

**The Board of Bank of Guizhou Co., Ltd.
Terms of Reference for the Audit Committee
(Applicable after the listing of H Shares)**

Chapter 1 General Provisions

Article 1 In order to improve the functions of the Audit Committee of the Board of Directors (hereinafter referred to as the Audit Committee) of Bank of Guizhou Co., Ltd. (hereinafter referred to as the Bank), improve the internal and external audit system, and perfect the corporate governance structure of the Bank, in light of the actual situation of the Bank, the Board of Directors has established the Audit Committee and formulated these Terms of Reference in accordance with provisions of Company Law of the People's Republic of China, Commercial Banking Law of the People's Republic of China, Guidelines on Corporate Governance of Commercial Banks, Code of Corporate Governance for Listed Companies, the Guidelines for Internal Control of Commercial Banks, the Guidelines for Internal Audit of Commercial Banks, and other laws, administrative regulations, departmental rules, regulatory documents as required by the securities regulatory agency of the place(s) and the stock exchange(s) in which the shares of the Bank are listed (hereinafter collectively referred to as the laws and regulations) and Articles of Association of Bank of Guizhou Co., Ltd. (hereinafter referred to as the Articles of the Bank).

Article 2 The Audit Committee is a specialized committee established under the Board of the Bank which is primarily responsible for guiding, supervising the Bank's internal and external audit and internal control work, reviewing and expressing opinions on the financial statements.

Chapter 2 Composition of the Committee

Article 3 The Audit Committee shall consist of no less than three directors, all of whom shall be non-executive directors and the majority of whom shall be independent directors; the Audit Committee shall have a chairman who shall be an independent director with professional knowledge and experience in such areas as finance, auditing and accounting, and be responsible for chairing the Committee.

Article 4 Member(s) of the Audit Committee shall be nominated by the chairman of the Board, or more than half of the independent directors or more than one-third of the directors, and elected by the Board. The chairman of the Audit Committee shall be nominated by the chairman of the Board and approved by the Board of Directors.

Article 5 The term of office of the members of the Audit Committee shall be the same as that of the Directors, and a member of the Audit Committee shall be eligible for re-election upon expiration of his/her term of office. If any member ceases to be a Director of the Bank or any member who should be an independent Director no longer possess such independence as required by the Articles of the Bank and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, he/she shall automatically lose his/her position as a member of the Audit Committee, and the Board shall fill the vacancy in accordance with the provisions of Article 3 and Article 4 above.

Article 6 The Audit Committee shall have a secretary who shall be served by a member of the Office of the Board of Directors and be responsible for the meeting organization of the Committee and etc. The Audit Committee Office is located in the Audit Department of the Bank, which is responsible for organizing the meetings and proposals, implementing the decisions of the Committee and providing relevant information.

Chapter 3 Responsibilities and Authorities

Article 7 Each member of the Audit Committee shall, before taking office, undertake to the Board of Directors that he/she will devote sufficient time and attention to perform his/her duties with diligence. Member shall attend meetings in person no less than two-thirds of the total number of committee meetings in the current year, otherwise he/she shall be removed or replaced in accordance with relevant regulations.

Article 8 The major duties of the Audit Committee are:

- (1) supervising and evaluating the work of the external auditor;
- (2) guiding the internal audit work;
- (3) reviewing and expressing opinions on the financial reports of the Bank, and submitting to the Board for consideration;
- (4) evaluating the effectiveness of the internal control;
- (5) coordinating the communication of the management, the internal audit department and relevant departments with the external auditor;
- (6) checking and reviewing the Bank's risks and compliance, financial controls, financial and accounting policies and implementation, financial condition and financial reporting procedures;
- (7) monitoring the integrity of the Bank's financial statements, annual reports, accounts, semi-annual reports and quarterly reports, and reviewing major opinions on financial reporting contained in statements and reports. Before submitting relevant statements and reports to the Board, the Committee shall review the following matters in particular:
 - any changes in accounting policies and practices;
 - aspects involving important judgments;
 - major adjustments due to audits;
 - assumptions and any reservations about corporate continuing operations;
 - compliance with accounting standards; and
 - compliance with the Listing Rules and legal requirements in relation to financial reporting.

Members of the Committee should liaise with the Board and senior management. The Committee shall hold a meeting with the issuer's auditor at least twice a year; the Audit Committee should consider any material or unusual items that are, or may need to be, reflected in such reports and accounts, and should give due consideration to any matters that have been raised by our staff responsible for the accounting and financial reporting function, compliance officer or the external auditor.

- (8) discussing the risk management and internal control system with management, and ensuring the management has fulfilled its duty to establish effective systems. This discussion shall include the adequacy of the Bank's resources in the accounting and financial reporting functions, staff qualifications and experience, and the sufficiency of the training sessions taken by employees and related budgets;
- (9) considering major investigation findings on internal control matters and the management's response to these findings on its own initiative or as delegated by the Board;
- (10) coordinating internal and external audit work, ensuring the internal audit function is adequately resourced and has appropriate standing within the Bank, and reviewing and monitoring the effectiveness of the internal audit function.
- (11) reviewing the letter in respect of the auditing provided to the management by the external auditor, any major concerns raised by the external auditor to the management about the accounting records, financial accounts or the monitoring system and the management's response;
- (12) ensuring that the Board responds promptly to the matters raised in the letter in respect of the auditing provided to the management by the external auditor;
- (13) considering other topics, as defined by the Board;
- (14) reporting to the Board on the matters abovementioned, exchanging information about the operation and risk exposure of the Bank with senior management and departments on a regular basis, as well as providing advice and recommendation;
- (15) reviewing the following arrangements: employees of the Bank can, in confidence, raise concerns about possible improprieties in financial reporting, internal control or other matters. The Audit Committee shall ensure that proper arrangements are in place for the Bank to conduct fair and independent investigation of these matters and for appropriate follow-up action;
- (16) acting as the key representative body for overseeing the Bank's relationship with the external auditor;
- (17) other matters stipulated by relevant laws, regulations and the Articles of the Bank, and those authorized by the Board.

Article 9 The duties of the Audit Committee to monitor and assess the external auditor shall be:

- (1) evaluating the independence and professionalism of the external auditor, particularly the impact on its independence from non-audit services provided by such external auditor;
- (2) making recommendations to the Board on the appointment, reappointment, removal or replacement of the external auditor, and any questions of its resignation or dismissal;
- (3) reviewing the audit fees and employment terms with the external auditor;
- (4) discussing and communicating with the external auditor, before the audit work, in respect of the scope of the audit, audit plan, audit method, reporting obligation, and timely discussing and communicating the major issues found in the audit;
- (5) reviewing and implementing policies formulated by the Company for the external auditor to provide non-audit services. The Audit Committee shall report to the Board of Directors and make recommendations on any matters requiring action or improvement;
- (6) monitoring and evaluating the diligence and conscientiousness of the external auditor;
- (7) where the Board of Directors disagrees with the Audit Committee's opinion on the selection, appointment, removal or dismissal of the external auditor, the Committee shall include in the Corporate Governance Report a statement explaining its recommendation and the reason(s) for disagreement of the Board of Directors.

Article 10 The Audit Committee shall meet with the external auditor for separate communication at least once a year without the attendance of the management. The secretary of the Board of Directors may attend the meeting as an observer.

Article 11 The responsibilities of the Audit Committee to guide internal audit work include the following:

- (1) reviewing the annual internal audit plan;
- (2) supervising the implementation of the internal audit plan;
- (3) reviewing the internal audit report, evaluating the results of internal audit work, and supervising the rectification of major issues;
- (4) guiding the effective function of the internal audit department.

Article 12 The Bank's internal audit department shall report to the Audit Committee. The audit department shall submit all types of audit reports, rectification plans and rectification briefings of audit problems to the management as well as the Audit Committee.

Article 13 The responsibilities of the Audit Committee to review and comment on financial reports include the following:

- (1) reviewing regular financial report and providing opinions on the authenticity, completeness and accuracy of the information;
- (2) focusing on significant accounting and auditing issues in the financial report, including significant adjustments made for accounting errors, significant changes in accounting policies and estimates, matters involving critical accounting judgments, as well as matters resulting in non-standard unqualified audit reports, etc.;
- (3) paying special attention to the possibility of the existence of fraud, corrupt practices and material misstatement related to the financial report;
- (4) overseeing the rectification progress of problems with the financial report.

Article 14 The responsibilities of the Audit Committee to assess the effectiveness of internal controls include the following:

- (1) assessing the appropriateness of the internal control system design;
- (2) reviewing the self-assessment report of the internal control;
- (3) reviewing the internal control audit report issued by the external auditor, and communicating with the external auditor on any problems found and the improvement methods;
- (4) evaluating the results of internal control assessment and audit, and supervising and urging the rectification of internal control defects.

Article 15 The responsibilities of the Audit Committee to coordinate the communication between the management, internal audit department and relevant departments with the external auditor include:

- (1) coordinating the communication on major audit problems between the management and the external audit institution;
- (2) coordinating the communication between the internal audit department and the external auditor and supporting the external audit work.

Article 16 The Audit Committee shall report to the Board of Directors on the measures or improvements that must be taken and make recommendations.

Article 17 Where the Bank is to engage or replace the external auditor, the Audit Committee shall form a deliberation opinion and make recommendations to the Board before the Board deliberates the relevant proposal.

Article 18 The Audit Committee may, on a regular or irregular basis, request the senior management to report on comprehensive or special operations, or conduct in-depth analysis and questioning typical cases, according to the needs of performing their duties.

Article 19 The Bank provides necessary conditions for the Audit Committee to perform its duties, the Committee can hire an intermediary to provide professional advice for its decision-making, and the reasonable expenses so incurred are paid by the Bank. The Audit Committee should be provided with sufficient resources to perform its duties.

Article 20 The Audit Committee is responsible to the Board of Directors, and the Committee's proposal is reviewed and resolved by the Board of Directors.

Chapter 4 Rules and Procedures

Article 21 The meetings of the Audit Committee shall be convened and presided over by the chairman of the Committee. When the chairman of the Committee is unable to perform his/her duties, he/she may entrust another member to perform his/her duties. If the chairman of the Committee is unable to perform his/her duties and has not entrusted another member to perform his/her duties, a member elected by more than half of the members shall perform his/her duties. Three days before a meeting, all members will be notified and the meeting materials will be issued. With the unanimous consent of all members, the above-mentioned notice period can be waived.

Article 22 The meetings of the Audit Committee can be held in two forms, i.e. on-site meetings and communication meetings.

Article 23 The Audit Committee's meeting may be convened with the attendance of at least two-thirds of the members. If a member is unable to attend the meeting for any reason, he/she shall explain the reason in writing or by telephone, and entrust another member of the Committee to attend in writing. The power of attorney shall state the scope of authorization.

Article 24 Resolutions at the meetings of the Audit Committee shall be voted by show of hands or by poll. Each member shall have one vote. Resolutions proposed at the meeting shall be passed by more than half of all members.

If a proposal has any conflict of interests with the Committee members, the relevant parties should abstain when considering the issue. If the Committee fails to form an effective deliberation opinion due to the abstaining of the Committee members, the relevant issues shall be directly submitted to the Board of Directors for consideration.

Article 25 The Bank's Directors, Supervisors, senior management personnel and other relevant personnel may be invited to attend a meeting of the Audit Committee as needed.

Article 26 The Audit Committee's meeting shall have minutes, summaries or resolutions. The members present at the meeting shall sign the minutes, summaries or resolutions of the meeting. The minutes, summaries or resolutions shall be kept by the Office of the Board of Directors of the Bank.

Article 27 The written files resolved on the meeting of the Audit Committee as well as the first and final draft of the minutes shall be sent to all members of the Committee within a reasonable time after the meeting. The first draft shall be sent to the members for expressing their opinions and the final draft is for their records. The deliberation opinions adopted by the Audit Committee shall be reported to the Board of Directors of the Bank in writing.

Article 28 All the members and persons in attendance shall keep confidential for all the issues discussed in the meeting. It is forbidden to disclose any relevant information without permission.

Chapter 5 Supplementary Provisions

Article 29 Any matters not mentioned in these Terms of Reference shall be carried out in accordance with the relevant national laws, regulations and the Articles of the Bank.

Article 30 In these Terms of Reference, the scope “above” a number shall include the number itself.

Article 31 The formulation, interpretation and revision of these Terms of Reference shall be vested with the Board of the Bank.

These Terms of Reference shall come into effect after the consideration and approval of the Board of Directors, and from the date of the listing of H Shares involved in the public offering of the Bank on The Stock Exchange of Hong Kong Limited.