

DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES

GENERAL

Our Board consists of 19 Directors, of whom five are independent non-executive Directors and ten are non-executive Directors. Our non-executive Directors are nominated by our shareholders and appointed by the shareholders' meetings. Non-executive Directors do not participate in the day-to-day management of our Company but have the right to know of the results of operations and financial conditions of our Company at any time. The Directors are elected to serve a term of three years, which is renewable upon re-election or re-appointment. Under relevant PRC regulations, the appointment of the Chairman, Vice Chairman and other members of our Board are subject to the approval by the CBRC.

The functions and powers of our Board include, among others:

- convening shareholders' meetings and reporting its work to shareholders at such meetings;
- implementing shareholders' resolutions;
- determining the Company's business plans and investment proposals;
- formulating the Company's proposals for dividend and bonus distributions and for the increase or reduction of capital; and
- exercising any other powers conferred by shareholders' meetings or under the Articles of Association.

The PRC Company Law requires a joint stock company with limited liability to establish a board of supervisors. Our Board of Supervisors is responsible for monitoring our Company's financial matters and supervising the actions of the Board and the management. Our Board of Supervisors consists of nine Supervisors. Pursuant to the PRC Company Law, at least one third of the members of our Board of Supervisors must be employee representatives elected by our employees, and the remaining members must be appointed by shareholders at a general meeting. In addition, a member of our Board of Supervisors may not be a Director, the president, an executive vice president or the chief financial officer of our Company. The term of office of the Supervisors is three years, which is renewable upon re-election or re-appointment.

The functions and powers of our Board of Supervisors include, among others:

- verifying financial reports and other financial information which have been prepared by the Board and which are proposed to be presented at shareholders' meetings; and
- overseeing the Directors, president, executive vice presidents and other senior officers in order to prevent such persons from abusing their authority or infringing upon the Company's interests.

According to relevant PRC laws and regulations, the mandatory retirement age for our management staff is generally 60 years for men and 55 years for women.

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DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Directors

The following table sets forth certain information concerning our Directors. The business address of each of our Directors, Supervisors and senior management is 188 Yin Cheng Zhong Road, Shanghai 200120, PRC.

<u>Name</u>	<u>Age</u>	<u>Position</u>
JIANG Chaoliang	48	Non-executive Director and Chairman of our Board
ZHANG Jianguo	51	Executive Director, Vice Chairman of our Board and President
QIAO Wei	60	Executive Director, Vice Chairman of our Board and Executive Vice President
LI Jun	49	Executive Director and Executive Vice President
ZHANG Jixiang	52	Executive Director and Secretary of the Board
HU Huating	48	Non-executive Director
OR Ching Fai	56	Non-executive Director
William FUNG Kwok Lun	56	Non-executive Director
LI Keping	49	Non-executive Director
LI Zexing	41	Non-executive Director
GAO Shiqing	44	Non-executive Director
SHEN Weiming	58	Non-executive Director
LI Guanglin	41	Non-executive Director
LI Ruge	42	Non-executive Director
XIE Qingjian	61	Independent non-executive Director
Ian Ramsay WILSON	64	Independent non-executive Director
Thomas Joseph MANNING	49	Independent non-executive Director
HUI Ho Ming Herbert	46	Independent non-executive Director
CHEN Qingtai	68	Independent non-executive Director

JIANG Chaoliang, 48, Chairman of our Board since June 2004. As Chairman of our Board, Mr. Jiang is the legal representative of our Company and is responsible for, among other things, presiding over shareholders meetings and Board meetings, supervising the implementation of Board resolutions and nominating our President and Secretary of the Board. Before joining our Company in June 2004, Mr. Jiang served as Deputy Governor of Hubei Province from September 2002 to June 2004. From July 2000 to September 2002, Mr. Jiang served concurrently as Assistant Governor of the PBOC, Director of the General Office of the PBOC and Director of the Working Committee of the Labor Union of the PBOC. From April 1996 to June 2000, Mr. Jiang served several positions in the PBOC and SAFE, including Deputy Director General of the Banking Division of the PBOC, Governor of the Shenzhen Economic Special Zone Branch of the PBOC, Director of the Shenzhen Division of SAFE, Governor of the Guangzhou Branch of the PBOC and Director of the Guangdong Division of SAFE. From August 1981 to April 1996, Mr. Jiang served several positions in Agricultural Bank of China, including Deputy Manager and Manager of the Comprehensive Planning Department and General Manager of the International Banking Department. Mr. Jiang received a master's degree in Economics from Southwestern University of Finance and Economics in 1996.

ZHANG Jianguo, 51, Vice Chairman of our Board and President of our Company since June 2004. As the President of our Company, Mr. Zhang is in charge of the overall management of our Company. Mr. Zhang joined our Company in September 2001 and served as Executive Vice President from September 2001 to May 2004. Mr. Zhang become an Executive Director of our Company in June 2004. From September 1984 to September 2001, Mr. Zhang served several positions in Industrial and Commercial Bank of China, including Deputy General Manager and General Manager of the International Banking Department, Deputy Governor and Governor of the Tianjin Economic and

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Technology Development Area Branch, Deputy Governor of the Tianjin Branch, and Deputy Manager of the International Banking Department of the Tianjin Branch. From September 1982 to September 1984, Mr. Zhang worked at the Tianjin Branch of the PBOC. Mr. Zhang received a master's degree in Economics from Tianjin College of Finance and Economics in 1995.

QIAO Wei, 60, Vice Chairman of our Board since October 2000, and Director of our Board and Executive Vice President of our Company since September 1993. Mr. Qiao joined our Company in March 1991. From March 1991 to September 1993, Mr. Qiao served successively as Deputy General Manager and General Manager of the Comprehensive Planning Department of our Company. From October 1984 to March 1991, Mr. Qiao served several positions in the government of Xuzhou City, Jiangsu Province, including Deputy Director of the Planning Commission and Director of the Pricing Bureau concurrently, and Director of the Commission of Foreign Trade and Economic Cooperation. Mr. Qiao graduated from the Central College of Finance and Economics in 1968.

LI Jun, 49, Director of our Board since June 2000 and Executive Vice President of our Company since November 2000. Our credit management-related matters are primarily overseen by Mr. Li. Mr. Li joined our Company in October 1990. From April 1998 to April 2001, Mr. Li served as Controller General of our Company. From October 1990 to April 1998, he served successively as Deputy Governor and Governor of our Wuhan Branch. From October 1985 to October 1990, Mr. Li served successively as Deputy Manager and Manager of the Credit Division of the Wuhan Branch of Industrial and Commercial Bank of China. From August 1975 to October 1985, he worked at the Wuhan Branch of the PBOC. Mr. Li received a master's degree in Economics from Huazhong University of Science and Technology in 1995.

ZHANG Jixiang, 52, Director of our Board since September 2004 and Secretary of our Board since July 2004. Prior to joining our Company in July 2004, Mr. Zhang served several positions in the MOF. From January 2003 to July 2004, Mr. Zhang served as Inspector of the General Department of the MOF. From July 1998 to January 2003, Mr. Zhang served successively as Deputy Director of the Basic Construction Department and Deputy Director of the General Department of the MOF. From October 1990 to July 1998, Mr. Zhang served several positions in the State Administration of State-Owned Assets, including Deputy Director and Director of the Foreign Studies Office of the Research Institute, Deputy Director and Director of the Property Ownership Department, and Director of the Assets Appraisal Center. From December 1989 to October 1990, Mr. Zhang was an assistant researcher at the Institute of Industrial Economics of Chinese Academy of Social Sciences. Mr. Zhang received a PhD degree in Economics from the Chinese Academy of Social Sciences in 1989. Mr. Zhang is qualified as a PRC certified public valuer.

HU Huating, 48, Director of our Board since September 2004. Mr. Hu has been working at the MOF since December 1978 and served many positions there. From January 2003 to September 2004, Mr. Hu served as its Director of the Bureau for Retired Officials. From June 2000 to January 2003, Mr. Hu served as its Deputy Director General of the Economic Construction Department. From September 1994 to June 2000, Mr. Hu served successively as its Chief of the Second Investment Division, Chief of the General Division of the Basic Construction Department, and Assistant Inspector. From June 1989 to September 1994, Mr. Hu served successively as its Deputy Chief and Chief of the Second Division of Off-Budget Capital Management of the General Planning Department. From February 1989 to June 1989, Mr. Hu served as its Deputy Chief of the Special Tax Division of the Department of Agricultural Taxation. From August 1987 to February 1989, Mr. Hu served as its Deputy Chief of the Central Division of the Department of Off-Budget Capital Management. From May 1985 to August 1987, Mr. Hu served as its Associate Group Head and Deputy Chief of the Salary and Pricing Division of the Department of General Planning. Mr. Hu graduated from Dongbei University of Finance and Economics in 1999 where he majored in Investment and Economy.

OR Ching Fai, 56, Director of our Board since September 2004. He began to work at HSBC in 1972 and became an executive director on January 1, 2005. Since May 25, 2005, Mr. Or became Vice Chairman and Chief Executive Officer of Hang Seng Bank Limited while remaining as an executive

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director of HSBC. In 1995, he became General Manager and Head of the Industrial & Commercial and Financial Institutions Business of HSBC. On February 1, 2000, Mr. Or was appointed General Manager. He was also appointed a Group General Manager in the same year. Mr. Or is a director of Cathay Pacific Airways Ltd., Esprit Holdings Ltd., Hutchison Whampoa Ltd. and 2009 East Asian Games (Hong Kong) Ltd. Mr. Or is currently Vice Chairman of the Hong Kong Association of Banks after presiding as Chairman in 2000 and 2003. He is Vice President and a council member of the Hong Kong Institute of Bankers, a council member of the University of Hong Kong and the City University of Hong Kong and an adviser to the Employers' Federation of Hong Kong. Mr. Or is a member of the Board of Directors of the Community Chest of Hong Kong. He is also a Justice of the Peace. Mr. Or received a bachelor's degree in Economics and Psychology from the University of Hong Kong in 1972.

William FUNG Kwok Lun, OBE, 56, Director of our Board since September 2004. Since 1972, Dr. Fung has been working at Li & Fung Limited, where he became a Director in charge of exports in 1976 and has been Group Managing Director since 1986. Dr. Fung has been a non-executive director of The Hongkong and Shanghai Banking Corporation Ltd. since 1995 and an independent non-executive director of HSBC Holdings plc since 1998. He is also a director of many companies, including, among others, Li & Fung Trading Consulting (Shanghai) Limited and LF (1937) Management Limited, and he also serves as independent non-executive director of CLP Holdings Ltd., CDC Corporation, VTech Holdings Ltd, and non-executive director of Convenience Retail (Asia) Ltd. and Integrated Distribution Services Group Ltd. Dr. Fung received a bachelor's degree in Engineering from Princeton University in 1970 and an MBA degree from Harvard Graduate School of Business in 1972. In 1999, he was awarded an Honorary Doctorate of Business Administration by the Hong Kong University of Science and Technology.

LI Keping, 49, Director of our Board since September 2004. Since July 2001, Mr. Li has served as Director of the Investment Department of the National Council for Social Security Fund. From July 1998 to June 2001, Mr. Li served several positions at the Department of Macro System of the State Office of System Restructuring of the State Council of China, including Deputy Chief and Inspector. Since July 1992 to July 1998, Mr. Li served several positions at the Department of Macro System of the State Commission for System Restructuring, including Deputy Chief of the Finance and Taxation Division, Chief of the General Division, Assistant Inspector and Chief of the General Division concurrently, and Deputy Director General. From August 1982 to July 1992, Mr. Li was a lecturer at Beijing Management College of Chemical Industry. Mr. Li received a bachelor's degree in Economics from Peking University in 1982.

LI Zexing, 41, Director of our Board since September 2004. Since September 2004, Mr. Li has been employed by China SAFE Investments Ltd., where he served as deputy manager of the legal and research department. From November 2003 to December 2004, Mr. Li has served several positions at SAFE, including Assistant Inspector of the Department of Reserve Management and Chief of the Special Assignment Division of the Department of Reserve Management. From November 2001 to October 2003, Mr. Li served as Assistant Mayor of Guang'an City, Sichuan Province. From October 1999 to October 2001, Mr. Li was Chief of the Special Assignment Division of the Department of Reserve of SAFE. From June 1997 to September 1999, Mr. Li worked as Chief Foreign Exchange Trader at the European Representative office of the PBOC. From August 1988 to May 1997, Mr. Li served several positions at SAFE, including as Deputy Chief of the Division of Foreign Exchange Pricing Control of the Department of Foreign Exchange Management and Chief of the Division of Reserve Management of the Department of Foreign Exchange Reserve of SAFE. Mr. Li received a master's degree in Economics from the Graduate School of the PBOC in 1988.

GAO Shiqing, 44, Director of our Board since September 2004. Since July 2004, Mr. Gao has served as Assistant General Manager of Capital Airports Holding Company. From August 1983 to July 2004, Mr. Gao served several positions in the Civil Aviation Administration of China, including Deputy Chief of the Investment Planning Division of the Planning Department, Chief of the Technology Improvement Division of the Planning and Technology Department, Chief of the Investment Division of

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the Planning and Technology Department, Deputy Director General of the Planning Department, and Deputy Director General of the Planning, Development and Finance Department. Mr. Gao received a master's degree in Engineering from Beihang University in 2000.

SHEN Weiming, 58, Director of our Board since June 2004. Mr. Shen has served as Chief Economist of Shanghai Tobacco (Group) Corp. since December 1998. From December 1994 to November 1998, Mr. Shen served as Deputy Chief Accountant of Shanghai Tobacco (Group) Corp. Mr. Shen joined Shanghai Tobacco Factory in June 1968. Mr. Shen graduated from Shanghai Television University in 1986.

LI Guanglin, 41, Director of our Board since July 2003. Since April 2002, Mr. Li has been Director and Chief Accountant of Yuxi Hongta Tobacco (Group) Co., Ltd. From November 1993 to April 2002, Mr. Li served as an administrator, Group Head, Deputy Chief and Chief of the Accounting Office of Yunnan Provincial Tobacco Company. Mr. Li worked at the Tax Bureau of Yunnan Province from July 1982 to November 1993. Mr. Li graduated from Yunnan College of Finance and Trade in 1998.

LI Ruge, 42, Director of our Board since June 2000. Mr. Li has served as Deputy Chief Accountant of China Guodian Corporation since September 2004. Mr. Li has served as Deputy General Manager of Shandong Power (Group) Company from January 2003 to September 2004. From February 2001 to January 2003, Mr. Li served as the Chief Accountant at Shandong Power (Group) Company. From November 1997 to February 2001, Mr. Li served successively as Director General of the Accounting Department and Deputy Chief Accountant of Shandong Power (Group) Company. From January to November 1997, Mr. Li served as General Manager of Shandong Fuel Power Company. From January 1993 to January 1997, Mr. Li served successively as Deputy General Manager and General Manager of Shandong Heze Power Plant. From September 1982 to January 1993, Mr. Li served as Manager of the Accounting Office and Deputy Chief Economist at Shandong Zhanhua Power Plant. Mr. Li graduated from the Party School of the CPC Central Committee in 2001.

XIE Qingjian, 61, Director of our Board since September 2004. Since June 2004, Mr. Xie has served as a Counselor of the PBOC. From December 1999 to June 2004, Mr. Xie served as Governor of the Nanjing Branch of the PBOC. From November 1998 to December 1999, Mr. Xie served as Deputy Governor of the Shanghai Branch of the PBOC. From February 1988 to November 1998, Mr. Xie served successively as Deputy Governor and Governor of the Zhejiang Branch of the PBOC. From December 1986 to February 1988, Mr. Xie served as Governor of the Wenzhou Branch of the PBOC. From June 1983 to December 1986, Mr. Xie served successively as Deputy Director of General Office, Deputy Chief of the Division of Corporate Banking and Director of General Office at the Zhejiang Branch of the PBOC. Mr. Xie received a master's degree in Economics from Zhejiang University in 1998.

Ian Ramsay WILSON, 64, Director of our Board since September 2004. Prior to retiring from Standard Chartered Bank in 1998, Mr. Wilson served as its General Manager for the region of Hong Kong, China and Northeast Asia from 1994 to 1998, General Manager of the regions of Middle East and South Asia from 1992 to 1994, Chief Executive Officer of the Hong Kong Branch from 1990 to 1992. Mr. Wilson previously also served as Chairman of Hong Kong Interbank Clearing Limited, Chairman by rotation of the Hong Kong Association of Banks, First Deputy Chairman of Hong Kong Securities Clearing Company Limited and the Board of the Hong Kong Red Cross. From 1998 to 2004, Mr. Wilson served as a Director of JP Morgan Fleming Asia Investment Trust. Mr. Wilson was also the Founder Fellow and Vice President of The Hong Kong Institute of Bankers from August 1995 to January 1998. Mr. Wilson was admitted as a Fellow of Institut Bank-Bank Malaysia (the Institute of Bankers Malaysia) in 1990. Mr. Wilson was also a member of the Exchange Fund Advisory Committee, the Land Fund Advisory Committee, the Banking Advisory Committee and a board member of the Community Chest. Mr. Wilson was appointed a Justice of the Peace in Hong Kong.

Thomas Joseph MANNING, 49, Director of our Board since September 2004. In the early years of his career, Mr. Manning worked at CSC Index, Buddy Systems, Inc. and McKinsey & Company. Then

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Mr. Manning served as Chairman and CEO of Ernst & Young Consulting Asia Pacific. After the merger between Cap Gemini and Ernst & Young Consulting Asia Pacific, Mr. Manning became Chairman and CEO of Cap Gemini Ernst & Young Asia Pacific, as well as global Managing Director of Strategy & Technology Consulting. Mr. Manning also served as Managing Director of Bain & Company. Mr. Manning currently is Chairman of China Board Directors LLC and a non-executive director of Saybot LLC. Mr. Manning received a bachelor's degree in East-Asia Research from Harvard University and received an MBA degree from Leland Stanford Junior University in 1979.

HUI Ho Ming Herbert, J.P., FHKIoD, L.L.B. (HK) 46, Director of our Board since April 2005. Mr. Hui has been serving as Deputy and Vice Chairman of Ocean Grand Holdings Ltd. and Ocean Grand Chemicals Holdings Ltd. since 2001. Both Ocean Grand Holdings Ltd. and Ocean Grand Chemicals Holdings Ltd. are listed on the Hong Kong Stock Exchange. Mr. Hui has extensive commercial experience both in corporate finance and securities regulation. From 1984 to 1989, Mr. Hui was a manager at the finance department of Schroder Investment Management (Hong Kong) Limited. From 1989 to 1997, Mr. Hui served several positions at the Hong Kong Stock Exchange, including senior manager, assistant division head and deputy division head of the listing division, deputy executive director of the Hong Kong Stock Exchange and deputy division head of the listing division concurrently, executive director of the Hong Kong Stock Exchange and division head of the listing division concurrently, vice executive president of the Hong Kong Stock Exchange and division head of the listing division concurrently, and the representative of the Hong Kong Stock Exchange in the Mainland China – Hong Kong Regulatory Cooperation Forum. From 1997 to 1999, Mr. Hui served as a managing director of Guangdong Investment Limited. From 2000 to 2001, Mr. Hui served as a managing director of SUNeVision Technology Limited. Mr. Hui is the Chairman of the Hong Kong Institute of Directors Ltd., Vice Chairman of Hong Kong Council for Academic Accreditation, a member of the Standards-Setting Steering Committee of the Hong Kong Institute of Certified Public Accountants and a Director of both Cyberport and the Hong Kong Science and Technology Parks Corporation. He is also a member of the Operations Review Committee and the Witness Protection Panel of the Independent Commission Against Corruption, China Trade Advisory Committee and Professional Services Advisory Committee of Hong Kong Trade Development Council and Advisory Committee on Human Resources Development in the Financial Services Sector. Mr. Hui is also on the Board of the Community Chest of Hong Kong and serves on the Boards of a number of public and private companies. He was appointed a Justice of the Peace in Hong Kong in 2004. Mr. Hui received a bachelor's degree in law from the University of Hong Kong in 1982.

CHEN Qingtai, 68, Director of our Board since April 2005. Mr. Chen served as Secretary of the Communist Party Committee and Deputy Director of the Development Research Center of the State Council from March 1998 to October 2004. From May 1993 to March 1998, Mr. Chen served as Deputy Director of the State Economic and Trade Commission. From May 1992 to May 1993, Mr. Chen served as Deputy Director of the State Economic and Trade Office. From February 1970 to May 1992, Mr. Chen served as an engineer of the Design Department, Head of Design Division, Director of Laboratory, Deputy Director of Product Design Department, Vice General Engineer of Head Office, General Engineer of Head Office and President of Head Office of the No. 2 Automobile Plant, and General Manager of Dongfeng Motor Corporation and Director of Dongfeng Motor Joint Operation Company. Mr. Chen is currently a researcher at the Development Research Center of the State Council, Deputy Director of the Economy Committee of the National Committee of the Chinese People's Political Consultative Conference, independent non-executive director of China Petroleum & Chemical Corporation, vice president of the China Enterprises Association and Dean of the School of Public Affairs of Tsinghua University. Mr. Chen once served as member of the first Monetary Policy Committee of the People's Bank of China. Mr. Chen graduated from the Dynamics Department of Tsinghua University in 1962 with a major in Automobiles. Mr. Chen is qualified as a Senior Engineer.

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Supervisors

The following table sets forth certain information concerning our Supervisors.

<u>Name</u>	<u>Age</u>	<u>Position</u>
CUI Leiping	58	Chairman of Board of Supervisors
YIN Baoyu	60	Supervisor
LIU Sha	50	Supervisor
CHEN Qing	45	Supervisor
NING Jinbiao	48	Supervisor
TENG Tieqi	48	Supervisor
JI Kelian	66	Supervisor
LIU Qiang	39	Independent Supervisor
CHEN Zheng	37	Independent Supervisor

CUI Leiping, 58, Chairman of our Board of Supervisors since September 2004. Mr. Cui joined our Company in September 2004. From August 2003 to September 2004, Mr. Cui was designated by the State Council to serve as chairman of the board of supervisors of Agricultural Bank of China. From July 2000 to August 2003, Mr. Cui was designated by the State Council to serve as the chairman of the board of supervisors of Bank of China. From November 1991 to June 2000, Mr. Cui served as a special envoy of the National Audit Office based in Shanghai, and from December 1989 to November 1991, Mr. Cui served as a special envoy of the National Audit Office based in Xi'an. From November 1985 to December 1989, Mr. Cui served as Deputy Director General of the Administration of Petrochemical Industry of Shaanxi Province. From December 1982 to November 1985, Mr. Cui served as Director of the Preparatory Office of Shaanxi Sulphuric Acid Factory. Mr. Cui received an MBA degree from China Europe International Business School in 2004.

YIN Baoyu, 60, Supervisor of our Company since June 2004. Since Ms. Yin joined our Company in July 1988, she has served several positions, including General Manager of the Department of Overseas Operations, Executive Director of our Board, and Deputy Director and Director of the Labor Union. From March 1981 to July 1988, Ms. Yin served several positions at SAFE, including the Associate Group Head, Deputy Division Chief and Deputy Director. From February 1972 to March 1981, Ms. Yin served as Associate Chief of the Group of Non-trade Institutions at the Operation Division of the head office of Bank of China. Ms. Yin graduated from Beijing University of International Relations where she majored in English in 1968.

LIU Sha, 50, Supervisor of our Company since November 2004. Ms. Liu joined our Company in November 2004. From August 2003 to November 2004, Ms. Liu was a full-time Supervisor of our Company designated directly by the State Council. From July 2000 to August 2003, Ms. Liu served as a full-time supervisor of China Galaxy Securities Company Limited designated directly by the State Council. From September 1999 to August 2000, Ms. Liu served as Deputy Director of the Local Tax Bureau of Jinan, Shandong province. From August 1994 to September 1999, Ms. Liu successively served as Deputy Chief and Chief of the Local Tax Bureau of Shandong Province. Ms. Liu graduated from the Finance Department of Dongbei University of Finance and Economics in 1979.

CHEN Qing, 45, Supervisor of our Company since November 2004. Ms. Chen joined our Company in November 2004. From August 2003 to November 2004, Ms. Chen served as a full-time supervisor of Agricultural Bank of China designated by the State Council. From July 2000 to August 2003, Ms. Chen served as a full-time supervisor of Bank of China designated by the State Council. From February 1997 to July 2000, Ms. Chen served as Deputy Chief of the Finance Audit Department of the National Audit Office. Ms. Chen received a bachelor's degree in Economics from Renmin University of China in 1984.

NING Jinbiao, 48, Supervisor of our Company since June 2004. Since March 2004, Mr. Ning has served as Deputy General Manager of Huaneng Capital Service Co., Ltd. From November 2001 to March 2004, Mr. Ning served as Deputy Director of the Local Tax Bureau of Hebei Province. From July

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1999 to November 2001, Mr. Ning served as Mayor of Qinghuangdao City, Hebei Province. From March 1994 to June 1999, Mr. Ning served several positions at the Finance Bureau of Hebei Province, including Deputy Division Chief, Division Chief and Deputy Director General of the Division of Foreign Economics. From December 1992 to March 1994, Mr. Ning served as Deputy General Manager of Hebei Economic Development and Investment Company. From August 1987 to November 1992, Mr. Ning served several positions in the Division of Foreign Economics of the Finance Bureau of Hebei Province, including Group Head and Deputy Chief. Mr. Ning received a PhD in Economics from Renmin University of China in 2001.

TENG Tieqi, 48, Supervisor of our Company since September 2004. Since August 2000, Mr. Teng has served as Deputy General Manager of China FAW Group Corporation. Mr. Teng previously served as Assistant General Manager of China FAW Group Corporation, First Deputy General Manager of FAW-Daewoo Engine Company Limited and Assistant General Manager of China FAW Group Corporation concurrently, Deputy Director of the Office of the FAW Yantai Automobile Project, Director of the Department of Planning and Finance and Assistant General Manager of China FAW Group Corporation concurrently, Director of the Department of Planning and Finance and Special Manager of China FAW Group Corporation concurrently, Special Manager of China FAW Group Corporation, and director of China FAW Group Corporation and Director of the Department of Planning and Finance concurrently. From May 1985 to February 1994, Mr. Teng served several positions in China FAW Factory, including Head of the Group of Technology Development and Assistant Manager of the Department of Foreign Trade and Economics. Mr. Teng received a master's degree from Jilin Industrial University in 1985.

Ji Keliang, 66, Supervisor of our Company since September 2004. Since September 2000, Mr. Ji has served as Chairman and Chief Engineer of China Kweichow Maotai Liquor Company Limited and Director and Chief Engineer of Kweichow Maotai Co., Ltd. From November 1999 to August 2000, Mr. Ji served as Chairman and Chief Engineer of China Kweichow Maotai Liquor Company Limited and Chairman of Kweichow Maotai Co., Ltd. Mr. Ji received a bachelor's degree from Wuxi Light Industry College in 1964.

LIU Qiang, 39, Supervisor of our Company since June 2004. Since May 2002, Mr. Liu has served as Deputy Chief Accountant of Daqing Petroleum Administration Bureau. From November 1990 to May 2002, Mr. Liu served several positions at Daqing Petroleum Administration Bureau, including Group Head of the Management Division of the Accounting Department, Manager of the Financial Asset Department and Director of the Capital Clearing Center. Mr. Liu received a master's degree from Tianjin College of Finance and Economics in 2002.

CHEN Zheng, 37, Supervisor of our Company since September 2004. Since April 2003, Ms. Chen has served as Manager of the Asset Management Department of Nanjing State-owned Assets Investment Management Holding (Group) Co., Ltd. From May 1991 to March 2003, Ms. Chen worked at Nanjing International Trust and Investment Corporation as a clerk, Deputy Department Manager and Department Manager. From August 1987 to April 1991, Ms. Chen worked at Shanghai Xinghuo Pulp and Paper Factory as a technician and an assistant engineer. Ms. Chen received a master's degree from Nanjing University in 1998.

All of our Supervisors, other than Ms. YIN Baoyu, Ms. LIU Sha and Ms. CHEN Qing, all of whom are employee representatives on our Board of Supervisors and elected by our Company's employees, are appointed by our shareholders at general meetings.

Senior Management

ZHANG Jianguo, see “– Directors”.

QIAO Wei, see “– Directors”.

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XU Junkang, 59, Secretary of the Disciplinary Commission and Chief of the Disciplinary Division of our Company since November 1996. Our internal audit-related matters are primarily overseen by Mr. Xu. Mr. Xu joined our Company in 1987 and previously served several positions at our Company, including Deputy Manager of the Personnel Education and Training Division of our Shanghai Branch, Deputy General Manager and General Manager of the Personnel Education and Training Department of our head office, Executive Director of our Board. Mr. Xu previously worked at the Changning District Office of the Shanghai Branch of Industrial and Commercial Bank of China and served as Secretary of the Disciplinary Commission of the Changning District Office from 1985 to 1987. Mr. Xu received a bachelor's degree from the Department of Automation in the Evening School of Shanghai Jiao Tong University in 1985.

LI Jun, see “– Directors”.

PENG Chun, 43, Executive Vice President of our Company since September 2004. Our risk management-related matters are primarily overseen by Mr. Peng. Mr Peng joined our Company in 1994 and previously served several positions at our Company, including Deputy Governor and Governor of our Urumqi Branch, Governor of our Nanning Branch, Governor of our Guangzhou Branch, and Assistant President of our Company. Before joining our Company, Mr. Peng worked as the director of the Economic Division at the Policy Research Office in Xinjiang Autonomous Region. From August 1986 to January 1989, Mr. Peng was a lecturer at Xinjiang Institute of Finance and Economics and he also served as Head of the Teaching and Research Office, Deputy Director of the Science Research Division and Deputy Director of Economy Research Institute. Mr. Peng received a master's degree in Economics from the Graduate School of the PBOC in 1986.

QIAN Wenhui, 43, Executive Vice President of our Company since December 2004. Mr. Qian joined our Company in October 2004. Mr. Qian joined China Construction Bank in 1985, and served many positions there. From October 2003 to October 2004, Mr. Qian concurrently served as General Manager of its Assets and Liabilities Management Department and Director of its Restructuring Office. From March 2003 to October 2003, Mr. Qian served as General Manager of its Assets and Liabilities Management Department. From November 2001 to March 2003, Mr. Qian concurrently served as Director of the General Office of its Assets and Liabilities Management Commission, Director of its System Reform Office as well as Deputy Governor of its Shanghai branch. From October 2001 to November 2001, Mr. Qian served concurrently as Director of the General Office of its Assets and Liabilities Management Commission and Deputy Governor of its Shanghai branch. From April 2000 to October 2001, Mr. Qian was seconded to the head office of China Construction Bank. From November 1999 to April 2000, Mr. Qian served as the Deputy Governor of the Shanghai branch of China Construction Bank. From November 1989 to November 1999, Mr. Qian served many positions in the Shanghai branch of China Construction Bank, including General Manager of the Planning and Finance Department, General Manager of the Marketing and Business Development Department, Deputy General Manager of the Overall Business Management Department, Manager of Credit Extension Department, and Deputy General Manager of the Operating Outlet of the Shanghai branch of China Construction Bank. Mr. Qian received an MBA degree from Shanghai University of Finance and Economics in 1998.

Dicky Peter YIP, 58, Executive Vice President of our Company since April 2005. Since January 2003, Mr. Yip has been serving as Chief Executive of China Business of China Representative Office of HSBC. From June 1988 to January 2003, Mr. Yip served several positions in HSBC, including Senior Manager of Personal Banking Services, Senior Manager of Retail Services, Assistant General Manager of Retail Services, Senior General Manager of Personal Banking Services, and Assistant General Manager and Deputy Chief of Personal Financial Services concurrently. From February 1985 to June 1988, Mr. Yip served as Executive Vice President of HSBC for the west coast region of the United States. Mr. Yip joined HSBC in July 1965. Mr. Yip graduated from the University of Hong Kong with an MBA degree.

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WANG Bin, 47, Executive Vice President of our Company since May 2005. Mr. Wang joined our Company in January 2000 and served several positions at our Company, including Deputy Governor of our Beijing Branch, and Governor of our Tianjin Branch. Since December 2002, Mr. Wang has been serving as Governor of our Beijing Branch. From December 1993 to January 2001, Mr. Wang worked in Agricultural Development Bank of China where he served several positions, including Head of Preparatory Office, Deputy Director and Director of General Office, and Deputy Governor and Governor of Jiangxi Branch. From June 1991 to December 1993, Mr. Wang served as Division-level Secretary and Division Chief of the Secretary Office of the PBOC. From September 1990 to June 1991, Mr. Wang served as Deputy Director of the General Office of Heilongjiang Branch of the PBOC. From July 1985 to September 1990, Mr. Wang served as Deputy Chief, Section-level Secretary and Division-level Secretary of the General Office of the People's Government of Heilongjiang Province. From July 1983 to July 1985, Mr. Wang worked in Commerce Department and Commission for Economic Reform of the People's Government of Heilongjiang Province. Mr. Wang received a master's degree in Monetary and Banking from Southwestern University of Finance and Economics in 1996.

YU Yali, 47, Chief Financial Officer of our Company and General Manager of the Budget and Finance Department of our Company since August 2004. From December 1999 to August 2004, Ms. Yu served as General Manager of our Finance and Accounting Department. Ms. Yu joined our Company in February 1993 and previously served as Manager of the Finance and Accounting Division of our Zhengzhou Branch, Deputy Governor of our Zhengzhou Branch, and Deputy General Manager of the Accounting Department of our Company. From December 1979 to February 1993, Ms. Yu served several positions at the PBOC, including Associate Group Head of the Accounting Division and Deputy Chief of the PBOC in Lushan County of Henan Province and Associate Group Head and Group Head of the Accounting and Auditing Division of the PBOC in Pingdingshan City of Henan Province. Ms. Yu received an MBA degree from the Asia (Macau) International Open University in 2002.

HOU Weidong, 45, Chief Information Officer of our Company since November 2004 and General Manager of the Information Technology Management Department of our Company since August 2002. Mr. Hou joined our Company in April 2002. From April 2002 to November 2002, Mr. Hou served as Deputy General Manager of the Computer Department of our Company. From November 1998 to April 2002, Mr. Hou served as Deputy General Manager of the Technology Support Department and General Manager of the Data Center of Industrial and Commercial Bank of China. From August 1996 to April 1997, Mr. Hou was seconded to the Software Development Center of Industrial and Commercial Bank of China as an Assistant General Manager. From October 1984 to November 1998, Mr. Hou served several positions at the Qingdao Branch of Industrial and Commercial Bank of China, including Deputy Head of the Computer Department, Deputy Chief of the Technology Department, Chief Engineer of the Qingdao Branch and Chief of the Technology Department of the Qingdao Branch concurrently, and Governor of the Qingdao Economic Development Zone Sub-branch. Mr. Hou received a PhD in Economics and Political Science from Peking University in 2003.

COMPANY SECRETARY

ZHANG Jixiang, see “– Directors”.

WAIVERS FROM THE HONG KONG STOCK EXCHANGE

Waiver from Rule 8.12 and Rule 19A.15 of the Hong Kong Listing Rules

According to Rule 8.12 and Rule 19A.15 of the Hong Kong Listing Rules, an issuer must have a sufficient management presence in Hong Kong with at least two of the issuer's executive directors ordinarily resident in Hong Kong. Our headquarters is based in Shanghai and the majority of our business is located in the PRC. Most of our Directors reside in the PRC, with all of our Executive Directors ordinarily resident in the PRC. Accordingly, we do not and, for the foreseeable future, will not have a sufficient management presence in Hong Kong. We will have certain internal arrangements to maintain effective communication with the Hong Kong Stock Exchange, including appointing Mr. Zhang Jianguo and Mr. Zhang Jixiang as our authorized representatives and to act as our principal channel of

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communication with the Hong Kong Stock Exchange, appointing Mr. Shou Fugang, a Hong Kong resident, as alternate to the authorized representatives to act at all times as a channel of communication with the Hong Kong Stock Exchange and retaining Goldman Sachs (Asia) L.L.C. to act as our Compliance Adviser and principal channel of communication with the Hong Kong Stock Exchange in addition to the authorized representatives for one year following the Listing Date pursuant to Rule 3A.19 and Rule 19A.06(4) of the Hong Kong Listing Rules. The authorized representatives, their alternate and the Compliance Adviser will be fully available to answer queries from the Hong Kong Stock Exchange. Accordingly, we have obtained from the Hong Kong Stock Exchange for a waiver from strict compliance with Rule 8.12 and Rule 19A.15 of the Hong Kong Listing Rules which require us to have a sufficient management presence in Hong Kong.

Waiver from Rule 8.17 and Rule 19A.16 of the Hong Kong Listing Rules

Mr. Zhang Jixiang, our company secretary, does not possess the relevant qualification required under Rule 8.17 of the Hong Kong Listing Rules. Our Company has appointed, and will continue to do so for a minimum period of three years after the Listing Date, Mr. Ng Ping Kwong, who is a Hong Kong resident and is a member of the Hong Kong Institute of Company Secretaries (which is the required qualification stipulated in Rule 8.17(2) of the Hong Kong Listing Rules) to act as an assistant to Mr. Zhang to ensure that Mr. Zhang would be able to acquire the necessary experience to satisfy the requirements of Rule 8.17(3) of the Hong Kong Listing Rules. In this regard, we also have procedures in place to provide Mr. Zhang with appropriate training in order to enable Mr. Zhang acquire such necessary experience. We have obtained from the Hong Kong Stock Exchange a waiver from strict compliance with the requirements under Rule 8.17 and Rule 19A.16 of the Hong Kong Listing Rules in appointing Mr. Zhang as our company secretary for a period of three years on the condition that and only so long as Mr. Ng Ping Kwong is appointed as an assistant to Mr. Zhang as described above. Upon the expiry of the three-year period, we will re-evaluate the qualifications of Mr. Zhang to determine whether the requirements of Rule 8.17 can be satisfied.

QUALIFIED ACCOUNTANT

WONG Wan Hing, 35, Qualified Accountant and Assistant to the Chief Financial Officer of our Company since 2005. Mr. Wong has been serving as Manager of the Internal Audit Department of the Hong Kong branch of our Company since August 2002. From August 1995 to August 2002, he served as Manager of the Global Risk Management Solutions Department of PricewaterhouseCoopers. From June 1994 to August 1995, Mr. Wong served as Business Analyst of the Business Credit Department of Dun & Bradstreet (HK) Ltd. From September 1993 to June 1994, Mr. Wong served as a computer software programmer of Mingju Garment Co., Ltd. Mr. Wong is a Certified Public Accountant of the Hong Kong Institution of Public Certified Accountants, a Fellowship Member of the Association of Chartered Certified Accountants, a Certified Internal Auditor of The Institution of Internal Auditors, a Certified Information Systems Auditor of the Information System Audit and Control Association and a Certified Information Systems Security Professional of the International Information System Security Certification Consortium, Inc. Mr. Wong received a bachelor's degree in Business from Wollongong University in Australia.

BOARD COMMITTEES

We have established an audit committee in compliance with Rule 3.21 of the Hong Kong Listing Rules and the Code on Corporate Governance Practices as set forth in Appendix 14 to the Hong Kong Listing Rules. The primary duties of the audit committee are to review and supervise our financial reporting process as well as the selection of independent auditors. The audit committee shall comprise five Directors not involved in the day-to-day management of the Company and shall be appointed by the Board. The audit committee is currently composed of three independent non-executive Directors, Messrs. XIE Qingjian, Herbert HUI Ho Ming and CHEN Qingtai, and two non-executive Directors, Messrs. OR Ching Fai and LI Zexing. Mr. Herbert HUI Ho Ming currently serves as chairman of the audit committee.

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We have established a risk management committee to supervise and review the risk control and management of our Company and approve material related party transactions. The current members of the risk management committee are Messrs. XIE Qingjian, LI Keping, GAO Shiqing and Ian Ramsay Wilson. Under the risk management committee, we have established a related party transaction control committee to specifically approve our material related party transactions. It is currently composed of Messrs. XIE Qingjian, LI Keping and Ian Ramsay Wilson. Mr. XIE Qingjian currently serves as chairman of both the risk management committee and the related party transaction control committee. See also the section headed “Business – Risk Management and Internal Controls – Board of Directors and Board Committees”.

We have established a personnel and compensation committee to make recommendations to our Board regarding the remuneration and compensation of our Directors and senior management. In addition, the personnel and compensation committee conducts reviews of the performance, and determines the remuneration and compensation structure of our senior management. It is currently composed of Messrs. Thomas Joseph Manning, William FUNG Kwok Lun, HU Huating and CHEN Qingtai, with Mr. Thomas Joseph Manning serving as chairman. We have also established a nominating committee beneath our personnel and compensation committee to make recommendations to our Board regarding candidates to fill vacancies on our Board and on our senior management team. It is currently composed of Messrs. Thomas Joseph Manning, HU Huating and CHEN Qingtai, with Mr. Thomas Joseph Manning serving as chairman.

LONG-TERM INCENTIVE PLAN (SHARE APPRECIATION RIGHTS PLAN)

In order to enhance the profitability and value of our Company, and to attract, retain and motivate senior executives and other key employees who make important contributions to our Company, our Board and shareholders adopted on July 30, 2004 and September 23, 2004, respectively, a Long-Term Incentive Plan (the “Plan”) that provides for the grant of share appreciation rights subject to the terms and conditions described below.

Under the Plan, a share appreciation right constitutes the right to receive an amount equal to the appreciation, if any, in the fair market value of our Company’s H Shares from the date of the grant of the right to the date of exercise, subject to certain restrictions. The total number of share appreciation rights to be granted pursuant to the Plan may not exceed 15% of the total number of new Shares issued pursuant to the Global Offering.

The share appreciation rights to be granted will be valid for a period of 10 years commencing from the date on which such rights are granted. There is a minimum vesting period of two years from the date of grant before such rights can be exercised. In addition, the share appreciation rights to be granted are subject to the following vesting schedule:

- (a) after two years from the date of grant, a maximum of 25% of share appreciation rights granted may be exercised;
- (b) after three years from the date of grant, a further 25% of share appreciation rights granted may be exercised;
- (c) after four years from the date of grant, a further 25% of share appreciation rights granted may be exercised;
- (d) after five years from the date of grant, the remaining 25% of share appreciation rights granted may be exercised.

The eligible participants of the Plan are full-time and salaried Directors and Supervisors, senior executives holding positions of vice general manager of a department within our head office, deputy general managers of a provincial level branch or a branch under direct management of our head office or above, and employees who have made significant contributions to our Company.

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COMPENSATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The Directors and Supervisors who are also our employees receive remuneration and compensation in the form of salaries, allowances and benefits in kind, including our contribution to the pension plans for our Directors and Supervisors. The annual compensation payable to all of our independent non-executive Directors in 2004 was approximately RMB112,500, and the annual compensation payable to all of our independent Supervisors in 2004 was approximately RMB86,666. Subject to shareholders' approval at our annual general meeting in 2005, each of our independent non-executive Directors and each of our independent Supervisors will receive annual compensation of RMB200,000 and RMB160,000, respectively, on a pro rata basis. The aggregate amount of compensation we paid to our Directors and Supervisors in 2002, 2003 and 2004 was approximately RMB4.6 million, RMB7.0 million and RMB5.3 million, respectively.

The aggregate amount of compensation paid by us to our five highest paid senior executives in 2002, 2003 and 2004 was approximately RMB3.1 million, RMB4.2 million and RMB3.8 million, respectively.

Except as disclosed herein, no other amounts have been paid or are payable, in respect of the three years ended December 31, 2004 by us to the Directors.

Under the remuneration and compensation arrangements currently in effect, we estimate that the aggregate amount of basic salary of the Directors payable for the year ending December 31, 2005 will be approximately RMB5.6 million.

Under the remuneration and compensation arrangements currently in effect, we estimate that the aggregate amount of basic salary of the Supervisors payable for the year ending December 31, 2005 will be approximately RMB2.4 million.

EMPLOYEES

As of December 31, 2002 and 2003 and December 31, 2004, we employed approximately 55,908, 55,510 and 54,408 employees, respectively. The following table sets forth a breakdown of our employees by age, educational background and seniority as of December 31, 2004:

<u>Category</u>	<u>Sub-category</u>	<u>Number of employees</u>	<u>Percentage</u>
Age	Below 30	20,770	38.17%
	31-40	22,021	40.47%
	41-50	9,186	16.88%
	51-60	2,411	4.43%
	Above 60	20	0.04%
Educational background	Graduate or above	941	1.73%
	Undergraduate	16,327	30.01%
	College and professional training school	29,509	54.24%
	Others	7,631	14.03%
Seniority	Senior	589	1.08%
	Middle-ranking	14,319	26.32%
	Junior	25,590	47.03%
	Other	13,910	25.57%