



中國銀行

BANK OF CHINA

中國銀行股份有限公司

**BANK OF CHINA LIMITED**

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

(the "Bank")

(Stock Code: 3988)

## ANNOUNCEMENT

### **Retirement of Non-executive Directors Appointment of Non-executive Directors and Independent Non-executive Director**

Following approval of the shareholders at the Annual General Meeting of the Bank held on 14 June 2007 and the approval of the China Banking Regulatory Commission, the Board hereby announces that:

1. Mr. Yu Erniu, Mdm. Zhu Yan and Mr. Zhang Xinze retired as Non-executive Directors of the Bank upon expiry of their terms of office, all with effect from 23 August 2007;
2. Mr. Cai Haoyi and Mr. Wang Gang have been appointed as Non-executive Directors of the Bank with effect from 23 August 2007; and
3. Mr. Huang Shizhong has been appointed as an Independent Non-executive Director of the Bank with effect from 23 August 2007.

Following approval of the shareholders at the Annual General Meeting of the Bank held on 14 June 2007 and the approval of the China Banking Regulatory Commission, the Board of Directors of the Bank (the "Board") hereby announces that:

#### **1. Retirement of Non-executive Directors**

Due to changes in work postings of Mr. Yu Erniu and Mdm. Zhu Yan and the retirement of Mr. Zhang Xinze, Mr. Yu, Mdm. Zhu and Mr. Zhang retired as Non-executive Directors of the Bank upon expiry of their terms of office, all with effect from 23 August 2007 .

Each of Mr. Yu, Mdm. Zhu and Mr. Zhang has confirmed that he/she has no disagreement with the Board and that there are no matters with respect to his/her retirement that need to be brought to the attention of the Bank's shareholders. The Board is grateful to Mr. Yu, Mdm. Zhu and Mr. Zhang for their contribution to the Bank during their tenure of office.

## **2. Appointment of Non-executive Directors and Independent Non-executive Director**

Mr. Cai Haoyi and Mr. Wang Gang have been appointed as Non-executive Directors of the Bank with effect from 23 August 2007 and Mr. Huang Shizhong has been appointed as an Independent Non-executive Director of the Bank with effect from 23 August 2007. The Board takes this opportunity to welcome Mr. Cai, Mr. Wang and Mr. Huang to join the Board.

**Mr. Cai Haoyi (蔡浩儀)**, aged 53, has worked in several positions in the People's Bank of China ("PBOC") from 1986 to present, including Deputy Director of the Graduate School of the PBOC, Deputy Director of Research Institute of Finance and Banking, Deputy Director of the Research Bureau, General Secretary of the Monetary Policy Committee and Deputy Director of the Monetary Policy Department. Mr. Cai has the professional title of research fellow, and currently serves as the tutor for postgraduate students of Financial Research Institute of the PBOC, the tutor for doctoral students of the China University of International Business and Economics, and a member of China Society for Finance and Banking. He graduated from Economics Department of Peking University in 1983 with the bachelor's degree in economics. In 1986, he graduated from the Graduate School of the PBOC with the master's degree in economics. In 1995, he continued the doctoral degree program of economics in the Graduate School of the PBOC and got his Ph.D. in 2001.

**Mr. Wang Gang (王剛)**, aged 54, has worked in several positions in the Ministry of Finance from 1989 to present, including official and Deputy Director of Income Tax Division of Tax Policy Department, Tax Policy Department and International Tax Department, Director of Turnover Tax Department, and Deputy Ombudsman of Tax Policy Department. Mr. Wang graduated from Finance Department of Central University of Finance and Economics in 1983, majoring in Finance. He received a master's degree in economics from the Tax Department of Central University of Finance and Economics in 1988 and another master's degree in taxation from the Department of Business Administration and Public Management of George Washington University of the United States of America in 1998.

**Mr. Huang Shizhong (黃世忠)** aged 45, currently serves as vice president of Xiamen National Accounting Institute and professor of Accounting Department of Xiamen University. Mr. Huang graduated in 1986 from Dalhousie University in Canada with a MBA degree, and received his Ph.D degree of Economics (with accounting focus) in 1993 from Xiamen University. He has served as managing partner of Pan-China Xiamen CPA firm, deputy dean of the management school of Xiamen University. Currently, Mr. Huang also serves as a member of the Education Steering Committee of the National Master Program of Professional Accounting, adviser to the Accounting Standards Committee of the Ministry of Finance, member of standing committee of the Chinese Accounting Association, member of the Auditing Standards Committee of The Chinese Institute of Certified Public Accountants. He serves as independent non-executive director in Xiamen International Airport Group Co., Ltd., Xiamen International Port Co., Ltd. (listed on The Stock Exchange of Hong Kong Limited), Xiamen Tungsten Co., Ltd. and Penghua Fund Management Co., Ltd. He also served as an independent non-executive director in Xiamen C & D Inc. before March 2007. Mr. Huang has met the independence criteria set out in Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Hong Kong Listing Rules").

The appointment of Mr. Cai, Mr. Wang and Mr. Huang will be for an initial term of approximately three years which will expire at the conclusion of the Bank's annual general meeting in 2010. As Non-executive Directors, Mr. Cai and Mr. Wang will not receive any director's fee or committee fee. They are instead remunerated by Central SAFE Investments Limited, the controlling shareholder of the Bank, where they hold a position. As an Independent Non-executive Director, Mr. Huang is entitled to receive a director's fee of RMB200,000 per annum together with additional fees for any service on Board committee(s) in an accumulative manner. At a previous general meeting of the Bank, the shareholders of the Bank resolved to pay to an Independent Non-executive Director of the Bank, committees' fees of RMB200,000 per annum to chairman of Risk Policy Committee or Audit Committee, RMB100,000 per annum to chairman of any other Board committee and RMB50,000 per annum per committee to any Board committee member. The level of the aforesaid fees were determined with reference to the duties and responsibilities of the Directors with the Bank and prevailing market conditions. None of the new Directors has entered into any service contract with the Bank.

In respect of each of the aforesaid newly appointed Directors, none of them have any interest in the shares of the Bank or its associated companies within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong. Moreover, except for the relationship between the newly appointed Non-executive Directors of the Bank with Central SAFE Investments Limited disclosed herein, all the newly appointed Directors are not related to any directors, senior management or substantial or controlling shareholders of the Bank. Neither of them holds any position with the Bank or any of its subsidiaries. Further, save as disclosed above, there is nothing which needs to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules nor is there anything which needs to be brought to the attention of the shareholders in connection with their appointment. None of the newly appointed Directors has been penalised by the China Securities Regulatory Commission and other relevant departments and stock exchange.

By Order of the Board  
**Jason C.W. Yeung**  
Company Secretary

Beijing, PRC, 23 August 2007

*As at the date of this announcement, the Directors of the Bank are: XIAO Gang, LI Lihui, LI Zaohang, ZHANG Jinghua\*, HONG Zhihua\*, HUANG Haibo\*, CAI Haoyi\*, WANG Gang\*, Sir Frederick Anderson GOODWIN\*, SEAH Lim Huat Peter\*, Anthony Francis NEOH#, William Peter COOKE#, Patrick de SAINT-AIGNAN#, Alberto TOGNI# and HUANG Shizhong#.*

\* *Non-executive Directors*

# *Independent Non-executive Directors*