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vanke
CHINA VANKE CO., LTD.*
萬科企業股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2202)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is published in accordance with the Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. This announcement is set out as following for reference only.

By order of the Board
China Vanke Co., Ltd. *
Zhu Xu
Company Secretary

Shenzhen, the PRC, 25 April 2024

As at the date of this announcement, the Board comprises Mr. YU Liang, Mr. ZHU Jiusheng and Ms. WANG Yun as executive directors; Mr. XIN Jie, Mr. HU Guobin, Mr. HUANG Liping and Mr. LEI Jiansong as non-executive directors; and Mr. LIU Tsz Bun Bennett, Mr. LIM Ming Yan, Dr. SHEM Heung Yeung Harry and Mr. ZHANG Yichen as independent non-executive directors.

** For identification purpose only*

China Vanke Co., Ltd.

System of Independent Directors Amendment Comparison Table

Before Amendment	After Amendment
<p>Article 1 In order to further standardize the corporate governance structure of China Vanke Co., Ltd. (the “Company” or “the Company”), give full play to the role of independent directors, and protect the legitimate rights and interests of all shareholders, especially small and medium shareholders, the Company has formulated the System pursuant to the Company Law of the People’s Republic of China (the “Company Law”), the Corporate Governance Guidelines for Listed Companies, the Guiding Opinions on the Establishment of the System of Independent Directors in Listed Companies (the “Guiding Opinions”), the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange (the “Listing Rules”) and other relevant laws, regulations and normative documents as well as the relevant provisions under the Articles of Association of China Vanke Co., Ltd. (the “Articles of Association”).</p>	<p>Article 1 In order to further standardize the corporate governance structure of China Vanke Co., Ltd. (the “Company” or “the Company”), give full play to the role of independent directors, and protect the legitimate rights and interests of all shareholders, especially small and medium shareholders, the Company has formulated the System pursuant to the Company Law of the People’s Republic of China (the “Company Law”), the Corporate Governance Guidelines for Listed Companies, the Administrative Measures for Independent Directors of Listed Companies (the “Administrative Measures”), the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange (the “Listing Rules”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules of The Stock Exchange”) and other relevant laws, regulations and normative documents as well as the relevant provisions under the Articles of Association of China Vanke Co., Ltd. (the “Articles of Association”).</p>
<p>Article 2 Independent directors represent the directors who do not have any position in the Company other than serving as a director and have no relationship with the Company and substantial shareholders of the Company that may affect their independent and objective judgments.</p>	<p>Article 2 Independent directors represent the directors who do not have any position in the Company other than serving as a director and have no direct or indirect interest relationship with the Company and its substantial shareholders and de facto controllers, or other relationships that may affect their independent and objective judgments.</p>

Before Amendment	After Amendment
<p>Article 3 Independent directors shall have the obligation of integrity and diligence to the Company and all shareholders, and shall independently and fairly perform their duties, pay particular attention to ensure that the legal rights and interests of minority shareholders are not undermined in accordance with relevant laws, regulations, the requirements of the regulatory documents of the CSRC and the Listing Rules as well as the provisions under the Articles of Association, without being affected by the Company’s substantial shareholders or other units and individuals which have an interest relationship with the Company. If it is found that there are circumstances affecting their independence in the matters under consideration, they shall declare to the Company and avoid accordingly. Independent directors shall notify the Company in time if their independence is obviously affected during their term of office, and resign if necessary.</p>	<p>Article 3 Independent directors shall have the obligation of fidelity and diligence to the Company and all shareholders, and shall conscientiously and independently perform their duties by playing a role of participation in decision-making, supervision and balance, and professional consultation in the Board of Directors, safeguard the overall interests of the Company and protect the legal rights and interests of minority shareholders in accordance with laws, administrative regulations, the requirements of the China Securities Regulatory Commission (the “CSRC”), the Listing Rules and other business rules of Shenzhen Stock Exchange (the “SZSE”) and the Listing Rules of The Stock Exchange as well as the provisions under the Articles of Association, without being affected by the Company and its substantial shareholders, de facto controller and other units or individuals. If it is found that there are circumstances affecting their independence in the matters under consideration, they shall declare to the Company and avoid accordingly. Independent directors shall notify the Company in time if their independence is obviously affected during their term of office, and resign if necessary.</p>
<p>Article 4 The Board of Directors of the Company shall include at least one third of the independent directors, and include at least one accounting professional (an accounting professional refers to a person with a senior title or a certified public accountant qualification).</p>	<p>Article 4 The members of the Board of Directors of the Company shall include at least one third of the independent directors, and the number of independent directors shall not be less than three, including at least one accounting professional.</p>

Before Amendment	After Amendment
<p>Article 5 Where an independent director does not comply with the conditions of independence or is otherwise unsuitable to perform the duties of an independent director, the Company may terminate the appointment of such independent director. In the event that the number of independent directors of the Company does not meet or cannot reach the quorum, the Company shall make up the number of independent directors in accordance with the provisions.</p>	<p>Paragraph 2 and Paragraph 3 of Article 13 Where an independent director does not comply with Item (1) or (2) of Article 6 of the System, he/she shall immediately cease to perform his/her duties and resign from his/her position. If such resignation is not tendered, the Board of Directors shall remove such independent director from office in accordance with regulations immediately when it is aware or is deemed to be aware of the occurrence of such fact.</p> <p>Where an independent director resigns or is removed from his/her position as a result of involving in the circumstances stipulated above, resulting in the proportion of independent directors to the Board of Directors or the special committees thereunder not complying with the provisions of the System or the Articles of Association, or the absence of an accounting professional among the independent directors, the Company shall complete the by-election within sixty days from the occurrence date of the aforesaid fact.</p>
<p>Article 6 Independent directors and persons proposed to be independent directors shall, in accordance with the requirements of the CSRC, participate in the training organized by the CSRC or the SZSE and its authorised organizations in order to obtain the qualification of independent directors.</p>	<p>Article 5 Independent directors and persons proposed to be independent directors shall continuously enhance their learning of securities laws and regulations and rules and continuously improve their ability to fulfill their duties.</p>

Before Amendment	After Amendment
<p>Article 7 To be eligible as an independent director of the Company, a person shall possess the following basic criteria:</p> <p>(1) possess the qualifications for a listed company’s directorships in accordance with laws, administrative regulations and other relevant provisions;</p> <p>(2) meet the independence required by the Guiding Opinions;</p> <p>(3) possess basic knowledge on the operations of a listed company, and be familiar with relevant laws, administrative regulations, regulations and rules;</p> <p>(4) possess at least five years of working experience in legal, economics or other fields required for his/her performance of duties as an independent director;</p> <p>(5) other conditions stipulated by the Articles of Association.</p>	<p>Article 6 To be eligible as an independent director of the Company, a person shall meet the following basic criteria:</p> <p>(1) possess the qualifications for a listed company’s directorships in accordance with laws, administrative regulations and other relevant provisions;</p> <p>(2) meet the independence required by Article 7 of the System;</p> <p>(3) possess basic knowledge on the operations of a listed company, and be familiar with relevant laws, regulations and rules;</p> <p>(4) possess at least five years of working experience in legal, accounting or economics fields required for his/her performance of duties as an independent director;</p> <p>(5) possess good personal integrity and no major breach of trust or other adverse records;</p> <p>(6) other conditions stipulated by laws, administrative regulations, regulations of the CSRC, business rules of the SZSE, the Listing Rules of The Stock Exchange and the Articles of Association.</p>

Before Amendment	After Amendment
<p>Article 8 The following persons shall not serve as independent directors of a listed company:</p> <p>(1) persons working for the Company or other subsidiaries and their immediate family members and major social relations (immediate family members refer to spouses, parents, children; and major social relations refer to siblings, parents of spouses, spouses of children, spouses of siblings, siblings of spouses, etc.);</p> <p>(2) natural person shareholders directly or indirectly holding more than 1% of the Company or any of the ten largest shareholders of the Company and their immediate family members;</p> <p>(3) persons who holds a position in the unit shareholders directly or indirectly holding more than 5% of the issued shares of the Company or any of the five largest shareholder units of the Company and their immediate family members;</p> <p>(4) persons who fall into the categories set out in the preceding three items within the last year;</p> <p>(5) persons directly providing financial, legal and consulting services to the Company or the subsidiaries of the Company;</p>	<p>Article 7 The following persons shall not serve as independent directors of the Company:</p> <p>(1) persons working for the Company or its subsidiaries, their spouses, parents, children, and major social relations (major social relations refer to siblings, spouses of siblings, parents of spouses, siblings of spouses, spouses of children, parents of children’s spouses, etc.);</p> <p>(2) natural person shareholders directly or indirectly holding more than 1% of the issued shares of the Company or any of the ten largest shareholders of the Company and their spouses, parents and children;</p> <p>(3) persons who holds a position in the shareholders directly or indirectly holding more than 5% of the issued shares of the Company or any of the five largest shareholders of the Company and their spouses, parents and children;</p> <p>(4) persons serving in the subsidiaries of the Company’s controlling shareholders and de facto controllers and their spouses, parents and children;</p> <p>(5) persons who have significant business dealings with the Company, its controlling shareholders, de facto controllers or their respective subsidiaries, or who serve in the units with which they have significant business dealings and the units of their controlling shareholders or de facto controllers;</p>

Before Amendment	After Amendment
<p>(6) persons who work in an organization which has a business or interest relationship with the Company directly or indirectly and is responsible for carrying out business with the Company;</p> <p>(7) persons who are prohibited from acting as directors of the Company as stipulated in the Company Law and other relevant laws, regulations and regulatory documents;</p> <p>(8) other persons as stipulated by the Articles of Association;</p> <p>(9) other persons as identified by the CSRC and SZSE.</p>	<p>(6) persons providing financial, legal, consulting and sponsorship services to the Company, its controlling shareholders, de facto controllers or their respective subsidiaries, including but not limited to, all members of the project team of the intermediary institutions providing the services, reviewers at all levels, persons signing on the reports, partners, directors, senior management and key persons in charge;</p> <p>(7) persons who fall into the categories set out in the preceding six items within the last twelve months;</p> <p>(8) other persons who are not independent as stipulated by laws, administrative regulations, regulations of the CSRC, business rules of the SZSE, the Listing Rules of The Stock Exchange and the Articles of Association.</p> <p>Independent directors shall conduct self-examination of their independence on an annual basis and submit the self-examination to the Board of Directors. The Board of Directors shall assess the independence of the incumbent independent directors on an annual basis and issue a special opinion, which shall be disclosed at the same time as the annual report.</p>
<p>This article is added.</p>	<p>Article 8 Independent directors shall, in principle, serve as independent directors in a maximum of three domestic listed companies and shall ensure that they have sufficient time and energy to effectively fulfill their duties as independent directors.</p>

Before Amendment	After Amendment
<p>Article 9 The Board of Directors and the supervisor committee of the Company and shareholders individually or jointly holding more than 1% of the issued shares of the Company may nominate candidates for independent directors to be elected at the general meetings.</p>	<p>Article 9 The Board of Directors and the supervisor committee of the Company and shareholders individually or jointly holding more than 1% of the issued shares of the Company may nominate candidates for independent directors to be elected at the general meetings.</p> <p>Investor protection institutions established in accordance with laws may publicly request shareholders to appoint them to exercise the rights to nominate independent directors on their behalf.</p> <p>The nominator(s) under Paragraph 1 shall not nominate persons who are interested parties with him/her or other close members who have other circumstances that may affect their independent duty performance as candidates for independent directors.</p>
<p>Article 11 The nominator shall acquire all the personal particulars of his/her nominee as to their profession, education, job position, detailed work experiences, all part time jobs, and comment on their criteria and independence for the post of independent directors. The nominee shall publish a public announcement that there is no relationship between him/her and the Company that would affect his/her independent and objective judgement. Before a general meeting to elect independent directors is held, the Board of Directors of the Company shall disclose the above contents as regulated.</p>	<p>Article 10 ... The nominator shall acquire all the personal particulars of his/her nominee as to their profession, education, job position, detailed work experiences, all part time jobs, whether there is material discredit and other bad records, and comment on their compliance with the independence requirement and other conditions for the post of independent directors. The nominee shall make announcement on their compliance with the independence requirement and other conditions for the post of independent directors.</p> <p>The remuneration and nomination committee of the Company shall review the qualifications of the nominee and form a clear review opinion.</p> <p>Before a general meeting to elect independent directors is held, the Company shall disclose relevant contents of the preceding two paragraphs as regulated, and submit relevant information about all independent director candidates to the SZSE, which shall be true, accurate and complete.</p> <p>The Company shall not propose any candidate to the general meeting for election if the SZSE objects to such candidate.</p>

Before Amendment	After Amendment
<p>This article is added.</p>	<p>Article 11 Where two or more independent directors are elected at the general meeting of the Company, the cumulative voting system shall be implemented. Votes of small and medium shareholders should be counted and disclosed separately.</p>
<p>Article 12 The term of office of the independent directors shall be the same as the other directors of the Company for each session, and they may be re-appointed consecutively on expiration, however, their term of office shall not exceed six years.</p>	<p>Article 12 The term of office of the independent directors shall be the same as the other directors of the Company for each session, and they may be re-appointed consecutively on expiration, however, they shall not be re-appointed for six years.</p>
<p>Article 13 An independent director who fails to attend three consecutive board meetings of the Company in person or fails to attend two consecutive board meetings of the Company in person and does not delegate his/her attendance to another director, Board of Directors shall propose to the general meeting of the Company for his/her removal. An independent director may not be removed from office prior to the expiry of his/her term of office without reason, except for the circumstances stipulated in the Company Law, regulatory documents and the Articles of Association that prohibit him or her from acting as an independent director. In the case of any early removal, the Company shall disclose such removal as a special matter, and the removed independent director may make a public statement if he or she believes that the Company's reasons for removal are inappropriate.</p>	<p>Article 19 Independent directors shall attend board meetings in person. If, for any reason, they are unable to attend the meetings in person, the independent directors shall review the materials of the meetings in advance, form a clear opinion and appoint in writing other independent directors to attend on their behalf. An independent director who fails to attend two consecutive board meetings in person and does not appoint another independent director to attend on his/her behalf, the Board of Directors shall propose to convene a general meeting to remove him/her from his/her position as an independent director within thirty days from the date of such fact.</p> <p>Paragraph 1 of Article 13 An independent director may be removed by the Company in accordance with legal procedures prior to the expiry of his/her term of office. In the case of any early removal of an independent director, the Company shall make a timely disclosure of the specific reasons and evidence. In case the independent director has an objection, the Company shall disclose in a timely manner.</p>

Before Amendment	After Amendment
<p>Article 14 ... If the number or proportion of independent directors of the Board of Directors falls below the minimum requirements set out in the Guiding Opinions or the Articles of Association as a result of the resignation of an independent director, the resignation report of the independent director shall take effect when the next independent director fills the vacancy.</p>	<p>Article 14 ... The Company shall disclose the reasons for and concerns about the resignation of an independent director. If the proportion of independent directors of the Board of Directors or the special committees thereunder does not meet the requirement as provided in the System, the Listing Rules of The Stock Exchange or the Articles of Association, or there is a shortage of accounting professional among the independent directors, as a result of the resignation of an independent director, the independent director who intends to resign shall continue to perform his/her duties until the date on which a new independent director is appointed. The Company shall complete the by-election within sixty days from the date on which the independent director tenders his/her resignation.</p>
<p>Article 15 Independent directors shall serve on the special committees established by the Board of Directors in the areas of investment and decision-making, audit, remuneration and nomination, where more than half of the members of the Audit Committee and the Remuneration and Nomination Committee shall be independent directors and the same shall serve as conveners and at least one of the independent directors of the Audit Committee shall be an accounting professional.</p>	<p>Article 15 More than half of the members of the Remuneration and Nomination Committee under the Board of Directors shall be independent directors and the same shall serve as conveners. Members of the Audit Committee under the Board of Directors shall be directors who are not senior management of the Company, of which more than half shall be independent directors, and accounting professionals among such independent directors shall serve as conveners.</p>

Before Amendment	After Amendment
<p>This article is added.</p>	<p>Article 16 Independent directors shall fulfill the following duties:</p> <p>(1) to involve in the decision-making of the Board of Directors and provide explicit opinions on the matters discussed;</p> <p>(2) to supervise matters as stated in Articles 23, 26, 27 and 28 of the Administrative Measures that indicate potential material conflict of interest between the Company and its controlling shareholders, de facto controllers, directors and senior management so as to ensure that the decisions of the Board of Directors are in line with the overall interests of the Company and to protect the legitimate interests of minority shareholders;</p> <p>(3) to provide professional and objective advice on the Company’s operation and development, thereby facilitating improvement in the standard of the decisions of the Board of Directors;</p> <p>(4) other duties as stipulated by laws, administrative regulations, regulations of the CSRC, the Listing Rules of The Stock Exchange and the Articles of Association.</p>

Before Amendment	After Amendment
<p>Article 16 In addition to the authorities of directors conferred by laws, regulations, regulatory documents and the Articles of Association, the independent directors shall enjoy the following specific authorities:</p> <p>(1) major connected transactions (referring to connected transactions that the Company intends to enter into with connected persons where the aggregate amount of such transactions on a single occasion or within a consecutive 12-month period is greater than \$3 million or greater than 5% of the Company’s most recent audited net asset value) shall be submitted to the Board of Directors for discussion after endorsement by the independent directors;</p> <p>(2) to make proposals to the Board of Directors the appointment or dismissal of an accounting firm;</p> <p>(3) to make proposals to the Board of Directors for holding extraordinary general meetings;</p> <p>(4) to make proposals to the Board of Directors for holding board meetings;</p> <p>(5) to independently engage an external auditing organization, a legal service organization and a consulting organization;</p> <p>(6) to collect voting rights from shareholders in a public way prior to the convening of a general meeting.</p> <p>The exercise of the aforesaid authorities by the independent directors shall be subject to the approval of at least one-half of all the independent directors. If the above proposals of the independent directors are not adopted or their authorities cannot be properly exercised, the Company shall disclose the relevant circumstances.</p>	<p>Article 17 Independent directors shall have the following specific authorities:</p> <p>(1) to independently engage an intermediary organization to conduct audits, consultations or verifications on specific matters of the Company;</p> <p>(2) to make proposals to the Board of Directors for holding extraordinary general meetings;</p> <p>(3) to make proposals to the Board of Directors for holding board meetings;</p> <p>(4) to collect voting rights from shareholders in a public way in accordance with the laws;</p> <p>(5) to express independent opinions on matters that may prejudice the interests of the Company or minority shareholders;</p> <p>(6) other authorities conferred by laws, administrative regulations, regulations of the CSRC and the Articles of Association.</p> <p>For performing the duties of Items (1) to (3) as provided in the preceding article, independent directors shall obtain the prior consent of more than half of all independent directors.</p> <p>The Company shall make disclosures in due course when independent directors exercise the authority provided in Paragraph (1) of this article. In the case of failure to perform the duties and authorities stated above, the Company shall disclose the details and reasons.</p>

Before Amendment	After Amendment
	<p>Article 22 The following matters shall be submitted to the Board of Directors for consideration after being approved by a majority of all independent directors of the Company:</p> <p>(1) related-party transactions that shall be disclosed;</p> <p>(2) the proposal for change or waiver of commitments by the Company and related parties;</p> <p>(3) decisions made and measures taken by the Board of Directors of the acquired company in response to the acquisition;</p> <p>(4) other matters as specified by laws, administrative regulations, regulations of the CSRC and the Articles of Association.</p>
<p>Article 17 In addition to performing their duties, independent directors shall express independent opinions to the Board of Directors or general meeting on the following matters:</p> <p>(1) the nomination, appointment and removal of directors;</p> <p>(2) the appointment or dismissal of senior management;</p> <p>(3) remuneration of directors and senior management of the Company;</p> <p>(4) the aggregate amount of existing or new loans or other fund transactions to the Company by the Company's shareholders, de facto controllers and their affiliated enterprises is greater than \$3 million or greater than 5% of the Company's most recently audited net asset value, and whether the Company has taken effective measures to recover the amounts owed;</p> <p>(5) other matters which, in the opinion of the independent directors, may prejudice the interests of the minority shareholders;</p> <p>(6) the matters on which the independent directors are required by laws, regulations and regulatory documents to give opinions;</p> <p>(7) other matters as provided for in the Articles of Association.</p>	<p>This article is deleted.</p> <p>No. (5) in Paragraph 1 of the revised Article 17 states: (independent directors shall) express independent opinions on matters that may prejudice the interests of the Company or minority shareholders.</p>

Before Amendment	After Amendment
<p>Article 18 When expressing independent opinions on relevant matters, independent directors shall make and state the following concluding opinions:</p> <ul style="list-style-type: none"> (i) consent; (ii) qualifications and the reasons thereof; (iii) objection and the reasons therefor; (iv) unable to express opinions and the impediments thereto. 	<p>This article is deleted.</p>
<p>This article is added.</p>	<p>Article 20 Independent directors who vote against or abstain from voting on resolutions of the Board of Directors shall explain the specific reasons and basis, and the compliance requirements of the laws and regulations of the matters to be considered by the Board of Directors, potential risks and the impact on the rights and interests of the Company and the minority shareholders, etc. The dissenting opinions of the independent directors shall also be disclosed at the same time when the Company discloses the resolutions of the Board of Directors, and shall be stated in the resolutions of the Board of Directors and the minutes of the meeting.</p>

Before Amendment	After Amendment
<p>This article is added.</p>	<p>Article 21 Independent directors shall continue to pay attention to the implementation of the resolutions of the Board of Directors in relation to the matters as stated in Articles 23, 26, 27 and 28 of the Administrative Measures, and shall report to the Board of Directors in a timely manner and may require the Company to make written explanations if they find any violation of laws, administrative regulations, regulations of the CSRC, business rules of the SZSE, the Listing Rules of The Stock Exchange and the Articles of Association, or violation of the resolutions of the general meeting and the Board of Directors. If the disclosure is involved, the Company shall disclose it in a timely manner.</p> <p>If the Company fails to give an explanation or make a timely disclosure in accordance with the provisions mentioned above, the independent directors may report the failure to the CSRC and the SZSE.</p>

Before Amendment	After Amendment
<p>This article is added.</p>	<p>Article 23 The Company shall regularly or irregularly convene meetings attended by all independent directors (the “Special Meetings of Independent Directors”). Matters listed in Items (1) to (3) to Paragraph 1 of Article 17 (special powers of independent directors) and Article 22 of the System shall be considered at the Special Meetings of Independent Directors. The Special Meetings of Independent Directors may study and discuss other matters of the Company as needed.</p> <p>The Special Meetings of Independent Directors shall have a convenor who shall be an independent director jointly elected by more than half of the independent directors and shall be responsible for convening and presiding over such Special Meetings; and in the event that the convenor is not performing or is unable to perform his/her duties, two or more independent directors may convene their own meeting and elect a representative to chair the meeting.</p> <p>Three days prior to such Special Meetings of Independent Directors, all independent directors shall be notified through a written notice, which may be by means of letter, fax, e-mail or hand delivery. In case of special circumstances, it is necessary to convene a special meeting of independent directors as soon as possible, it may not be restricted by the method of notification and the time limit for notification as described above for the interests of the Company.</p>

Before Amendment	After Amendment
	<p>After issuing a written notice of the Special Meetings of Independent Directors, if there is any need to change the time, venue or other matters of the meeting, or to add, change or cancel a meeting proposal, the meeting date shall be postponed accordingly or it shall be held on schedule with the consent of all the independent directors attending the meeting.</p> <p>Special Meetings of Independent Directors shall be held on site (including by video and telephone). Under the premise of ensuring that independent directors can fully express their opinions, resolutions can be made by fax or e-mail, and then signed by these independent directors attending the meeting.</p> <p>When voting at the Special Meetings of Independent Directors, each independent director shall have one vote. Resolutions made at the Special Meetings of Independent Directors shall be valid only if they are passed by more than half of all independent directors (including those who did not attend the meeting).</p> <p>The Company shall provide convenience and support for the convening of the Special Meetings of Independent Directors.</p>

Before Amendment	After Amendment
<p>This article is added.</p>	<p>Article 24 Independent directors shall perform their duties in special committees of the Board of Directors of the Company in accordance with laws, administrative regulations, regulations of the CSRC, business rules of the SZSE, the Listing Rules of The Stock Exchange and the Articles of Association. Independent directors shall attend Special Meetings of Independent Directors and meetings of special committees in person. If, for any reason, they are unable to attend the meetings in person, they shall review the materials of the meetings in advance, form a clear opinion and appoint in writing other independent directors to attend on their behalf. Independent directors who are concerned about major issues of the Company within the scope of duties of the special committees may submit them to the special committees for discussion and deliberation in a timely manner in accordance with the procedures.</p>
<p>This article is added.</p>	<p>Article 25 The independent directors should spend not less than fifteen days a year on-site at the Company.</p> <p>In addition to attending general meetings, meetings of the Board of Directors and its special committees, and the Special Meetings of Independent Directors in accordance with the requirements, the independent directors may perform their duties by various means, such as obtaining information on the Company's operations on a regular basis, receiving reports from management, communicating with the person in charge of the internal audit organization and intermediaries such as the accounting firm undertaking the Company's auditing business, conducting on-site inspections, and communicating with the minority shareholders.</p>

Before Amendment	After Amendment
<p>This article is added.</p>	<p>Article 26 Minutes of meetings of the Board of Directors of the Company and its special committees and the Special Meetings of Independent Directors shall be prepared in accordance with the requirements, and the opinions of the independent directors shall be set out in the minutes of the meetings. The independent directors shall sign to confirm the minutes of the meetings.</p> <p>Independent directors shall prepare work records to record in detail the performance of their duties. Information obtained by the independent directors in the course of performing their duties, minutes of relevant meetings, records of communications with staff of the Company and the intermediary, etc. shall form an integral part of the work records. With respect to the important contents of the work records, the independent directors may request the secretary of the Board of Directors and other relevant personnel to sign to confirm the same, and the Company and the relevant personnel shall cooperate with such request.</p> <p>Work records of the independent directors and information provided by the Company to independent directors should be kept for at least ten years.</p>

Before Amendment	After Amendment
<p>This article is added.</p>	<p>Article 27 The Company shall improve the communication mechanism between the independent directors and the minority shareholders, and the independent directors may verify the issues raised by the investors with the Company in a timely manner.</p>
<p>Article 19 Independent directors shall ensure that they have sufficient time and energy to effectively perform their duties as independent directors and shall submit a duty report to the Company’s annual general meeting. The duty report shall include the following contents:</p> <p>(1) the number of attendance in the board meetings and general meetings and the votes thereof in the previous year;</p> <p>(2) the circumstances under which independent opinions are expressed;</p> <p>(3) the work done in protecting the legitimate rights and interests of the shareholders of public shares;</p> <p>(4) other work done in performing the duties of an independent director, such as the proposals of convening board meetings, proposals of the engaging or dismissal of an accounting firm, and independently engaging an external auditing organization and a consulting organization, etc.</p>	<p>Article 28 The independent directors shall submit the annual report to the Company’s annual general meeting to state the performance of their duties. The annual duty report shall include the following contents:</p> <p>(1) the number and manner of attendance in the board meetings and the votes thereof and the number of attendance in general meetings;</p> <p>(2) participation in the work of the special committees of the Board of Directors and the Special Meetings of Independent Directors;</p> <p>(3) deliberations on the matters listed in Articles 23, 26, 27 and 28 of the Administrative Measures, and the exercise of the special powers of the independent directors listed in the Paragraph 1 of Article 17 of the System;</p> <p>(4) the significant matters, manners and results of communications with the internal audit organization and the accounting firm undertaking the Company’s auditing business in respect of the Company’s financial and business conditions;</p> <p>(5) communications with the minority shareholders;</p> <p>(6) the time and content of on-site work in the Company;</p> <p>(7) other circumstances of fulfillment of duties.</p> <p>The annual duty report of the independent directors shall be disclosed no later than the time when the Company issues the notice of the annual general meeting.</p>

Before Amendment	After Amendment
<p>Article 20 The Company shall disclose the opinions of the independent directors if the matter in question requires disclosure. In the event that independent directors are unable to reach a consensus on a disagreement among themselves, the Board of Directors shall publish the opinions of each independent director separately.</p> <p>Article 21 The independent directors shall, in the process of preparing and disclosing the annual report of the Company, effectively perform their duties and obligations as independent directors and exercise their diligence.</p>	<p>These articles are deleted.</p>
<p>Article 22 During the period of the preparation of the annual report, the management of the Company shall comprehensively inform the independent directors of the Company's operations and progress on significant matters for the year, and arrange each of the independent directors to carry out site visits.</p>	<p>Article 30 The Company shall ensure that the independent directors have equal right to information as the other directors. In order to ensure the effective performance of their responsibilities by the independent directors, the Company shall regularly inform the independent directors of the Company's operations, provide information, organize or cooperate with the independent directors to carry out site visits and other work.</p> <p>The Company may organize independent directors to participate in the research and discussion sessions before the board considers major and complicated matters, so as to fully listen to the opinions of the independent directors, and timely feedback to the independent directors on the adoption of opinions.</p>

Before Amendment	After Amendment
<p>Article 23 Prior to the audit by the certified public accountant (“CPA”) providing audit services of the annual report to the Company, the financial controller of the Company shall submit to each independent director a written document on the arrangement of the audit work for the current year and other relevant information.</p> <p>Article 24 The Company shall arrange at least one communication between each independent director and the CPA after the CPA has issued a preliminary audit opinion and before convening a board meeting to consider the annual report, in order to communicate on issues identified in the course of the audit. The independent directors shall fulfil their duty to communicate with the CPA.</p> <p>Article 25 In fulfilling the requirements set out in Articles 22 and Article 25 above, the Company shall keep written records and the parties concerned shall sign the relevant documents.</p> <p>Article 26 The independent directors shall maintain the confidentiality of information obtained in the process of preparing the annual report of the Company, and pay attention to and strictly prevent the leakage of insider information, insider trading and other irregularities and violations of the law.</p>	<p>These articles are deleted.</p>

Before Amendment	After Amendment
<p>Article 27 In order to ensure independent directors to effectively exercise their functions and powers, the Company shall provide necessary working conditions and facilities. For matters requiring decision-making by the Board of Directors, the Company shall notify the independent directors in advance in accordance with the statutory timeframe and at the same time provide sufficient and adequate information. If the independent directors consider that the information provided is insufficient, they may request for supplementary information, which shall be provided by the Company.</p> <p>If two or more independent directors consider that the materials are insufficient or the evidence is not clear, they may jointly submit written proposals to the board to postpone the board meeting or the consideration of such matter, and the board shall adopt it.</p>	<p>Article 29 In order to ensure independent directors to effectively exercise their functions and powers, the Company shall provide necessary working conditions and personnel support to the independent directors, and designate the board office, the board secretary and other dedicated departments and dedicated personnel to assist independent directors in performing their duties.</p> <p>The board secretary shall ensure the unimpeded access to information between the independent directors and other directors, senior management and other relevant personnel, and ensure that the independent directors have access to adequate resources and necessary professional advice when performing their duties.</p> <p>Paragraph 2 of Article 31 If two or more independent directors consider that the meeting materials are incomplete, insufficient or not timely provided, they may submit written proposals to the board to postpone the meeting or the consideration of such matter, and the board shall adopt it.</p>
<p>Article 28 For the information provided by the Company to independent directors, the Company and independent directors themselves shall keep for at least five years.</p>	<p>Article 31 The Company shall give notice of board meeting to independent directors in a timely manner, provide relevant meeting materials no later than the notice period of board meeting stipulated by laws, administrative regulations, provisions of the CSRC, the Listing Rules of The Stock Exchange or the Articles of Association, and provide effective communication channels for the independent directors; the Company shall keep the above-mentioned meeting materials for at least ten years.</p>

Before Amendment	After Amendment
<p>Article 29 The Company shall provide the necessary working conditions for the independent directors to perform their duties.</p> <p>The secretary of the Board of Directors of the Company shall actively provide assistance to the independent directors in the performance of their duties, such as introducing the situation and providing information in a timely, objective, comprehensive and truthful manner. Where independent opinions, proposals and written explanations made by independent directors should be announced, the secretary of the Board of Directors shall make timely announcements to the SZSE.</p>	<p>Article 18 Prior to the convening of a board meeting, independent directors may communicate with the secretary of the Board of Directors to make inquiries, request for supplementary materials, and offer opinions and suggestions on the matters to be considered. The Board of Directors and other relevant personnel shall seriously study the questions, requests and opinions raised by the independent directors and provide timely feedback to the independent directors on the revision of the motions.</p> <p>Paragraph 3 of Article 32 Where the performance of duties by an independent director involves information that should be disclosed, the Company shall process the disclosure in a timely manner; and where the Company does not disclose such information, the independent director may directly apply for disclosure, or report to the CSRC and the SZSE.</p>
<p>Article 30 In the exercise of powers by the independent directors, the relevant personnel of the Company shall actively cooperate with them, and shall not reject, hinder, neglect, palter, mislead, imply or threaten, and shall not interfere with, influence or restrict the their exercise of powers and expression of opinions independently.</p>	<p>Paragraph 1 and Paragraph 2 of Article 32 In the exercise of powers by the independent directors, the directors, senior management and other relevant personnel of the Company shall cooperate with them, and shall not reject, hinder or conceal relevant information, or interfere with their exercise of powers independently.</p> <p>If an independent director encounters obstruction in the exercise of his/her duties and powers in accordance with the laws, he/she may explain the situation to the board, request cooperation from the directors, senior management and other relevant personnel, and record the specific circumstances of the obstruction and the resolution of the situation in his/her work records; and if the obstruction cannot be eliminated, he/she may report to the CSRC and the SZSE.</p>

Before Amendment	After Amendment
<p>Article 31 The Company shall bear any necessary expenses (for example travelling expenses, communication expenses, etc.) incurred by the independent directors in engaging intermediary institutions and performing other duties and responsibilities.</p>	<p>Article 33 The Company shall bear any necessary expenses incurred by the independent directors in engaging professional institutions and performing other duties and responsibilities.</p>
<p>Article 32 The Company shall give appropriate allowances to independent directors; and the standards of the said subsidies shall be prepared by the Board of Directors and approved by the general meeting and shall be disclosed in the annual report of the Company. Apart from the above mentioned allowances, the independent directors shall not acquire other extra undisclosed interests from the Company and its substantial shareholders or interested institutions and officers.</p>	<p>Article 34 The Company shall give appropriate allowances to independent directors; and the standards of the said subsidies shall be proposed by the Board of Directors and approved by the general meeting and shall be disclosed in the annual report of the Company. Apart from the above mentioned allowances, the independent directors shall not acquire other interests from the Company and its substantial shareholders, de facto controller or interested institutions and officers.</p>
<p>Article 33 The Company could establish a necessary liability insurance system for independent directors to reduce the risks that may be caused by independent directors in normal performing their duties or occurred as a result.</p>	<p>Article 35 The Company could establish a necessary liability insurance system for independent directors to reduce the risks that may be caused by independent directors in normal performing their duties.</p>
<p>Article 34 Matters not covered in the System shall be implemented in accordance with relevant laws, regulations, normative documents and the Articles of Association.</p>	<p>Article 36 Matters not covered in the System shall be implemented in accordance with relevant laws, regulations, normative documents, business rules of the SZSE, Listing Rules of The Stock Exchange and the Articles of Association. In case of any conflict or inconsistency between the System and the newly promulgated national laws and regulations, regulatory rules of the place where stocks are listed or the Articles of Association, such relevant laws and regulations, regulatory rules of the place where stocks are listed and the Articles of Association shall prevail.</p>

Before Amendment	After Amendment
<p>Article 35 In this system, “within” and “under” are inclusive while “more than”, “exceeding” and “higher than” are exclusive.</p>	<p>This article is deleted.</p>
<p>Article 36 The System shall come into effect after being approved by resolutions at the general meeting of the Company, and the power to amend or repeal it shall be exercised by the general meeting of the Company.</p>	<p>Article 37 The System shall be formulated by the Board of Directors of the Company and come into effect after being reviewed and approved by the general meeting of the Company. As of the effective date of the System, the original System of Independent Directors of the Company shall be automatically abolished.</p>