



(GDR under the symbol "HTSC")

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the EGM will be held by the Company at the Conference Room, Renaissance Nanjing Olympic Centre Hotel, No. 139 Aoti Street, Jianye District, Nanjing, Jiangsu Province, the PRC on Friday, November 24, 2023 at 2:40 p.m., to consider the following issues:

SPECIAL RESOLUTION

1. To consider and approve the resolution on the cancellation of the repurchased A Shares and reduction of registered capital

ORDINARY RESOLUTIONS

2. To consider and approve the resolution on the Amendments to the Working System for Independent Directors
3. To consider and approve the resolution on the election of Mr. Liu Changchun as a non-executive director of the sixth session of the Board

DEFINITIONS

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

“A Share(s)”	domestic Shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in RMB and are listed and traded on the Shanghai Stock Exchange
“A Share Class Meeting”	the 2023 third A Share class meeting to be held by the Company at the Conference Room, Renaissance Nanjing Olympic Centre Hotel, No. 139 Aoti Street, Jianye District, Nanjing, Jiangsu Province, the PRC on Friday, November 24, 2023 at 2:40 p.m. (or immediately after the conclusion of the EGM or any adjournment thereof)
“Articles of Association”	Articles of Association of the Company, as amended, supplemented or otherwise modified from time to time
“Board”	the board of directors of the Company
“Class Meetings”	A Share Class Meeting and H Share Class Meeting
“Company”	a joint stock company incorporated in the PRC with limited liability under the corporate name 华泰证券股份有限公司 (Huatai Securities Co., Ltd.), converted from its predecessor 华泰证券有限责任公司 (Huatai Securities Limited Liability Company) on December 7, 2007, carrying on business in Hong Kong as “HTSC”, and was registered as a registered non-Hong Kong company under Part 16 of the Companies Ordinance under the Chinese approved name of “华泰六八八六股份有限公司” and English name of “Huatai Securities Co., Ltd.”; the H Shares of which have been listed on the main board of the Hong Kong Stock Exchange since June 1, 2015 (Stock Code: 6886); the A Shares of which have been listed on the Shanghai Stock Exchange since February 26, 2010 (Stock Code: 601688); the global depository receipts of which have been listed on the London Stock Exchange plc since June 2019 (Symbol: HTSC), unless the context otherwise requires, including its predecessor
“Company Law”	the Company Law of the PRC, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“EGM”	the 2023 second extraordinary general meeting to be held by the Company at the Conference Room, Renaissance Nanjing Olympic Centre Hotel, No. 139 Aoti Street, Jianye District, Nanjing, Jiangsu Province, the PRC on Friday, November 24, 2023 at 2:40 p.m.
“GDR(s)”	global depositary receipt(s)
“Group”	the Company and its subsidiaries, and their respective predecessors
“H Share(s)”	foreign Shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in HK\$ and are listed on the Hong Kong Stock Exchange
“H Share Class Meeting”	the 2023 third H Share Class Meeting to be held by the Company at the Conference Room, Renaissance Nanjing Olympic Centre Hotel, No. 139 Aoti Street, Jianye District, Nanjing, Jiangsu Province, the PRC on Friday, November 24, 2023 at 2:40 p.m. (or immediately after the conclusion of the EGM and the A Share Class Meeting or any adjournment thereof)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	The Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Jiangsu SASAC”	State-owned Assets Supervision and Administration Commission of Jiangsu Provincial Government (江蘇省政府國有資產監督管理委員會)

DEFINITIONS

“Latest Practicable Date”	October 30, 2023, being the latest practicable date for the purpose of ascertaining certain information contained in this circular prior to its publication
“PRC” or “China”	the People’s Republic of China, excluding, for the purposes of this circular, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary share(s) of RMB1.00 each in the share capital of the Company, comprising A Share(s) and H Share(s)
“Shareholder(s)”	the holder(s) of the Share(s)
“SOHO Holdings”	Jiangsu SOHO Holdings Group Co., Ltd.
“SSE” or “Shanghai Stock Exchange”	Shanghai Stock Exchange
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Working System for Independent Directors”	the Working System for Independent Directors of Huatai Securities Co., Ltd., as amended, supplemented or otherwise modified from time to time
“%”	per cent.

Special Resolution:

1. Resolution on the cancellation of the repurchased A Shares and reduction of registered capital

Reference is made to the announcement of the Company dated October 30, 2023 in relation to the cancellation of repurchased A Shares and reduction of registered capital.

I. Overview of share repurchase

On March 30, 2020, the Board considered and approved the Resolution on the Repurchase of A Shares of the Company through Centralized Price Bidding (《關於以集中競價交易方式回購公司A股股份方案的議案》). According to the Report on Repurchase of A Shares by Huatai Securities Co., Ltd. through Centralized Price Bidding (《华泰證券股份有限公司關於以集中競價交易方式回購A股股份的回購報告書》), the repurchase plan of shares is: the Company shall use self-owned funds to repurchase the A Shares of the Company by way of centralized price bidding, the total funds for such repurchase shall not exceed RMB2,615 million, and the repurchase price shall not exceed RMB28.81 per Share (In the event of any dividend distribution, conversion of capital reserve into share capital, bonus issue, stock split or reverse stock split during the repurchase period, the Company will adjust the price for share repurchase accordingly pursuant to relevant requirements of the CSRC and the SSE). The shares to be repurchased are intended to be used for the restricted stock incentive plan. If the Company fails to achieve the above-mentioned purpose within 36 months after the publication of repurchase results and announcement of changes in shares, the unused shares repurchased will be cancelled, which will be implemented specifically in accordance with relevant laws, regulations and policies.

On January 8, 2021, the Company completed the repurchase, and had actually repurchased 90,766,495 A Shares of the Company, representing 0.9999999% of the total share capital of the Company. The highest repurchase price was RMB23.08 per Share, the lowest repurchase price was RMB17.19 per Share, and the average repurchase price was RMB18.46 per Share. The total amount of funds used was RMB1,675,361,296.88 (excluding transaction costs).

II. Reasons and quantity of the Cancellation

Pursuant to the relevant provisions of the Company Law, the Rules on the Share Repurchase by Listed Companies (《上市公司股份回購規則》), the Guidelines No. 7 of the Shanghai Stock Exchange for the Self-regulation of Listed Companies – Share Repurchase (《上海證券交易所上市公司自律監管指引第7號 – 回購股份》) and the Company’s share repurchase plan, if the Company fails to achieve the purpose of the repurchased shares in accordance with the share repurchase plan within 36 months after the publication of the repurchase results and announcement of changes in shares, the unused repurchased shares will be cancelled. Considering that the aforementioned 36-month period is about to expire, the Company intends to cancel the remaining 45,278,495 A Shares repurchased in total (the “Cancellation”). Upon the cancellation of the remaining repurchased shares, the registered capital of the Company will be reduced accordingly.

III. Changes in shares after the Cancellation

Upon completion of the Cancellation, the total number of shares of the Company will be changed from 9,074,663,335 shares to 9,029,384,840 shares. The changes in the share capital structure of the Company are as follows:

Type of shares	Before the Cancellation Quantity (shares)	Proportion (%)	Increase/ decrease	After the Cancellation Quantity (shares)	Proportion (%)
A Shares	7,355,617,655	81.06	-45,278,495	7,310,339,160	80.96
– Floating shares not subject to selling restrictions	7,326,339,263	80.73	-45,278,495	7,281,060,768	80.64
Of which: repo-securities account	45,278,495	0.50	-45,278,495	–	–
– Shares subject to selling restrictions	29,278,392	0.32	–	29,278,392	0.32
H Shares	1,719,045,680	18.94	–	1,719,045,680	19.04
Total	9,074,663,335	100.00	-45,278,495	9,029,384,840	100.00

Note 1: The above share capital structure represents the share capital of the Company as of the Latest Practicable Date. The change in the share capital structure of the Company after the Cancellation is subject to the share capital structure table issued by the Shanghai Branch of China Securities Depository and Clearing Corporation Limited after the completion of the cancellation of repurchased Shares.

Note 2: Any discrepancies in the mantissa between some of the totals and the sum of the breakdowns in the above table are due to rounding.

IV. The impact of the Cancellation on the Company

The Cancellation will not result in a change in the control of the Company's de facto controller, will not have a significant impact on the financial position and operating results of the Company, and will not impact on the interests of the Company and all its Shareholders. Upon completion of the Cancellation, the equity distribution of the Company will still conform to the listing requirements. The Cancellation will not affect the Company's listing status.

V. The adjustment of the Company's registered capital and amendments to Articles of Association

After the completion of the Cancellation, the registered capital of the Company will be reduced by RMB45,278,495, and the relevant provisions of Articles of Association shall be amended accordingly. Upon consideration and approval by the EGM and Class Meetings, the management of the Company shall be authorized to handle the procedures of change of industrial and commercial registration regarding the registered capital of the Company, and the relevant provisions in Articles of Association shall be amended accordingly.

This resolution was considered and approved by the Board on October 30, 2023 and is hereby proposed at the EGM and the Class Meetings for consideration and approval.

Ordinary Resolutions:

2. Resolution on the amendments to the Working System for Independent Directors

In order to further regulate the conduct of independent Directors, give full play to the role of independent Directors in corporate governance, strengthen the restraint and supervision mechanism on internal Directors and senior management, protect the rights and interests of minority Shareholders and stakeholders, and promote the standardized operation of the Company, the Company proposes to amend certain provisions of the current Working System for Independent Directors according to the relevant requirements of relevant laws, regulations, rules and normative documents such as the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》), the Measures for the Supervision and Administration of Directors, Supervisors, Senior Management Officers and Practitioners of Securities Fund Operation Institutions (《證券基金經營機構董事、監事、高級管理人員及從業人員監督管理辦法》) of CSRC, and the Guidelines No. 1 of the Shanghai Stock Exchange for the Self-regulation of Listed Companies – Standard Operation (上海證券交易所《上市公司自律監管指引第1號 – 規範運作》), as well as the actual situation of the Company.

Details of the explanation table of the proposed amendments to the Working System for Independent Directors are set out in Appendix I to this circular.

The proposed amendments to the Working System for Independent Directors are subject to consideration and approval by the Shareholders of the Company at the EGM. The amended Working System for Independent Directors shall become effective from the date of consideration and approval at the EGM. Prior to that, the current Working System for Independent Directors shall remain effective.

This resolution was considered and approved by the Board on October 30, 2023 and is hereby proposed at the EGM for consideration and approval.

3. Resolution on the election of Mr. Liu Changchun as a non-executive director of the sixth session of the Board

Reference is made to the announcement of the Company dated October 30, 2023 in relation to, among other things, the Board's proposed election of Mr. Liu Changchun as a non-executive director of the sixth session of the Board.

According to the relevant requirements of the Rules for Governance of Securities Companies (《證券公司治理準則》) promulgated by the CSRC and Articles of Association, Shareholders(s) severally or jointly holding no less than 3% of the outstanding voting Shares of the Company may recommend candidates for Directors (non-employee representative Directors) to the Board.

Recently, SOHO Holdings, a Shareholder holding no less than 3% of the outstanding voting Shares of the Company, has nominated Mr. Liu Changchun as a candidate for non-executive Director of the sixth session of the Board.

Upon passing of the resolution on the election of Mr. Liu Changchun as a candidate for non-executive Director of the sixth session of the Board at the EGM of the Company, Mr. Liu Changchun will conclude a service contract with the Company to officially perform his duty as a non-executive Director of the sixth session of the Board for a term until the end of the term of the current session of the Board. Pursuant to Articles of Association, Mr. Liu Changchun shall be eligible for re-election upon the expiry of his term of office.

The biographical details of Mr. Liu Changchun and other information related to his election are set out below:

Mr. Liu Changchun, born in April 1974, holds bachelor's and master's degrees and is a senior political engineer. He served as a cadre, staff member and senior staff member of the Counsellors' Office of Jiangsu Provincial People's Government from August 1996 to July 2003; senior staff member of the General Division of the Elderly Cadre Bureau of CPC Jiangsu Provincial Committee from July 2003 to August 2004; senior staff member, principal staff member and deputy director of the General Division (Policy and Regulations Division) of the office of Jiangsu SASAC (Party Committee Office) from August 2004 to January 2015; deputy general manager (department general manager level), general manager of the strategic planning department, director of the Party Committee office, secretary to the board of directors, director of the office of the board of directors, general manager of the human resources department

(organization department of the Party Committee) and deputy director of the Inspection Work Office of the Party Committee of SOHO Holdings from January 2015 to August 2020; vice president, member of the Party Committee and secretary to the board of directors of SOHO Holdings from August 2020 to September 2020. He has served as the vice president, a member of the Party Committee, secretary to the board of directors and general counsel of SOHO Holdings since September 2020.

SOHO Holdings, where Mr. Liu Changchun works, is a wholly-owned subsidiary of Jiangsu SASAC, which is the de facto controller of the Company.

Mr. Liu Changchun will not receive remuneration from the Company during his term of office as a non-executive Director.

As of the Latest Practicable Date, Mr. Liu Changchun has not been subject to any punishment from the CSRC or other relevant authorities or any penalty from stock exchanges in the past three years. Save as disclosed in this circular, Mr. Liu Changchun does not have other relationship with Directors, Supervisors, senior management, substantial Shareholders or controlling Shareholders of the Company; he does not hold any other position in any member of the Group; he does not have any interest in the shares of the Company within the meaning of Part XV of the SFO; he did not hold any directorship of any other listed companies in the last three years; there is no information required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Hong Kong Listing Rules; and there are no other matters that need to be brought to the attention of the Shareholders.

The resolution is considered and approved at the Board meeting on October 30, 2023, and is proposed at the EGM for consideration and approval.

VOTING ARRANGEMENT

The above-mentioned resolution 1 is a special resolution to be passed by the affirmative votes representing at least two-thirds of the total number of Shares held by the attending Shareholders having voting rights; resolution 2 and resolution 3 are ordinary resolutions to be passed by the affirmative votes representing at least one half of the total number of Shares held by the attending Shareholders having voting rights.

NOTICE OF THE 2023 THIRD A SHARE CLASS MEETING



(GDR under the symbol "HTSC")

NOTICE OF THE 2023 THIRD A SHARE CLASS MEETING

NOTICE IS HEREBY GIVEN that the A Share Class Meeting of the Company will be held at Conference Room, Renaissance Nanjing Olympic Centre Hotel, No. 139 Aoti Street, Jianye District, Nanjing, Jiangsu Province, the PRC on Friday, November 24, 2023 at 2:40 p.m. (or immediately after the conclusion of the EGM or any adjournment thereof) to consider the following issue:

SPECIAL RESOLUTION

1. To consider and approve the resolution on the cancellation of the repurchased A Shares and reduction of registered capital

**Explanation Table of the Proposed Amendments to the Working System
for Independent Directors of Huatai Securities Co., Ltd.**

1. Amendments to the following articles of the Working System for Independent Directors

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
<p>Article 1 The Company establishes independent directors and formulates this system in accordance with relevant laws, administrative regulations, departmental rules, normative documents, rules and Articles of Association, such as the Rules for Independent Directors of Listed Companies (《上市公司獨立董事規則》) of China Securities Regulatory Commission (hereinafter referred to as CSRC), with an aim to further optimize the structure of corporate governance of the Company, improve the structure of the Board, strengthen the mechanism of restraint and supervision on the internal directors and managers, protect the interest of the minority shareholders and stakeholders, and regulate the operation and conduct of the Company.</p>	<p>Article 1 The Company establishes independent directors and formulates this system in accordance with relevant laws, administrative regulations, departmental rules, normative documents, rules and Articles of Association, such as the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of China Securities Regulatory Commission (hereinafter referred to as CSRC), with an aim to further optimize the structure of corporate governance of the Company, improve the structure of the Board, regulate the act of independent directors, fully perform the functions of independent directors in corporate governance, strengthen the mechanism of restraint and supervision on the internal directors and senior management, protect the interest of the minority shareholders and stakeholders, and regulate the operation and conduct of the Company.</p>	<p>Amended in accordance with Article 1 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC, with the related abolished documents removed.</p>
<p>Article 2 An independent director refers to a director who does not take up any position in the Company other than as a director and does not have any relationship with the Company, its substantial shareholders which may obstruct him/her from making independent and objective judgments.</p>	<p>Article 2 An independent director refers to a director who does not take up any position in the Company other than as a director and has no direct or indirect interest in the Company, its substantial shareholders, or actual controller, or no other relationship that may obstruct him/her from making independent and objective judgments.</p>	<p>Amended in accordance with Article 2 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
<p>Article 4 An independent director shall assume the obligation of fidelity and diligence to the Company and all the shareholders. An independent director shall, in accordance with the requirements of relevant laws, regulations and Articles of Association, conscientiously perform his/her duties in order to protect the overall interests of the Company, particularly without prejudice to the legitimate rights and interests of minority shareholders. An independent director must perform his/her duties independently, without being influenced by the Company's substantial shareholders, actual controller, and any other units or individuals who have an interest in his/her relationship with the Company.</p> <p>An independent director may take his/her role as independent director in up to five domestic and overseas listed companies concurrently, and any person may serve as an independent director for two securities and fund business institutions at the most. Where the laws and regulations, the CSRC shall otherwise require, such provisions shall prevail. An independent director shall ensure his/her effective performance of duties as independent director with sufficient time and efforts devoted.</p>	<p>Article 4 An independent director shall assume the obligation of loyalty and diligence to the Company and all the shareholders. An independent director shall, in accordance with the requirements of relevant laws, regulations and Articles of Association, conscientiously perform his/her duties, play the role of participating in decision-making, conducting supervision, checks and balances, and providing professional advice in the board of directors, in order to protect the overall interests of the Company, particularly without prejudice to the legitimate rights and interests of minority shareholders. An independent director must perform his/her duties independently, without being influenced by the Company's substantial shareholders, actual controller, and any other units or individuals who have an interest in his/her relationship with the Company.</p> <p>In principle, an independent director may take his/her role as independent director in up to three domestic listed companies, and any person may serve as an independent director for two securities and fund business institutions at the most. Where the laws and regulations, the provisions of the stock exchange on which the Company is listed and that of the CSRC shall otherwise require, such provisions shall prevail. An independent director shall ensure his/her effective performance of duties as independent director with sufficient time and efforts devoted.</p>	<p>Amended in accordance with Article 3 and Article 8 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
<p>Article 5 A candidate for independent director shall have none of the following bad records:</p> <p>(1) administrative punishment imposed by the CSRC in the past 36 months;</p> <p>(2) in the period that is publicly recognized by the Shanghai Stock Exchange as not appropriate for serving as a director of a listed company;</p> <p>(3) open denunciation or over 2 circulated criticisms by the Shanghai Stock Exchange in the past 36 months;</p> <p>(4) failure to attend board meetings for 2 consecutive times or failure to attend over one third of the board meetings of the current year in person during his/her service as independent director;</p> <p>(5) obvious discrepancy of his/her independent opinions from the facts during his/her service as independent director;</p> <p>(6) other conditions as determined by the stock exchanges on which the Company is listed.</p>	<p>Article 5 A candidate for independent director shall have none of the following bad records:</p> <p>(1) subject to administrative penalties by the CSRC or criminal penalties by judicial authorities for violation of laws or crime, in respect of securities and futures, in the past 36 months;</p> <p>(2) a case has been filed for investigation by the CSRC or by judicial authorities for violation of laws or crime, in respect of securities and futures, and no clear conclusion has been reached;</p> <p>(3) open denunciation or over 3 circulated criticisms by the Shanghai Stock Exchange in the past 36 months;</p> <p>(4) has bad records of major dishonest;</p> <p>(5) removal of his/her duties on a general meeting proposed to be convened by the board of directors due to failure to neither attend two consecutive board meetings in person nor to entrust other independent directors to attend board meetings on his/her behalf during his/her service as independent director, which was less than 12 months;</p> <p>(6) other conditions as determined by the stock exchanges on which the Company is listed.</p>	<p>Amended in accordance with Article 3.5.5 of Guidelines No. 1 for the Self-regulation of Listed Companies – Standard Operation (Amendments in August 2023) (《上市公司自律監管指引第1號 – 規範運作(2023年8月修訂)》) of the Shanghai Stock Exchange.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
<p>Article 6 An independent director shall meet the following basic qualification requirements :</p> <p>(1) having the qualifications as director of listed companies and securities companies in accordance with the laws, administrative regulations and other relevant provisions;</p> <p>(2) being independent as required by relevant laws and regulations, this system and Articles of Association;</p> <p>(3) having the basic knowledge on the operation of listed companies and financial enterprises, knowing well relevant laws, administrative regulations, rules and regulations;</p> <p>(4) having over five years of work experience in legal, economics, accounting, finance, administration or other required for performing the duties of an independent director;</p> <p>(5) having no circumstances specified in Article 7 of the Measures for the Supervision and Administration of Directors, Supervisors, Senior Management Officers and Practitioners of Securities Fund Operating Institutions (《證券基金經營機構董事、監事、高級管理人員及從業人員監督管理辦法》);</p> <p>(6) having at least one independent director of the Company ordinarily reside in Hong Kong;</p> <p>(7) other qualification requirements prescribed by laws and regulations and Articles of Association.</p>	<p>Article 6 An independent director shall meet the following basic qualification requirements :</p> <p>(1) having the qualifications as director of listed companies and securities companies in accordance with the laws, administrative regulations and other relevant provisions;</p> <p>(2) being independent as required by relevant laws and regulations, this system and Articles of Association;</p> <p>(3) having the basic knowledge on the operation of listed companies and financial enterprises, knowing well relevant laws, administrative regulations, rules and regulations;</p> <p>(4) having over five years of work experience required for performing the duties of an independent director in fields such as legal, accounting or economics;</p> <p>(5) having good personal integrity and has no bad records, such as major dishonest acts;</p> <p>(6) having no circumstances specified in Article 7 of the Measures for the Supervision and Administration of Directors, Supervisors, Senior Management Officers and Practitioners of Securities Fund Operating Institutions (《證券基金經營機構董事、監事、高級管理人員及從業人員監督管理辦法》);</p> <p>(7) having at least one independent director of the Company ordinarily reside in Hong Kong;</p> <p>(8) fulfilling other conditions prescribed by laws, administrative regulations, rules of CSRC, business rules of stock exchanges, and Articles of Association.</p>	<p>Supplemented and amended in respect of the requirements related to work experiences of independent directors in accordance with Article 7 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
<p>Article 7 Independent directors must be independent and the following persons cannot hold the post of independent director:</p> <p>(1) The person who holds a position in the Company or its affiliated enterprises or the related parties of the Company in the past three years;</p> <p>(2) The person whose direct relatives and major social relations hold a position in the Company and its related parties (direct relatives refer to his/her spouse, father, mother and children; major social relations refer to his/her brothers, sisters, father-in-law, mother-in-law, daughter-in-law, son-in-law, spouse of his/her brothers and sisters, and his/her spouse's brothers and sisters);</p> <p>(3) The person who directly or indirectly holds over 1% of the issued shares of the Company or who is a natural person shareholder among the top 10 shareholders of the Company and his/her direct relatives;</p> <p>(4) The person who holds a position in a corporate shareholder who directly or indirectly holds over 5% of the issued shares of the Company or in any of the top 5 corporate shareholders of the Company and his/her direct relatives;</p> <p>(5) The person who holds a position in the actual controller and its affiliated enterprise of the Company;</p>	<p>Article 7 Independent directors must be independent and the following persons cannot hold the post of independent director:</p> <p>(1) The person who holds a position in the Company or its affiliated enterprises or the related parties of the Company in the past three years;</p> <p>(2) The person whose direct relatives and major social relations hold a position in the Company and its affiliated enterprises or related parties of the Company;</p> <p>(3) The person who directly or indirectly holds over 1% of the issued shares of the Company or who is a natural person shareholder among the top 10 shareholders of the Company and his/her direct relatives;</p> <p>(4) The person who holds a position in a corporate shareholder who directly or indirectly holds over 5% of the issued shares of the Company or in any of the top 5 corporate shareholders of the Company and his/her direct relatives;</p> <p>(5) The person who holds a position in the affiliated enterprise of the controlling shareholders or actual controller of the Company and his/her direct relatives;</p>	<p>Amended in accordance with Article 9 of the Measures for the Supervision and Administration of Directors, Supervisors, Senior Management Officers and Practitioners of Securities Fund Operating Institutions (《證券基金經營機構董事、監事、高級管理人員及從業人員監督管理辦法》) of the CSRC and Article 6 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) issued by the CSRC.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
<p>(6) The person who provides services such as finance, law and consultancy to the Company and its controlling shareholders or their respective affiliated enterprises, including all members of the project team, reviewers at all levels, persons who sign on the reports, partners and principal responsible persons of agencies providing services;</p> <p>(7) The person who has interests with the senior management officers, other directors, supervisors and other key personnel of the Company and its related parties;</p> <p>(8) The person who holds a position in an organization which has business relationship or interest relationship with the Company or its affiliated enterprises;</p> <p>(9) The person who serves as a director, supervisor or senior management officer in companies which have major business relationship with the Company's controlling shareholders or their affiliated enterprises or in the corporate controlling shareholder of such companies with business relationship;</p> <p>(10) The person holds a position other than being an independent director in other securities fund operating institutions;</p> <p>(11) The person, within the latest 1 year, falls under any of the circumstances outlined in the aforementioned items (2) to (10);</p>	<p>(6) The person who provides services such as finance, law, consultancy and sponsorship to the Company and its controlling shareholders, actual controllers or their respective affiliated enterprises, including but not limited to all members of the project team, reviewers at all levels, persons who sign on the reports, partners, directors, senior management officers and principal responsible persons of agencies providing services;</p> <p>(7) The person who has interests with the senior management officers, other directors, supervisors and other key personnel of the Company and its related parties;</p> <p>(8) The person who holds a position in an organization which has business relationship or interest relationship with the Company or its affiliated enterprises;</p> <p>(9) The person who has major business relationship with the Company and its controlling shareholder, actual controller or their respective affiliated enterprises, or the person who holds a position in an entity and its controlling shareholder or actual controller, with major business relationship;</p> <p>(10) The person holds a position other than being an independent director in other securities fund operating institutions;</p> <p>(11) The person, within the latest 1 year, falls under any of the circumstances outlined in the aforementioned items (2) to (10);</p>	

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
<p>(12) Other persons as specified in, inter alia, laws, administrative regulations, Articles of Association and departmental rules;</p> <p>(13) Other persons stipulated by the CSRC or the stock exchanges on which the Company is listed.</p>	<p>(12) Other persons as specified in laws, administrative regulations, provisions of the CSRC, business rules of stock exchanges and Articles of Association.</p> <p>The affiliated enterprises of the controlling shareholders and actual controller of the Company mentioned in items (5), (6) and (9) in the preceding paragraph do not include enterprises under common control of the same state-owned asset administrative authority and do not constitute related relationship with the Company according to the relevant provisions.</p> <p>Independent directors shall conduct self-evaluation on independence on annual basis and submit the self-evaluation findings to the board of directors. The board of directors shall conduct assessment on the independence of independent directors of current session on annual basis and issue specific opinions for disclosure together with the annual report.</p>	
<p>Article 8 The board of directors of the Company, supervisory committee and shareholders individually or jointly holding over 1% of the issued shares of the Company may nominate candidates of independent directors for decision through election in the general meeting.</p>	<p>Article 8 The board of directors of the Company, supervisory committee and shareholders individually or jointly holding over 1% of the issued shares of the Company may nominate candidates of independent directors for decision by election in the general meeting.</p> <p>Investor protection institutions established in accordance with laws may publicly request shareholders to entrust those institutions to exercise the right to nominate independent directors on their behalf.</p> <p>The nominator as specified in paragraph 1 shall not nominate any person who has interest relationship with him/her or any other person in close relationship that may affect independence in performing duties as a candidate of independent directors.</p>	<p>Supplemented and amended in respect of the requirements related to the nominees in accordance with Article 9 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
<p>Article 9 The nominator of an independent director shall obtain the consent of the nominee before nomination. The nominator shall have a full understanding of the profession, academic credentials, job title, detailed work experiences and all part-time jobs of the nominee and express an opinion on the qualification and independence of the nominee to be an independent director. The nominee shall issue an independence statement that there does not exist any relationship between him/her and the Company that may influence his/her independent and objective judgment. Prior to the shareholders' general meeting for election of independent directors, the board of directors of the Company shall publish the aforesaid information as required. The Company is required to submit the independence statement as a filing material to the relevant delegated authorities of the CSRC.</p>	<p>Article 9 The nominator of an independent director shall obtain the consent of the nominee before nomination. The nominator shall have a full understanding of the profession, academic credentials, job title, detailed work experiences, all part-time jobs of the nominee and whether there is any adverse record such as material breach of trust and express an opinion on his/her satisfaction of other requirements on independence and being an independent director. The nominee shall issue an open statement on his/her satisfaction of other requirements on independence and being an independent director. Prior to the shareholders' general meeting for election of independent directors, the board of directors of the Company shall publish the aforesaid information as required. The Company is required to submit his/her relevant statements as filing materials to the relevant delegated authorities of the CSRC.</p>	<p>Amended in accordance with Article 10 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
<p>Article 10 Prior to the announcement of the notice of the general meeting for election of independent directors, the Company shall submit the relevant materials of the nominees to the Shanghai Stock Exchange. If the board of directors of the Company has any objection to the nominees, opinions of the board of directors shall also be submitted in writing. When the Company proposes to appoint a new independent director, the Company must publish the appointment as soon as practicable, and include in the announcement the details of the new independent director required to be published by the Hong Kong Listing Rules.</p> <p>The Shanghai Stock Exchange shall examine the qualifications and independence of the candidates for independent directors. In the event the independent director candidates are objected by the Shanghai Stock Exchange, the Company shall not submit them to the general meeting for election as independent directors, and shall postpone or cancel the general meeting or cancel the relevant proposals of the general meeting in accordance with the Rules for the General Meetings of Shareholders of Listed Companies (《上市公司股東大會規則》) issued by the CSRC and the Hong Kong Listing Rules.</p> <p>At the general meeting for election of independent directors, the board of directors of the Company shall declare whether the candidates for independent directors are objected by the Shanghai Stock Exchange.</p>	<p>Article 10 The Nomination Committee of the board of directors of the Company shall conduct a review on the qualifications of the nominee for appointment and form definite review opinions.</p> <p>Prior to the announcement of the notice of the general meeting for election of independent directors, the Company shall submit the relevant materials of the nominees to the Shanghai Stock Exchange.</p> <p>If the board of directors of the Company has any objection to the nominees, opinions of the board of directors shall also be submitted in writing. When the Company proposes to appoint a new independent director, the Company must publish the appointment as soon as practicable, and include in the announcement the details of the new independent director required to be published by the Hong Kong Listing Rules.</p> <p>The Shanghai Stock Exchange shall examine the qualifications and independence of the candidates for independent directors. In the event the independent director candidates are objected by the Shanghai Stock Exchange, the Company shall not submit them to the general meeting for election as independent directors, and shall postpone or cancel the general meeting or cancel the relevant proposals of the general meeting in accordance with the Rules for the General Meetings of Shareholders of Listed Companies (《上市公司股東大會規則》) issued by the CSRC and the Hong Kong Listing Rules.</p> <p>At the general meeting for election of independent directors, the board of directors of the Company shall declare whether the candidates for independent directors are objected by the Shanghai Stock Exchange.</p>	<p>Amended in accordance with Article 11 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC, and with reference to paragraph (IV) of Article 32 of the Working Rules of the Special Committees of the Board of Directors of Huatai Securities Co., Ltd. (《华泰證券股份有限公司董事會專門委員會工作細則》).</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
—	<p>Article 11 When the general meeting of the Company conducts election for more than two independent directors, the cumulative voting system shall be implemented, the specific implementation details shall be provided in Articles of Association.</p> <p>The votes of minority shareholders shall be counted separately and disclosed.</p>	Amended in accordance with Article 12 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC.
<p>Article 13 If an independent director fails to attend three board meetings consecutively in person, the board of directors shall propose a replacement of the director at a general meeting. Prior to the expiration of the term of office of an independent director, the Company may remove him/her from his/her position through legal procedures. In case of an early termination, it shall be disclosed as a special disclosure issue by the Company. If the independent director so removed considers that the reason for his/her removal is not proper, he or she can make a public statement.</p>	<p>Article 14 Independent directors shall attend board meetings in person. If an independent director is unable to attend a meeting in person for any reason, materials for the meeting shall be read in advance to form a definite opinion and appoint in writing another independent director(s) to attend the meeting on his/her behalf.</p> <p>If an independent director fails to attend two board meetings consecutively in person, and fails to appoint another independent director to attend on his/her behalf, the board of directors shall propose to convene a general meeting within 30 days from the date of occurrence of such facts to remove such independent director from his/her position.</p>	Amended in accordance with Article 20 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC, and some contents of the original Article have been adjusted to set out in Article 15 of this system.

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
<p>Article 14 An independent director may tender resignation before expiration of his/her term of office. An independent director shall resign by submitting a written resignation report to the board of directors, and providing an explanation of any conditions in relation to his/her resignation or which are considered by him/her as necessary to draw the attention of shareholders and creditors of the Company. If the proportion of independent directors in the board of directors of the Company is lower than the minimum requirements specified in this system due to the resignation of an independent director or there is no accounting professional among independent directors, the independent director shall continue to perform his/her duties until the date when a new independent director is appointed. The original nominator of the independent director or the board of directors of the Company shall nominate a new independent director candidate within three months from the date of resignation of the independent director.</p> <p>If an independent director resigns or is removed during his/her term of office, the independent director and the Company shall provide written explanations to the relevant delegated authorities of the CSRC and the general meeting within 20 working days.</p>	<p>Article 15 Prior to the expiration of the term of office of an independent director, the Company may remove him/her from his/her position in accordance with legal procedures. In case of an early termination of an independent director from his/her duties, the Company shall disclose the specific reasons and grounds in a timely manner. If the independent director raises an objection, the Company shall disclose in a timely manner.</p> <p>If an independent director fails to satisfy the requirements in item (1) or (2) of Article 6 of this system, he/she shall stop performing his/her duties immediately and resign from his/her position. If he/she fails to resign, after the board of directors has knowledge of such circumstances or should have known the occurrence of such facts, it shall remove him/her from office immediately according to these provisions.</p> <p>If the resignation or removal of an independent director due to the circumstances as stipulated in the preceding paragraph has rendered the proportion of independent directors in the board of directors or its special committees fall below the minimum requirements specified in this system or there is no accounting professional among independent directors, the Company shall complete the election for replacement within 60 days from the date of occurrence of the aforesaid facts.</p>	<p>Amended in accordance with Article 14 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
	<p>Article 16 An independent director may tender resignation before expiration of his/her term of office. An independent director shall resign by submitting a written resignation report to the board of directors, and providing an explanation of any conditions in relation to his/her resignation or which are considered by him/her as necessary to draw the attention of shareholders and creditors of the Company. The Company shall disclose the reasons and matters for attention in relation to the resignation of an independent director.</p> <p>If the resignation of an independent director will render the proportion of independent directors in the board of directors or its special committees fall below the minimum requirements specified in this system or there is no accounting professional among independent directors, the independent director who tenders resignation shall continue to perform his/her duties until the date when a new independent director is appointed. The Company shall complete the election for replacement within 60 days from the date of resignation of the independent director.</p> <p>Article 17 If an independent director resigns or is removed during his/her term of office, the independent director and the Company shall provide written explanations to the relevant delegated authorities of the CSRC and the general meeting within 20 working days.</p>	<p>Amended in accordance with Article 15 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC.</p> <p>Some contents of the original Article have been adjusted to set out in Article 17 of this system.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
—	<p>Article 18 Independent directors shall perform the following duties:</p> <p>(1) Participating in the decision-making of the board of directors and offering specific opinions on the matters deliberated;</p> <p>(2) Supervising the matters considered by the board of directors and its specific committees, the matters on potential material conflicts of interest between the Company and its controlling shareholder, actual controller, directors, and senior management officers, urging the decision-making of the board of directors in the overall interests of the Company, and protecting the lawful rights and interests of minority shareholders;</p> <p>(3) Providing professional and objective advice on the operation and development of the Company and promoting the improvement of the decision-making level of the board of directors;</p> <p>(4) Performing other duties prescribed by laws, administrative regulations, provisions of the CSRC, business rules of stock exchanges and Articles of Association.</p>	<p>In accordance with Article 17 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC, summarized duties of independent directors are added.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
<p>Article 15 An independent director shall have the following special functions and powers in addition to those granted to directors by the Company Law and other relevant laws and regulations:</p> <p>(1) significant related party transactions shall be approved by the independent directors before being submitted; before the independent directors make judgment, an intermediary agency can be engaged to produce a report of independent financial advisor, which will serve as the basis for the independent directors' judgement;</p> <p>(2) proposing to the board of directors for the appointment or dismissal of accounting firms;</p> <p>(3) proposing to the board of directors the convening of extraordinary general meetings;</p> <p>(4) proposing the convening of board meetings;</p> <p>(5) publicly soliciting shareholders' voting rights before convening of general meetings;</p> <p>(6) independently engaging an external auditor or consultancy firms for auditing or consultation on issues regarding specific issues in the Company;</p> <p>(7) other functions and powers prescribed by laws, regulations, the CSRC, relevant requirements of the stock exchanges of the place where the Company is listed and Articles of Association.</p> <p>Independent directors shall seek the consent of a majority of all the independent directors before exercising the functions and powers under items (1) to (5) above and shall seek the consent of all the independent directors before exercising the functions and powers under item (6) above, with related expenses to be borne by the Company. If the aforesaid proposals are not accepted or the functions and powers cannot be performed normally, the Company should disclose the related details.</p>	<p>Article 19 An independent director may exercise the following special functions and powers:</p> <p>(1) independently engaging intermediaries for auditing, consultation or inspection on issues regarding specific issues in the Company;</p> <p>(2) proposing to the board of directors the convening an extraordinary general meeting;</p> <p>(3) proposing the convening of board meetings;</p> <p>(4) publicly soliciting shareholders' rights from shareholders in accordance with laws;</p> <p>(5) giving independent opinions on matters that may damage the rights and interests of the Company or minority shareholders;</p> <p>(6) other functions and powers prescribed by laws, administrative regulations, provisions of the CSRC, business rules of stock exchanges and Articles of Association.</p> <p>Independent directors shall seek the consent of a majority of all the independent directors before exercising the functions and powers under items (1) to (3) of the preceding paragraph.</p> <p>The Company shall make a disclosure in a timely manner if an independent director exercises the functions and powers specified in paragraph 1 of this article. If the aforesaid functions and powers cannot be performed normally, the Company shall disclose the specific circumstances and reasons therefor.</p> <p>Fees for the engagement of intermediaries by independent directors and other expenses necessary to exercise those functions and powers shall be borne by the Company.</p>	<p>Amended in accordance with Article 3.5.17 of Guidelines No. 1 for the Self-regulation of Listed Companies – Standard Operation (Amendments in August 2023) (《上市公司自律監管指引第1號 – 規範運作(2023年8月修訂)》) of the Shanghai Stock Exchange.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
<p>Article 16 In addition to performing the above duties, the independent directors shall give independent opinions to the board of directors or General Meetings in respect of the following matters:</p> <p>(1) the nomination, appointment and dismissal of a director;</p> <p>(2) the employment and dismissal of a senior management staff;</p> <p>(3) the remunerations of the directors and senior management staff;</p> <p>(4) the engagement or dismissal of an accounting firm;</p> <p>(5) changes in accounting policies, accounting estimates or correction of significant accounting errors resulting from reasons other than changes in accounting standards;</p> <p>(6) production of non-standard unqualified audit opinions by an accounting firm on the financial reports of the Company and internal control;</p> <p>(7) appraisal report on internal control;</p> <p>(8) the proposal that related parties undertaking to the changes;</p> <p>(9) the impacts of issuing preference shares on the equities of shareholders of the Company in each class;</p> <p>(10) formulating profit distribution policies, profit distribution plans and cash dividend plans;</p> <p>(11) material matters that require disclosure such as related party transactions, provision of guarantees (excluding guarantees provided for subsidiaries consolidated in the statements), entrusted financial management, provision of financial assistance, use of proceeds, investment in stocks and their derivatives, etc.;</p>	—	Amended in accordance with the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC and the Guidelines No. 1 for the Self-regulation of Listed Companies – Standard Operation (上海證券交易所《上市公司自律監管指引第1號-規範運作》) of the Shanghai Stock Exchange.

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
<p>(12) material assets reorganization proposal, acquisition of management, share incentive scheme, employee share ownership plan, share repurchase plan, the scheme of repaying debts with non-cash assets by the related parties of listed companies;</p> <p>(13) the Company proposes that its shares will no longer be transacted on the Shanghai Stock Exchange;</p> <p>(14) matters considered by the independent directors to be likely to prejudice the legitimate interests of the minority shareholders;</p> <p>(15) other matters as required by laws, regulations and relevant requirements of the stock exchanges of the place where the Company is listed.</p>		
—	<p>Article 21 The following matters shall be submitted to the board of directors for consideration after approval by a majority of all independent directors of the Company:</p> <p>(1) Related transactions that should be disclosed;</p> <p>(2) The Company and the related parties' plan to change or waive the undertaking;</p> <p>(3) The decisions made and measures taken by the board of directors of the acquired company regarding the acquisition;</p> <p>(4) Other matters stipulated by laws, administrative regulations, provisions of the CSRC, business rules of stock exchanges and Articles of Association.</p>	<p>Amended in accordance with Article 23 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
—	<p>Article 22 The Company shall, on a periodical or unscheduled basis, convene meetings attended solely by independent directors (hereinafter referred to as special meetings of independent directors). Matters as specified in items (1) to (3) of paragraph 1 under Article 19 and Article 21 of this system shall be considered by the special meetings of independent directors.</p> <p>Special meetings of independent directors shall be convened and presided over by an independent director jointly elected by a majority of the independent directors; two or more independent directors may, by themselves, convene and elect a representative to preside over the meetings where the convenor fails to or is unable to perform his/her duties.</p> <p>The Company shall facilitate and support the convening of special meetings of independent directors.</p>	<p>Amended in accordance with Article 24 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC, this article is added with inclusion of matters to be considered by the special meetings of independent directors.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
—	<p>Article 23 Independent directors shall perform their duties of the special committees of the board of directors of the Company in accordance with laws, administrative regulations, provisions of the CSRC, business rules of the stock exchanges and Articles of Association. Independent directors shall attend meetings of these special committees in person; failing which (with grounds), materials for the meeting shall be read in advance to form a definite opinion and appoint in writing another independent director(s) to attend the meeting on their behalf. Where any material matters of the Company, which fall within the scope of duties of the special committees, has come to the attention of the independent directors when performing their duties, discussions and considerations can be proposed to and conducted by the special committees in accordance with the procedures in a timely manner.</p>	<p>In accordance with Article 25 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC, this article is added with inclusion of matters on performance of independent directors' duties.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
—	<p>Article 24 Independent directors shall work on site at the Company for no less than 15 days each year.</p> <p>In addition to attending general meetings, meetings of the board of directors and its special committees and special meetings of independent directors as required, independent directors may perform their duties in various ways, such as regularly obtaining information on the operation of the Company, listening to reports from the management, and communicating with the person in charge of the internal audit firm and the accounting firm responsible for performing audit for the Company and other intermediary agencies, performing on-site inspections, and communicating with minority shareholders.</p>	<p>In accordance with Article 30 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC, this article is added with inclusion of matters on the requirements for onsite work and ways of performance of duties of independent directors.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
—	<p>Article 25 Minutes of meetings of the Company's board of directors and its special committees, and of the special meetings of independent directors shall be prepared as required, with the inclusion of the opinions of the independent directors, who shall sign to confirm the minutes of the meetings.</p> <p>Independent directors shall compile work records to record in detail the performance of their duties. Information obtained by independent directors in the course of performing their duties, relevant minutes of meetings, and communication records with the staff of the Company and intermediary agencies form an integral part of the work records. Independent directors may request relevant personnel, such as the secretary to the board of directors, to sign and confirm the important contents in the work records, and the Company and relevant personnel shall cooperate with them in this respect.</p> <p>Work records of independent directors and information provided by the Company to the independent directors shall be kept for at least ten years.</p>	<p>In accordance with Article 31 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC, this article is added with inclusion of matters on requirements for independent directors to make work records and keep the performance of duties on records.</p>
—	<p>Article 26 The Company shall improve the communication mechanism between independent directors and minority shareholders, where independent directors can verify the issues raised by investors with the Company in a timely manner.</p>	<p>In accordance with Article 32 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC, this article is added with inclusion of matters on communication mechanism for minority shareholders.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
<p>Article 18 Independent directors shall prepare an annual performance report and submit it to the general meeting for consideration and file for future reference, stating the performance of their duties, and focusing on corporate governance matters such as internal control of the Company, standardized operation and protection of the rights and interests of small and medium investors.</p> <p>The work report of independent directors shall include:</p> <p>(1) the means and number of attendance and votes at the board of directors, and the number of attendances at the general meetings during the year;</p> <p>(2) the information on independent opinions expressed;</p> <p>(3) the information on on-site inspection;</p> <p>(4) the information on proposals for convening board meetings, appointment or dismissal of accounting firms, independent engagement of external auditors, consulting firms, etc.;</p> <p>(5) other works in protecting the legitimate rights and interests of minority shareholders.</p> <p>The work report of independent directors shall be signed and confirmed by the independent directors themselves and submitted to the Company for archive together with the information of the annual general meeting for filing.</p>	<p>Article 27 Independent directors shall prepare an annual work report and submit it to the general meeting for consideration and file for future reference, stating the performance of their duties, and focusing on corporate governance matters such as internal control of the Company, standardized operation and protection of the rights and interests of small and medium investors.</p> <p>The work report of independent directors shall include:</p> <p>(1) the means and number of attendance and votes at the board of directors, and the number of attendances at the general meetings during the year;</p> <p>(2) the information on the participation in the work of special committees of the board of directors and special meetings of independent directors;</p> <p>(3) the review of matters considered by the board of directors and its special committees and the exercise of the special functions and powers of independent directors as required by laws and regulations;</p> <p>(4) the information on major matters, methods and results of the communication with the internal audit institution and the accounting firm providing audit services to the Company on the financial and business conditions of the Company;</p> <p>(5) communications with minority shareholders;</p> <p>(6) the time and description of the work on-site at the Company;</p> <p>(7) other information in respect of the performance of duties.</p>	<p>The work report of independent directors has been amended and supplemented in accordance with Article 33 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
	<p>The annual work report of the independent directors shall be disclosed no later than the issuance of the notice of annual general meeting by the Company.</p> <p>The work report of independent directors shall be signed and confirmed by the independent directors themselves and submitted to the Company for archive together with the information of the annual general meeting for filing.</p>	
<p>Article 21 The Company guarantees that independent directors have an equal right to information as other directors. The independent directors shall be notified in advance of all matters to be resolved at the board meeting and be provided with true, accurate and complete information before the expiry of the statutory notice period. The independent director is entitled to request supplementary information if he/she considers the information provided is insufficient.</p> <p>Whenever 2 or more independent directors consider the information provided is insufficient or the discussion is not clear enough, they may jointly submit to the board of directors a request in writing to postpone the convention of the board meeting or to postpone the consideration of such matters. The board of directors should accept such requests. The information provided by the Company to the independent directors shall be kept by the Company and the independent directors for at least 5 years.</p>	<p>Article 30 The Company shall guarantee that independent directors have an equal right to information as other directors. The independent directors shall be notified in advance of all matters to be resolved at the board meeting and be provided with true, accurate and complete information before the expiry of the statutory notice period and shall ensure that the independent directors have access to sufficient resources and necessary professional advice in performing their duties.</p> <p>If 2 or more independent directors consider the meeting materials are incomplete, or the discussion is insufficient or not provided in a timely manner, they may submit to the board of directors a request in writing to postpone the convention of the meeting or to postpone the consideration of such matters. The board of directors shall accept such requests.</p>	<p>Amended and supplemented based on the actual circumstances of the Company in accordance with Article 35, Article 36 and Article 37 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of the CSRC.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
<p>Article 24 The Company shall grant appropriate allowances to the independent directors. The standard of allowances shall be planned by the board of directors, considered and approved at general meeting, and disclosed in the annual report of the Company. In addition to the aforesaid allowances, independent directors should not obtain any additional, undisclosed benefits, including equity incentives, from the Company and its affiliated enterprises, substantial shareholders or interested organizations and persons.</p> <p>Reasonable expenses incurred by independent directors in the performance of their duties shall be borne by the companies in which they hold office. Independent directors are entitled to request advances from the Company for reasonable expenses incurred in connection with the performance of their duties.</p>	<p>Article 32 The Company shall grant allowances to the independent directors commensurate with their duties and responsibilities. The standard of allowances shall be formulated by the board of directors, considered and approved at general meetings, and disclosed in the annual report of the Company.</p> <p>In addition to the aforesaid allowances, independent directors shall not obtain any additional, undisclosed benefits, including equity incentives, from the Company and its affiliated enterprises, substantial shareholders, de facto controllers or interested entities and persons.</p> <p>Reasonable expenses incurred by independent directors in the performance of their duties shall be borne by the companies in which they hold office. Independent directors are entitled to request advances from the Company for reasonable expenses incurred in connection with the performance of their duties.</p>	<p>Independent directors' allowances and expenses for the performance of duties have been amended and supplemented in accordance with Article 41 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of CSRC.</p>

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
—	<p>Article 34 In this system, the following terms shall have the following meanings:</p> <p>(1) Substantial shareholders refer to the shareholders holding more than 5% of the shares of the Company, or shareholders who hold less than 5% of the shares but have significant influence on the Company;</p> <p>(2) Minority shareholders refer to shareholders who individually or collectively hold less than 5% of the Company's shares and do not serve as directors, supervisors and senior management officers of the Company;</p> <p>(3) Affiliated enterprises refer to the enterprises that are directly or indirectly controlled by related entities;</p> <p>(4) Direct relatives refer to spouse, parents and children;</p> <p>(5) Major social relations refer to siblings and their spouses, parents of spouse, siblings of spouse, spouses of children, parents of children's spouses, etc.</p>	<p>This article has been added to accommodate the specific circumstances of the Company in accordance with Article 47 of the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) of CSRC.</p>

**APPENDIX I EXPLANATION TABLE OF THE PROPOSED AMENDMENTS
TO THE WORKING SYSTEM FOR INDEPENDENT DIRECTORS**

Original Provisions of the System	Amended Provisions of the System	Basis of Amendments
<p>Article 27 The supporting documents of this system include:</p> <p>1. External regulations: Rules for Independent Directors of Listed Companies (《上市公司獨立董事規則》), Measures for the Supervision and Administration of Directors, Supervisors, Senior Management Officers and Practitioners of Securities Fund Operating Institutions (《證券基金經營機構董事、監事、高級管理人員及從業人員監督管理辦法》), Code of Corporate Governance for Listed Companies (《上市公司治理準則》), Rules for Governance of Securities Companies (《證券公司治理準則》), Rules Governing the Listing of Stocks on Shanghai Stock Exchange (《上海證券交易所股票上市規則》) and Guidelines No. 1 of the Shanghai Stock Exchange for the Self-regulation of Listed Companies – Standard Operation (《上海證券交易所上市公司自律監管指引第1號 – 規範運作》) and Hong Kong Listing Rules</p> <p>2. Internal regulation: Articles of Association of Huatai Securities Co., Ltd. (《华泰證券股份有限公司章程》)</p>	<p>Article 36 The supporting documents of this system include:</p> <p>1. External regulations: Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》), Measures for the Supervision and Administration of Directors, Supervisors, Senior Management Officers and Practitioners of Securities Fund Operating Institutions (《證券基金經營機構董事、監事、高級管理人員及從業人員監督管理辦法》), Code of Corporate Governance for Listed Companies (《上市公司治理準則》), Rules for Governance of Securities Companies (《證券公司治理準則》), Rules Governing the Listing of Stocks on Shanghai Stock Exchange (《上海證券交易所股票上市規則》), Guidelines No. 1 of the Shanghai Stock Exchange for the Self-regulation of Listed Companies – Standard Operation (《上海證券交易所上市公司自律監管指引第1號 – 規範運作》), and Hong Kong Listing Rules;</p> <p>2. Internal regulations: Articles of Association of Huatai Securities Co., Ltd. (《华泰證券股份有限公司章程》) and Working Rules of the Special Committees of the Board of Directors of Huatai Securities Co., Ltd. (《华泰證券股份有限公司董事會專門委員會工作細則》).</p>	<p>The contents of this article have been added in accordance with the current system of the Company, and the abolished external regulation has been removed.</p>

2. **The serial number of articles under each section in the Working System for Independent Directors of the Company shall be adjusted in accordance with the above-mentioned amendments of the Working System for Independent Directors of the Company.**