actively performed their duties in the preparation and disclosure of annual reports and had full communication and discussion with external auditors on the annual audit work.

(X) Risk management work progress

Independent Directors attached great importance to the Bank’s risk management and competence to prevent financial risks. In 2019, Independent Directors guided and urged the Bank to continuously improve the comprehensive and active risk management system and risk management policies and strengthened digital, intelligent and intensive risk control; studied the prevention and control of material risks and focused on reputational risks, compliance risks, information technology risks and case prevention and control, etc.; continued to enhance the building of compliance and anti-money laundering policies and systems and supervised the work about internal control compliance and anti-money laundering; and supported and enhanced actively the open sharing of advanced risk management technologies and instruments to create a new ecology of risk co-governance.

(XI) Implementation of internal control

In 2019, the Bank continued to promote the establishment and implementation of internal control standards. The Independent Directors attached great importance to internal control evaluation and reviewed the reports and plans on internal control evaluation. During the internal control evaluation, no major defects of the Bank’s internal control system (including the fields of financial reporting and non-financial reporting) were identified.

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(XII) Overseas business development

In 2019, the Bank further improved its overseas layout and continued to strengthen its international competitiveness. Independent Directors attached great importance to the development of the Bank's overseas businesses, laid emphasis to enhance cross-border financial service innovation with blockchain and big data technologies to facilitate the construction of the Belt and Road Initiative, continued to improve the management level and operation efficiency of overseas institutions, improved the global service for customers, and enhanced actively the development of RMB internationalization.

(XIII) Protection of consumer rights and interests

Independent Directors continued to supervise and guide the Bank's protection of consumer rights and interests, supervised the implementation of orderly financial competition, prevented financial risks, heard regularly reports on protection of consumer rights and interests, strengthened special studies on consumer rights and interests protection, improved the building of the consumer rights and interests protection system, continued to enhance the internal audit of consumer rights and interests protection, and push forward the comprehensive, in-depth and orderly implementation of the Bank's protection of consumer rights and interests.

(XIV) Fintech development

Independent Directors paid great attention to the Bank's fintech development and the release of its efficiency, laid emphasis on strengthening of the building of data governance capability with the new-generation core system, continued to improve the Bank's capability to develop businesses and innovate products, enhanced actively the building of fintech-based platforms, including the AI platform, big data cloud platform and blockchain service platform, and continued to empower society and serve local governments and authorities with smart government affairs services, so as to boost the modernization of the governance system and governance capability of the country.

(XV) Talent team building

Independent Directors strongly supported the Bank to carry forward comprehensively the strategy of revitalizing the Bank with talents, advocated to strengthen the fintech talent team with the market-oriented mechanism, continued to strengthen the building of the international talent team, and stimulated the potential and creativity of all employees, so as to allow them to grow with the Bank. Furthermore, Independent Directors continued to pay attention to the Bank's cultivation of reserve talents, understood in depth the focal points of work of CCB University in multiple ways, and regarded the talent team building as an important basis for the Bank's long-term development.

(XVI) Operation of the Board of Directors and its special committees

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

In 2019, the Board of Directors of the Bank held a total of seven meetings regarding election of directors, appointment of senior management, periodic financial reporting, profit

REFERENCE DOCUMENT

distribution, issue of capital replenishment tools, annual operation plans and budgets on investment in fixed assets, increase of the temporary limit on donations for poverty alleviation, setup of the Finance Department for Rural Revitalization, setup and adjustment of overseas institutions, settlement of remuneration for directors, supervisors and senior management, etc.

In 2019, the Strategy Development Committee held a total of seven meetings to deliberate on and discuss topics including implementation of the comprehensive operation plan and fixed assets budget, the establishment of the headquarters' departments, overseas institutions and subsidiaries, and investment in the national manufacturing fund to promote transformation and upgrading of the country's manufacturing industry. The Strategy Development Committee put forward opinions or suggestions on Bank's organization structure, major investment plans, development of the real economy through finance service, and implementation of the national development strategies.

In 2019, the Audit Committee convened six meetings in total, and held separate meetings with external auditors. It helped the Board of Directors make decisions on and put forward important opinions and suggestions on the supervision and reviewed 2018 annual report, 2019 half-year report and results announcement, supervised and reviewed 2019 Q1 and Q3 financial reports, supervised and evaluated external audits, supervised and guided internal audits, promotion of rectification of problems identified during internal and external audits, strengthening of supervision and evaluation of internal control, etc.

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

In 2019, the Risk Management Committee held a total of six meetings. It paid close attention to the impact of economic and financial situations at home and abroad on the Bank, strengthened the Group's comprehensive risk management, and comprehensively improved the risk control capability. It guided the revision of basic risk management policies and actively promoted the re-examination and improvement of risk preference; it supervised the rectification of problems identified during regulatory inspections, and continuously promoted the assessment and rectification of the Bank's global anti-money laundering capability; it continued to promote the implementation of advanced approaches to capital management and fully implemented and fulfilled the regulatory requirements for global systemically important banks; it conducted special study on reputational risk, real estate business and inter-bank business risk, and followed up on the development of green credit business and inclusive finance business as well as risk prevention and control; it regularly assessed the Group's overall risk status, strengthened consolidated management, and continuously enhanced the management of risks associated with internal transactions, country risk, information technology risk, etc.; it stepped up efforts to prevent and control incidents, and continuously strengthened compliance risk management of the Group, especially overseas institutions; it concurrently had the responsibilities of the US Risk Management Committee, and convened four special meetings on risks associated with the US.

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In 2019, the Nomination and Remuneration Committee convened seven meetings in total. In respect of nomination, it provided the Board of Directors with suggestions on candidates for the positions of executive director, non-executive director and Independent Director, candidates for membership at special committees under the Board of Directors and candidates for senior management positions, and ensured that the nominated candidates were qualified to assume the corresponding positions, abided by the laws, administrative rules and regulations as well as the Articles of Association of the Bank, and were able to perform the duty of diligence for the Bank. The Nomination and Remuneration Committee held that during the reporting period, the composition of the Board of the Bank was in conformity with the requirements of the *Diversity Policy for the Board of Directors*. Regarding remuneration and performance assessment, the Nomination and Remuneration Committee studied the national remuneration regulatory policies, organized and formulated the proposal of the settlement of the remuneration for directors, supervisors and senior management of the Bank for 2018, and refined the performance assessment plans for executive directors and senior management for 2019. It attached great importance to the development and training of key back-up talents and the promotion of CCB University, paid attention to employee remuneration, and put forward opinions and suggestions on promoting diversification of members of the Board of Directors, refining the performance appraisal plans for executive directors and senior management, improving the remuneration incentive policy, strengthening the development and training of talents, etc.

In 2019, the Related Party Transaction, Social Responsibility and Consumer Protection Committee held a total of four meetings, and carried out a lot of fruitful endeavors regarding strengthening the supervision and management of related party transactions, promoting protection of consumers' rights and interests, supervising and guiding inclusive finance, promoting green credit, supervising and reviewing social responsibility reports, supervising and guiding the performance of social responsibilities, etc.

In 2019, Independent Directors earnestly attended the meetings of the Board of Directors and relevant special committees and actively expressed their opinions, which promoted scientific and effective decision making by the Board of Directors of the Bank.

IV. OVERALL EVALUATION AND SUGGESTIONS

In 2019, Independent Directors fulfilled their duties honestly, diligently and independently in accordance with relevant laws, regulations and the Articles of Association of the Bank, effectively improved the scientific decision-making ability of the Board of Directors and the special committees under the Board of Directors, promoted the improvement of corporate governance, and safeguarded the legitimate rights and interests of the Bank and all shareholders. In 2020, Independent Directors will continue to improve their ability to fulfill their duties, be diligent and responsible, express their opinions independently and objectively, and effectively safeguard the legitimate rights and interests of shareholders.

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

March 2020

REFERENCE DOCUMENT

2019 Special Report on the Related Party Transactions

Pursuant to the CBIRC's *Administrative Measures for the Related Party Transactions between the Commercial Banks and Their Insiders or Shareholders* and the CSRC's *No. 26 Preparation and Reporting Rules of Information Disclosure of Public Offering Companies – Special Provisions on Information Disclosure by Commercial Banks*, the related party transactions of the Bank in 2019 are reported as follows:

I. RELATED PARTY TRANSACTIONS MANAGEMENT

In 2019, the Bank strictly complied with the regulatory policies on related party transactions, conducted the management of related party transactions as per the requirements, continuously consolidated the foundation for the management of related party transactions, further refined the management mechanism for related party transactions, and prevented the risks associated with related party transactions.

- i. The Related Party Transaction, Social Responsibility and Consumer Protection Committee¹ under the Board of Directors conscientiously fulfilled its duties. In 2019, the Committee held four on-site meetings. It listened to reports on the filing of related party transactions on each meeting and reports on the management of related party transactions semiannually. During the reporting period, the Committee actively fulfilled its related party transactions management duties, paid continuous attention to the development of related party transactions, raised reasonable and scientific requirements in a targeted manner, and urged the internal audit line to strengthen audit supervision on the management of related party transactions, in a bid to effectively facilitate the improvement in the Bank's capacity in related party transactions management.
- ii. A self-inspection on special remediation of related party transactions was carried out. In accordance with the CBIRC's *Notice on Launching the Special Remediation of Equities and Related Party Transactions of Banking and Insurance Institutions*, the Bank conducted a bank-wide self-inspection on related party transactions. The self-inspection results showed that the Bank carried out all activities concerning the management of related party transactions as per the CBIRC's requirements. No problems identified except that several branches issued unsecured micro loans to certain related parties. This problem has been rectified through the signing of a guarantee agreement or early repayment. Besides, the Bank is optimizing the Rapid Loan approval procedure in the system to avoid the occurrence of such a problem in the future.

¹ According to relevant regulatory requirements, upon the review and approval of the meeting of the Board of Directors held on January 17, 2020, the former Social Responsibility and Related Party Transaction Committee under the Board of Directors was renamed as Related Party Transaction, Social Responsibility and Consumer Protection Committee under the Board of Directors. The duties of the committee were adjusted and improved accordingly.

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- iii. Prior control of related party transactions was enhanced and actively embedded in business procedures. In 2019, the Bank initiated a project aimed at directly connecting the related party transaction system with major business systems, in order to ensure prior control of related party transactions in certain business areas, constantly promote the integration of related party transactions management into businesses and routine business activities, improve the sense of responsibility and participation of business lines, and effectively guard against the compliance risks associated with related party transactions. The business requirements under this project have been formally submitted.
- iv. The management of related party transactions was enhanced. In 2019, the Bank issued the *Notice on Further Strengthening the Management of Related Party Transactions and Internal Transactions*, requiring all institutions of the Bank to strengthen the control of related party transactions and strictly control transactions that are clearly prohibited by regulatory rules to avoid violations. The Bank strengthened the guidance or review of businesses under parent-subsidiary collaboration and innovative products that were of regulatory concern to ensure that all businesses and business activities met the regulatory requirements regarding related party transactions. The Bank standardized daily management and required all institutions to ensure timely and correct handling of suspected related parties, regular verification of transaction data, and accurate reporting of manually-processed transactions, etc..
- v. More training methods were adopted to strengthen the transmission of the concept of related party transactions. First, an on-site training course on related party transactions management was held for all members of the Group. All tier-one branches, subsidiaries and some overseas institutions were required to send personnel to join the course to improve the competence of the staff responsible for related party transactions to fulfill their duties. Second, the Bank revised the *List of Major Related Legal Persons of China Construction Bank (2019)* as a reference for all institutions to identify related parties. Third, a micro-course on related party transactions management has been produced. A bank-wide study will be organized in the near future for the purpose of strengthening the transmission of the concept of related party transactions management and the popularization of basic knowledge.
- vi. On-site inspections were carried out. In November 2019, the Bank conducted on-site inspections on related party transactions in four tier-one branches through review of related party files, review of business line ledgers, interviews with related party transaction managers, and on-site system operations. The inspection results showed that the quality of data about related parties and related party transactions in the above branches needs to be further improved. The inspection results have been circulated across the Bank. The relevant branches have been required to carry out effective rectification of the problems identified and regularly re-check the data to ensure good information quality.

REFERENCE DOCUMENT

- vii. Daily management was well-conducted. To enhance the capacity in the management of related party transactions, in addition to conducting self-examination and inspections, strengthening training and supervision and optimizing the system, the Bank continued to conduct the daily management of related party transactions and consolidated the management foundation in a satisfactory manner. Specifically, it updated the Related Party Identification Manual of China Construction Bank in a timely manner; submitted the relevant regulatory reports to the CBIRC as required; regularly analyzed and collated the Group's related party transaction data and prepared monthly reports on related party transactions; signed the *Statement on Sources of Funds of Controlling Shareholders in 2019*; and provided professional compliance advice on the issues associated with related party transactions while conducting the business by all institutions of the Bank.

II. ABOUT RELATED PARTIES

As of December 31, 2019, according to the rules for related party translations set forth by the CBIRC, the Shanghai Stock Exchange (“SSE”) and the Hong Kong Stock Exchange, the Bank had identified and recorded a total of 2,589 related parties in the related party transactions management system, including 66 related legal persons and 2,523 related natural persons. The numbers of related parties under the three different regulatory standards are as follows:

Regulatory standard	Related party category	Quantity (December 31, 2018)	Quantity (December 31, 2019)
SSE	Related legal persons	6	13
	Related natural persons	308	307
The Hong Kong Stock Exchange	Related legal persons	3	3
	Related natural persons	229	250
CBIRC	Related legal persons	37	61
	Related natural persons	2,224	2,365
Total²	Related legal persons	37	66
	Related natural persons	2,336	2,523

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

² Since one natural person or organization might belong to related parties under different standards at the same time, the total number of related parties under all standards is not equal to the simple sum of the number of related parties under each standard.

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III. RELATED PARTY TRANSACTIONS

The statistics and monitoring results of related party transactions showed that, all the related party transactions of the Bank that occurred in 2019 under the standards of the CBIRC, SSE and the Hong Kong Stock Exchange were conducted with related natural persons or related enterprises of natural persons. The aggregate amount of related party transactions was very small as compared to the scale of the Bank. There were no related party transactions that should be submitted to the Board of Directors for consideration and disclosure, and there were no related party transactions that were obviously unfair or damaged the interests of the Bank.

i. The CBIRC's statistical standard

In 2019, the related party transactions under the CBIRC's statistical standard were all credit transactions, and there were no asset transfers or service transactions. As of December 31, 2019, the outstanding credit (excluding deposit margins, deposit receipts and treasury bonds) to all related parties totaled RMB550,537,400. Details are as follows:

Unit: RMB10,000

Credit type	Credit balance (December 31, 2019)
Institutional loans	12,965.07
Institutional fixed asset loans	5,275.22
Institutional working capital loans	7,689.85
Personal loans	11,404.36
Personal housing loans	11,168.63
Other personal loans	235.73
Credit card	349.32
Discount	4,857.13
Banker's acceptances	25,477.86
Total	55,053.74

REFERENCE DOCUMENT

ii. The Hong Kong Stock Exchange's statistical standard

The Bank's related party transactions under the Hong Kong Stock Exchange's standard in 2019 were mainly wealth management ("WM") product transactions and service transactions with related natural persons, except for the financial assistance transactions³. Details are as below:

Unit: RMB10,000

Transaction category	Transaction amount
WM product	5,899.56
Subscription and purchase	5,787.60
Yield distribution	111.96
Provision of service	8.34
Fee and commission income	8.34

iii. The SSE's statistical standard

The related party transactions of the Bank under the SSE's standard in 2019 were mainly deposit, credit and WM product transactions with related natural persons and inter-bank business with related legal persons. Details are as below:

Unit: RMB10,000

Transaction category	Transaction amount
Deposit (balance)	5,729.47
Large-denomination certificates of deposit of personal customers	270.00
General personal deposits	5,395.13
Personal credit card deposits	19.36
Institutional other deposits	44.75
Other deposits	0.23
Inter-bank business	80,000.00
Inter-bank deposits	30,000.00
Inter-bank investment	50,000.00
Credit facility	1,305.42
Personal loans	1,305.42
WM product	12,901.50
Subscription and purchase	12,731.72
Yield distribution	169.78
Provision of service	8.25
Fee and commission income	8.25

³ According to the listing rules of the Hong Kong Stock Exchange, financial assistance transactions are the Bank's day-to-day business and are exempt from shareholders' approval, annual review and all disclosure requirements as long as they conform to normal business terms.



中国建设银行

China Construction Bank

中國建設銀行股份有限公司

China Construction Bank Corporation

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

(Stock Code: 939)

(USD Preference Shares Stock Code: 4606)

NOTICE OF 2019 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2019 Annual General Meeting of China Construction Bank Corporation (the “**Bank**”) will be held at 10:00 am on 19 June 2020 at No. 25, Financial Street, Xicheng District, Beijing, to consider and, if thought fit, pass the following resolutions:

AS ORDINARY RESOLUTIONS

1. 2019 report of the Board of Directors
2. 2019 report of the Board of Supervisors
3. 2019 final financial accounts
4. 2019 profit distribution plan
5. 2020 budget for fixed assets investment
6. election of Mr. Tian Guoli to be re-appointed as executive director of the Bank
7. election of Ms. Feng Bing to be re-appointed as non-executive director of the Bank
8. election of Mr. Zhang Qi to be re-appointed as non-executive director of the Bank
9. election of Mr. Xu Jiandong as non-executive director of the Bank
10. election of Sir Malcolm Christopher McCarthy to be re-appointed as independent non-executive director of the Bank
11. election of Mr. Yang Fenglai as shareholder representative supervisor of the Bank
12. election of Mr. Liu Huan as external supervisor of the Bank
13. election of Mr. Ben Shenglin as external supervisor of the Bank
14. appointment of external auditors for 2020
15. authorization for temporary limit on charitable donations for 2020
16. the Capital Plan of China Construction Bank for 2021 to 2023

NOTICE OF 2019 ANNUAL GENERAL MEETING

Reference Documents

Work report of Independent Directors for the year 2019

2019 special report on the related party transactions

Details of the above proposals are set out in the 2019 Annual General Meeting circular of the Bank dated 28 April 2020. Unless otherwise indicated, the capitalised terms used in the notice shall have the same meaning as those defined in the circular.

By order of the Board

China Construction Bank Corporation

Liu Guiping

Vice Chairman, Executive Director and President

28 April 2020

As at the date of this announcement, the executive directors of the Bank are Mr. Tian Guoli, Mr. Liu Guiping and Mr. Zhang Gengsheng; the non-executive directors of the Bank are Ms. Feng Bing, Mr. Zhu Hailin, Mr. Zhang Qi, Mr. Tian Bo and Mr. Xia Yang; and the independent non-executive directors of the Bank are Ms. Anita Fung Yuen Mei, Sir Malcolm Christopher McCarthy, Mr. Carl Walter, Mr. Kenneth Patrick Chung, Mr. Graeme Wheeler and Mr. Michel Madelain.

NOTICE OF 2019 ANNUAL GENERAL MEETING

Notes:

1. The voting at the 2019 Annual General Meeting will be taken by way of registered poll.
2. In order to determine the H Shareholders who are entitled to attend the 2019 Annual General Meeting, the Bank's register of members will be closed from 20 May 2020 to 19 June 2020, both days inclusive, during which period no transfer of H Shares will be effected. Unregistered H Shareholders who wish to attend the 2019 Annual General Meeting must lodge the share certificates together with the transfer documents at the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at or before 4:30 pm on 19 May 2020. The address of the share registrar, Computershare Hong Kong Investor Services Limited, is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
3. A Shareholder entitled to attend and vote at the 2019 Annual General Meeting may appoint proxies to attend and vote in his place. Proxies need not to be a Shareholder of the Bank.
4. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his attorney duly authorized in writing. If the Shareholder is a corporation, that instrument must be either under its common seal or duly signed by its legal representative, director(s) or duly authorized attorney(s).
5. To be valid, H Shareholders who intend to attend the 2019 Annual General Meeting by proxy should complete and return the enclosed proxy form to Computershare Hong Kong Investor Services Limited by 10:00 am on 18 June 2020. The address is 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Completion and return of the proxy form will not preclude you from attending and voting in person at the 2019 Annual General Meeting if he so wishes.
6. H Shareholders who intend to attend the 2019 Annual General Meeting in person or by proxy should return the reply slip in person, by post or by fax to the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before 29 May 2020 by hand, by post or by fax (Fax: (852) 2865 0990).
7. The 2019 Annual General Meeting is expected to last for half a day. Shareholders (in person or by proxy) attending the 2019 Annual General Meeting are responsible for their own transportation and accommodation expenses. Shareholders (or their proxies) attending the 2019 Annual General Meeting shall present identity certification.