

*Important Note: The following is an English translation of the Chinese version of the Rules of Procedures for the Board Meeting of Aluminum Corporation of China Limited (中國鋁業股份有限公司董事會議事規則). In case of any discrepancies or inconsistencies, the Chinese version shall always prevail.*

## ALUMINUM CORPORATION OF CHINA LIMITED

### RULES OF PROCEDURES FOR THE BOARD MEETING

#### CHAPTER I GENERAL PROVISIONS

- Article 1                      These rules are hereby formulated in accordance with relevant laws, regulations, rules and normative documents such as the Company Law of the People's Republic of China, Securities Law of People's Republic of China, CSRC Guidelines for Articles of Association of Chinese Listed Companies, Code of Corporate Governance for Listed Companies in China, the listing rules of shares or securities of the stock exchanges where the Company's share is listed (including the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited) (the “**Relevant Listing Rules**”), and Articles of Association of Aluminum Corporation of China Limited (the “**Articles of Association**”), with the purpose of improving the corporate governance structure of Aluminum Corporation of China Limited (the “**Company**”), ensuring that the Board of Directors can make the effective demonstration, scientific and prudent decisions, and standardizing the working procedures of the Board of Directors.
- Article 2                      The Board of Directors is the standing power authority and the business decision-making body of the Company. The Board of Directors shall be responsible for and report to the Shareholders' Meeting.
- Article 3                      The Board of Directors shall be subject to the supervision of the audit committee of the Board of Directors (the “Audit Committee”) and all shareholders.

## **CHAPTER II DIRECTORS**

- Article 4            The Board of Directors shall be composed of 9 directors. The outside directors (including non-executive directors and independent directors, the same hereinafter) shall represent more than 50 percent of the members of the Board of Directors; the independent directors (meaning those directors who do not hold positions other than directorships in the Company and do not have any direct or indirect interests in the Company, its major shareholders, or any other relationship that may affect their independent and objective judgment, and who are recognized as independent directors by the stock exchange where the Company is listed, the same hereinafter) shall be at least 3 and represent one third or more of the members of the Board of Directors, and at least one accounting professional shall be included; the Company shall have one employee director.
- A director may concurrently serve as senior management staff of the Company; however, the number of the directors and employee directors concurrently serving as the senior management staff shall not exceed one half of the Company's total number of directors.
- Article 5            The Board of Directors shall include one chairman, who shall be elected and removed by more than half of all the directors. The Chairman of the Board shall serve a term of three years and may serve consecutive terms if reelected.
- Article 6            The chairman of the Board of Directors shall be the legal representative of the Company.
- Article 7            The directors of the Company shall be natural persons. Directors need not hold shares of the Company.
- Article 8            Non-employee directors shall be elected by the Shareholders' Meeting, and employee directors shall be elected by the employee representative meeting.
- Article 9            The tenure of directors shall be three years, counting from the date of the election by the Shareholders' Meeting and the employee representative meeting to the date when the Shareholders' Meeting and the employee representative meeting elect a new term of office of the Board of Directors. At the expiration of their terms, directors may continue to serve as such if reelected, but independent directors may not serve more than six years in succession.

Article 10

Directors shall possess the following qualifications:

- (1) bachelor degree or above;
- (2) relatively high professional level, relatively comprehensive and abundant operational experience and business management capabilities or working experience in law, economics, accounting, finance and management, etc.;
- (3) be familiar with the governance of listed companies and understand the operating mechanism of the listed companies;
- (4) relatively strong communication and coordination skills.

Article 11

None of the following persons may serve as a director of the Company:

- (1) persons without capacity or with limited capacity for civil acts;
- (2) persons who were sentenced to criminal punishment for the crime of corruption, bribery, misappropriation of property or diversion of property or for disrupting the order of the socialist market economy, or persons who were deprived of their political rights for committing a crime, where not more than five years have elapsed since the expiration of the period of deprivation; or persons who were given a suspended sentence, where not more than two years have elapsed since the expiration of the period of probation;
- (3) persons who served as directors, or factory directors or general managers, who bear personal liability for the bankruptcy liquidation of their companies or enterprises, where not more than three years have elapsed since the date of completion of the bankruptcy liquidation;
- (4) persons who served as the legal representatives of companies or enterprises that had their business licenses revoked or were being ordered to close for breaking the law, where such representatives bear individual liability therefor and not more than three years have elapsed since the date of revocation of the business license or being ordered to close;

- (5) persons with comparatively large debts that have fallen due but have not been settled and were listed as dishonest persons subject to enforcement by the people's court;
- (6) persons who have been given penalties of prohibition against entering the securities market from the China Securities Regulatory Commission (the "CSRC") and the term of such penalties has not expired;
- (7) persons who are publicly identified by stock exchanges as not appropriate for serving as directors and senior management staff of listed companies and the term of which has not yet expired;
- (8) any circumstance under which a person may not hold the position of director specified in the laws, administrative regulations, departmental rules, Relevant Listing Rules as well as the Articles of Association.

## Article 12

Directors shall fulfill the duty of loyalty to the Company and comply with the laws, administrative regulations and rules, as well as the Articles of Association of the Company, and shall faithfully perform their duties based on and maintain the interests of the Company. Directors shall not damage the interests of the Company for the sake of the interests of the actual controller, shareholders and employees of the listed companies, themselves, or other third parties. Where their own interests are in contradiction with the interests of the shareholders, they shall act in the best interests of the Company and the shareholders. Directors shall:

- (1) exercise powers within the scope of their functions and powers and not exceed such powers;
- (2) not conclude a contract or enter into a transaction or arrangement with the Company directly or indirectly except as otherwise provided in the Articles of Association or with the informed consent of the Shareholders' Meeting;

The provisions of the preceding paragraph shall apply to the entering of contracts or transactions with the Company by close family members of the directors, enterprises directly or indirectly controlled by the directors or their close family members, and associates who have other affiliations with the directors.

- (3) not take advantage of inside information to seek personal gains or the interests for other individuals;
- (4) not operate on their own, or operate for others, the same category of business as the Company they are serving, or to engage in activities which damage the interests of the Company before reporting to the Board of Directors or the Shareholders' Meeting and passing the resolution at the Board meeting or the Shareholders' Meeting in accordance with the provisions of the Articles of Association;
- (5) not use his or her functions and powers as a means to accept bribes or other forms of illegal income, and not to illegally appropriate Company property in any way, including but not limited to any commercial opportunities that are advantageous to the Company;
- (6) not divert Company funds;
- (7) not take advantage of their functions and powers to seek commercial opportunities for themselves or other individuals which should belong to the Company, except for any of the following circumstances:
  - i. after reporting to the Board of Directors or the Shareholders' Meeting and passing the resolution at the Board meeting or the Shareholders' Meeting in accordance with the provisions of the Articles of Association;
  - ii. where the Company cannot take such commercial opportunity in accordance with the provisions of laws, administrative regulations or the Articles of Association.
- (8) not accept commissions in connection with Company transactions;
- (9) not deposit Company funds in their own personal accounts or in the personal accounts of other individuals;
- (10) not lend Company funds to others, and not use Company property as security for the debts of other individuals without the consent of the Shareholders' Meeting or the Board of Directors;

- (11) without the informed consent of the Shareholders' Meeting, not disclose undisclosed information which is material or share-price sensitive relating to the Company that was acquired by him or her during his or her tenure; however, such information may be disclosed to a court or other competent government authorities if:
- i. provided for by law;
  - ii. required in the public interest;
  - iii. required in the personal legitimate interest of such director.
- (12) fulfill other obligations imposed by laws, administrative regulations and rules, as well as the Articles of Association.

#### Article 13

Directors shall actively fulfill their obligation of loyalty and diligence stipulated in laws and regulations, relevant provisions of the stock exchange(s), the Articles of Association and these Rules, consider the judgments made by people of the equal status under the similar circumstances on the basis of the Company's best interests, make prudent decisions about the interests and risks of the matters of the Company and shall not be released from such liability by the reason that they are not familiar with the Company's business or do not understand the related matters, so as to confirm:

- (1) that the commercial activities of the Company are in accordance with laws, administrative regulations and the requirements of various national economic policies;
- (2) that all shareholders are treated equally;
- (3) that they read the various commercial and financial reports of the Company carefully so as to understand the business and operations of the Company in a timely manner;
- (4) that they exercise the powers and functions entrusted by the Company to them in person and are not being manipulated by others; that they do not delegate these powers and functions to others without the permission of laws and administrative rules and Articles of Association or the informed resolutions of the Shareholders' Meeting;

- (5) that they accept the legitimate supervision and reasonable recommendations of the Audit Committee on their performance of duties.

Article 14 No director may act on behalf of the Company or the Board of Directors in his or her own name unless the Articles of Association specify that he or she may do so or he or she is lawfully authorized to do so by the Board of Directors. When a director acts on his/her own behalf and a third party reasonably considers such director is acting on behalf of the Company or the Board of Directors, such director shall declare in advance his/her position and capacity.

Article 15 Directors shall ensure enough time and energy to participate in the affairs of the Company, fulfill their duties and make careful judgments and decisions for the matters submitted to the Board of Directors for deliberation.

Article 16 Directors shall attend the meetings of the Board of Directors with the serious and responsible attitude, and express the clear opinions on the matters under discussion. A director shall attend the Board meetings and make decisions personally in principle. If he or she is unable to attend a meeting in person, he or she may appoint in writing another director to attend the meetings and vote on his or her behalf; the principal shall independently assume the legal responsibilities.

If a director fails to personally attend a meeting of the Board of Directors and to appoint another director to attend the meetings on his or her behalf on two consecutive occasions, he or she shall be deemed unable to perform his or her duties and the Board of Directors shall, within 30 days from the date of occurrence of such fact, propose to convene a Shareholders' Meeting to remove such director from his or her office.

The director attending the meeting on behalf of the absent director shall exercise the director's right to the extent authorized. If a director fails to attend a meeting of the Board of Directors and has not appointed a proxy to attend the meeting on his or her behalf, he or she shall be deemed to have abstained from voting at such meeting.



The reasonable expenses incurred by the directors who attend meetings of the board shall be borne by the Company. These expenses include the traffic expenses covering the distance between the place where a director is located and the place where a meeting is held (in the event that these two places are not the same) and the accommodation expenses during the term of the meeting. The rent of the place of the meeting and the local traffic expenses shall also be borne by the Company.

Article 17                      Subject to relevant laws and administrative regulations, the Shareholders' Meeting may remove any director by an ordinary resolution (without prejudice to any claim for damages that such director may have under any contract) before the end of his or her term of office, with effective from the date of such resolution made.

Where a director is terminated before expiration of his or her term of office without justifiable reasons, the director may demand indemnification from the Company.

Article 18                      Directors may tender their resignations before the expiration of their term of office. To resign, a director shall submit a written resignation to the Board of Directors and describe the reasons for his/her resignation in the written resignation. In case the reasons for the resignation are involved in illegal or non-standard operation of the Company, the related matters shall be specifically specified and reported to the stock exchanges where the Company's stock is listed and other relevant regulatory bodies.

Article 19                      When a director resigns, his or her resignation shall be effective upon his or her written resignation being received by the Company. The Company shall disclose the relevant situation within two trading days.

In the event of any prescribed circumstances as set forth below, the incumbent directors shall continue to perform their duties in accordance with applicable laws, regulations, regulatory documents, and the Articles of Association until the newly elected directors assume office:

- (1) Where the term of office of directors has expired but new directors have not been duly elected in a timely manner, or where the resignation of directors during their term results in the number of Board members falling below the statutory minimum;



- (2) Where the resignation of members of the Audit Committee results in the number of Committee members falling below the statutory minimum, or where there
- (3) Where the resignation of independent directors results in the proportion of independent directors on the Board or its special committees failing to comply with applicable laws and regulations or the Articles of Association, or where there is a lack of accounting professionals among the independent directors.

Where a director resigns, the Board shall convene a Shareholders' Meeting as soon as practicable to elect replacement directors.

#### Article 20

The Company shall establish a management system for director and senior management resignations, clearly specifying the accountability and compensation measures for unfulfilled public commitments and other outstanding matters.

If a director tenders his or her resignation or his or her term of office expires, he/she shall complete all transfer procedures with the Board of Directors, and the fiduciary obligation of the Company's directors does not necessarily cease under the circumstances that the resignation report has not become effect or it is within the appropriate period after the report came into force or after the termination of their tenure. The duty of confidentiality in respect of trade secrets of the Company shall still be in effect after the end of his/her term of office, until such trade secrets become publicly available information. Other duties may continue for such period as the principle of fairness may require, depending on the length of time which has elapsed between the occurrence of the event concerned and the termination of tenure, and the circumstances and terms under which the relationships between them and the Company have been terminated.

#### Article 21

The Company shall be liable for any damages to others caused by a director while he/she is performing his or her duties. The director shall also be liable if such damages are caused with intention or due to his/her gross negligence.

If a director violates laws, administrative regulations, department rules or the Articles of Association when performing his/her duties in the Company, such director shall indemnify the Company against losses incurred by the Company due to such violation.

A director whose term of office has not yet expired shall be liable for compensation for any losses incurred by the Company due to such director's unauthorized resignation.

Article 22                      Directors shall comply with relevant laws, administrative regulations and the Articles of Association and strictly comply with the public commitments they have made.

Article 23                      The Company shall provide continuous trainings for directors. Directors shall actively participate in relevant trainings, in order to understand the rights, obligations and responsibilities as a director, get familiar with relevant laws and administrative regulations, and master relevant knowledge required as a director.

### **CHAPTER III    SELECTION AND APPOINTMENT OF NON-INDEPENDENT DIRECTORS**

Article 24                      The Company shall establish the standardized and transparent directors' selection and appointment procedures, in order to ensure that the selection and appointment are open, fair, impartial and independent.

The list of candidates for non-employee directors shall be submitted as a motion to the Shareholders' Meeting. The candidates for non-employee directors shall be nominated by the Board of Directors, the Audit Committee and a shareholder alone or shareholders together holding at least 1 percent of the Company's shares, and shall be elected by the Shareholders' Meeting of the Company.

In the case where the shareholding percentage of a single shareholder and person(s) acting in concert with him/her/ it is 30 percent or more, the cumulative voting system may be implemented for the election of directors (distinguishing between non-independent and independent directors) at a Shareholders' Meeting, namely when two or more directors (distinguishing between non-independent and independent directors) shall be elected at the Shareholders' Meeting, each share held by the shareholder who participates in the voting carries a number of voting rights equivalent to the number of directors (distinguishing between non-independent and independent directors) to be elected, and a shareholder may cluster or disperse his or her voting rights.

Candidates for employee directors may be nominated by the Company's trade union based on self-recommendations or recommendations after soliciting and considering employees' opinions. Such candidates may be jointly recommended by either more than one-third of employee representatives, or more than one-tenth of the employees. The joint meeting of the employee representative meeting may also make nominations. Employee directors shall be elected by secret ballot on a competitive basis at the employee representative meeting, and shall assume office only upon obtaining approval by a majority of all employee representatives.

Following their election by the employee representative meeting, employee directors shall undergo a pre-appointment publicity process. They shall complete the same formalities as other directors, and their appointments shall be filed with the superior trade union and relevant authorities for record.

The directors shall have sufficient time and the necessary knowledge and ability to perform their duties. The Company must provide necessary working conditions and information to directors for performing their duties. Among them, the independent directors may directly report to the Shareholders' Meeting, the CSRC and other relevant departments.

#### Article 25

If a candidate for director is involved in any of the following circumstances, the Company shall disclose the specific circumstances of the candidate, the reasons for appointing the candidate and whether it will affect the standardized operations of the Company:

- (1) he/she has been subject to administrative penalty by the CSRC within the past 36 months;
- (2) he/she has been publicly censured or criticized thrice or above by the stock exchange within the past 36 months;
- (3) he/she is under investigation by a judicial authority on suspicion of any crime or by the CSRC on suspicion of any violation of laws and regulations, and no final conclusive opinion has been formed;
- (4) he/she has bad records such as major breach of trust.

The last day of the above period shall be the date on which the Shareholders' Meeting of the Company considered the resolution for the appointment of candidates for directors.

## Article 26

The following procedures shall be followed for selecting the non-independent directors (other than employee directors):

- (1) The consent of the nominee shall be obtained before the nominator nominates him or her for the position of non-independent director; the nominator(s) shall be fully aware of the basic information of the nominee, including but not limited to his or her educational background, work experience and concurrent jobs; whether he or she has any connected relationship with any of the Company's Directors, senior management, de facto controllers or holding more than 5% of the Company's shares; and whether he or she has any types of situations which make him or her inappropriate to serve as a Director of the Company; and details of the Company's shares held by him or her. The Company shall disclose the foregoing information of the candidate for director in detail.
- (2) If the candidate for the non-independent director is nominated before the board meeting is convened, if otherwise provided in accordance with provisions in the applicable laws and regulations and/or the Relevant Listing Rules or other securities laws and administrative regulations, the written materials of the nominee described in item (1) of this Article shall be announced together with the resolution of the Board of Directors in accordance with such provisions.
- (3) If a shareholder or the Audit Committee, who is consistent with the conditions stipulated in the Articles of Association, put(s) forth an extempore motion for the election of a non-independent director to the Shareholders' Meeting, the written notice of the intention to nominate a candidate for the position of non-independent director and of the nominee indicating his or her willingness to accept the nomination as well as relevant written materials on the nominee as mentioned in above in item (1) of this Article shall be delivered to the Company within a reasonable time before the date of the Shareholders' Meeting to enable the Company to deliver or provide the relevant notice and information to shareholders at least 10 trading days before the date of the Shareholders' Meeting.

- (4) The candidates for directors shall answer the shareholders' questions at the Shareholders' Meeting discussing the election and appointment matters.
- (5) If two or more non-independent directors are elected at the Shareholders' Meeting of the Company, the cumulative voting system shall be adopted, and the votes of the minority shareholders shall be separately counted and disclosed.
- (6) After being elected by the Shareholders' Meeting of the Company, a candidate for director shall, within one month after the election, sign the Statement and Undertaking of Directors, which shall be witnessed by a lawyer and filed with the stock exchange and the Board of Directors of the Company. Directors shall warrant that the matters declared in the Statement and Undertaking of Directors are true, accurate and complete, and that there are no false information, misleading statements or material omissions.

Article 27

An employment contract shall be signed between the Company and the directors, specifying the rights and obligations of the Company and the directors, the term of office of directors, the responsibilities to be assumed by directors for violating the laws, administrative regulations and Articles of Association, the compensation to be made because of the early termination of contract by the Company.

#### **CHAPTER IV INDEPENDENT DIRECTORS**

Article 28

The Company's Board of Directors shall have the independent directors. The members of the Company's Board of Directors shall be at least 3 and include one third or more independent directors of the Board of Directors, and at least one accounting professional shall be included.

Article 29

A person holding the position of independent non-executive director shall satisfy the basic conditions set forth below:

- (1) having the qualifications to hold the position of director of the listed company in accordance with laws and administrative regulations and rules;
- (2) complying with the independence requirements set out in the Articles of Association;

- (3) having a basic knowledge of the operation of listed companies and being familiar with relevant laws, administrative rules, regulations, normative documents and listing rules, etc.;
- (4) having at least five years of experience in law, economics, accounting, finance, management, non-ferrous metals industry or other work experience required for performing the duties and responsibilities of an independent director;
- (5) excelling in virtue, having no bad records such as major breach of trust;
- (6) other conditions stipulated under laws, administrative rules, regulations, normative documents and the Articles of Association.

#### Article 30

The independent director must maintain his/her independence. The following persons may not serve as independent directors:

- (1) persons holding a position in the Company or a subsidiary thereof and their lineal relatives and major social relations (the lineal relatives refer to the spouse, parents and children; the major social relations refer to the brothers and sisters, father-in-law and mother-in-law, daughter-in-law, son-in-law, the spouses of brothers and sisters, as well as the spouse's brothers and sisters);
- (2) natural person shareholders who directly or indirectly hold at least 1 percent of the outstanding shares of the Company or who rank among the top ten shareholders of the Company, and their lineal relatives;
- (3) persons who hold positions of senior management in entities that directly or indirectly hold at least 5 percent of the outstanding shares of the Company or that rank among the top five shareholders of the Company, and their lineal relatives;

- (4) persons who hold positions in the controlling shareholder, de facto controller of the Company and their subsidiaries and their immediate family members;
- (5) persons who provide financial, legal, consultancy, sponsoring or other such services to the Company and its controlling shareholders, de facto controller or their respective subsidiaries, including but not limited to all members of the project team, reviewers at all levels, persons who sign the report, partners, directors, senior management staff and main responsible persons, etc. of the intermediary institutions that provide services;
- (6) a person who has material business dealings with the Company and its controlling shareholder, de facto controller or their respective subsidiaries, or a person who holds a position in the entity which has material business dealings and the controlling shareholder(s), de facto controller of such entity;
- (7) persons who, at any time during the immediately preceding period of 12 months, have fallen into any of the items nos. (1) to (6) listed above;
- (8) other persons that the laws, administrative regulations, rules, normative documents and listing rules and the Articles of Association specify are not independent.

The subsidiaries of the controlling shareholders and de facto controller of the Company mentioned in items nos. (4) to (6) in the preceding paragraph do not include enterprises under common control of the same state-owned asset supervision authority and do not constitute connected relationship with the Company according to the relevant provisions.

#### Article 31

Independent directors of the Company shall conduct self-evaluation on independence on annual basis and submit the self-evaluation findings to the Board of Directors. The Board of Directors shall conduct assessment on the independence of independent directors of current session on annual basis and issue specific opinions for disclosure together with the annual report.



Article 32

The nomination, election and replacement of independent directors shall be carried out in accordance with the laws and regulations:

- (1) The candidates for the Company's independent director shall be nominated by the Company's Board of Directors, Audit Committee and shareholders who alone or together hold at least 1 percent of the outstanding shares of the Company and shall be elected by the Shareholders' Meeting. The nominator shall not nominate a person with whom he/she has an interest or any other closely related person whose independent performance of duties is likely to be impaired as a candidate for independent director. An investor protection agency established by law may publicly request the shareholders to entrust it to exercise their rights to nominate the independent directors on their behalf;
- (2) The consent of the nominee shall be obtained before the nominator nominates him or her for the position of independent director; the nominator(s) shall be fully aware of such details of the nominee as his or her occupation, educational background, professional title and detailed work experience, all the concurrent position, whether he or she has a major breach of trust and other records of bad behaviors, etc., and comment on meeting the independence and other conditions for being an independent director. The nominee(s) shall make a public statement on their fulfilment of the independence and other conditions for being an independent director. The candidates shall make a written commitment to the Company that they agree to accept the nomination and promise that the publicly disclosed information about candidates is true, accurate and complete, and to guarantee that they will earnestly perform their duties if being selected;
- (3) If the candidate for the independent director is nominated before the board meeting is convened, if otherwise provided in accordance with provisions in the applicable laws and regulations and/or the Listing Rules or other securities laws and regulations, the written materials of the nominee described in item (2) of this Article shall be announced together with the resolution of the Board of Directors in accordance with such provisions;

- (4) If a shareholder alone or shareholders together holding at least 1 percent of the outstanding shares of the Company or the Audit Committee put(s) forth an extempore motion for the election of an independent director, the written notice of the intention to nominate a candidate for the position of independent director and of the nominee indicating his or her willingness to accept the nomination as well as relevant written materials on the nominee as mentioned in above in item (2) of this Article shall be delivered to the Company within a reasonable period before the date of the Shareholders' Meeting, so as to enable the Company to send or provide the relevant notice and materials to the shareholders not less than 10 trading days before the date of the Shareholders' Meeting;
- (5) Prior to the holding of a Shareholders' Meeting at which an independent director is to be elected, if otherwise provided in accordance with the applicable Listing Rules or other securities laws and regulations, the Company shall submit the relevant materials on all the nominees to the stock exchange where the Company is listed. If the Board of Directors of the Company has objections concerning the relevant details of a nominee, the Company shall additionally submit the written opinion of the Board of Directors. The nominees against whom the stock exchange has objections shall not be proposed to the Shareholders' Meeting for election;
- (6) The cumulative voting system shall be adopted for the election of two or more independent directors at the Shareholders' Meeting, and the votes casted by the minority shareholders shall be counted and disclosed separately. Where conditions allow, the Company may elect independent directors through competitive election;
- (7) After a candidate for independent director has been elected at the Shareholders' Meeting of the Company, he or she shall sign the Letter on Declaration and Undertaking of Directors within one month, which shall be witnessed by a lawyer and filed with the stock exchange and the Board of Directors of the Company. The independent directors shall ensure that the matters declared in the Letter on Declaration and Undertaking of Directors are true, accurate and complete, and that there are no false statement, misleading representation contained therein or material omission therefrom.

Article 33                   The term of office of the independent directors is the same as that of other directors. At the expiration of their terms, independent directors may continue to serve as such if reelected, but the maximum term of office shall not exceed six years in succession.

Article 34                   Before the expiry of the term of office of an independent director, the Company may terminate his/her office in accordance with the statutory procedures. In the event of early dismissal, the Company shall disclose the specific reasons and grounds therefor in a timely manner. If the independent director has any objections, the Company shall disclose them in a timely manner.

Where an independent director fails to comply with the provisions of item (1) or (2) under Article 29 of these Rules, he/she shall immediately cease to perform his/her duties and resign from his/her position as an independent director. If he/she does not resign, the Board of Directors shall immediately remove him/her from office in accordance with the provisions after it knows or should have known of the occurrence of such fact.

Where an independent director resigns or is relieved of his/her duties as a result of circumstances being in breach of the provisions of the preceding paragraph, resulting in the proportion of independent directors in the Board of Directors of the Company or its special committees being lower than the relevant rules or the Articles of Association, or where there is a lack of accounting professionals among the independent directors, the Company shall complete the election for replacement within 60 days from the date of the occurrence of the foregoing facts.

Article 35                   Independent directors may resign before expiry of their term of office. Independent directors shall submit to the Board of Directors a written resignation stating any situation relating to their resignation or that they consider as necessary to draw to the attention of the shareholders and creditors of the Company. The Company shall disclose the reasons and matters of concern for the resignation of the independent directors.

If the proportion of independent directors in the Board of Directors of the Company or its special committees falls below the relevant rules or the Articles of Association due to the resignation of the independent directors, or if there is a lack of accounting professionals among the independent directors, the independent director who intends to resign shall continue to perform his/her duties until the date when a new independent director is appointed. The Company shall complete the election for replacement of independent directors within 60 days from the date of his/her resignation.

Article 36

The independent directors shall faithfully perform their fiduciary duties and duties of diligence to the Company and all shareholders. The independent directors shall, in accordance with relevant laws, administrative regulations and the Articles of Association, earnestly perform their duties, safeguard the overall interests of the Company and prevent the legitimate rights and interests of minority shareholders from being infringed. The independent directors shall independently perform their duties, without being affected by the Company's major shareholders, actual controller, or other units or individuals that have material interests in the Company.

Article 37

In addition to the functions and powers granted to directors under laws, administrative regulations and Relevant Listing Rules, as well as the Articles of Association, independent directors shall have the following special functions and powers:

- (1) independently engaging intermediaries to audit, consult on or verify specific matters of the Company, the costs of which shall be borne by the Company;
- (2) proposing to the Board of Directors the calling of an extraordinary Shareholders' Meeting;
- (3) proposing the calling of meetings of the Board of Directors;
- (4) expressing independent opinions on matters that may prejudice the interests of the Company or minority shareholders;
- (5) openly soliciting voting rights in accordance with laws;
- (6) other powers and functions as stipulated by laws, administrative regulations, CSRC regulations, Relevant Listing Rules and the Articles of Association.

An independent director shall obtain the consent of the majority of all independent directors before exercising the functions and powers listed in items (1) to (3) of the preceding paragraph.

The Company shall disclose in a timely manner when an independent director exercises the functions and powers listed in item (1). If the said powers cannot be exercised normally, the Company shall disclose the details and reasons therefor.

Article 38

The following matters shall be approved by the majority of all independent directors of the Company before being submitted to the Board of Directors for consideration:

- (1) related party transactions that should be disclosed;
- (2) plans for the Company and related parties to change or waive their commitments;
- (3) decisions made and measures taken by the Board of Directors in respect of the acquisition of the Company when the Company is acquired;
- (4) other matters as stipulated by laws, administrative regulations, regulations by the CSRC, Relevant Listing Rules and the Articles of Association.

Article 39

In order to ensure that the independent directors effectively exercise their powers, the Company shall provide the necessary conditions for the independent directors:

- (1) The Company shall ensure that the independent directors enjoy the same right to know as other directors. In order to ensure the independent directors can exercise their powers, the Company shall regularly report the operation of the Company and provide information to the independent directors, and organize on-site inspections for the independent directors or assist them to carry out on-site inspections;
- (2) The Company shall provide the working conditions and personnel support necessary for the independent directors to perform their duties, and designate the Securities Affairs Management Department (the “Securities Affairs Management Department”), the Secretary of the Board of Directors and other specialized departments and personnel to assist the independent directors in performing their duties. The Secretary of the Board of Directors shall ensure the smooth information exchanges between independent directors and other directors, senior executives and other relevant personnel, and ensure that independent directors have access to adequate resources and necessary professional opinions when performing their duties;

- (3) The Company shall issue a notice regarding meetings of the Board of Directors to independent directors in a timely manner, provide them with the relevant meeting materials no later than the notice period regarding meetings of the Board of Directors as required by laws, administrative regulations, CSRC regulations or the Articles of Association, as well as to provide effective communication channels for independent directors. For meetings convened by special committees of the Board of Directors, the Company shall provide the relevant materials and information in advance in accordance with the time stipulated in the working rules of special committees;
- (4) When the independent directors exercise their powers, the Company's other directors, senior management staff and other related personnel shall actively cooperate with them and shall not refuse, obstruct or conceal relevant information, or interfere with the independent exercise of powers;
- (5) The costs incurred by employing the professional institutions and exercising other powers shall be borne by the Company;
- (6) In case the independent directors must express their views about the connected transactions to be reviewed and approved by the Shareholders' Meeting in accordance with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules of the Hong Kong Stock Exchange"), the Company shall employ an independent financial adviser to issue the opinions of independent financial adviser as the basis for the opinions of the independent directors in accordance with Relevant Listing Rules;
- (7) The Company shall give appropriate allowance commensurate with their duties to the independent directors. The allowance standard shall be decided by the Company's Board of Directors, adopted by the Shareholders' Meeting through deliberation and disclosed in the Company's annual report. In addition to the above allowances, the independent directors shall not obtain other interests from the Company and its major shareholders, de facto controller or interested agencies and persons.

Article 40

The Company shall hold regular or irregular meetings attended by all independent directors (the “**Special Meeting(s) of Independent Directors**”). Matters listed in items 1 to 3 of paragraph 1 of Article 37 and Article 38 of these Rules shall be considered at a Special Meeting of Independent Directors. The Special Meetings of Independent Directors may also study and discuss other matters of the Company as needed. The Company shall provide convenience and support for the convening of the Special Meetings of Independent Directors.

The Special Meetings of Independent Directors shall be convened and presided over by an independent director elected by more than half of the independent directors. Where the convener does not perform or fails to perform his/her duties, two or more independent directors may convene and elect one representative to preside over the meeting.

Minutes shall be prepared for Special Meetings of Independent Directors, and the opinions of the independent directors shall be set out in the minutes. The independent directors shall sign and confirm the minutes.

## **CHAPTER V RESPONSIBILITIES OF THE COMPANY’S BOARD OF DIRECTORS**

Article 41

The Board of Directors shall be accountable to the Shareholders’ Meeting and exercise the following functions and powers:

- (1) to convene Shareholders’ Meetings and to report on its work to the Shareholders’ Meeting;
- (2) to implement the resolutions of the Shareholders’ Meeting;
- (3) to decide on the Company’s development strategies and plans;
- (4) to decide on the business plans and investment plans of the Company;
- (5) to formulate the profit distribution plans and plans for making up losses of the Company;
- (6) to formulate plans for the increase or reduction of the registered capital of the Company and plans for the issue of corporate bonds and other securities and the listing;



- (7) to formulate plans for major acquisitions or disposals of the Company, the buyback of the Company's own shares, or the merger, division, dissolution and changes in the corporate form of the Company;
- (8) to formulate amendments to the Articles of Association;
- (9) to formulate the basic management systems of the Company;
- (10) to decide on the establishment of the Company's internal management organization;
- (11) to engage or dismiss the Company's General Manager, Secretary to the Board; to engage or dismiss Deputy General Manager, Chief Accountant, General Counsel of the Company, as proposed by the General Manager; to decide on the remuneration and rewards and punishments of senior management, and to implement contractual management in accordance with the labour contract;
- (12) to formulate equity incentive plans, employee stock ownership plans or other share-based compensation (such as allotment or share options) granted to employees;
- (13) to make decision on the matters in relation to buyback of shares of the Company under the circumstances set forth in items (5) and (6) of the Article 30 of the Articles of Association;
- (14) to decide to issue shares not exceeding 50 percent of the issued shares of the Company within three years with the authorization of the Shareholders' Meeting. However, the capital contribution in the form of non-monetary property shall be resolved by the Shareholders' Meeting;
- (15) to decide on such matters as the Company's investments in third parties, purchase and sale of assets, asset mortgages, entrustment of financial services, connected transactions, external donation, to the extent authorized by the Shareholders' Meeting;

- (16) to make decision on the security not subject to the approval of the Shareholders' Meeting, in accordance with the laws, the administrative regulations and rules, as well as the Articles of Association;
- (17) to propose to the Shareholders' Meeting the appointment or replacement of the accounting firm for auditing the Company;
- (18) to review and approve the Company's annual social responsibility and environmental, social and governance report (Environmental, Social and Governance Report under the Listing Rules of the Hong Kong Stock Exchange, hereinafter referred to as the "ESG Report"); to decide on the Company's major environmental, social and governance matters within the scope of authorization of the Shareholders' Meeting;
- (19) to manage corporate disclosure matters;
- (20) to receive reports on the work of the General Manager and to inspect the work of the General Manager;
- (21) to promote the rule of law construction and compliance management of the Company, consider and approve the annual work report on the rule of law construction and compliance management of the Company, review the Company's compliance system construction plan, and study and decide on major matters of compliance management;
- (22) Other functions and powers provided for in the laws, administrative regulations, departmental rules, the Articles of Association and the Shareholders' Meeting.

Resolutions by the Board of Directors on the matters referred to in the preceding paragraph shall be passed by the affirmative vote of a majority vote of all of the directors with the exception of resolutions on the matters referred to in items (6), (7), (8), (12), (13), (14) and (16) which shall require the affirmative vote of at least two-thirds of all of the directors for adoption.

If a director has a connected relationship with an enterprise or individual involved in a matter on which a resolution is to be made at a meeting of the Board of Directors, such director shall promptly report in writing to the Board of Directors. A director who has a connected relationship may not exercise his or her right to vote regarding such resolution, nor may he or she exercise the voting right of another director as such director's proxy thereon. Such a Board meeting may be held only if more than one half of the directors without a connected relationship are present, and the resolutions made at such a Board meeting shall require adoption by more than one half of the directors without a connected relationship. As for the aforementioned matters which require the affirmative votes of more than two-thirds of the directors, shall be voted for and passed by more than two-thirds of the directors without a connected relationship. If the Board meeting is attended by less than three directors without a connected relationship, the matter shall be submitted to the Shareholders' Meeting for consideration.

Employee directors shall fully express their opinions when the Board of Directors considers and makes decisions on significant matters of the Company, and shall faithfully reflect the democratic evaluation of senior management when deciding on the appointment and dismissal of senior management of the Company; put forward opinions and suggestions on the Board of Directors' resolutions and plans that involve the legitimate rights and interests of employees or the vital interests of the majority of employees; propose topics for Board of Directors regarding the rules and regulations or major matters that concern the vital interests of employees, and legally request the convening of a meeting of Board of Directors, reflect the reasonable demands of employees, and safeguard the legitimate rights and interests of employees.

Employee directors shall comply with laws and regulations, the Articles of Association and various rules and regulations, implement resolutions of the Shareholders' Meetings and the Board of Directors, maintain corporate confidentiality, and diligently perform their duties; regularly monitor the Company's management and development status, actively engage with the workforce to solicit opinions and suggestions, and accurately and comprehensively reflect employees' reasonable demands during Board meetings; implement resolutions of the employees representative meetings and, when attending Board meetings, shall express opinions and exercise voting rights either in accordance with relevant resolutions of the employees representative meetings or after giving full consideration to such resolutions and opinions; maintain duty performance records, documenting their fulfillment of responsibilities in writing and retaining such records properly; report on their work to the employees representative meetings of the Company at least once a year and accept supervision, inquiries, and democratic evaluation.

The Company shall formulate the rules for chief legal adviser, under which the chief legal adviser shall present and give legal opinions at the meeting of the Board of Directors whenever legal issue is involved in proposals for consideration and approval thereat.

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| Article 42 | Before making decision on significant matters of the Company, the Board of Directors shall seek advice of the Party Committee.  |
| Article 43 | With the authorization made by the Board of Directors, the Chairman of the Board may exercise part of functions and powers of the Board when the board is not in session. The content of the authorization made by the Board of Directors shall be clear and specific.  |
| Article 44 | Pursuant to Relevant Listing Rules of the place where the Company's shares are listed as amended from time to time, transactions, connected transactions and other transactions recognized by the stock exchange that do not meet the criteria for approval at the Shareholders' Meeting, shall be considered and approved by the Board of Directors of the Company (except for transactions authorized by the Board of Directors to the Company's management for decision-making purposes in accordance with Article 46 of these Rules). |

- Article 45 In case the market development, M & A, the investment in new areas shall be decided by the Board of Directors, the projects whose investment or M & A of assets amounted to more than 10% of the Company's latest audited total assets shall be provided with the professional advice from the social counseling agencies, as the important basis for the decisions made by the Board of Directors.
- Article 46 The Company's Board of Directors authorizes the Company's management to decide the following transactions and matters:
- (1) the Company's wholly owned or holding construction projects with the construction investment of less than RMB1.5 billion;
  - (2) the abandon and leasing of the assets of the Company and the subsidiaries with the net book value of less than RMB1 billion; the transfer and replacement of the assets of the Company and the subsidiaries with the transaction amount of less than RMB1 billion;
  - (3) calculated in accordance with the equity ratio, the M & A and joint venture with the currency capital contribution of less than RMB500 million, or the total assets and currency contribution of less than RMB1 billion (including the currency contribution of no more than RMB500 million);
  - (4) impairment of assets resulting in a loss of less than 10% of the Company's latest audited net profit attributable to the Company;
  - (5) the investment in finance, securities and its derivatives with the investment amount of less than RMB100 million;
  - (6) related party transactions that do not meet the disclosure standards under Relevant Listing Rules;
  - (7) other transactions or events authorized by the Board of Directors.
- Article 47 The Board of Directors shall formulate and review the Company's corporate governance policies and practices, review whether the Company complies with the Corporate Governance Code in the Listing Rules of the Hong Kong Stock Exchange and the disclosure in the corporate governance report, and make recommendations.

- Article 48                    The Board of Directors shall review and supervise the training and continuing professional development of the directors and senior management personnel.
- Article 49                    The Board of Directors shall review and supervise the Company's compliance with laws, regulations, policies and practices, formulate, review and supervise the codes of conduct and compliance manuals, and make amendment according to the actual situation from time to time, in order to ensure that the Company's operation and management is complying with the laws, regulations and the requirements of Code of Conduct.
- Article 50                    The Board of Directors shall strengthen the anti-fraud monitoring, specify the anti-fraud agencies and their responsibilities and establish the anti-fraud monitoring system.

## **CHAPTER VI SPECIAL COMMITTEE OF THE BOARD OF DIRECTORS**

- Article 51           The Company's Board of Directors shall establish the Audit Committee, Nomination Committee, Remuneration Committee, Development and Planning Committee, ESG Committee and other committees to be responsible for the Board of Directors as required. The special committees will make study on the professional matters and give comments and suggestions for the Board of Directors to make decisions. The main responsibilities and discussion procedures of each special committee are set out in the Working Rules of Special Committees under the Board of Directors of Aluminum Corporation of China Limited.
- The Audit Committee shall exercise the functions and powers of the Supervisory Committee as provided for in the Company Law.
- Article 52           Independent directors shall occupy the majority of the Nomination Committee and Remuneration Committee and serve as the convener.
- Article 53           The Audit Committee is composed entirely of independent directors, of which, at least one personnel shall be an accounting professional, and the convener shall be an accounting professional.
- Article 54           The Development and Planning Committee is responsible for the deliberation of the Company's strategic development plan, making advice on the major investment activities, and supervising, promoting and monitoring the implementation of the development strategies.
- Article 55           The ESG Committee is responsible for analyzing and providing recommendations on the major ESG matters of the Company, and reviewing the annual ESG reports of the Company, supervising the effective implementation of the Company's health & safety and environmental protection plans, raising questions about the major incidents, inspecting and supervising the handling of major incidents.
- Article 56           The special committees may employ intermediary agencies to provide professional advice; the relevant costs shall be borne by the Company.
- Article 57           The special committees shall be responsible for the Company's Board of Directors, make advice to the Board of Directors on the matters within their own scope of duties, and report to the Board of Directors.



## **CHAPTER VII THE COMPANY'S MEETINGS OF BOARD OF DIRECTORS**

Article 58            The Securities Affairs Management Department is the daily administrative body of the Board of Directors to be responsible for dealing with the daily affairs of the Board and keeping the seal of the Board of Directors.

Article 59            The meetings of the Board of Directors are divided into the regular meeting and extraordinary meeting. At least four regular meetings of the Board of Directors shall be held each year, including annual meeting, semi-annual meeting and quarterly meeting of the Board of Directors, which are convened by the Chairman of the Board and accompanied by written notices to all directors at least 10 days prior to the meetings.

The Chairman of the Board shall convene an extraordinary meeting of the Board of Directors within 10 working days after receiving the proposal if:

- (1) it is proposed by shareholders representing at least 10 percent of the voting rights;
- (2) it is proposed by at least one-third of the directors;
- (3) it is proposed by at least one-half of the independent directors;
- (4) it is proposed by the Audit Committee;
- (5) the Chairman of the Board deems it necessary;
- (6) securities affairs regulatory authorities require the convening;  
or
- (7) other circumstances as stipulated under the Articles of Association.

The Securities Affairs Management Department shall serve a written notice to all directors, senior management staff and Secretary to the Board of Directors by hand, fax, email or other methods 14 days before the regular meeting and 5 days before the extraordinary meeting of the Board of Directors.

In case of particularly urgent situation that the extraordinary meeting of the Board of Directors shall be convened as soon as possible, the notice may be made via telephone or orally, and the notice period for the meeting may not be subject to the time limitations stipulated in the preceding paragraph, but the convener shall make explanations at the meeting.

Article 60

Before giving the notice convening the meetings of the Board of Directors, the securities affairs management department shall collect the motions submitted to the Board of Directors from various departments of the Company, and shall fully solicit the views of all directors and initially form the meeting proposal for the Chairman of the Board to make decision.

The Chairman of the Board, before developing the proposals, shall make discussion with the General Manager and other senior management staff and seek their views.

Article 61

Where an extraordinary meeting of the Board of Directors is jointly proposed by the shareholders, Audit Committee or directors (including independent directors), a written proposal signed (attached seal) by the relevant shareholder(s) shall be submitted to the Chairman of the Board through the Securities Affairs Management Department or directly. The written proposal shall contain the following items:

- (1) the name(s) of the relevant shareholder(s);
- (2) the reasons for proposal and the objective facts that the proposal is based on;
- (3) the proposed time or time limit, place and manner to convene the meeting;
- (4) the clear and specific proposal;
- (5) the contact information of the relevant shareholder(s) and proposed date.

The contents of proposal shall be classified as the matters within the terms of reference of the Board of Directors stipulated in the Articles of Association and shall be submitted together with the materials related with the proposal.

The securities affairs management department shall forward the abovementioned written proposal and related materials to the Chairman of the Board on the same date when they are received. If the Chairman of the Board believes that the proposal is not clear, specific or the related materials are not sufficient, the relevant shareholder(s) may be required to make supplementation.

## Article 62

The meeting of the Board of Directors in principle shall be held in the form of on-site meetings, generally at the Company's domicile. When the directors have sufficient information to vote and are able to fully and clearly express their own opinions, meetings may also be convened by forms of communication such as video conference and teleconference, or a combination of onsite meeting and other forms of communication. All directors participating in a meeting by forms of communication shall be deemed to have attended the meeting in person.

If a director participating in a meeting by forms of communication such as teleconference or video conference is unable to sign the resolutions of the meeting immediately at the meeting, he/she may vote orally and shall complete the written signature as soon as possible after the meeting. The verbal vote by a director shall have the same effect as the written signature, provided that there is no discrepancy between the opinions expressed by such director in completing the written signature and the opinions orally expressed by him or her during the meeting.

The Board of Directors may accept a written resolution in lieu of convening the meeting of the Board of Directors, and when the method is adopted, the notice of the meeting, the materials of the resolution and other relevant documents shall be delivered to each director by hand, post, fax or email. The directors shall deliver the written voting opinions to the Securities Affairs Management Department or the Secretary to the Board of Directors by the aforesaid methods within the time limit specified in the notice. If the number of directors who sign and vote for the matters reached the quorum required by laws, regulations and the Articles of Association, such resolutions shall become the resolutions of the Board of Directors, without convening the meeting of the Board of Director. However, matters on which voting by written summons is not appropriate under Relevant Listing Rules of the place where the Company's stock is listed shall not be dealt with in this manner.

Article 63

The notice for the meeting of the Board of Directors shall be written in Chinese, if necessary, the English version can be attached, including at least the following information:

- (1) the date and place of meeting;
- (2) the manner to convene the meeting;
- (3) the matters (proposals) proposed to be reviewed;
- (4) the convener and host of the meeting, the relevant shareholder(s) who propose the extraordinary meeting and the written proposal;
- (5) the meeting materials required by the directors to vote;
- (6) the requirements that the directors shall personally attend the meeting or appoint other directors to attend the meeting on behalf of them;
- (7) the receipt and the letter of authorization;
- (8) the agenda for the meeting;
- (9) the date to issue the notice;
- (10) the contact and the contact information.

The oral notice for meeting shall at least include the above items (1), (2) and (3), as well as the description for convening the extraordinary meeting of the Board of Directors in case of the urgent situation.

Any director may waive the right to require the notice for the meetings of the Board of Directors.

- Article 64                      After the written notice for the regular meeting of the Board of Directors is issued, if the time and place to convene the meeting shall be changed or the meeting proposal shall be added, changed and cancelled, the written change notice shall be issued three days before the originally scheduled meeting date, specifying the situation and relevant contents and materials about the new proposal. If failed to issue the written notice three days in advance, the meeting shall be postponed accordingly or held on the originally scheduled meeting date with the recognition of all the participating directors.
- After the written notice for the extraordinary meeting of the Board of Directors is issued, if the time and place to convene the meeting shall be changed or the meeting proposal shall be added, changed and cancelled, the recognition of all the participating directors shall be obtained and the record shall be made accordingly.
- Article 65                      The directors shall fill in the receipt or the letter of authorization after the receipt of the notice and deliver the receipt or the letter of authorization to the Securities Affairs Management Department or office of the Secretary to the Board of Directors two days before the meeting of the Board of Directors.
- Article 66                      Notice of a meeting shall be deemed to have been given to any director who attends the meeting without protest against, before or at its commencement, any lack of notice.
- Article 67                      The Securities Affairs Management Department shall be responsible for preparing the materials about the meeting of the Board of Directors and shall send the meeting materials to all directors via fax, mail, email or by hand at least 7 days before the regular meeting of the Board of Directors or at least 3 days before the extraordinary meeting of the Board of Directors for review. In case of special circumstances that the meeting materials cannot be provided timely, it shall be explained in advance.
- If the directors believe that the materials cannot meet the requirements, they may request supplementary materials. Where 25 percent of the directors or two and more independent directors believe that the materials are not sufficient or the argumentation is not clear, they may propose in writing to delay the convening of the meeting or delay some of the issues under deliberation and the Board of Directors may adopt their proposal.

The directors who propose to suspend the voting shall put forward the explicit requirements for submitting the proposal for deliberation again.

Article 68            The senior management staff and Secretary to the Board may attend meetings of the Board of Directors in a non-voting capacity. The personnel that deemed to be necessary by the Chairman of the Board (or the chairman of the meeting) may attend the meeting of the Board of Directors.

Article 69            The meetings of the Board of Directors shall be convened and presided over by the Chairman of the Board. Where the Chairman of the Board cannot or fail to attend such a meeting for any reason, a director elected by at least the majority of the directors shall convene and presided over the meetings of the Board of Directors.

Article 70            Meetings of the Board of Directors may be held only if the majority of the directors (including any alternate director appointed pursuant to the Company's Articles of Association) attend. If the number of occupied seats on the Board of Directors falls below the statutory minimum because relevant directors are refused or lazy to attend the meeting, the Chairman of the Board and the secretary to the Board of Directors may timely report to the regulatory authorities.

Each director shall be entitled to one vote. Resolutions of the Board of Directors must be adopted by the affirmative vote of the majority of all the directors (the special motion must be adopted by the affirmative vote of the more than two thirds of all the directors).

Article 71            The following matters shall be subject to the affirmative vote of at least two-thirds of the members of the Supervisory Committee:

- (1) to formulate plans for the increase or reduction of the registered capital of the Company and plans for the issue of corporate bonds or other securities and the listing;
- (2) to formulate plans for major acquisitions or disposals of the Company, the buyback of the Company's own shares, or the merger, division, dissolution and changes in the corporate form of the Company;
- (3) the Company's matters relating to the security decided by the Board of Directors;

- (4) to formulate amendments to the Articles of Association;
- (5) to formulate employee stock ownership plans, share incentive schemes, or other share-based compensation (such as allotment or share options, etc.) granted to employees;
- (6) to decide on the repurchase of shares of the Company in the circumstances set out in items (5) and (6) of Article 30 of the Articles of Association.
- (7) to decide to issue shares not exceeding 50 percent of the issued shares of the Company within three years with the authorization of the Shareholders' Meeting. However, the capital contribution in the form of non-monetary property shall be resolved by the Shareholders' Meeting.

Article 72                      Votes at a meeting of the Board of Directors shall be taken by a show of hands or voice vote (except where a written resolution is proposed in lieu of convening a meeting); if there are more than two directors proposing to adopt the ballot, votes for special resolution shall be taken by a ballot.

Article 73                      Meetings of the Board of Directors shall be attended by the directors in person in principle. If a director is unable to attend a meeting for any reason, he or she shall firstly review the meeting materials, express his or her opinions in written form and appoint another director in writing to attend the meeting on his or her behalf. Such instrument of appointment shall specify the names of the principals or their agents, the principal's brief comments on each proposal, the principal's scope of authorization, the tips on the intention of voting on proposals, the signature or seal of the principal and the date of entrustment. The director attending the meeting on behalf of the absent director shall exercise the director's rights to the extent authorized.

If the written confirmation is signed by any alternate director appointed, the director shall be specifically authorized in the power of attorney.

A written power of attorney shall be submitted to the chairman of the meeting to appoint the alternate director; the information about the alternate director shall be stated in the attendance book of the meeting.



If a director fails to attend a meeting of the Board of Directors and has not appointed a proxy to attend the meeting on his or her behalf, he or she shall be deemed to have waived his or her right to vote at such meeting.

#### Article 74

The following principles shall be followed to appoint directors or accept the appointment to attend the meetings of the Board of Directors:

- (1) In consideration of the connected transactions, the non-associated directors shall not appoint the associated directors to attend the meetings on behalf of them; the associated directors shall not accept the non-associated directors' appointment;
- (2) The independent directors shall not appoint the non-independent directors to attend the meetings on behalf of them; the non-independent directors shall not accept the independent directors' appointment;
- (3) An outside director shall not appoint a non-outside director to attend on his/her behalf;
- (4) Directors shall not fully appoint other directors to attend the meetings under the condition that their personal opinions and voting intentions on the proposals are not described; relevant directors shall not accept the appointment with full powers and the appointment with unclear authorization; otherwise, the appointment is invalid;
- (5) Any director shall not be appointed as the proxy to attend the same board meeting by more than two directors; any director shall not appoint the directors who have been appointed by more than two directors to attend the meeting.

- Article 75                      After each proposal is fully discussed, the chairman of the meeting shall request the participating directors to vote.
- The voting intentions of the directors are divided into affirmative voting, negative voting and waiver. The participating directors shall choose one of the above three intentions; failing to make choice or choosing more than two intentions simultaneously, the chairman of the meeting shall have the right to ask relevant directors to make choice again; if the directors refuse to make choice, it shall be regarded as a waiver; if the directors leave the meeting venue halfway without making a choice, it shall be regarded as a waiver.
- The chairman of the meeting shall request the directors who participate in the meeting of the Board of Directors to express explicit opinions on each proposal.
- Article 76                      As for the proposals required to be recognized by the independent director in advance in accordance with the provisions, the chairman of the meeting shall explain to the participating directors or specify an independent director to read out the written recognition reached by the independent directors before discussing relevant proposals.
- Article 77                      If any director hinders the meeting or affects the speech of other directors, the chairman of the meeting shall promptly stop his or her behavior.
- Article 78                      In addition to obtaining the unanimous consent of all participating directors, the meetings of the Board of Directors shall not vote for the proposals not covered in the meeting notice. The directors, who accept the appointment of other directors to attend the meetings of the Board of Directors, shall not vote on the proposals covered in the meeting notice on behalf of other directors.
- Article 79                      The directors shall carefully read relevant meeting materials and express their views independently and carefully on the basis of fully understanding the situation.
- The directors may obtain the necessary information from the securities affairs management department, the convener of meeting, the senior management staff, various special committees, accounting firms, law firms and other institutions, and also may advice the chairman of the meeting to request the representatives of the above personnel and institutions to explain relevant information.

- Article 80                    If the meeting of Board of Directors is convened on site, via teleconference, or in combination of teleconference and on-site, the chairman of the meeting shall announce the voting results on the spot; if a written resolution is proposed in lieu of convening a meeting of Board of Directors, the secretary to the Board of Directors shall notify all directors of the voting results on the relevant resolutions before the next working day after the end of the prescribed time limit for voting.
- The directors' voting made after the voting results are announced by the chairman of the meeting or after the prescribed time limit for voting, the voting shall not be included in the statistics.
- Article 81                    In case of the contradiction between the content and meaning of the different resolutions formed at the meeting of the Board of Directors, the resolution that is formed later shall prevail.
- Article 82                    In case of the following circumstances, the directors shall withdraw from the voting on the relevant proposals:
- (1) the circumstance, stipulated in the listing rules of the place where Company shares are listed inside and outside China, that the directors shall withdraw from the voting;
  - (2) the circumstance that any director believes that he or she shall withdraw from the voting;
  - (3) other circumstance stipulated in the Articles of Association of the Company that the directors shall withdraw from the voting because of the relationship with the enterprises covered by the meeting proposals.
- In case that the directors withdraw from the voting, relevant meetings of the Board of Directors may be held if more than 50 percent of the non-associated directors can attend; the formed resolutions shall be adopted by the affirmative voting of more than 50 percent of all non-associated directors (the special resolutions shall be adopted by the affirmative voting of more than two thirds of all non-associated directors). If the number of the non-associated directors that attend the meeting is less than three, they shall not vote for relevant proposals; the related matters shall be submitted to the Shareholders' Meeting for deliberation.
- Article 83                    The Board of Directors shall exercise powers in accordance with the Shareholders' Meeting and the Articles of Association and powers and not to exceed such powers.

Article 84 As for the proposals submitted to the Board of Directors for deliberation, under the condition that there is no significant change in relevant conditions and factors, the meetings of the Board of Directors shall not review the same proposals within one month.

Article 85 The meetings of the Board of Directors held on site or by means of video, telephone and other methods, the recording during the whole process may be required as needed.

Article 86 The secretary to the Board of Directors shall arrange officers to make minutes for the meetings of the Board of Directors. The minutes shall include the following contents:

- (1) the session of the meeting; the time, place and method to convene the meeting;
- (2) the issuance of meeting notice;
- (3) the convener and chairman of the meeting;
- (4) the circumstances that the directors shall attend the meetings in person or on behalf of other directors;
- (5) the proposals under the deliberation of the meeting; each director's main points and opinions in the speech about relevant matters; the voting intention on the proposals;
- (6) the voting methods and results of each proposal (specifying the specific number of the affirmative voting, negative voting and negative voting and waive);
- (7) other matters that the participating directors believed to be recorded.

In addition to the minutes, the secretary to the Board of Directors also shall arrange the officers to prepare a separate resolution of the meeting according to the statistical voting results.

The minutes and resolutions of meetings shall be written in Chinese and may be written in English if necessary.

## Article 87

The directors (the directors who attend the meeting in person or on behalf of other directors) attended the meeting, the secretary to the Board of Directors and the person who makes record shall sign on the minute and resolution of the meeting. In case any director has different opinions on the minute or resolution of the meeting, he or she may make a written explanation at the time of signing on it. When necessary, the director may report to the regulatory authorities or make a public statement.

The directors attending the meeting shall have the right to make descriptive meeting records of their speeches at the meeting. The opinions of the independent directors shall be clearly listed in the resolutions of the Board of Directors.

The minute of each meeting of the Board of Directors shall be provided to all directors for review as soon as possible. Any director who wants to make amendment of supplement to the minute shall report the amendment to the Chairman of the Board in written form within one week upon the receipt of the minute.

If any director fails to make confirmation by signing in accordance with the provisions in the preceding paragraph, fails to make written description, or fails to report to the regulatory agencies or make a public statement, it shall be regarded as that the director is fully agreeing with the contents of the meeting minute.

After the meeting minute is finalized and signed, the securities affairs management department shall send a complete copy to each director as soon as possible.

## Article 88

The directors shall be liable for the resolutions of the Board of Directors. If a resolution of the Board of Directors is in violation of laws, administrative regulations, Articles of Association and resolutions of Shareholders' Meeting, thereby causing losses to the Company, the directors who cast an affirmative vote shall be directly liable to the Company for damages; where a director is proved to have expressed his opposition to such resolution and casts a negative vote when it was put to the vote, and such opposition is recorded in the minutes of the meeting, such director may be released from such liability; where a director does not abstain from voting, or is absent and does not appoint others to attend, the director may not be relieved from such liability; where a director has expressed his opposition to such resolution but does not cast a negative vote, the director also may not be relieved from such liability.

If the resolutions of the Board of Directors are in violation of laws and administrative regulations, shareholders are entitled to request the People's Court to identify them invalid.

The procedures for convening and voting of the meeting of the Board of Directors of the Company are in violation of laws, administrative regulations or the Articles of Association or the resolutions violate the Articles of Association, shareholders are entitled to request the People's Court to revoke such resolutions within 60 days, except where there are only minor defects in the procedures for convening or voting of the meeting of the Board of Directors, which do not materially affect the resolutions.

Where the People's Court has handed down a judgement or ruling on the relevant matter, the Company shall fulfill the obligation of information disclosure in accordance with the laws, administrative regulations and the requirements of the CSRC and stock exchanges, which shall include a full account of the impact, and shall actively implement in compliance with such judgement or ruling after the same comes into effect. Where rectification of previous executed matters is involved, such rectification shall be promptly processed and the obligation of information disclosure shall be fulfilled accordingly.

- Article 89                      In the event of one of the following circumstances, a resolution of the Board Meeting shall not be valid:
- (1)    The resolution has been made without the convening of a Board Meeting;
  - (2)    The resolution has been made without voting at the Board Meeting;
  - (3)    The number of persons attending or votes represented at the meeting does not reach the number of persons attending or votes represented as stipulated under the Company Law or the Articles of Association;
  - (4)    The number of persons attending or votes represented at the meeting voting in favour of the matter to be resolved does not reach the number of persons attending or votes represented as stipulated under the Company Law or the Articles of Association.
- Article 90                      Any written resolution not formed in line with the statutory procedures shall not have the legal effect of the resolution of the Board, even if every director has expressed his or her opinion in different way.
- Article 91                      The announcement of the resolutions of the Board of Directors shall be handled by the secretary to the Board of Directors in accordance with relevant provision in the listing rules of the place where the Company's stock is listed. Before the announcement of the resolution is disclosed, the participating directors, people who attend the meeting, people who makes record and serves for the meeting shall bear the duty of confidentiality on the contents of the resolution.
- Article 92                      The Chairman of the Board shall urge relevant personnel to implement the resolution of the Board of Directors, check the implementation of the resolution and report the implementation of the formed resolution at the meetings of the Board of Directors.
- Article 93                      The meeting files of the Board of Directors, including the meeting notice, meeting materials, attendance book, power of attorney for directors who attend the meeting on behalf of others, meeting recording materials, voting and the meeting records, meeting resolution and relevant announcement signed by the participating directors, shall be kept by the secretary to the Board of Directors.
- The records of the meetings of the Board of Directors shall be kept at the Company's domicile for at least 10 years.



## **CHAPTER VIII SUPPLEMENTARY PROVISIONS**

- Article 94                      These Rules form an appendix to the Company's Articles of Association, and shall be formulated by and interpreted by the Board of Directors of the Company.
- Article 95                      The matters not covered in these rules shall be handled in accordance with the currently effective laws, administrative regulations, rules, normative documents, the regulatory rules of the place where the Company's stock is listed and the Articles of Association. In case that these rules are conflicted with the laws, administrative regulations, rules, normative documents and the supervisory rules of the place where the Company's stock is listed that are promulgated from time to time, the provisions in the laws, administrative regulations, rules, normative documents and the supervisory rules of the place where the Company's stock is listed shall prevail.
- Article 96                      These Rules shall come into force upon the approval by a special resolution at the Shareholders' Meeting of the Company.