

Ref: Ref. No. RA&SP/NEPRA/16/227

Date: November 01, 2016

THE REGISTRAR,
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY,
NEPRA Tower, Attaturk Avenue (East),
Sector G-5/1,
Islamabad, Pakistan

SUBJECT: APPLICATION FOR APPROVAL OF CHANGE IN INDIRECT SHAREHOLDING AND CONTROL IN K-ELECTRIC LIMITED UNDER RULE 14 OF LICENSING (GENERATION) RULES, 2000 AND RULE 13 OF LICENSING (DISTRIBUTION) RULES, 1999.

Dear Sir,

1. K-Electric Limited is a public limited company incorporated under the laws of Pakistan and has its registered office at Plot # 39/B, Sunset Boulevard, Phase IV, Defence Housing Authority, Karachi ("KE"). The shares of KE are listed on Pakistan Stock Exchange. KES Power Limited, a company incorporated under the laws of Cayman Islands ("KES Power") currently owns 66.4% (comprising of 18,335,542,678 ordinary shares) in the total issued and paid up capital of KE.
2. As you may be aware, KES Power has agreed to sell up to 66.4% shareholding in KE to Shanghai Electric Power Company or a wholly owned subsidiary thereof ("**Proposed Purchaser**") subject to the terms and conditions agreed between the parties ("**Transaction**").
3. In terms of Rule 14(1) (c) of the National Electric Power Regulatory Authority Licensing (Generation) Rules, 2000 ("Generation Rules"), and Rule 13 (1) (c) of the National Electric Power Regulatory Authority Licensing (Distribution) Rules, 1999 ("Distribution Rules"), KE in its capacity as a 'licensee' is restricted to recognize any transfer of its shares or other voting securities after the date of issue of the generation/distribution license where the result of such transfer is for any person to hold in its own right or beneficially own or control voting strength in the licensee equal to or exceeding 10% (ten percent) without prior authorization from NEPRA.
4. As the consummation of the Transaction will result in the Proposed Purchaser holding at least up to 66.4% of total voting shares in KE, the restrictions specified in Rule 14(1)(c) of the Generation Rules and Rule 13(1)(c) of the Distribution Rules will be triggered.

Formerly Karachi Electric Supply Company Limited

K-Electric Limited, KE House, 2nd Floor, 39-B, Sunset Boulevard, DHA II, Karachi, Pakistan.
P: 92-21-32647017, F: 92-21- 9920 5165, UAN: 111-537-211, Website: www.ke.com.pk

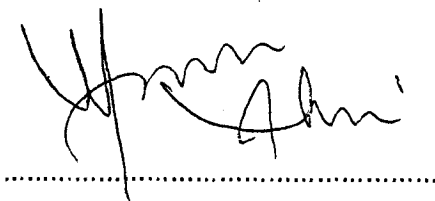
5. In light of the above and pursuant to Rule 14(1)(c) and Rule 13(1)(c), KE hereby respectfully requests NEPRA to kindly authorize/approve and permit KE to recognize the transfer of at least up to 66.4% of the total voting shares to the Proposed Purchaser.
6. In support of this application, please find enclosed:
 - a. Shareholding composition chart of KE (appended as "**Exhibit A**" hereto);
 - b. Constitutional documents of KE (appended as "**Exhibit B**" hereto);
 - c. Profile of the Proposed Purchaser and its group companies and management credentials to control the operations of KE (appended as "**Exhibit C**" hereto);
 - d. Constitutional documents of the Proposed Purchaser (appended as "**Exhibit D**" hereto);

We remain at your disposal should you have any queries or require any further information.

We look forward to receipt of the requested authorization/approval from NEPRA and its facilitation, as always, in closure of this landmark Transaction.

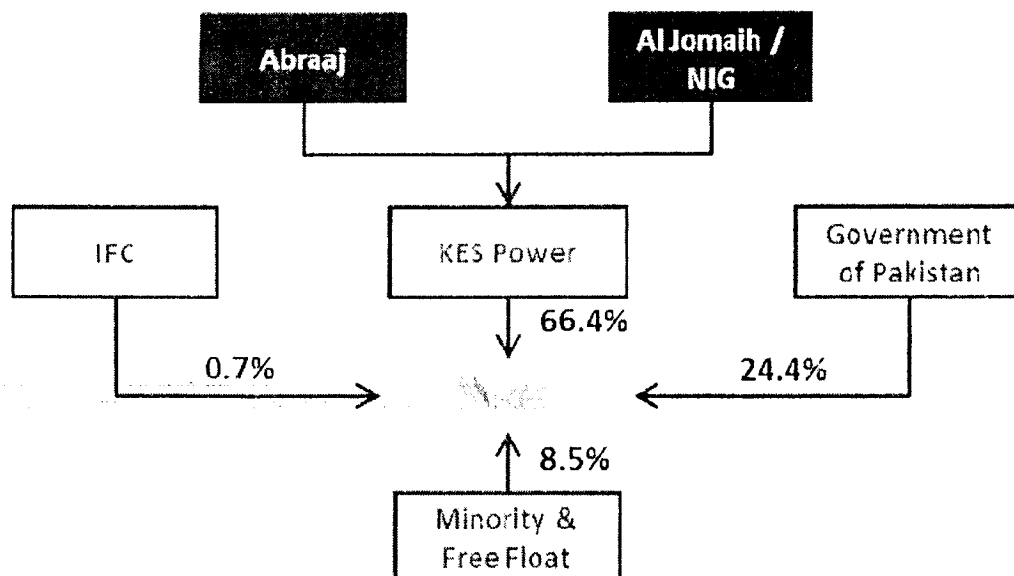
Respectfully submitted for and on behalf of:

K-ELECTRIC LIMITED



SYED MOONIS ABDULLAH ALVI

CHIEF FINANCIAL OFFICER



Share Holding Structure of the Company as of 1st August 2016

*	KES Power Limited (KESP)	66.40 %
*	Government of Pakistan (GOP)	24.36 %
*	International Finance Corporation (IFC)	00.69 %
*	Other shareholders	08.55 %

		100.0 %

Board of Directors' Profile



**Waqar Hasan
Siddique**
Chairman

Mr. Siddique is a Board Member of Abraaj Holdings, Chairman of the Management Risk and Compliance Committee, serves on various management committees of The Abraaj Group (Abraaj), and is responsible for global risk management, compliance, internal audit and governance across Abraaj. Mr. Siddique is a Member of the Board of Governors of the Institute of Business Administration in Karachi, IMD's Executive Education Advisory Council, and is a Trustee of the Aman Foundation. He also represents Abraaj on the Boards of a number of its partner companies, including as the Chairman of Jordan Aircraft Maintenance Company (JorAMCo) and Stanford Marine Group (SMG).

Mr. Siddique assumed the position of Chairman, K-Electric (formerly known as KESC) in May 2009 after Abraaj assumed management control of the company. During his close to four-year tenure as Chairman till February 2013, Mr. Siddique's insight and guidance helped management achieve substantial progress and improvement, ultimately leading to an operational and financial turnaround of the Company. He was re-appointed as the Chairman of K-Electric on 16 October 2015. Mr. Siddique holds an MBA degree and has developed a specialization in Operations, Risk Management and Governance over the last 34 years.



**Muhammad Tayyab
Tareen**
Chief Executive Officer

Mr. Tareen was appointed as the Chief Executive Officer by the Board of Directors on November 27, 2014. He has been on the KE Board since 2009 and has also served as the Chief Financial Officer and Chief Strategy Officer, before moving back to the parent company The Abraaj Group in 2013, where he had set up the Pakistan Investment Fund and was also appointed as its CEO. Mr. Tareen is a qualified Chartered Accountant from England and Wales.

Other Engagements: Managing Director, The Abraaj Group. Chairman, MSF Pakistan.



Khalid Rafi
Independent Director

Mr. Rafi is an Independent Director, elected at the AGM of the company held on October 8, 2012, and also Chairman of the Board Audit Committee. Mr. Rafi was a Senior Partner at A. F. Ferguson & Co., Chartered Accountants, a member firm of Pricewaterhouse-Coopers LLP, for 20 years. He was also the president of the Institute of Chartered Accountants of Pakistan and of Management Association of Pakistan. Mr. Rafi is a Chartered Accountant, being a Fellow at the Institute of Chartered Accountants in England and Wales.



**Ch. Khaqan Saadullah
Khan**
Non-Executive Director

Mr. Khan joined The Abraaj Group as a Director in 2015. Prior to this, he was an Investment Officer in the International Finance Corporation. Mr. Khan has also worked as an Investment Consultant in the Board of Investment, Government of Pakistan, and as a manager in Ernst & Young's Transaction Advisory Services group based in Chicago. He has previously served on the Boards of Agritech Limited and Shakarganj Food Products Limited. Mr. Khaqan holds a BA in Economics from Northwestern University, US, and is a CFA charter holder.

Other Engagement: Director, The Abraaj Group.



Frederic Sicre
Non-Executive Director

Mr. Sicre has been a Non-Executive Director since May 2013. Mr. Sicre has over 20 years of experience in engaging the private sector on global issues, regional development agendas and community building. He is an MD in Abraaj's Global Markets team and works with leaders from all fields, including governments, the private sector, media and culture. Mr. Sicre holds an MBA from IMD, a Bachelor of Arts and Sciences from Villanova University, and is a Fellow of Stanford University.

Other Engagements: Chairman, Mustaqballi Foundation. Board Member: Dubai Cares, Education for Employment and Junior Achievement's MENA Board, UN Global Compact Business for Peace Steering Committee, WPO.



Mubasher H. Sheikh
Non-Executive Director

Mr. Sheikh has been a Non-Executive Director of the company since its privatisation in November 2005. He joined the National Industries Group (Holding), Kuwait, in 2001 and is currently Chief Financial Officer. He is also a Non-Executive Board Member in Proclad Group Limited, UAE. He graduated with a degree in mathematics and statistics from the University of Punjab and is a Chartered Certified Accountant UK (FCCA).

Other Engagements: Chief Financial Officer, National Industries Group, Kuwait. Board Member: Proclad Group Limited, UAE.



Nayer Hussain
Non-Executive Director

Mr. Hussain has been a Non-Executive Director of K-Electric and CEO, Pakistan Investment Fund, since November 2014. He was the CEO of KE from Feb 2013 to Nov 2014, and was an Executive Director of the company and Chief Distribution Officer between November 2009 and February 2013. Prior to joining The Abraaj Group he was with Mashreq Bank, where he managed the Retail Risk Management function. While with Citigroup from 1991 to 2005, Mr. Hussain worked with their franchise in Pakistan, Saudi Arabia and Russia as Head of Retail Risk Management.

Other Engagements: Managing Director The Abraaj Group. Board Member: Proclad Group Limited, UAE.



Omar Khan Lodhi
Non-Executive Director

Mr. Lodhi has been a Non-Executive Director of the Company since August 2010. Mr. Lodhi heads Asia for The Abraaj Group. With over 20 years of investing experience, he joined Abraaj in 2005 and has since lead the firm's investments into several underlying businesses spanning a wide variety of sectors. Prior to joining Abraaj, Mr. Lodhi spent several years with UBS. He is based out of Singapore and is a graduate of the London School of Economics and the Harvard Business School.

Other Engagement: Partner and Regional Head, The Abraaj Group. Functional Reporting



Shan A. Ashary
Non-Executive Director

Mr. Ashary has been a Non-Executive Director of the Company since its privatisation on November 29, 2005. He is a senior executive with over thirty years of proven success in managing international investments, operations of a large diversified group, finance, treasury, public accounting, and strategic and corporate planning. He currently serves on the boards of several companies in the US and the Middle East. He is a Fellow of the Institute of Chartered Accounts of England and Wales.

Other Engagements: Investment Adviser, Al-Jomaih Holding Co. (Saudi Arabia).



Aziz Moolji
Non-Executive Director

Mr. Moolji has been a Non-Executive Director on the Board of the Company since September 2014. He has more than fifteen years' experience in investment banking. At Abraaj he is responsible for deal origination, structuring and execution, and portfolio management. Previously he was a VP with Merrill Lynch & Co. and a senior associate at Goldman Sachs & Co. in New York. Mr. Moolji holds an MBA from The Wharton School and dual BSc degrees in Electrical Engineering and Management Science from the Massachusetts Institute of Technology.

Other Engagements: Board Observer, Network International LLC. Board Member, Marine Hospitality Holdings Ltd.



Noor Ahmed
Non-Executive Director
(GOP nominee)

Mr. Ahmed has been a Non-Executive Director on the Board of the Company since September 2013 and represents the Government of Pakistan (GoP). Mr. Ahmed currently holds the position of Additional Finance Secretary, Finance Division, Ministry of Finance, GoP. He holds an MA in Development Studies from the Institute of Social Studies in The Hague, Netherlands (specialisation in Public Policy), and an MA in History from the University of Punjab, Lahore.

Other Engagements: Director: PHPL, GHPL, IESCO, FESCO, PARCO.



Zafar Abbas
Non-Executive Director
(GOP nominee)

Mr. Abbas is a Non-Executive Director of the Company and represents the Government of Pakistan. He currently holds the position of Joint Secretary (Transmission), Ministry of Water & Power, Government of Pakistan.

Other Engagements: Director: GENCO-II, Guddu, GENCO-V, Nandipur, GEPCO, NPPMCL.



**Muhammad Zubair
Motiwala**
Non-Executive Director
(GOP nominee)

Mr. Motiwala is a Non-Executive Director of the Company and represents the Government of Pakistan. An industrialist by profession, he was elected as President Karachi Chamber of Commerce & Industry from 2000-2001. Mr. Motiwala led Pakistan's trade delegations for promoting investment in the province of Sindh to China, UAE, Russia, Turkey, Malaysia, Singapore, Korea and various other countries. He is the Honorary Consul General of the Republic of Burundi.

Other Engagements: Director: Port Qasim Authority, Inter State Gas Systems Limited, Pak Oman Investment Company Limited, Education City, Dawood University of Engineering & Technology

CERTIFICATE OF REGISTRY

Exhibit B

OF THE

MEMORANDUM AND ARTICLES OF ASSOCIATION

OF THE

Karachi Electric Supply Corporation Limited.

under Act No. VI of 1882 of the Legislative Council of India.

I CERTIFY that the above ~~Company~~ has been
incorporated with limited liability, and that it has
been this day duly registered pursuant to the provisions of the abovenamed Act.

Dated at Bombay, this 15th day of September 1913

J. B. D. D. D.
Registrar of Joint Stock Companies,

Bombay.

B001514

SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
CERTIFICATE OF INCORPORATION ON CHANGE OF NAME

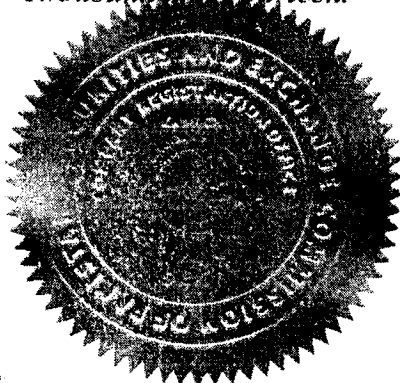
[Under section 40 of the Companies Ordinance, 1984 (XLVII of 1984)]

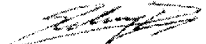
Company Registration No: 0000002

I hereby certify that pursuant to the provisions of section 39 of the Companies Ordinance, 1984 (XLVII of 1984), the name of KARACHI ELECTRIC SUPPLY COMPANY LIMITED has been changed to K-ELECTRIC LIMITED and that the said company has been duly incorporated as a company limited by shares under the provisions of the said Ordinance.

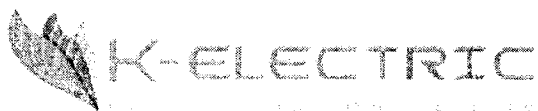
This change is subject to the condition that for period of one year from the date of issue of this certificate, the company shall continue to mention its former name along with its new name on the outside of every office or place in which its business is carried on and in every document or notice referred to in clauses (a) and (c) of section 143.

Given under my hand at Karachi this 16th day of January Two Thousand and Fourteen.




(Sidney C. Pereira)
Joint Registrar/Incharge
Company Registration Office,
Karachi

Fee Rs. 2500/-



K-ELECTRIC LIMITED

MEMORANDUM & ARTICLES OF ASSOCIATION

Memorandum & Articles of Association

SINCE 1913

FORMATION 1913

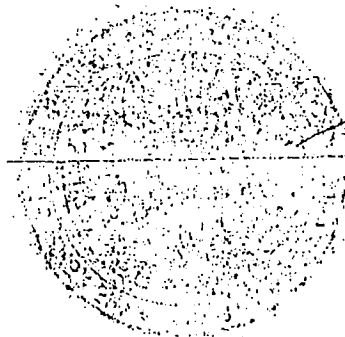


CERTIFICATE OF REGISTRY
OF THE
MEMORANDUM AND ARTICLES OF ASSOCIATION
OF THE
Karachi Electric Supply Corporation Limited.

under Act No. VI of 1882 of the Legislative Council of India.

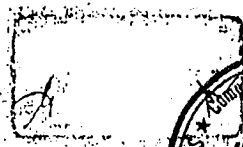
I CERTIFY that the above Company has been
incorporated with limited liability, and that it has
been this day duly registered pursuant to the provisions of the abovenamed Act.

Dated at Bombay, this 13th day of September, 1913.



Registrar of Joint Stock Companies,
Bombay

S. 1302-200-12-11



TRUE COPY

MANAGED BY
Private Share & Company Private
K-ELECTRIC LIMITED



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
COMPANY REGISTRATION OFFICE

CERTIFICATE OF INCORPORATION ON CHANGE OF NAME

[Under section 40 of the Companies Ordinance, 1984 (XLVII of 1984)]

Company Registration No. K-0000002 / 90797

I hereby certify that pursuant to the provisions of section 39 of the Companies Ordinance, 1984 (XLVII of 1984), the name of KARACHI ELECTRIC SUPPLY CORPORATION LIMITED has been changed to KARACHI ELECTRIC SUPPLY COMPANY LIMITED and that the said company has been duly incorporated as a company limited by Shares as a Public company under the provisions of the said Ordinance.

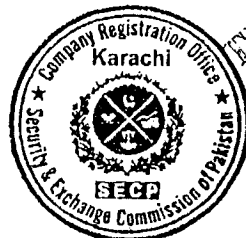
This change is subject to the condition that for period of one year from the date of issue of this certificate, the company shall continue to mention its former name alongwith its new name on the outside of every office or place in which its business is carried on and in every document or notice referred to in clauses (a) and (c) of section 143.

Given under my hand at Karachi this 9th day of January Two Thousand and Eight.

Fee Rs.1000/-



(SAWED HUSSAIN)
JOINT REGISTRAR OF COMPANIES,
KARACHI



Witnessed by
Joint Registrar of Companies
Karachi
KARACHI ELECTRIC LIMITED

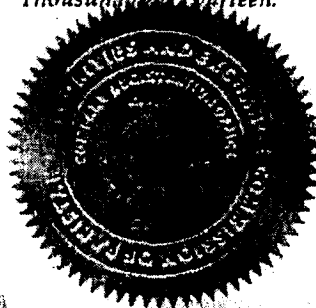
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SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
CERTIFICATE OF INCORPORATION ON CHANGE OF NAME
[Under section 40 of the Companies Ordinance, 1984 (XLVII of 1984)]
Company Registration No: 0000002

I hereby certify that pursuant to the provisions of section 39 of the Companies Ordinance, 1984 (XLVII of 1984), the name of KARACHI ELECTRIC SUPPLY COMPANY LIMITED has been changed to K-ELECTRIC LIMITED and that the said company has been duly incorporated as a company limited by shares under the provisions of the said Ordinance.

This change is subject to the condition that for period of one year from the date of issue of this certificate, the company shall continue to mention its former name along with its new name on the outside of every office or place in which its business is carried on and in every document or notice referred to in clauses (a) and (c) of section 143.

Given under my hand at Karachi this 16th day of January Two Thousand and Fourteen.



TRUE COPY

(Sidney C. Pereira)
Joint Registrar/Incharge
Company Registration Office,
Karachi

[Signature]
Joint Registrar/Incharge
Company Registration Office,
Karachi

Fee Rs 2500/-



Votes of Members



42

14

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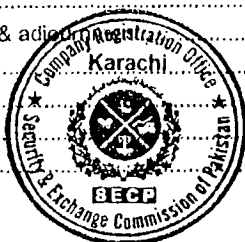
[Signature]

Joint Registrar/Incharge
Company Registration Office,
Karachi

K-Electric Limited

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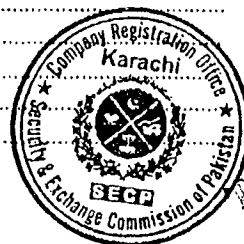
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Witnessed by
Director General of Companies
K-ELECTRIC LIMITED

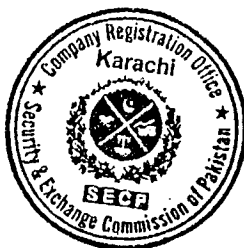
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Dated 20th Dec 2019
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K-ELECTRIC LIMITED

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Witnessed by
Authorized Officer
Company Registration Office
KARACHI
K-ELECTRIC LIMITED

1

THE COMPANIES ORDINANCE 1984 COMPANY LIMITED BY SHARES

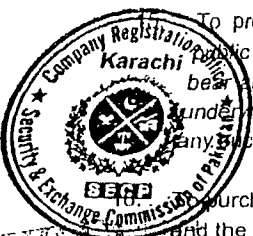
MEMORANDUM OF ASSOCIATION OF K-ELECTRIC LIMITED

- I. The name of the company is K-Electric Limited.
- II. The registered offices of the Company will be situated in Karachi, Sindh, Pakistan.
- III. The objects for which the Company is established are :
 1. To carry on at Karachi and elsewhere in Pakistan, the business of an electric light company in all its branches and in particular to construct, lay down, establish and fix all necessary cables, wires, lines, accumulators, lamps and works and to generate, accumulate, transmit, distribute and supply electricity and to light cities, towns, streets docks, markets, theaters, buildings and places both public and private.
 2. To carry on the business of Electrical Engineers, Electricians, Engineers, and Contractors, Shopkeepers, Agents and Manufacturers of Electrical apparatus, and of generating, producing and supplying light, heat, sound and power by electricity, galvanism, magnetism or otherwise, suppliers of electricity whether for the purposes of light, heat, motive power, telephonic, telegraphic industrial or other purposes and generally to provide, work, maintain and carry out all necessary cables, wires, accumulators, lamps exchanges telephones and apparatus.
 3. For the purposes of the above section, to buy, sell, hire or deal in cables, wires, accumulators, lamps, exchanges, telephones, fittings and furniture and apparatus of every kind with special reference to apparatus connected with the producing, storing, supplying, using, regulating or measuring the supply or facilitating the use of electricity or electrical currents or force.
 4. To buy, sell, hire, manufacture, deal in, turn to account, plant, machinery, implements, convenience, provision's, articles and products capable of being used in connection with the operations of or required by workmen and others employed by the Company or incidentally or conveniently connected with any such business as aforesaid.
 5. To construct, purchase, lease or otherwise acquire any tramways, railways, aerial ropeways or any other means of transport by land, air or water.
 6. To equip and to maintain and work by electricity, steam, petrol or other mechanical power or by animal power, all tramways, railways, aerial ropeways or other means of transport by air, land or water in which the Company may at any time be interested.
 7. To carry on the business of tramways, railways, omnibus and van proprietors and carriers of passengers and goods by air, land or water and of manufacturers of and dealers in tramways, carriages, trucks, locomotives, launches, accumulators, dynamos and other chattels and effect and conveniences required for the working, maintaining equipping and working tramways, railways, aerial ropeways or any other means of transport by air, land or water.
 8. To purchase, take in, exchange or lease or otherwise acquire any lands, hereditaments and estates and any property and effect thereon or used or connected therewith and to acquire any grants, concessions, leases, rights easements, licenses, privileges, and any other interests in land.



COPY
K-ELECTRIC LIMITED

9. To acquire, erect, construct, lay down, enlarge, alter and maintain any buildings, works, and machinery necessary or convenient for the Company's business.
10. To sell, lease, improve, manage, develop, mortgage, exchange turn to account or otherwise deal with, dispose of absolutely, conditionally, or for any, limited interest, and grant any leave or license in respect of all or any of the rights or privileges of the Company, and to distribute in specie as dividend or bonus any money, shares, stocks, debentures or debenture stock that may be accepted as consideration for any such sale, lease, exchange or other disposition.
11. To promote, amalgamate with or buy up any other Company for the purpose of acquiring all or any of the property and liabilities of this Company, or for any other purpose which may seem directly or indirectly calculated to benefit this other purpose which may seem directly or indirectly calculated to benefit this Company having and to take or otherwise acquire and hold shares in any other company objects altogether or in part similar to those of this Company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.
12. To enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint venture, reciprocal concession, or otherwise with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction capable of being conducted so as to directly or indirectly benefit this Company, and to lend money to guarantee the contracts of, or otherwise assist any such person or company, and to take, or otherwise acquire shares and securities of any such company and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same.
13. To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above or calculated to directly or indirectly enhance the value of or render profitable any of the Company's property or rights.
14. To enter into any arrangement with any Government or authority, supreme, municipal, local or otherwise that may seem conducive to the Company's objects or any of them; to obtain from any such Government or authority any rights, privileges, and concessions which the Company may think desirable to obtain and carry out, exercise and comply with any such arrangements, rights, privileges and concessions, and to apply for and obtain licenses, provisional orders, special Acts or other statutory or parliamentary authority for supplying electricity for any public or private purpose.



TRUE

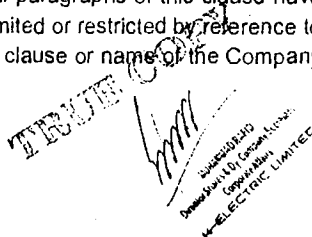
REGISTERED OFFICE
 Director, Secret & Dy. Comptroller, Secretary
 Corporate Affairs
 KARACHI ELECTRIC LIMITED

15. To promote any Bill or Bills in any parliament or any application or applications to any public authority for any order, provisional order or license and to enter into any contract to bear and pay the expenses of or in connection with the same or arising there out, and to underwrite or guarantee the capital required for carrying out any undertaking authorized by any such Act, order or license.
16. To purchase or otherwise acquire any patents, brevets d'inventions, licenses, concessions and the like conferring any exclusive or non-exclusive or limited right to use any invention which may seem capable of being used for any of the purposes of the Company or, the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop or grant licenses in respect of, or otherwise turn to account, the property and right so acquired.
17. To pay for any property or rights acquired by the Company either in cash or shares with or without preferred or deferred right, in respect of dividend or repayment of capital, or otherwise, or by any securities which the Company has power to issue or partly in one mode and partly in another and generally on such terms as the Directors may approve.
18. To issue all or any part of the original or other share capital whether preference or ordinary shares of the Company at par or at premium or at discount and as fully or partly paid up.



19. To borrow and raise money in such manner as the Company shall think fit and in particular by the issue of debentures, mortgage debentures, or debenture stock payable to bearer or otherwise and either permanent or redeemable or repayment and collaterally to secure any securities of the Company by means of a trust deed or otherwise.
20. To invest and deal with the moneys of the Company not immediately required upon such securities and in such manner as may from time to time be determined.
21. To make, draw, endorse, accept and negotiate Bills of Exchange, promissory notes or any other negotiable instruments.
22. To receive money on deposit, at interest or otherwise and to lend money, and in particular to customers and others having dealings with the Company and to guarantee the performance of any contracts.
23. To remunerate any person or company for services rendered in placing or assisting to place or in guaranteeing any of the shares in the Company's capital or any debentures or other Securities of the Company.
24. To indenture, contract or otherwise engage handicraftsmen and other workmen, skilled and unskilled and to import labour.
25. To grant pensions, allowances, gratuities and bonuses to the persons employed by or trading with the Company and to aid in the establishment and support of and to subscribe to any association or institutions, calculated to benefit persons employed by the Company or having dealings with the Company.
26. To pay out of the funds of the Company all expenses which the Company may lawfully or by agreement with Government pay, incident to the formation, registration and advertising of or raising money for the Company by debentures or otherwise and the issue of its capital, including brokerage and commission for obtaining applications for or taking, placing or underwriting, shares, debentures or debenture stock and to apply at the cost of the Company to the Government of Pakistan or any other Government Authority, for any extension of the Company's powers.
27. To guarantee the performance of any contract.
28. To procure the Company to be registered or recognized in any country or place outside Pakistan and to keep Branch Registers.
29. To do all or any of the above acts in any part of the world as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents or otherwise, and either alone or in conjunction with others.
30. To do all such other things as are incidental or conducive to the attainment of the above objects.
31. And it is hereby declared that the word "company" in this clause shall be deemed to include any authority, partnership or other body of person whether incorporated or not incorporated, and the word "person" shall be deemed to include any partnership, association or other body of persons, and any company if the context so admits; and the intention is that the objects set forth in each of the several paragraphs of this clause have the widest possible construction, and shall be in no wise limited or restricted by reference to or inference from the terms of any other paragraph of this clause or name of the Company except as otherwise expressed therein.

The Liability of the Members is Limited.



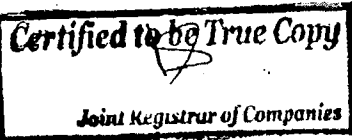
V. The share capital of the Company is Rs.125,000,000,000 (Rupees One Hundred Twenty Five Billion Only) divided into the following kinds of shares:

- i. Share Capital of Rs.115,000,000,000 (Rupees One Hundred Fifteen Billion Only) divided into 32,857,142,857 ordinary shares of Rs.3.50 each.
- ii. Shares Capital of Rs.10,000,000,000 (Rupees Ten Billion Only) divided into 2,857,142,857 Redeemable Preference Shares of Rs.3.50 each.

WE, the several persons whose names and addresses are subscribed, are desirous of, being formed a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the Capital of the Company set opposite our respective names.

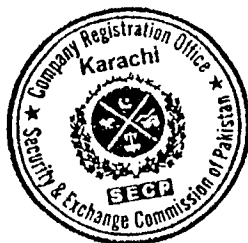
Dated this Sixth day of September 1913.

Name of Subscriber	Address and Description of Subscriber	Number of Ordinary Shares taken by each Subscriber	Witness to Signature
T.L.F. Beaumont	Merchant, Karachi	1 (one)	
Ghulamali G. Chagla	Merchant, Karachi	1 (one)	
Nadirshaw E. Dinshaw	Merchant, Karachi	1 (one)	
W.U. Nicholas	Merchant, Karachi	1 (one)	
B. Frank Jones	Merchant, Karachi	1 (one)	
Chellaram Dulloomal	Merchant, Karachi	1 (one)	
Abdool Rahim Saleh Mahomed	Merchant, Karachi	1 (one)	



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Witnessed by 2009
 Approved by the Company Secretary
 Company Secretary
 H-ELLECTRIC LIMITED



THE COMPANIES ORDINANCE, 1984 COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF

K-ELECTRIC LIMITED

PRELIMINARY

1. The Regulations contained in Table 'A' referred to in Section 26 (2) in the First Schedule to the Companies Ordinance, 1984 (hereinafter called " the Ordinance" shall not apply to the Company except as may be reproduced herein.
2. The Regulations, for the management of the Company and for the observance of the Members thereof and their representatives, shall (subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed under the Ordinance) be such as are contained in these Articles.

DEFINITIONS

3. The chapter heading shall not affect the construction hereof, and in these Articles, unless there is something in subject or context inconsistent therewith :

"Debenture" includes debenture stock, Bonds, Term Finance Certificates (TFC) and any other security other than the shares of the Company, whether constituting a charge on the assets of the Company or not.

"Dividend" means the distribution of profits of the Company to its members.

"Member" means a member of the Company within the meaning of clause (21) of subsection (1) of Section 2.

"Month" means a calendar month according to the English calendar.

"Office" means the Registered Office of the Company.

"Participatory Redeemable Capital" or PRC means such Redeemable Capital as is entitled to participate in the profit and loss of the Company.

"Person" shall include a body corporate.

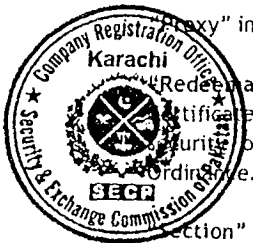
"Attorney" includes an attorney duly constituted under a power of attorney.

"Redeemable Capital" includes finance obtained on the basis of Participation Term Certificates (PTC), Musharika Certificates, Term Finance Certificates (TFC), or any other security or obligation not based on interest as defined in Section 2(30A) of the Ordinance.

"Section" means section of the Ordinance.

"Special Resolution" has the meaning assigned thereto by clause (36) of subsection (1) of Section 2 of the Ordinance.

"The Articles "means these Articles of Association, as originally framed or as altered from time to time by Special Resolution.



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Witnessed by
Director of Company
K-ELECTRIC LIMITED

"The Authority" means the Corporate Law Authority constituted under Section 11.

"The Board" shall mean the Directors from time to time of the Company acting at a meeting or through a committee of Directors or pursuant to written consent.

"The Company" means K-Electric Limited.

"The Chairman" means the Chairman of the Board appointed from time to time pursuant to the Articles.

"The Chief Executive" means the Chief Executive of the Company appointed from time to time pursuant to the Articles and the Ordinance.

"The Directors" means the Directors of the Company appointed from time to time pursuant to these Articles including alternate Directors.

"The Memorandum" means the Memorandum of Association of the Company as originally framed or as altered from time to time in accordance with the provisions of the Ordinance.

"The Ordinance" means the Companies Ordinance 1984, as amended and now in force in Pakistan, and any amendment or re-enactment thereof for the time being in force.

"The Register" means the Register of Members to be kept pursuant to Section 147 of the Ordinance.

"The Seal" means the Common Seal of the Company.

"The Secretary" means the Secretary for the time being of the Company.

"In writing" and "Written" includes printing, lithography and other modes of representing or reproducing words in a visible form.

"Words" importing the singular include the plural number and vice versa.

Words importing the masculine gender only include the feminine gender and words or expression contained in the Articles shall bear the same meaning as in the Ordinance.

Words importing persons include bodies corporate.

BUSINESS

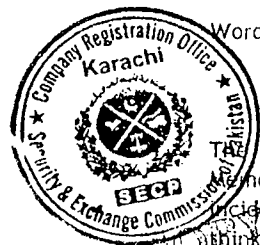
The business of the Company shall include the several objects expressed in the Memorandum of Association or those which are within its scope and meaning and all incidental matters taken or to be taken in hand as the Directors in their discretion shall think fit, and all matters which may appear to the Directors to be expedient for attaining these objects. The business shall be carried on by or under the management of Directors, subject only to such control of General Meetings as is provided for by these Articles and the Ordinance.

PUBLIC COMPANY LIMITED BY SHARES

The Company is a Public Company with Limited Liability.

CAPITAL

6. The authorized share capital of the Company is Rs. 125,000,000,000 (Rupees One Hundred Twenty Five Billion Only) divided into the following kinds of shares:-



Witnessed by
 Director General
 Companies & Securities
 KARACHI
 K-ELECTRIC LIMITED

- i. Share Capital of Rs.115,000,000,000 (Rupees One Hundred Fifteen Billion Only) divided into 32,857,142,857 ordinary shares of Rs.3.50 each.
- ii. Share Capital of Rs.10,000,000,000 (Rupees Ten Billion Only) divided into 2,857,142,857 Redeemable Preference Shares of Rs.3.50 each.

SHARES

- 7(i) Subject to the conditions, here in contained the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons, on such terms and conditions, and either for cash or for a consideration other than cash, as the Directors think fit.
- (ii) The Company shall have the power to issue Redeemable Capital, by whatever name called liable to be redeemed, or liable at the option of the Company to be redeemed in any manner permissible under the provision of the Ordinance or conditions of any agreement for issue of such certificate or instrument: -
 - The Redeemable Preference Shares shall be entitled to a preferential dividend at the rate fixed at the General Meeting of the Company.
 - The preferential dividend shall be cumulative.
 - The preference shareholder(s) shall only be entitled to preferential dividend and shall not be entitled to any other dividend (whether cash, bonus shares, right shares etc.) to which ordinary shareholders may become entitled from time to time.
 - The Redeemable Preference Shares shall be redeemed on redemption date or shall be converted into ordinary shares as deemed expedient by the Board of Directors. The Board of Directors shall also finalize other modalities & mechanism with regard to issue of Redeemable Preference Shares, payment of preferential dividend, redemption, conversion etc.
 - Redeemable Preference shareholders shall not be entitled to attend or vote at the meetings of shareholders of the Company.
- (iii) The Company may, upon terms and conditions contained in an agreement in writing, issue to one or more Scheduled Banks, Financial Institutions or such other persons as are specified for the purpose by the Federal Government by notification in the Official Gazette, either severally, jointly or through their syndicate, any instrument in the nature of Redeemable Capital in any or several forms in consideration of any funds, moneys, accommodations received or to be received by the Company whether in cash or specie or against any promise, guarantee, undertaking or indemnity issued to or in favour of or for the benefit of the Company, subject to the legal provisions, on the issue and Section 120 of the Ordinance.
- (iv) The Board shall, as regards any allotment of shares, duly comply with such provisions of Sections 68 to 73 as may be applicable.

SHARES FOR CONSIDERATION OTHER THAN CASH

8. Subject to the provisions of the Ordinance and the Articles, the Board may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied, or for services rendered to the Company in the conduct of the business or affairs, and any shares which may be so allotted may be issued as fully paid up shares, and if so issued, shall be deemed to be fully paid up shares.

FRACTIONAL SHARES

9. If and whenever as a result of an issue of new shares any consolidation or sub-division of shares any Member becomes entitled to hold shares in fractions, the Board shall not be

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 Mr. [Signature]
 Director
 WAPDA LIMITED

required to offer or issue such fractional shares and shall be entitled to sell whole shares at a reasonable price and pay and distribute to and amongst the Members entitled to such fractional shares in due proportion the net proceeds of the sale thereof. For the purpose of giving effect to any such sale, the Board may authorize any person to transfer the shares sold to the purchaser thereof, and the purchaser shall be registered as the holder of the shares comprised in such transfer but he shall not be entitled to see the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

ISSUE OF FURTHER SHARES

10. Subject to Section 86, where at any time the Board decides to increase the issued capital of the Company by issuing any further shares, then subject to any direction to the contrary that may be given by the Company in General Meeting, such shares shall be offered to the Members in proportion to the existing shares held by each Member, and such offer shall be made by notice specifying the number of shares to which the Member is entitled and limiting a time within which the offer, if not accepted, will be deemed to be declined and after the expiration of such time, or on receipt of information from the Member to whom notice is given that he declines to accept the shares offered, the Board may dispose of the same in such manner as it may consider most beneficial to the Company.

The Company shall not give whether directly or indirectly, and whether by means of a loan, guarantee, provisions of security or otherwise, any financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company, nor shall the Company make a loan for any purpose whatsoever on the security of its shares, but nothing in the Articles shall prohibit any transaction which may be permitted by the Ordinance.

REGISTER OF MEMBERS

11. The Company shall cause to be kept a Register of Members and Index of Members in accordance with the provisions of Section 147 of the Ordinance.

EVIDENCE OF MEMBERSHIP

12. Any application for subscription signed by or on behalf of an applicant or subscriber for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of the Articles, and every person who thus or otherwise accepts any shares and whose name is entered on the Register shall for the purpose of the Articles be a Member.

TRUST NOT RECOGNISED

Save as here in otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any shares as the absolute owner thereof, and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognize any trust or equity or benami, equitable, contingent or other claim to or interest in such shares, on the part of any other person whether or not it shall have expressed or implied notice thereof.

CERTIFICATES

Every Member shall, on payment of such sum as the Directors may prescribe, be entitled to one certificate for all the shares registered in his name or upon paying such fee as the Board may from time to time determine, to several certificates each for one or more shares. Every certificate of shares shall specify the number and denote the number of shares in respect of which it is issued, and the amount paid thereon, such certificates shall be issued under Seal, and shall bear the signature of one Director and shall be countersigned by the Secretary or by a Second Director, or by some other person appointed for that purpose by the Board. The Directors may by resolution determine,



THE
SECRETARY

REGISTRATION
OFFICE
ELECTRIC LIMITED

either generally or in any particular case, that the signature of any Director (s) may be affixed by some mechanical means in the mode and manner specified in such resolution, provided that, in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint-holders shall be sufficient delivery to all.

ISSUE OF NEW CERTIFICATE IN PLACE OF DEFACED, LOST OR DESTROYED CERTIFICATE

15. If any Certificate is worn-out, defaced or rendered useless, then upon production thereof to the Board, it may order the same to be cancelled and may issue a new Certificate in lieu thereof, and if any Certificate is lost or destroyed, then on proof thereof, to the satisfaction of the Board and on such indemnity as the Board deems adequate being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. The new Certificate may be issued on such terms and fee as may be prescribed by the Board including payment of expenses incurred by the Company in investigating title.

TRANSFER OF SHARES

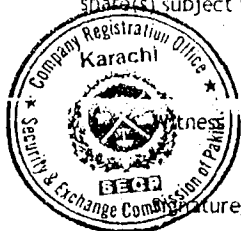
16. The instrument of transfer of any shares in the Company shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain holder of the share until the name of the transferee is entered in the Register of Members in respect thereof. The Company shall keep a book to be called the "Register of Transfer" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

FORM OF TRANSFER

17. The instrument of transfer of any share shall be in writing in the usual common form or in the form appearing in the next paragraph or as near thereto as circumstances will admit.

K-Electric Limited

"I, _____ son/daughter/wife of _____ and of _____ being a _____ national, called the "Transferor" in consideration of the sum of Rs. _____ (Rupees _____) paid to me by _____ son/daughter/wife of _____ of _____ a national of _____ and Muslim/Non-Muslim (hereinafter called "The Transferee") do hereby transfer to the Transferee _____ share(s) numbered _____ in the undertaking called K-Electric Limited to hold the same unto the said Transferee, his (or her) executors, administrators and assigns subject to the several conditions on which I held the same immediately before the execution hereof, and I, the Transferee, do hereby agree to take the said share(s) subject to the conditions aforesaid. As witness our hands the day of.



Signature: _____
Transferor:

Signature: _____
Transferee

Full Address:

Handwritten signature and stamp of K-Electric Limited. The stamp includes the text: 'K-Electric Limited', 'Share No. 10 (Capital Share)', 'K-ELECTRIC LIMITED'.

Witness

Signature : _____

Full Name
Father's / Husband name

Full Address : _____

Nationality:

Occupation and Full Address
of Transferee

The Board may from time to time alter or vary the transfer form.

CONDITIONS FOR REGISTRATION OF TRANSFER

18. The Directors shall not refuse to register any transfer of fully paid shares unless the instrument of transfer is defective or invalid or is not accompanied by the Certificate of the shares to which it relates.

TRANSMISSION OF SHARES

- 19(i) Any Member may make and deposit with the company a nomination in writing specifying one or more eligible persons who or each of whom, in the event of the death of the Member, may be entered in the Register as the holder of such number of shares specified in the nomination for such nominee or each such nominee of which the Member remains the registered holder at the date of his death. A person shall be eligible for nomination for the purposes of this Article only if he is a spouse, parent, brother, sister or child of the Member nominating him and the applicable relationship shall be specified in the nomination in respect of each nominee. A Member may at any time by notice in writing cancel, or by making and depositing with the company another nomination before his death vary, any nomination already made by him pursuant to this Article. In the event of the death of a Member any person nominated by him in accordance with this Article may, on written application accompanied by the relative share certificate and evidence establishing the death of the Member, request the Company to register himself in place of this deceased Member as the holder of the number of shares for which the nomination in his favour had been made and deposited with the company, and if it shall appear to the Directors that it is proper so to do, the Directors may register the nominee as the holder of those shares in place of the deceased Member.

- (ii) In case of death of a Member who was a joint holder of shares, the survivor or survivors shall be the only persons recognized by the Company as having any title to his interest in the shares. If the deceased Member was a sole holder of shares, the nominee or nominees of the deceased where a nomination under Article 19(i) is effective, shall be the only person recognized by the Company as having any title to his interest in the shares. In case of such deceased Member who had not made a nomination under Article 19(i), the legal personal representative of such deceased Member where he was a sole holder shall be the only person recognized by the Company as having any title to his interest in the shares.



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- (iii) Any person becoming entitled to a share in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect either to be registered himself as the holder of the shares or instead of being registered himself, to make such transfer of the share as the deceased or insolvent person could have made, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that Member before his death or insolvency as the case may be.

- (iv) If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.
- (v) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he was the registered holder of the share, except that he shall not before being registered as a Member in respect of the share, be entitled in respect of it to exercise any rights conferred by Membership in relation to meetings of the Company.
- (vi) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the person having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Board shall so think fit.

ALTERATION OF CAPITAL

- 20(i) The Company may from time to time by Special Resolution increase the authorized share capital by such sum to be divided into shares of such amount as the resolution shall prescribe.
- (ii) Except and so far as otherwise provided by the conditions of issue or by the Articles, any capital raised by the creation of new shares shall be considered part of the authorized capital and shall be subject to the provision herein contained with reference to transfer and transmission, voting and otherwise.
- (iii) The Company may by Special Resolution reduce its share capital in any manner and with and subject to any incident, authorization and consent required by law.
- (iv) The Company may in a General Meeting by Ordinary Resolution alter the conditions of its Memorandum as follows:
 - (a) Consolidate and divide all and any of its share capital into shares of larger amount than its existing shares.
 - (b) Sub-divide shares or any of them into shares of smaller amounts than originally fixed by the Memorandum, subject nevertheless to the provisions of the Ordinance that behalf.

Cancel shares which at the date of General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

POWER TO BORROW POWER OF THE BOARD

- 21. The Board may from time to time borrow any moneys for the purpose of the Company from the Members or from any other persons, firms, companies, corporations,



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CORPORATION
ELECTRIC LIMITED

government agencies, institutions or banks, or the Directors may themselves lend moneys or provide finance to the company.

GIVING OF SECURITIES

22. The Board may borrow moneys and secure payment thereof in such manner and upon such terms and conditions in all respects as it may think fit, and in particular by the issue of bonds, debentures, or by mortgage or charge or other security on the whole or any part of the property, assets and rights of the Company, (both present and future), including its uncalled capital for the time being.

CONDITIONS OF BONDS, ETC

23. Any bonds, debentures or other securities issued or to be issued by the Company shall be under the control of the Board which may issue them upon such terms and conditions and in such manner and for such consideration as shall be considered by the Board to be for the benefit of the company.

ISSUE AT DISCOUNT

24. Any bonds debentures or other securities may be issued at a discount premium or otherwise and with any special privileges as to redemption, surrender, drawings, convertibility into shares, attending and voting at General Meetings of the Company, appointment of Directors, and otherwise, provided that debentures with the right to be converted into shares shall not be issued without the consent of the Company in General Meeting.

INDEMNITY TO DIRECTORS

25. If Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable aforesaid from any loss in respect of such liability.

GENERAL MEETINGS ANNUAL GENERAL MEETING



General Meeting, to be called Annual General Meeting, shall be held, in accordance with the provisions of Section 158, within eighteen months from the date of incorporation of the Company and thereafter once at least in every calendar year within a period of four months following the close of its financial year and not more than fifteen months after the holding of its last preceding Annual General Meeting as may be determined by the Board.

EXTRA-ORDINARY GENERAL MEETING

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27. All General Meetings of the Company other than an Annual General Meeting shall be called Extraordinary General Meetings.

WHEN EXTRA-ORDINARY GENERAL MEETINGS TO BE CALLED OR REQUISITIONED

28. The Board may call an Extraordinary General Meeting whenever it shall deem fit. An Extraordinary General Meeting may also be called on the requisition of the Members in accordance with the provision of Section 159.

NOTICE OF MEETINGS

29. Twenty-one day's notice at the least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place, the day and the hour of General Meeting and in case of special business, all material facts concerning such business, shall be given in a manner provided by the Ordinance for the General Meetings to such persons as are, under the Ordinance or the Articles, entitled to receive such notice from the Company.

SPECIAL BUSINESS

30. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all that is transacted at an Annual General Meeting with the exception of declaring a dividend, the consideration of the accounts, balance sheet and the reports of Directors and Auditors, the election of Directors, the appointment of and the fixing of the remuneration of the Auditors. Where it is proposed to pass a Special Resolution at a General Meeting, notice of the Meeting shall specify the intention to propose the Resolution as a Special Resolution.

OMISSION TO GIVE NOTICE

31. In a case in which notice of any Meeting is given to the shareholders individually, the accidental omission to give notice to any of the shareholders or the accidental non-receipt thereof shall not invalidate the proceedings at any such Meeting.

PROCEEDINGS AT GENERAL MEETING QUORUM

32. Ten Members, present in person and representing not less than [twenty five (25%)] of the total voting power of the company either on their own account or as proxies shall be a quorum for a General Meeting. No business shall be transacted at any General Meeting unless the requisite quorum is present at the time when the Meeting proceeds to business.

CHAIRMAN OF GENERAL MEETING

33. The Chairman shall be entitled to take the chair at every General Meeting. If there is no Chairman or if at any Meeting he shall not be present within fifteen minutes after the time appointed for holding such Meeting or is unwilling to act, the Directors present may elect a Director as Chairman and if no Director present is willing to act as Chairman, the Members present shall choose one of the Members to be the Chairman.

ADJOURNMENT OF MEETING FOR LACK OF QUORUM

34. If within half an hour after the time appointed for the holding of a General Meeting a quorum is not present, the Meeting if convened on the requisition of the Members shall be dissolved, and in every other case shall stand adjourned to the same day in the week following at the same time and place or to such other day, time and place as the Board may by notice to share holders appoint. If at the adjourned meeting, a quorum is not present the Members present personally being not less than two shall be the quorum and shall transact the business for which the meeting was called.

ADJOURNMENT BY CHAIRMAN

- The Chairman with the consent of a General Meeting may adjourn any Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting other than business left unfinished at the Meeting from which the adjournment took place.



THE CHAIRMAN
M. M. M.
DIRECTOR GENERAL
SECURITIES AND EXCHANGE COMMISSION
KARACHI
K-ELECTRIC LIMITED

VOTING ON RESOLUTIONS BY SHOW OF HANDS AND WHEN POLL DEMANDED

36. At any General Meeting a Resolution put to the vote of the Meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the results of the show of hands) demanded by at least five Members present in person or by Proxy or by the chairman of the Meeting, or by any Member or Members present in person or by Proxy and having not less than one - tenth of the total voting power in respect of the resolution or by any Member or Members present in person or by Proxy and holding shares in the company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid up on all the shares conferring that right, and unless a poll is so demanded, a declaration by the Chairman that a resolution has been carried or carried unanimously or by particular majority or lost, and an entry to that effect in the books of the proceedings of the company shall be conclusive evidence of the fact without further proof of the number or proportion of the votes recorded in favour of or against such Resolution.

CASTING VOTE

- 36a. In the case of equality of votes whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

POLL

37. If a poll is demanded as aforesaid it shall be taken in such manner and at such time and place as the Chairman of the Meeting directs, and either at once or after an interval or adjournment of not more than fourteen days from the day on which the poll is demanded and the result of the poll shall be the resolution passed at the Meeting at which the poll was held. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

POLL ON ELECTION OF CHAIRMAN AND ADJOURNMENT

38. Any poll demanded on the election of a Chairman of Meeting or any question of adjournment shall be taken at the Meeting and without adjournment.

EFFECT OF POLL

39. The demand for a poll shall not prevent the continuation of a Meeting for the transaction of any business, other than the question on which the poll was demanded.

MINUTES

Minutes shall be made in books provided for the purpose of all resolutions and proceedings at General Meetings, and any such Minutes if signed by any person purporting to have been the Chairman of the Meeting or next following Meeting shall be conclusive evidence of the facts therein stated without further proof.

MINUTES BOOKS

41. The Books containing Minutes of Proceedings of General Meetings of the Company shall be kept at the Registered Office of the Company and during business hours (subject to reasonable restrictions as the Board may from time to time impose but so that not less than two hours each day is allowed for inspection) be open to the inspection of any Member without charge.

VOTES OF MEMBERS

42. Except as provided in Article 56 hereof, upon a show of hands every person entitled to vote and present in person or by Proxy shall have one vote, and upon a poll every



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 General Shares & Dividend Company Secretary
 Limited Liability
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Member entitled to vote and present in person or by Proxy shall have one vote for every share held by him.

RIGHT TO VOTE OF JOINT HOLDERS

43. In case of joint-holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the votes of the other joint-holders; and for this purpose seniority shall be determined by the order in which the names stand in the Register.

REPRESENTATIVES OF CORPORATE MEMBERS

44. A company or other body corporate which is a Member of the Company may, by resolution of its Directors, or Proxy signed by authorized officers, authorize any of its officials or any other persons to act as its representative at any meeting of the Company and the person so authorized shall be entitled to exercise the same powers on behalf of the company which he represents as if he was an individual shareholder of the company.

VOTING BY MEMBER OF UNSOUND MIND

45. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on show of hand or on a poll, by his committee or other legal guardian, and any such committee or legal guardian may, on a poll, vote by Proxy.

POLL BY PROXY

46. On a poll, votes may be given either personally or by Proxy.

PROXY

47. Every Proxy shall be appointed in writing under the hand of the appointer or by an agent duly authorized under a Power of Attorney or if such appointer is a company or corporation under the Common Seal of the company or corporation or the hand of its Attorney who may be the appointer. A Proxy must be a Member. A Proxy shall have right as respects speaking and voting at a meeting as are available to a Member personally present at the Meeting. A Member shall not be entitled to appoint more than one Proxy to attend any one Meeting. If any Member appoints more than one Proxy for any one Meeting and more than one instruments of Proxy are deposited with the Company, all such instruments shall be rendered invalid.

IRREVOCABLE PROXY

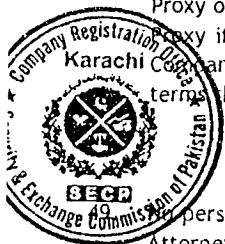
48. A Proxy declared expressly on its face to be irrevocable shall not be revoked or be deemed revoked by the Member giving such Proxy without the consent of the Proxy-holder, whether by attendance at any General Meeting held during the period of such Proxy or by any other action on his part whatsoever or otherwise during the term of such Proxy if such Proxy is furnished to and filed with the records of the Company, and the Company shall be bound to recognize and give effect to such Proxy in accordance with the terms thereof.

PROXY TO BE DEPOSITED AT THE OFFICE

Any person shall act as Proxy unless the instrument of his appointment and the Power of Attorney, if any, under which it is signed, shall be deposited at the Office at least forty-eight hours before the time for holding the Meeting at which he proposed to vote.

FORM OF PROXY

50. An instrument appointing a Proxy may be in the following form or a form as near thereto as may be:



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 11/11/2010
 Director Shares & Co. Company Secretary
 KARACHI ELECTRIC LIMITED

"I _____ of _____ in the district of _____ being a Member of the K-Electric Limited hereby appoint _____ of _____ as my Proxy to vote for me and on my behalf at the (annual, extraordinary, as the case may be) General Meeting of the company to be held on the _____ day of _____ and at any adjournment thereof".

VALIDITY OF PROXY

51. A vote given in accordance with the terms of an instrument of Proxy shall be valid notwithstanding the previous death of principal or revocation of the Proxy or of any power of attorney under which such Proxy was signed, provided that no intimation in writing of the death or revocation shall be received at the office of the Company before the Meeting or the adjourned Meeting at which Proxy is used.

VALIDITY OF VOTE

52. No objection shall be made to the validity of any vote except at the Meeting or at the poll at which such vote shall be tendered, and every vote whether given personally or by Proxy not disallowed at such Meeting or poll shall be deemed valid for all purposes of such meeting or poll.

CHAIRMAN TO DECIDE

53. If any question is raised, the Chairman of the Meeting shall decide on the validity of every vote tendered at such Meeting in accordance with these Articles.

DIRECTORS

54. The number of Directors shall not be less than seven (7) nor more than thirteen (13) elected Directors. The Board shall fix the number of elected Directors of the Company not later than thirty-five (35) days before the convening of the General Meeting at which Directors are to be elected and the number so fixed shall not be changed except with the prior approval of the General Meeting of the Company.

FIRST DIRECTORS

The first Directors shall be appointed by the subscribers to the Memorandum and shall retire from office at the first Annual General Meeting of the Company

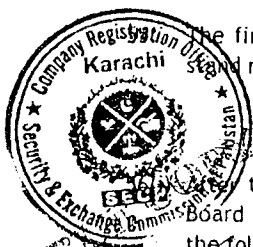
ELECTION OF DIRECTORS

At the first appointment of Directors, the number of elected Directors fixed by the Board under Article 54 shall be elected to office by the Members in General Meeting in the following manner, namely:-

a Member shall have such number of votes as is equal to the product of voting shares held by him and the number of Directors to be elected;

a Member may give all his votes to a single candidate, or divide them between more than one of the candidates in such manner as he may choose;

the candidate who gets the highest number of votes shall be declared elected as Director and then the candidate who gets the next highest number of votes shall be so declared, and so on until the total number of Directors to be elected have been so elected;



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- (ii) Where the number of candidates is equal to or less than number of Directors to be elected it will not be necessary to hold an election as laid down in clause (i) of this Article and all the candidates shall be deemed to have been elected under this Article.

TERM OF OFFICE

57. A Director elected under Article 56 shall hold office for a period of three years unless he earlier resigns, becomes disqualified from becoming Director or otherwise ceases to hold office. An election of Directors in the manner prescribed by the preceding Article shall be held once in every three years.

REMOVAL OF DIRECTORS

58. The Company may by resolution in General Meeting remove a Director appointed under Article 55 or 60 or elected or deemed to have been elected under Article 56.

Provided that a resolution for removing a Director shall not be deemed to have been passed unless the number of votes cast in favour of such a resolution is not less than:

- (i) The minimum number of votes that were cast for the election of a Director at the immediately preceding election of Directors, if the resolution relates to removal of Director elected in the manner provided in Article 56; or
- (ii) The total number of votes for the time being computed in the manner laid down in Article 56 divided by the number of Directors for the time being if the resolution relates to removal of a Director appointed under Article 55 or 60.

DISQUALIFICATION AS A DIRECTOR

- 58a. A person shall be disqualified for appointment as Director of the Company on any one or more of the grounds enumerated in Section 187 of the Ordinance.

CONTINUING DIRECTORS TO ACT

59. The continuing Directors may act notwithstanding any vacancy in their body, but if the minimum falls below the number fixed by Article 54 thereof, the Directors shall not, except for the purpose of filling a vacancy in their number or convening a General Meeting, act so long as the number remains below the minimum.

CASUAL VACANCY

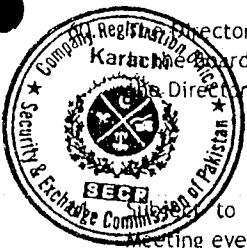
Directors may at any time appoint any person to be a Director to fill a casual vacancy in the Board. Any Director so appointed shall hold office for the remainder of the term of the Director in whose place he is appointed.

REMUNERATION OF DIRECTORS

to the Ordinance, until otherwise determined by the Company in General Meeting every Director (including an alternate Director but excluding the Chief Executive and a full time Working Director) shall be entitled to be paid as remuneration for his services for Meetings of Board and Committees of Directors as may be prescribed by the Board and per meeting attended by him. Each Director (including each alternate Director), shall be entitled to be reimbursed his reasonable expenses incurred in consequence of his attendance at meetings of the Directors or of Committees of Directors.

EXTRA REMUNERATION MAY BE PAID TO DIRECTOR

62. Any Director who serves on any Committee or who devotes special attention to the business of the Company or who otherwise performs services which, in the opinion of the



TRUST COPY
 MUHAMMAD HAFIZ
 Director Share & Div Company Invention
 to the
 Corporate Affairs
 ELECTRIC LIMITED

Board, are outside the scope of the statutory duties of a Director may be paid such extra remuneration as may be fixed by the Board.

SHARE QUALIFICATION OF DIRECTORS

63. Save and except that a Director must be a Member (unless he represents the Government, an institution (including a multi-national company) or an authority which is a member of the Company, or is a whole time working Director, or a Chief Executive /or a person representing a creditor on the Board, such Director shall not require any share qualification, so long as only subscribers shares are in issue. Thereafter, the qualification of a Director shall be his holding shares in his own name of such value as may be prescribed by the Ordinance. In the case of Directors representing interest holding shares of requisite value, no such share qualification shall be required, provided intimation in writing as to such representation is lodged with the company forthwith upon appointment / election of a Director.

VACATION OF OFFICE OF DIRECTOR

64. The office of a Director shall ipso facto be vacated if:

- (A) he becomes ineligible to be appointed as a Director on any one or more of the grounds enumerated as follows, that is to say, he:

- (i) is a minor,
- (ii) is or becomes of unsound mind
- (iii) has applied to be adjudicated as an insolvent and his application is pending;
- (iv) is an un-discharged insolvent;
- (v) has been convicted by court of law for an offence involving moral turpitude;
- (vi) has been debarred from holding such office under any provision of the Ordinance;
- (vii) has betrayed lack of fiduciary behaviour and a declaration to this effect has been made by the Court under Section 217 at any time during the preceding five years;

(viii) is not a Member.

Provided that this clause (viii) shall not apply in the case of:

- (a) a person representing the Government or an institution or authority which is a Member;
- (b) a whole-time Director who is an employee of the company;
- (c) a Chief Executive; or
- (d) A person representing a creditor.

- (B) he absents himself from three consecutive meetings of the Directors or from all the meetings of the Directors for a continuous period of three months, whichever is the longer, without leave of absence from the Directors;

- (C) he or any firm of which he is a partner or any private company of which he is a Director:

- (i) without the sanction of the Company in General Meeting accepts or holds any office of profit under the Company other than of Chief Executive or a legal or technical adviser or a banker, or



(ii) accepts a loan or guarantee from the company in contravention of Section 195 (if applicable in terms of that Section);

- (D) he resigns his office by notice in writing to the company;
- (E) he, being a Director who is an employee of the Company, ceases to be an employee of the Company for whatsoever reason.
- (F) he does not hold or ceases to hold the share qualification, if any necessary for his appointment.

POWERS OF DIRECTORS

65. The control of the Company shall be vested in the Board and the business of the Company shall be managed by the Board, which may pay all expenses incurred in forming and registering the Company, and may exercise all such powers of the Company as are not by the Ordinance or by these Articles required to be exercised by the Company in General Meeting subject nevertheless to the regulations of these Articles to the provisions of the Ordinance and such regulations, (not inconsistent with the aforesaid regulations or provisions) as may be prescribed by the Company in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if the regulation had not been made.

POWER TO OBTAIN FINANCES AND ISSUING SECURITIES

66. The Board may exercise all the powers of the Company to borrow and mortgage or charge its undertaking, property and assets, (both present and future), and to issue Debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company, or of any third party.

DIRECTORS TO COMPLY WITH THE ORDINANCE

67. The Directors shall duly comply with the provisions of the Ordinance or any statutory modification thereof for the time being in force, and in particular with the provisions in regard to the registration of the particulars of mortgage and charges affecting the property of the Company or created by it, to the keeping of a Register of the Directors, and to the sending to the registrar of an Annual list of Members and a summary of particulars relating thereto and notice of any consolidation or increase of share capital, or sub-division of shares and copies of Special Resolutions and a copy of the Register of Directors and notification of any changes therein.

RETIRING DIRECTOR SHALL BE ELIGIBLE FOR RE-ELECTION

Retiring Director shall be eligible for re-election. The retiring Directors shall continue to perform their functions until their successors are elected in the manner prescribed by these articles and the Ordinance.



ALTERNATE DIRECTOR

POWER TO APPOINT ALTERNATE DIRECTOR

68. Any Director not permanently resident in Pakistan or any Director so resident ^{but} intending to be absent from Pakistan for a period of not less than three months ^{may} appoint any person acceptable to the Board to be an Alternate Director of the company to act for him. Every such appointment shall be in writing under the hand of the Director making the appointment. An Alternate Director so appointed shall not be entitled to appoint any other Director, but shall otherwise be subject to provisions of the Articles with regards to Directors, except that he need not be a Member nor shall he require any share qualification. An Alternate Director shall be entitled to receive notices of all meetings of the Board, and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present, and generally to perform all the

shall continue
prescribed by

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Directed Shares & Co. Company Secretary
Corporate Affairs

SECURITIES LIMITED

resident but

functions of his appointer as Director in the absence of such appointer. An Alternate Director shall ipso facto cease to be an Alternate Director if his appointer for any reason ceases to be a Director or if and when his appointer comes or returns to Pakistan, or if the appointee is removed from office by notice in writing under the hand of the appointer.

The appointment of an alternate Director will constitute leave of absence from the Board for the Director for whom such alternate is appointed during such Director's absence.

PROCEEDINGS OF DIRECTORS MEETING OF DIRECTORS

69. The Directors may meet together for the dispatch of business, adjourn, end otherwise regulate meetings of the Board as they think fit. A Resolution moved at any meetings of Directors shall be passed by a majority vote. The Chief Executive or the Secretary may at any time and shall on the written requisition of two Directors at any time, summon a meeting of the Board, unless otherwise decided by the Board, at least seven clear days notice must be given to all Directors to summon a meeting of the Board, and such notice shall set forth the purpose or purposes for which such meeting is summoned. With the consent of all the Directors entitled to receive notice of meeting, or to attend or vote at, any such meeting of the Board may be convened by shorter notice than specified in this Article.

Any Director may waive notice of the time, place and purpose of any meeting of directors either before, at or after such meeting.

- 69-A. The meetings of the Board of Directors and Committees of Directors in emergent situations may be held through tele / video conferencing pursuant to such conditions and guidelines specified by SECP from time to time.

- 69-B. The Directors shall meet together at least once in every quarter of every financial year.

QUORUM OF DIRECTOR'S MEETING AND POWERS

70. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under the Article vested in or exercisable by the Board generally. Six Directors or 1/3rd of their number whichever is greater, for the time being personally present shall constitute a quorum, subject to the provisions of the Ordinance. For the purpose of calculating one-third any fraction shall be ignored.

CHAIRMAN

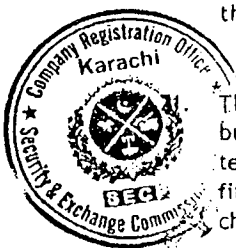
The Chairman shall, whenever present, act as Chairman at each meeting of the Board, but if at any meeting the chairman is present and not willing to act or is absent beyond ten minutes after the time fixed for holding the same, the Directors present shall within fifteen minutes of the time fixed for the meeting choose one of their Members to be chairman of such meeting.

WHEN ACTS OF DIRECTORS OR COMMITTEE VALID NOTWITHSTANDING DEFECTIVE APPOINTMENT

72. All acts by any meeting of the Board or of a committee of Directors, or by any person acting as Director or Alternate Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or person had been duly appointed and was qualified to act. Provided that as soon as any such defect has come to notice, the Director or other person concerned shall not exercise the right of this office till the defect has been rectified.

RESOLUTION BY CIRCULATION

73. Except for the matters as are required by Section 196 of the Ordinance to be decided at a meeting of the Board, a resolution in writing signed by majority of the Directors shall be effective as if such resolution had been passed at a meeting of the Directors.



Handwritten signature and stamp:
 10/05/2022
 Director Shares & Co. Company Secretary
 Corporate Affairs
 H-ELECTRIC LIMITED

In addition, the Board may entrust to and confer upon Chief Executive any of the powers exercisable by the Board other than the powers which are required to be compulsorily exercised under the Ordinance by the Board at its meeting upon such terms and

conditions and with such restrictions as it may think fit, and may from time to time revoke, withdraw, alter, vary all or any of such powers.

THE SEAL CUSTODY OF SEAL

78. The Board shall provide a Common Seal for the purposes of the Company and for the safe custody of the Seal, and the Seal shall never be used except by the authority of the Board or a Committee of Directors previously given, and one Director at least shall sign (in the same manner as provided for in Article 14) on every instrument to which the Seal is affixed; provided nevertheless, that any instruments bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching any authority to issue the same. The Board shall also have power to destroy the Seal and substitute a new Seal thereof, if necessary.

DIVIDENDS AND RESERVES DECLARATION OF DIVIDENDS AND RESTRICTION OF AMOUNT THEREOF

79. The Company in General Meeting may declare Dividends, but no Dividends shall exceed the amount recommended by the Board.

INTERIM DIVIDEND

80. The Board may from time to time pay to the Members such interim Dividends as appear to be justified by the profit of the Company.

DIVIDEND OUT OF PROFITS ONLY

81. No Dividends shall be paid otherwise than out of profits of the year, or any other undistributed profits of prior years.

DECLARATION OF DIVIDENDS IN SPECIE

- 81a. Any declaration of a Dividend may state that such Dividend shall be paid wholly or in part by the distribution of specific assets and in particular of paid up shares, Debentures or debenture stock of the Company or paid up shares, debenture stock of any other Company, or in any one or more of such ways.



DISTRIBUTION OF DIVIDENDS

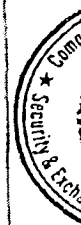
Subject to the rights of any persons entitled to shares with special rights as to Dividends, the profits distributed as Dividends shall be distributed among the shareholders and all Dividends shall be declared and paid according to the amounts paid on the shares. If any share is issued on the terms that it shall rank for Dividend as from a particular date, such share shall rank for Dividend accordingly.

DIVIDENDS HOW PAID

- 82a. Every Dividend after it is declared shall be paid by crossed cheques or Dividend warrants to be delivered or sent by post to, and at the sole risk of the Members entitled thereto, at the registered addresses of the Members or their agents as provided in Section 250 of the Ordinance and the Company shall not be liable for any loss sustained by a Member by reason of any forged endorsement of any cheque or warrant or the fraudulent recovery by any other person.

POWER OF BOARD TO CREATE RESERVE

83. The Board may before recommending any Dividend, set aside out of the profits of the Company such sum as it thinks proper as a reserve or reserves, which shall, at the discretion of the Board, be applicable for meeting contingencies, or for equalizing



Dividends, or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, in the like discretion, either be employed in the business of the Company or be invested in such investments, (other than shares of the Company), as the Board may from time to time think fit.

RECEIPTS FOR DIVIDENDS BY JOINT HOLDERS

84. If several persons are registered as joint holders of any share, any one of them may give effectual receipts for any Dividends payable on the share.

NO INTEREST ON DIVIDENDS

85. No Dividends shall bear interest against the Company. The Dividends shall be paid within the period laid down in the Ordinance.

PAYMENT BY POST

- 86(a) Any Dividend may be paid by Cheque or warrant sent through the post at the registered address of the Member or person entitled thereto, or in the case of joint holders to any one of such joint holders at his registered address, or to such person and at such address as the Member or person entitled or such joint holders, as the case may be, may direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, or to the order of such other person as the Member or person entitled or such joint holders, as the case may be, may direct.
- (b) Unclaimed Dividends may be invested or otherwise used by Board for the benefit of the Company until claimed.

CARRYING FORWARD OF PROFITS

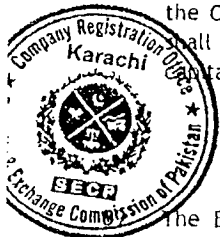
87. The Directors may carry forward any profit which they may think prudent not to distribute without setting them aside as a reserve.

CAPITALISATION CAPITALISATION OF RESERVES

88. Any General Meeting may, upon recommendation of the Board, by ordinary resolution resolve that any undistributed profits of the Company (including profits carried and standing to the credit of any reserve or reserves or other special accounts or representing premiums received on the issue of shares and standing to the Credit of the share premium account and capital reserve arising from realized or unrealized appreciation of the assets or goodwill of the Company or from any acquisition/sale of interests in other undertakings) be capitalized. Such capital undistributed profits and reserve shall be distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of Dividend, and in the same proportions, on the footing that they become entitled thereto as capital. All or any part of such capitalized fund may be applied on behalf of such shareholders for payment in full or in part either at par or at such premium as the resolution may provide, for any un-issued shares or Debentures of the Company which shall be distributed accordingly, and such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.

ACCOUNTS BOOKS OF ACCOUNT TO BE KEPT

The Board shall cause to be kept proper books of account as required under the Ordinance.



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17/05/2010
M. A. H. Khan
Secretary
H-ELECTRIC LIMITED

WHERE BOOKS TO BE KEPT

90. The books of account shall be kept at the office or at such other place as the Board shall think fit and shall be opened to inspection by Directors during business hours.

INSPECTION BY MEMBERS

91. The Board shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations the accounts and books or papers of the Company or any of them shall be opened to inspection of the Members, and no Member (not being a Director) shall have any right of inspecting any account and books or papers of the Company except as conferred by law or authorized by the Board or by Special Resolution.

PROFIT AND LOSS ACCOUNT AND BALANCE SHEET

92. Within eighteen months of the incorporation of the Company, and subsequently once at least in every calendar year, the Directors shall cause to be prepared and lay before the Company in General Meeting a balance sheet and profit and loss account, both made up in accordance with Ordinance and to a date not more than four months before the date of the Meeting for the period, in the case of first balance sheet and profit and loss account, since incorporation of the Company, and in case of any subsequent balance sheet and profit and loss account, since the preceding account. Every such balance sheet shall be accompanied by an Auditor's report and the Directors' report in accordance with the provisions of the Ordinance in that behalf.

COMPLIANCE WITH ORDINANCE

93. The Directors shall in all respects comply with Sections 230 to 236 in regard to accounts of the Company.

COPIES OF DIRECTORS' REPORT AND BALANCE SHEET TO BE SENT TO MEMBERS

94. A copy of the Balance Sheet and Profit and Loss Account together with a copy of the Auditor's Report and Directors' Report shall be sent to all Members along with the notice convening the Annual General Meeting before which same are required to be laid at least twenty-one days preceding the meeting.

AUDIT

APPOINTMENT OF AUDITORS AND THEIR DUTIES

Auditors shall be appointed and their duties regulated in accordance with Sections 252 to 255.

NOTICES

HOW NOTICE TO BE SERVED ON MEMBERS

96. A notice may be given by the Company to any Member or Director either personally or by sending it by post to him at his registered address or, (if he has no registered address in Pakistan), to the address, if any, within or outside Pakistan supplied by him to the Company for the giving of notice to him. A notice may be given by telex or facsimile transmission.

SERVICE BY POST

97. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.



NOTICE TO MEMBERS ABROAD BY ADVERTISING IN NEWSPAPERS

98. If a Member or Director has no registered address in Pakistan and has not supplied to the Company an address within or outside Pakistan for the giving of notices to him, a notice addressed to him or to the shareholders generally and advertised in a newspaper circulating in the Province in which the Office is situated shall be deemed to be duly given to him on the day on which the advertisement appears.

NOTICE TO JOINT HOLDER

99. A notice shall be deemed to be given by the Company to the joint-holder of a share by giving the notice to the joint-holder named first in the Register in respect of the share.

NOTICE TO PERSONS ENTITLED BY TRANSMISSION

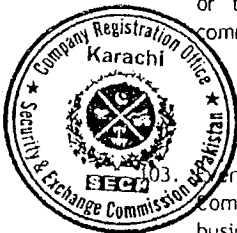
100. A notice may be given by the Company to the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name, or by the title or representatives of the deceased, or assignee of the insolvent, or by any like description, at the address if any in Pakistan supplied for the purpose by the persons claiming to be so entitled, or (until) such an address has been so supplied by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.

NOTICE OF GENERAL MEETING

101. Notice of every General Meeting shall be given in same manner herein before authorized to (a) every Member of the Company except those Member who, having no registered address within Pakistan, have not supplied to the Company an address within or outside Pakistan for the giving of notices to them and also to (b) every person entitled to a share in consequence of the death or insolvency of Member, who but for his death or insolvency would be entitled to receive notice of the meeting, and (c) to the auditors of the Company for the time being.

NO SHAREHOLDERS TO ENTER THE PREMISES OF THE COMPANY WITHOUT PERMISSION

102. No Member or other person (not being a Director) shall be entitled to enter the property of the Company, or to inspect or examine the Company's premises or properties of the Company, without permission of the Board or the Chairman, or Chief Executive, and to require disclosure of any information respecting any details of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade or secret to/of the conduct of the business of the Company and which in the opinion of the Board or the Chief Executive will be inexpedient in the interest of the Members to communicate.



SECRECY

103. Every Director, Chief Executive, Chairman, Manager, Auditor, Trustee, Member of Committee, Officer, Servant, Agent, Accountant, or other person employed in the business of the Company shall, if so required by the Board before entering upon his duties, sign a declaration in the form approved by the Board pledging himself to observe strict secrecy representing all transactions of the Company with the customers and the state of accounts with individuals and in matters relating thereto, and shall by declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board, or by any Annual General Meeting, or by a court of law, and except so far as may be necessary in order to comply with any provisions in these presents contained.

TRUE COPY
M.A.
WITNESSED BY
Shahid Ali Khan
Corporate Secretary
K-ELECTRIC LIMITED

WINDING UP
DISTRIBUTIONS OF ASSETS ON WINDING UP

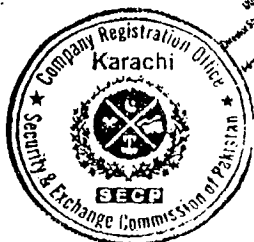
- 104(i) If the Company shall be wound up, (whether voluntarily or otherwise) the liquidators may, with the sanction of a Special Resolution and any other sanction required by the Ordinance, divide amongst the Members in specie at kind, the whole or any part of the assets of the Company, whether they consist of property of same kind or not.
- (ii) For purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trust for the benefit of the contributories as the liquidator, with the like sanction, thinks fit but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

105. Every Director, Chief Executive, Chairman, Manager or Officer of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor or Adviser, shall be indemnified out of the funds of the Company against any liability incurred by him as such Director, Chief Executive, Chairman, Manager, Officer, Auditor, or Adviser in defending any proceedings, whether civil or criminal, in which judgment is given in connection with any application under Section 488 of the Ordinance in which relief is granted to him by Court.

INDIVIDUAL RESPONSIBILITY OF DIRECTORS

106. No Director, Chief Executive, Chairman, or other officer of the Company will be liable for the acts, receipts, neglects or defaults of any other Director or Officer or for joining any receipt or other act for conformity, or for any loss or expense happening to Company through the insufficiency or deficiency of title to any property acquired by order of the Directors, Chief Executive, Chairman, or other officer for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any money, securities or effect shall be deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of duties of his office or in relation thereto, unless the same happens through his own willful act, default or dishonesty.



Witnessed by
Chairman of the Board
ELECTRIC LIMITED

WE, the several persons whose names and addresses are subscribed, are desirous of being formed a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the Capital of the Company set opposite our respective names.

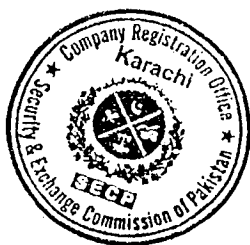
Dated this Sixth Day of September, 1913

Name of Subscriber	Address and Description of Subscriber	Number of Ordinary Shares taken by each Subscriber	Witness to Signature
T.L.F. Beaumont	Merchant, Karachi	1 (one)	
Ghulamali G. Chagla	Merchant, Karachi	1 (one)	
Nadirshaw E. Dinshaw	Merchant, Karachi	1 (one)	
W.U. Nicholas	Merchant, Karachi	1 (one)	
B. Frank Jones	Merchant, Karachi	1 (one)	
Chellaram Dulloomal	Merchant, Karachi	1 (one)	
Abdool Rahim Saleh Mahomed	Merchant, Karachi	1 (one)	

TRUE COPY

10/10/13
Dated 10th Sept 1913
Company Secretary
W-ELECTRIC LIMITED

Certified to be True Copy
[Signature]
Joint Registrar of Companies





Karachi Electric Supply Company Ltd.

formerly: Karachi Electric Supply Corporation Ltd.

2ND Floor, Handicraft Bldg., Abdullah Haroon Road, Saddar, Karachi-74400

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTIONS PASSED AT THE EXTRA-ORDINARY GENERAL MEETING OF THE MEMBERS OF THE COMPANY HELD ON 22 JANUARY 1999

"RESOLVED that the authorized capital of the company be and is, hereby, increased from Rs.2,500,000,000 (Rupees Two Billion Five Hundred Million) to Rs.10,000,000,000 (Rupees Ten Billion)."

"FURTHER RESOLVED that Clause V of the Memorandum of Association of the company be and is, hereby, substituted with the following: -

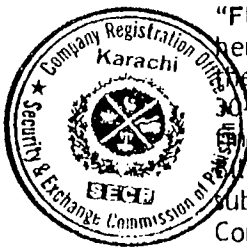
"The share capital of the company is Rs.10,000,000,000 (Rupees Ten Billion) divided into 1,000,000,000 ordinary shares of Rs.10/- each."

"FURTHER RESOLVED that Article No.6 of the KESC Articles of Association be and is, hereby, substituted with the following: -

"The authorized capital of the Company is Rs.10,000,000,000 (Rupees Ten Billion) divided into 1,000,000,000 ordinary shares of Rs.10/- each."

"RESOLVED that the conversion of Government of Pakistan interest bearing loans of Rs.3.045123 Billion into equity and the issue of further capital to that extent without making a rights issue be and is, hereby, approved subject to the approval of the Federal Government / Corporate Law Authority as required u/s 86 of the Companies Ordinance 1984."

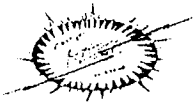
"FURTHER RESOLVED that the Directors of the Company be and are, hereby, authorized to take all necessary steps in this regard, approve the terms (other than as specified herein) of and effect issuance of 304,512,300 ordinary shares of Rs.10/- each fully paid up at par in full & final settlement of G.O.P. loans of Rs.3,045,123,000 (Rupees Three Billion Forty-Five Million One Hundred Twenty Three Thousand only) subject to completion of all legal requirements envisaged under Companies Ordinance 1984 and KESC Memorandum & Articles of Association. The above shares will rank pari passu in every respect with the existing capital of the company."



TRUE COPY

Witnessed by
Company Secretary
Karachi Electric Supply Company Ltd.
K-ELECTRIC LIMITED

certified true copy
Abdullah Haroon
Corporate Secretary
Karachi Electric Supply Corp



Karachi Electric Supply Company Ltd.
formerly: Karachi Electric Supply Corporation Ltd.

2ND Floor, Handicraft Bldg., Abdullah Haroon Road, Saddar, Karachi-74400

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTIONS
 PASSED AT THE ANNUAL GENERAL MEETING OF THE
 MEMBERS OF THE COMPANY HELD ON 27 FEBRUARY 2001

"RESOLVED that the authorized capital of the company be and is, hereby, increased from Rs.10,000,000,000 (Rupees Ten Billion) to Rs.50,000,000,000 (Rupees Fifty Billion)"

"FURTHER Resolved that Clause V of the Memorandum of Association of the Company be and is, hereby, substituted with the following: -

"The share capital of the company is Rs.50,000,000,000 (Rupees Fifty Billion) divided into 5,000,000,000 ordinary shares of Rs.10/- each."

"FURTHER Resolved that Article No.6 of the KESC Articles of Association be and is, hereby, substituted with the following: -

"The authorized capital of the Company is Rs.50,000,000,000 (Rupees Fifty Billion) divided into 5,000,000,000 ordinary shares of Rs.10/- each."



TRUE COPY
 [Signature]
 CHIEF SECRETARY
 Karachi Stock Exchange
 Karachi-74400
 K-ELECTRIC LIMITED



Karachi Electric Supply Company Ltd.

formerly: Karachi Electric Supply Corporation Ltd.

2ND Floor, Handicraft Bldg., Abdullah Haroon Road, Saddar, Karachi-74400

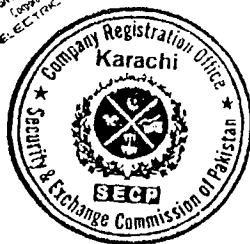
**CERTIFIED TRUE COPY OF THE RESOLUTIONS
PASSED BY KESC SHAREHOLDERS AT THE ANNUAL
GENERAL MEETING OF KESC HELD ON 29 DECEMBER 2001**

"RESOLVED that the conversion of GOP Subordinated Loan and KESC Debt Servicing Liabilities amounting to Rs.17,834.56 million into equity and the Issue of further capital to that extent without making a Right Issue be and is, hereby, approved subject to the approval of the Federal Government / Securities & Exchange Commission of Pakistan (SECP) as required u/s 86 of the Companies Ordinance 1984"

"FURTHER Resolved that the Directors of the Company be and are, hereby, authorized to take all necessary steps in this regard, approve the terms (other than as specified herein) of and effect issuance of 1,783,456,000 ordinary shares of Rs.10/- each fully paid up at par in full & final settlement of GOP Subordinated Loan and KESC Debt Servicing Liabilities of Rs.17,834,560,000 (Rupees Seventeen Billion Eight Hundred Thirty-Four Million Five Hundred Sixty Thousand only) subject to completion of all legal requirements envisaged under Companies Ordinance 1984 and KESC Memorandum & Articles of Association. The above shares will rank pari passu in every respect with the existing capital of the Company."

TRUE COPY

GRANTED BY
DIRECTOR OF COMPANY
KARACHI ELECTRIC LIMITED



[Signature]
Corporate Secretary
K.E.S.C. Ltd.



Karachi Electric Supply Company Ltd.

formerly: Karachi Electric Supply Corporation Ltd.

2ND Floor, Handicraft Bldg., Abdullah Haroon Road, Saddar, Karachi-74400

CERTIFIED TRUE COPY OF THE RESOLUTIONS PASSED BY KESC SHAREHOLDERS AT THE EXTRA-ORDINARY GENERAL MEETING OF KESC HELD ON 27 MAY 2002

- (1) "RESOLVED that the authorized capital of the Company be and is, hereby, increased from Rs.50,000,000,000 (Rupees Fifty Billion) to Rs.100,000,000,000 (Rupees One Hundred Billion)."

- (2) "FURTHER Resolved that Clause V of the Memorandum of Association of the Company be and is, hereby, substituted with the following: -

"The share capital of the Company is Rs.100,000,000,000 (Rupees One Hundred Billion) divided into 10,000,000,000 ordinary shares of Rs.10/- each."

- (3) "FURTHER Resolved that Article No.6 of the KESC Articles of Association be and is, hereby, substituted with the following: -

"The authorized capital of the Company is Rs.100,000,000,000 (Rupees One Hundred Billion) divided into 10,000,000,000 ordinary shares of Rs.10/- each."

- B. (1) "RESOLVED that Banks Loans amounting to Rs.22.107 billion obtained by KESC and guaranteed by GOP, be converted into GOP Loans subject to completion of all legal and statutory requirements."

- (2) "RESOLVED that the conversion of GOP Loans amounting to Rs.65.340,773 billion (including GOP Guaranteed Banks Loans of Rs.22.107 billion as at (1) above and loans of Rs.7.893 billion which are in the process of disbursement to meet KESC operating cash shortfall) into equity and the issue of further capital to that extent without making a Right Issue be and is, hereby, approved subject to the approval of the Federal Government / Securities & Exchange Commission of Pakistan and required u/s 86 of the Companies Ordinance 1984."



TRUE COPY
 Director General
 Securities & Exchange Commission
 Corporate Affairs
 K-ELECTRIC LIMITED

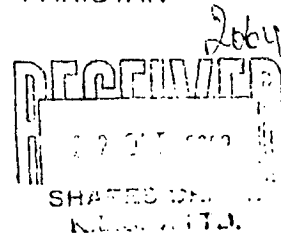
- (3) "FURTHER Resolved that the Directors of the Company be and are, hereby, authorized to take all necessary steps in this regard, approve the terms (other than as specified herein) of and effect issuance of 6,534,077,300 ordinary shares of Rs.10/- each fully paid up at par in full & final settlement of GOP Loans of Rs.65,340,773,000 (Rupees Sixty Five Billion Three Hundred Forty Million Seven Hundred Seventy Three Thousand only) subject to completion of all legal requirements envisaged under Companies Ordinance 1984 and KESC Memorandum & Articles of Association. The above shares will rank pari passu in every respect with the existing capital of the Company."

- C. (1) "RESOLVED that subsequent to completion of the conversion of GOP and GOP Guaranteed Loans of Rs.65.340,773 billion into equity in accordance with requirements of applicable law, the capital of the Company be reduced (subject to the requirements of the Companies Ordinance, 1984) by canceling the issued and paid up capital of the Company which has been lost or is unrepresented by available assets to the extent of Rs.6.50 on each of the issued shares of the Company at such time and reducing the nominal value thereof to Rs.3.50 each."
- (2) "FURTHER RESOLVED that the Directors of the Company, acting singly or jointly, be and are hereby, authorized to do all acts, deeds and things and to take all necessary steps to effect the reduction of capital approved in paragraph (1) above including, without limitation, the filing of a petition to seek the confirmation of the Court to the said capital reduction in accordance with the requirements of the Companies Ordinance 1984 and all acts, deeds and things ancillary or incidental thereto."

TRUE COPY
 10/11/11
 Director General
 Government of Sindh
 KARACHI
 K-ELECTRIC LIMITED



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN



ACKNOWLEDGEMENT OF FILING

[See – regulation – 8 (2)]

No. K-376/Com/2002Dated: 18.10.2002

In the matter of

Karachi Electric Supply Corporation Limited*Ainai House, Abdullah Haroon Road, Karachi*

The receipt of the undermentioned document (s) filed / registered / recorded, pursuant to the provisions of the Companies Ordinance, 1984 (XLVII of 1984) is hereby acknowledged:-

1. Form-26 dated 28.05.2002 and as approved by the Hon'ble High Court of Sindh.
2. Certified true copy of the order of the Honourable High Court of Sindh at Karachi dated 11.10.2002 in J.Misc No. 48 of 2002 regarding the reduction in issued and paid up capital to the extent of Rs.6.50/- on each of the issued shares of the company and reducing the nominal value thereof to Rs.3.50/- each.



(LIAQAT ALI DOLLA)
JOINT REGISTRAR OF COMPANIES

TRUE COPY

Fee Rs.400/-

RECORDED
ORDERED BY COMPANY SECRETARY
CORPORATE AFFAIRS
ELECTRIC LIMITED

2ND Floor, Handicraft Bldg., Abdullah Haroon Road, Saddar, Karachi-74400

One Hundred
3.50 each

TEST

WILLIAMS ELECTRIC CO.

DIVISION OF THE GEORGE ARMITAGE COMPANY LIMITED





Karachi Electric Supply Company Ltd.
formerly: Karachi Electric Supply Corporation Ltd.

2ND Floor, Handicraft Bldg., Abdullah Haroon Road, Saddar, Karachi-74400

CERTIFIED TRUE COPY
OF THE RESOLUTIONS PASSED BY KESC SHAREHOLDERS
AT 94TH ANNUAL GENERAL MEETING OF THE COMPANY
HELD ON 02 DECEMBER 2004

Resolved that the conversion of KESC's debt amounting to Rs.15.283,738,365 billion into GOP's equity in KESC and the issue of further capital to that extent without making a Right Issue be and is hereby, approved subject to the approval of the Federal Government / Securities & Exchange Commission of Pakistan (SECP) as required u/s 86 of the Companies Ordinance 1984.

Further Resolved that the Directors of the Company be and are, hereby, authorized to take all necessary steps in this regard, approve the terms (other than as specified herein) of and effect issuance of 4,366,782,390 ordinary shares of Rs.3.50 each in full & final settlement of KESC's debt payable to GOP amounting to Rs.15.283,738,365 billion, subject to completion of all legal requirements envisaged under Companies Ordinance 1984 and KESC Memorandum & Articles of Association. The above shares will rank pari passu in every respect with the existing capital of the Company.



OSWALD PEARL
 CORPORATE SECRETARY
 (OSWALD PEARL) KARACHI SUPPLY CORP. LTD.
 CORPORATE SECRETARY

TRUE COPY

OSWALD PEARL
 Director & Company Secretary
 KARACHI ELECTRIC SUPPLY COMPANY LIMITED



Karachi Electric Supply Company Ltd.

formerly: Karachi Electric Supply Corporation Ltd.

2ND Floor, Handicraft Bldg., Abdullah Haroon Road, Saddar, Karachi-74400

CERTIFIED TRUE COPY
OF THE RESOLUTIONS PASSED BY KESC SHAREHOLDERS
AT EXTRA-ORDINARY GENERAL MEETING HELD ON 02 MARCH 2006

- I. "RESOLVED THAT Clause V of the Memorandum of Association of the Company be and is, hereby, substituted with the following: -

Clause V: The share capital of the Company is Rs.100,000,000,000 (Rupees One Hundred Billion Only) divided into the following kinds of shares: -

- i. Share Capital of Rs.90,000,000,000 (Rupees Ninety Billion Only) divided into 25,714,285,714 ordinary shares of Rs.3.50 each.
- ii. Share Capital of Rs.10,000,000,000 (Rupees Ten Billion only) divided into 2,857,142,857 Redeemable Preference Shares of Rs.3.50 each."

- II. "FURTHER RESOLVED THAT Article No.6 of KESC Articles of Association be and is, hereby, substituted with the following: -

Article 6: The authorized share capital of the Company is Rs.100,000,000,000 (Rupees One Hundred Billion Only) divided into the following kinds of shares: -

- i. Share Capital of Rs.90,000,000,000 (Rupees Ninety Billion only) divided into 25,714,285,714 ordinary shares of Rs.3.50 each.
- ii. Share Capital of Rs.10,000,000,000 (Rupees Ten Billion only) divided into 2,857,142,857 Redeemable Preference Shares of Rs.3.50 each."

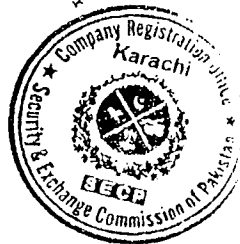
- III. FURTHER RESOLVED THAT Article 7(ii) of KESC Articles of Association be and is, hereby, modified by way of incorporating / adding new paragraphs in the end as narrated below: -

- The Redeemable Preference shares shall be entitled to a preferential dividend at a rate fixed at the General Meeting of the Company.
- The preferential dividend shall be cumulative.
- The preference shareholder(s) shall only be entitled to preferential dividend and shall not be entitled to any other dividend (whether cash, bonus shares, right shares etc.) to which ordinary shareholders may become entitled from time to time.



TRUE COPY

Witnessed by
 Director General
 Companies
 KARACHI ELECTRIC LIMITED



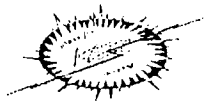
- The Redeemable Preference Shares shall be redeemed on redemption date or shall be converted into ordinary shares as deemed expedient by the Board of Directors. The Board of Directors shall also finalize other modalities & mechanism with regard to Issue of Redeemable Preference Shares, payment of preferential dividend, redemption, conversion etc.
 - Redeemable Preference shareholders shall not be entitled to attend or vote at the meetings of shareholders of the company."
- IV. "FURTHER RESOLVED THAT after completing all necessary legal & statutory requirements and obtaining prior approval of Securities & Exchange Commission of Pakistan (SECP), Redeemable Preference Shares having a cumulative value of Rs.6000 million divided into 1,714,285,713 Redeemable Preference Shares of Rs.3.50 each, be offered as Right Shares to the ordinary shareholders of the Company @ 13.02% of their shareholding bearing cumulative preferential dividend @ 3% per annum."
- V. "FURTHER RESOLVED THAT Directors of the Company be and they are hereby, authorized to take all necessary actions for offering / issuance of the above Redeemable Preference Shares and also to finalize modalities & mechanism including disposal of fractional & unsubscribed Redeemable Preference Shares.



(Signature)
(OSWALD PEARL)
CORPORATE SECRETARY

OSWALD PEARL
CORPORATE SECRETARY
KARACHI ELECTRIC SUPPLY CORP. LTD.

TRUE COPY
(Signature)
KARACHI ELECTRIC SUPPLY CORP. LTD.
CORPORATE SECRETARY
K-ELECTRIC LIMITED



Karachi Electric Supply Company Ltd.

formerly: Karachi Electric Supply Corporation Ltd.

2ND Floor, Handicraft Bldg., Abdullah Haroon Road, Saddar, Karachi-74400

**CERTIFIED TRUE COPY
OF SPECIAL RESOLUTIONS PASSED AT
THE EGM OF THE COMPANY ON 30 APRIL 2007**

- a. Resolved that the issue of further capital to the extent of USD 50 Million to be converted to equivalent PKR at applicable exchange rate on the date of subscription with a cap of USD 1 = PKR 90 viz. additional share capital in PKR upto a maximum of 4500 million, to International Finance Corporation (IFC) & Asian Development Bank (ADB) (USD 25 million each) without making a Right Issue be and is, hereby, approved subject to the approval of the Federal Government / Securities & Exchange Commission of Pakistan (SECP) as required u/s 86(1) of the Companies Ordinance 1984.
- b. Further Resolved that the Directors of the Company be and are, hereby, authorized to take all necessary steps in this regard, approve the terms (other than as specified herein) of and effect issuance of 963,597,430 ordinary shares @ Rs.4.67 each including premium of Rs.1.17 per share to IFC (481,798,715) & ADB (481,798,715), subject to completion of all legal requirements envisaged under Companies Ordinance 1984 and KESC Memorandum & Articles of Association. The above shares will rank pari passu in every respect with the existing capital of the Company.
- c. That a separate Resolution will be passed as and when the option to subscribe for KESC shares is exercised by IFC & ADB latest by upto 15 December 2010.



TRUE COPY

Witnessed by
Director General
Karachi
K-ELECTRIC LIMITED

ALLI BODIQUI
Chief Legal Advisor &
Company Secretary
K-E.S.C. Ltd.



Karachi Electric Supply Company Ltd.
formerly: Karachi Electric Supply Corporation Ltd.

2nd Floor, Handicraft Bldg., Abdullah Haroon Road, Saddar, Karachi-74400

CERTIFIED TRUE COPY
OF SPECIAL RESOLUTIONS PASSED AT THE AGM
HELD ON 30 OCTOBER 2007

RESOLVED THAT the name of Company be and is hereby changed as "Karachi Electric Supply Company Limited" after obtaining requisite statutory approvals pursuant to the Companies Ordinance 1984.

RESOLVED FURTHER THAT name of the Company in Clause-I of Memorandum of Association, Article 3 of Articles of Association and wherever appearing in Memorandum & Articles of Association of the Company be changed to read as Karachi Electric Supply Company Limited.

Chief Executive Officer and Company Secretary be and are hereby authorized to take steps necessary for change of name.



Uzma Amjad Ali

Uzma Amjad Ali
 ED (Legal) & Company Secretary
 KESC Limited

TRUE COPY
Uzma Amjad Ali
 Director (Legal) & Company Secretary
 Karachi Electric Supply Company Limited
 K-ELECTRIC LIMITED

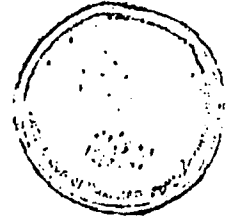
Karachi Electric Supply Company Limited
(Formerly: Karachi Electric Supply Corporation Limited)



7th Floor, State Life Building No. 11
Abdullah Hasnain Road
Karachi

Telephone: +92 (21) 520 5135
Fax: +92 (21) 520 5147
Web site: www.kesc.com.pk

**Special Resolutions Passed at the AGM
held on 29.11.2008**



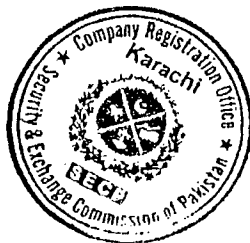
RESOLVED THAT Article 69-A, as set out below, be and is hereby added to the Articles of Association of the Company after Article-69:-

69-A. The meetings of the Board of Directors and Committees of Directors in emergent situations may be held through tele / video conferencing pursuant to such conditions and guidelines specified by SECP from time to time.

TRUE COPY

Uzma Amjad Ali
Chief Legal Advisor
& Company Secretary
K-ELECTRIC LIMITED

UZMA AMJAD ALI
Chief Legal Advisor
& Company Secretary, KESC Ltd





Karachi Electric Supply Company Limited

6th Floor, State Life Building
Abdullah Haroon Road
Karachi

Telephone: + 92 (21) 920 5136
Facsimile: + 92 (21) 920 5147
Web site: www.kesc.com.pk

**Certified True Copy of
Special Resolutions passed at KESC AGM
held on 26 October 2009, at Navy Welfare Centre,
Liaquat Barracks, Karachi**

Resolved that the issue of further capital to the extent of USD 50 Million to be converted to equivalent PKR at applicable exchange rate on the date of subscription with a cap of USD 1 = PKR 90 viz. additional share capital in PKR upto a maximum of 4500 million, to International Finance Corporation (IFC) & Asian Development Bank (ADB) (USD 25 million each) without making a Right Issue be and is, hereby, approved subject to the approval of the Federal Government / Securities & Exchange Commission of Pakistan (SECP) as required u/s 86(1) of the Companies Ordinance 1984.

Further Resolved that the Directors of the Company be and are, hereby, authorized to take all necessary steps in this regard, to approve the terms (other than as specified herein) of and effect issuance of upto 1,300,000,000 ordinary shares at a price of not less than Rs.3.50 per share to IFC (up to 650,000,000 shares) & ADB (up to 650,000,000 shares), subject to completion of all legal requirements envisaged under Companies Ordinance 1984 and KESC Memorandum & Articles of Association. The above shares will rank pari passu in every respect with the existing capital of the Company.

That the date of subscription of these shares by IFC and ADB shall be no later than July 2012.



CERTIFIED TRUE COPY

Uzma Ali

UZMA ALI
Chairman & Secretary
KESC

TRUE COPY

SECP
Original Issued & Copy Company Secretary
K-ELECTRIC LIMITED



Karachi Electric Supply Company Limited

6th Floor, State Life Building # 11
Abdullah Haroon Road
Karachi

Telephone: + 92 (21) 546 7072
Facsimile: + 92 (21) 920 5147
Web site: www.kesc.com.pk

Certified True Copy of Special Resolutions passed at KESC EGM Held on 20 January 2010, at Navy Welfare Centre, Liaquat Barracks, Karachi

- (i) Issue of additional share capital of upto USD 50 million to IFC & ADB (USD 25 m each) without making a right issue.
- Resolved that the issue of further capital to the extent of USD 50 Million to be converted to equivalent PKR at applicable exchange rate on the date of subscription viz. additional share capital in PKR up to an estimated PKR 4500 million, to International Finance Corporation (IFC) & Asian Development Bank (ADB) (USD 25 million each) without making a Right Issue be and is, hereby, approved subject to the approval of the Federal Government/ Securities & Exchange Commission of Pakistan (SECP) as required u/s 86(1) of the Companies Ordinance, 1984.
 - Further Resolved that the Directors of the Company be and are, hereby, authorized to take all necessary steps in this regard, to approve the terms (other than as specified herein) of and effect issuance of upto 1,300,000,000 ordinary shares at a price of not less than Rs. 3.50 per share to IFC (up to 650,000,000 shares) & ADB (up to 650,000,000 shares), subject to completion of all legal requirements envisaged under Companies Ordinance, 1984 and KESC Memorandum & Articles of Association. The above shares will rank pari passu in every respect with the existing capital of the Company.
 - That the date of subscription of these shares by IFC and ADB shall be no later than 31 December 2012.

(ii) **Amendment in Articles of Association of the Company.**

FURTHER RESOLVED by way of a Special Resolution that the Articles of Association of the Company be amended as follows:

- The word "three" appearing in Article 26 of the Articles of Association of the Company be substituted and replaced with the word "four".
- Article 69-B, as set out below, be added to the Articles of Association of the Company immediately after Article 69-A:

"69-B. The Directors shall meet together at least once in every quarter of every financial year."



UZZIA AMJAD ALI
Chief Legal Officer
K-E.S.C. LIMITED



UZZIA AMJAD ALI
Chief Legal Officer
K-E.S.C. LIMITED

- c. The word "four" appearing in Article 70 of the Articles of Association of the Company be substituted and replaced with the word "six".
- d. The word "three" appearing in Article 92 of the Articles of Association of the Company be substituted and replaced with the word "four".

i) **Appointment of four (4) executive directors and sanction of the Company in general meeting to hold the offices of profit with the Company.**

RESOLVED that the following persons, being Directors of the Company, are hereby accorded the sanction of the Company in General Meeting to hold the offices of profit with the Company as set out below:

Name	Office of Profit
(a) Mr. Zulfikar Haider Ali	Head of Special Projects
(b) Syed Arshad Masood Zahidi	Chief Strategic Officer - Gen & Trans.
(c) Syed Nayyer Hussain	Chief Strategic Officer - Distribution
(d) Mr. Muhammad Tayyab Tareen	Group Head HR Management / Group CFO

FURTHER RESOLVED that the Directors of the Company be and are, hereby, authorized to take all necessary steps, subject to all requirements under the Companies Ordinance, 1984 and the Memorandum and Articles of Association of the Company are authorized to take all necessary steps and seek all necessary regulatory and other approvals necessary or conducive for the purpose of the above Resolutions listed at No.2, 3 & 4.

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SYED ARSHAD ALI
Chief Strategic Officer - Gen & Trans.

TRUE COPY

SYED ARSHAD ALI
Director (Gen & Trans) Company Secretary
K-ELECTRIC LIMITED



Karachi Electric Supply Company Ltd.

3rd Floor, K.E.S.C House, 39-B, Sunset Boulevard, Phase-II,
Defence Housing Authority, Karachi.
Tel: 35647017 Fax: 35647155 Email Address: moonis.alvi@kesc.com.pk

**Certified True Copy of
Special Resolutions passed at KESC AGM
Held on 21 October 2010, at Navy Welfare Centre,
Liaquat Barracks, Karachi**

To approve increase in the Authorized Capital of the Company

- a. RESOLVED that the authorized capital of the Company be and is, hereby, increased from Rs.100,000,000,000 (Rupees One Hundred Billion Only) to Rs.125,000,000,000 (Rupees One Hundred Twenty Five Billion Only).
- b. FURTHER Resolved that Clause V of the Memorandum of Association of the Company be and is, hereby, substituted with the following: -

"The share capital of the Company is Rs.115,000,000,000 (Rupees One Hundred Fifteen Billion Only) divided into 32,857,142,857 ordinary shares of Rs.3.50 each."

"The share capital of the Company is Rs.10,000,000,000 (Rupees Ten Billion Only) divided into 2,857,142,857 Redeemable Preference Shares of Rs.3.50 each."

- c. FURTHER Resolved that Article No.6 of the KESC Articles of Association be and is, hereby, substituted with the following: -

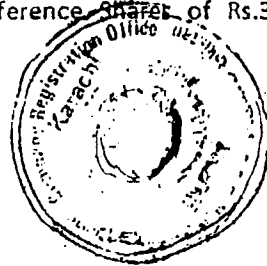
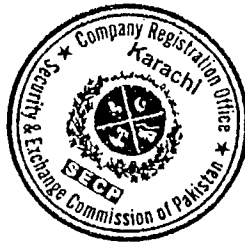
"The share capital of the Company is Rs.115,000,000,000 (Rupees One Hundred Fifteen Billion Only) divided into 32,857,142,857 ordinary shares of Rs.3.50 each."

"The share capital of the Company is Rs.10,000,000,000 (Rupees Ten Billion Only) divided into 2,857,142,857 Redeemable Preference Shares of Rs.3.50 each."

SYED MOONIS ABDULLAH ALVI
Company Secretary
KESC Limited

10/10/2010
Dated: 21st Oct 2010
K-ELECTRIC LIMITED

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Karachi Electric Supply Company Ltd.

Office & Postal address: K.E.S.C. House, 39-B, Sunset Boulevard, Phase-II,

Defence Housing Authority, Karachi.

Tel: 35647017 Fax: 35647155 & 99205147. Email Address: moonis.alvi@kesc.com.pk

Certified True Copy of Resolutions passed at the Extraordinary General Meeting (EGM) of the Company held on 08 October 2012

IFC & ADB Loans - Modification in Special Resolutions passed at EGM on 20 January 2010

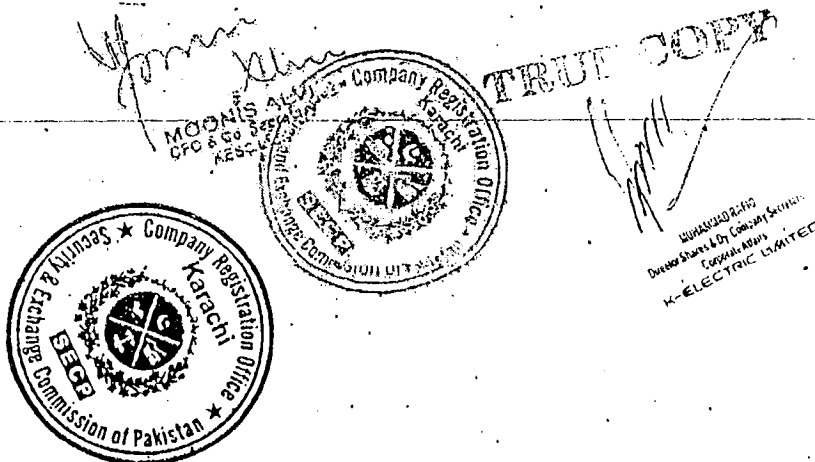
1. To consider and approve issuance of additional share capital to International Finance Corporation (IFC) & Asian Development Bank (ADB) as a consequence of increase in the exchange rate ceiling from PKR 90 for USD 1 to PKR 105 for USD 1:-

* To consider and pass the following as Special Resolutions by way of amendment to the Special Resolutions passed by the Shareholders of the Company at the Extraordinary General Meeting of the Company held on 20 January 2010, on the same subject, with or without modification:

a. Resolved that the issue of further capital to the extent of USD 50 Million to be converted to equivalent PKR at applicable exchange rate on the date of subscription viz. additional share capital in PKR up to an estimated PKR 5250 million (US\$ 1= PKR 105), to International Finance Corporation (IFC) & Asian Development Bank (ADB) (USD 25 million each) without making a Right Issue be and is, hereby, approved subject to the approval of the Federal Government/ Securities & Exchange Commission of Pakistan (SECP) as required u/s 86(1) of the Companies Ordinance, 1984.

b. Further Resolved that the Directors of the Company be and are, hereby, authorized to take all necessary steps in this regard, to approve the terms (other than as specified herein) of and effect issuance of up to 1,500,000,000 ordinary shares at par value, agreed at the time of signing the Loan Agreements and Subscription Agreements in May 2010, to IFC (up to 750,000,000 shares) & ADB (up to 750,000,000 shares), subject to completion of all legal requirements envisaged under Companies Ordinance, 1984 and KESC Memorandum & Articles of Association. The above shares will rank *pari passu* in every respect with the existing capital of the Company.

c. That the date of subscription of these shares by IFC and ADB shall be no later than 31 December 2012.





Karachi Electric Supply Company Limited

3rd Floor, K.E.S.C House, 39-B, Sunset Boulevard, Phase-II, Defence Housing Authority, Karachi.
Tel: 32647017 Fax: 99205165 & 32647159. Email Address: moonis.alvi@kesc.com.pk

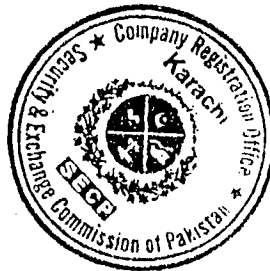
CERTIFIED TRUE COPY OF RESOLUTIONS PASSED AT THE
ANNUAL GENERAL MEETING (AGM) HELD ON 29 OCTOBER 2013
AT 10:30 A.M. AT NAVY WELFARE CENTRE, LIAQUAT BARRACKS, KARACHI

Resolved that the name of Company be and is hereby changed as "K-Electric Limited" after obtaining requisite statutory approvals pursuant to the Companies Ordinance 1984.

RESOLVED FURTHER THAT name of the Company in Clause-I of Memorandum of Association, Article-3 of Articles of Association and wherever appearing in Memorandum & Articles of Association of the Company be changed to read as K-Electric Limited.

Chief Executive Officer and Company Secretary be and are hereby authorized to take steps necessary for change of name.

MOONIS ALVI
Company Secretary
KESC Ltd.



TRUE COPY

MOONIS ALVI
Company Secretary
K-ELECTRIC LIMITED

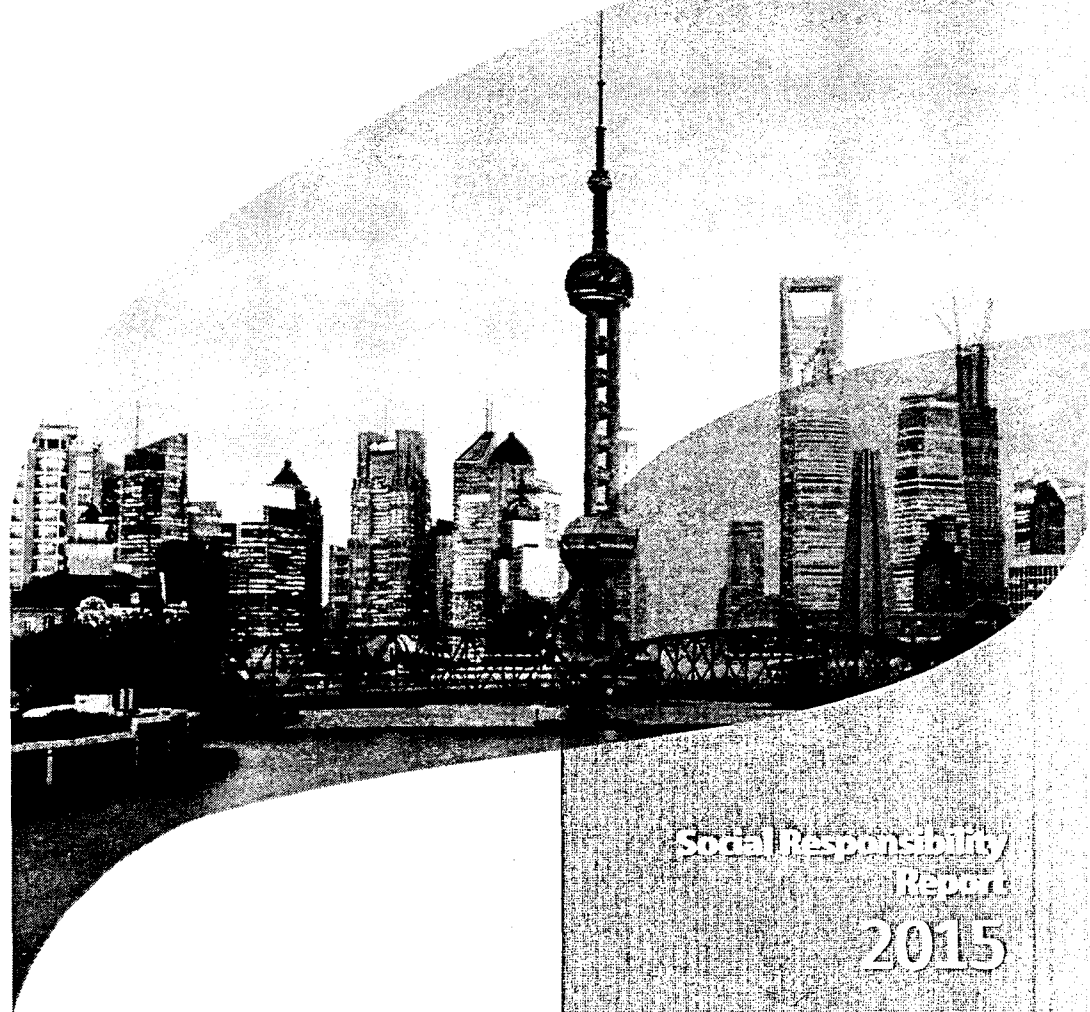


About Shanghai
Electric Power

Exhibit C



国家电投 上海电力股份有限公司
SPIC SHANGHAI ELECTRIC POWER CO., LTD



Social Responsibility
Report
2015



国家电投 上海电力股份有限公司
SPIC SHANGHAI ELECTRIC POWER CO., LTD

Address: No. 268 Zhongshan South Road, Shanghai, China

Tel.: 021-23108718

Fax: 021-23108717

E-mail: sepc@shanghai-power.com



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MESSAGE FROM CHAIRMAN

Shanghai Electric Power Co., Ltd. (SEP) has developed as a comprehensive new energy enterprise with thermal power generation, new energy power generation, operation and maintenance, scientific and technical R&D in electric power generation.

With the guide of its parent company State Power Investment Corporation (SPIC), SEP prospers in domestic business and expands in overseas market while improving its enterprise management, employee's capability and business profitability.

As the successor of China power generation industry, SEP clearly defines its development strategy,

strengthens international exchange and cooperation, devotes to building an innovative international integrated energy group and modern state-owned enterprise.

You reap what you sow and cooperation will lead to a prosperous future. I do believe SEP contains infinite developing opportunities which a wise man would like to see. Grasp and treasure the opportunity, and we will create a win-win future.

王运丹

Chairman Wang Yundan



Responsibility of "12th Five-Year Plan" Period

During the "12th Five-Year Plan" period, SEP has firmly implemented the corporate spirit of "providing green energy and serving the public", adhered to reform and innovation, accelerated operational transformation, strengthened standard operation, improved management quality and efficiency, constantly built up core competitiveness, so as to complete its responsibility journey of scientific development, people's livelihood guarantee, green and low-carbon, safety and stability, and giving back to the society during the "12th Five-Year Plan" period.

In 2015	The total assets	The total assets reached	at the end of the "11 th Five-Year Plan" period	up
		52.046	32.059	62.34
		billion yuan	billion yuan	percent
	The operating revenue	The operating revenue reached	at the end of the "11 th Five-Year Plan" period	up
		17.018	15.791	7.77
		billion yuan	billion yuan	percent
During the "12 th Five-Year Plan" period	The total profit	The total profit reached	at the end of the "11 th Five-Year Plan" period	up
		2.845	515	452.43
		billion yuan	million yuan	percent
	The production capability	The production capability reached	at the end of the "11 th Five-Year Plan" period	up
		9.3627	6.0139	55.68
		million kilowatts	million kilowatts	percent
During the "12 th Five-Year Plan" period	The net profit attributable to the company	The net profit attributable to the company reached	at the end of the "11 th Five-Year Plan" period	up
		1.332	193	590.16
		billion yuan	million yuan	percent
	By the end of 2015, the total assets of overseas projects have reached			
	up			
	and the net profit attributable to the parent company have reached			
	increasing period-on-period			
		130	132	
		million yuan	million yuan	

In 2015	The electric power generation	The electric power generation reached	at the end of the "11 th Five-Year Plan" period	up
		35.23	30.62	15.06
		billion kilowatts	billion kilowatts	percent
	The heat supply	The heat supply reached	at the end of the "11 th Five-Year Plan" period	basically flat
		13.886	13.996	
		million GJ	million GJ	

Scientific Development of "12th Five-Year Plan" Period

People's Livelihood Guarantee of "12th Five-Year Plan" Period

Green and Low-Carbon of "12th Five-Year Plan" Period

Safety and Stability of "12th Five-Year Plan" Period

Giving Back to Society of "12th Five-Year Plan" Period

In 2015	The proportion of clean energy	The proportion of clean energy was	at the end of the "11 th Five-Year Plan" period	up
		30.79	11.12	19.67
		percent	percent	percentage points
	The comprehensive coal consumption for power supply	The comprehensive coal consumption for power supply was	at the end of the "11 th Five-Year Plan" period	down
		283.58	312.49	9.25
		g/kWh	g/kWh	percent
During the "12 th Five-Year Plan" period	The comprehensive station service power consumption rate	The comprehensive station service power consumption rate was	at the end of the "11 th Five-Year Plan" period	down
		4.35	6.45	2.1
		percent	percent	percent
	The emission performance of NO _x	The emission performance of NO _x was	at the end of the "11 th Five-Year Plan" period	down
		0.18	1.18	84.75
		g/kWh	g/kWh	percent
During the "12 th Five-Year Plan" period	The emission of SO ₂	The emission of SO ₂ was	at the end of the "11 th Five-Year Plan" period	down
		0.17	0.92	81.52
		g/kWh	g/kWh	percent
	The emission of dust	The emission of dust was	at the end of the "11 th Five-Year Plan" period	down
		0.046	0.157	70.70
		g/kWh	g/kWh	percent

During the "12 th Five-Year Plan" period	Accumulatively formulated	carried out	with participants of
	606	102	510
	emergency response plans	emergency response drills	person-times
	Accumulatively completed	Accumulatively organized more than	
	26	70	
	successful important tasks of power supply security	safety checks and supervision activities	

During the "12 th Five-Year Plan" period	The accumulated amount of public welfare donations reached	The amount of poverty alleviation investment was	helping	benefiting
	1.1131	1.9850	205	7,584
	million yuan	million yuan	families with difficulties	people
	The number of volunteers in the company reached	carrying out more than	The accumulated number of volunteers participating in the volunteer activities reached	
	2,208	4,500	7,202	
	people	volunteer activities	times	
During the "12 th Five-Year Plan" period	The amount of donations for the "Yingchuanhong" student assistance activity reached	helping more than		
	52,000	300		
	yuan	students complete their studies		

Responsibility Features

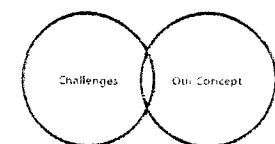
Technological innovation to save energy

Through innovation on environmental protection technologies, SEP has carried out green design at the source, implemented energy conservation reconstruction and emission reduction technology innovation on the equipment, led the industry technological upgrading, improved air quality, and promoted sustainable development of the environment, in order to realize the self-creation of blue sky.

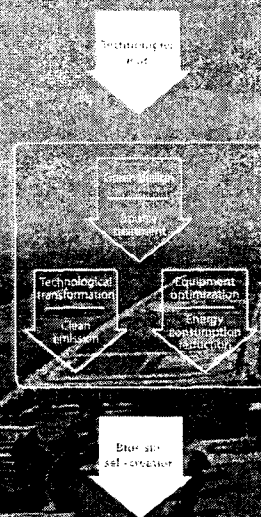
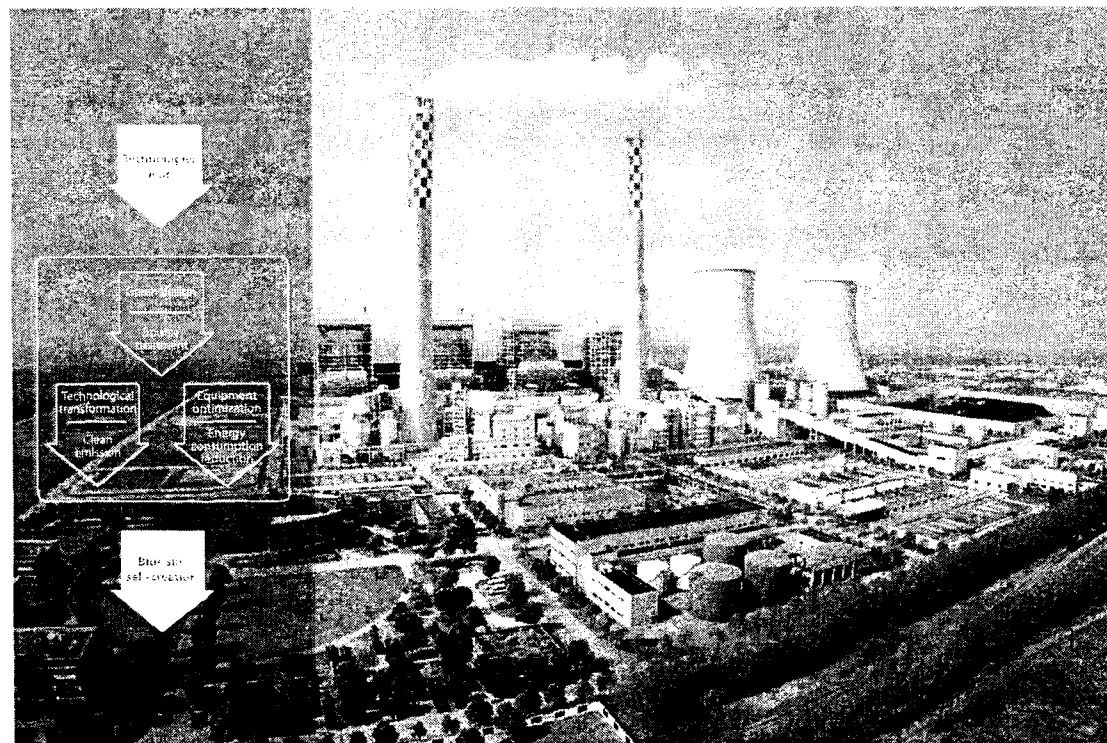
Green Design and Construction

The company has earnestly implemented the "Environmental Protection Law" and other relevant policies and regulations, adhered to the corporate spirit of "providing green energy and serving the public", and conducted innovation at the design source, improved environmental protection performance, and helped the enterprise and the environment achieve sustainable development.

In recent years, with the impact of atmospheric environmental problems such as the issue of smog, the coal-fired power generation units, which took up more than 70 percent of China's total power generation, have been widely criticized for the emissions produced from more than 50 percent of the total coal consumption. The environmental issue has become an important factor in restricting the development of electric power industry.



The company has enhanced environmental protection and ultra-low emission work at the design source, providing clean and green energy for regional economy development of East China, making great contributions to the improvement of ecological environment, and striving to build beautiful China.

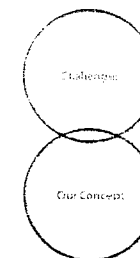


Equipment Optimization and Energy Consumption Reduction

SEP using scientific and technological innovation as driving force, has conducted a large quantity of energy conservation rehabilitation projects for its existing power generation units. By applying and promoting steam condenser exhaust passage optimization technology, air preheater flexible seal technology, Brandon steam seal technology and other new energy-saving technologies, the company has carried out comprehensive and systematic energy-saving transformation on 300MW, 600MW, and 1000MW subcritical or ultra-supercritical generation units, effectively saving valuable resources.

In 2015, the coal consumption for power supply was 283.58g/kWh, down 4.34g/kWh from a year earlier, equaling to a reduction of 150,000 tons of coal, 374,000 tons of CO₂, and 1,870 tons of SO₂; the comprehensive station service power rate was 4.35 percent, down 0.43 percent year-on-year; the desulfurization and denitrification equipment rates both reached 100 percent. The company has been ranked in top place among all the subsidiary of the group company for two consecutive years in terms of coal consumption for coal-fired power supply and the station service power consumption rate.

Currently, with the increasingly prominent environmental protection issue, the social and economic benefits have become a joint force for the development of coal-fired electric power enterprises.



The clean and high-efficient utilization of coal resources is an important foundation for safeguarding China's energy security.

Enhancing environmental protection performance at the design source

The environmental protection equipment investment of the Tianji Phase II Project took a proportion of 12.24 percent of that of the whole project. The wet limestone flue gas desulfurization system, and the SCR flue gas denitrification system were simultaneously installed and conducted 24-hour continuous online monitoring. The Tianji Phase II Project adopted electrolytic precipitation with rotating electrodes and three-phase high frequency power supply, which was the first of its kind in China, achieve a flue gas dust removal efficiency of 99.85 percent under the BACB working condition, so as to improve the performance of various environmental protection facilities on the units at the design source. In 2014, the emission indicators of unit 3 and unit 4 of the Tianji Phase II Project were much better than the latest national emission standards.

The two 660MW ultra-supercritical coal-fired generation units of the Tianji Phase II Project reduced the average turbine heat rate by 77.13 kWh and the coal consumption for power supply to 294g/kWh. The two units also decreased the emissions of SO₂, NO_x and dust by about one percent, achieved historical breakthrough in many generation units with 14 on installed capacity in terms of environmental protection and technical economic indicators.

Comprehensive coal consumption for power supply (g/kWh)

2015	283.58
2014	287.92
2013	291.2
2012	291.48

Comprehensive station service power consumption rate %

2015	4.25
2014	4.76
2013	5.32
2012	5.7

Winning "speech right" of green development by energy saving and emission reduction

The two 660MW ultra-supercritical coal-fired generation units of the Tianji Phase II Project were the world's first to adopt reheat type boiler with a design reheat temperature of 623 degree Celsius. The project implemented 21 major optimized designs such as high operating parameters of main turbines, cold-end optimization and low temperature economizers, increasing the efficiency of the generation units to 45 percent, and decreasing the net coal consumption to as low as 274g/kWh. The adoption of low temperature economizer reduced the turbine heat rate to 7,226kJ/kWh or below, averagely, and the coal consumption for power supply reduced 1kg/kWh compared with the other similar domestic generation units, saving 22,700 tons of standard coal, reducing 166,800 tons of CO₂ emission and 1,300 tons of SO₂ emission annually.

The boiler flue gas of the Phase II Project adopted waste heat utilization technology, based on the 10-stage series-connected low temperature economizer, reducing heat consumption of 5.46 kWh per one kWh condition, lowering standard coal consumption for power generation by 1.5g/kWh and saving water of 90 tons/hour. The adoption of condenser pump frequency conversion technology further minimized the condenser water of the generation units, saving 20,000 m³ of water per year annually.

Technological Innovation and Clean Emission

Adhering to the road of "green development", the company has constantly increased investment in environmental protection and emission reduction technological innovation. In 2015, the company has vigorously conducted environmental protection transformation work for the existing coal-fired generation units, completing denitrification project of the Caojing cogeneration No. 5 emergency boiler, and the clean emission project of flue gas of Caojing Power Plant Unit 1. All generation units of the company have been equipped with SCR denitrification system, making positive contributions to the creation of "clear water and blue sky".

In 2015, the annual total investment of the company in environmental protection reached 460 million yuan. The company conducted environmental transformation on eight generation units, and the emission reductions of SO₂ and NO_x amounted to 2,500 tons and 4,000 tons respectively.

To further reduce emission of NO_x is becoming one of major tasks in Yangtze River Delta and other key areas with heavy pollutions. The National Development and Reform Commission, the National Energy Administration, and the Ministry of Environmental Protection jointly formulated the "Action Plan for Upgrading and Transformation of Coal-fired Power Energy Conservation and Emission Reduction (2014-2020)", and the Shanghai Municipal Government explicitly put forward the goal of "working hard to achieve 12 percent of emission reduction of NO_x in 2014-2015, two percentage points above the national average level".



Emission reduction is our due social responsibility. Conducting clean emission and further reducing the emission of coal-fired power generation units are of great importance in reducing coal-based air pollution; and continuously improving proportion of coal-fired power generation.

Extending Recycling

According to the statistics of Shanghai, the proportion of waste to be recycled among the solid waste has been increasing. In 2015, the proportion of waste to be recycled among the solid waste has reached 19.5%, which is 1.5 percentage points above the national average level. The company has been actively participating in the waste recycling work, and has achieved good results.

In 2015, the company has been actively participating in the waste recycling work, and has achieved good results. The company has been actively participating in the waste recycling work, and has achieved good results.

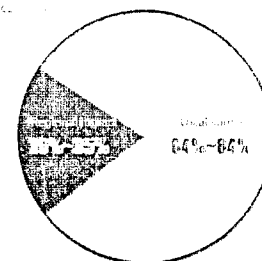
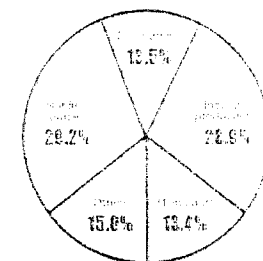


FIG 1 Source of Shanghai

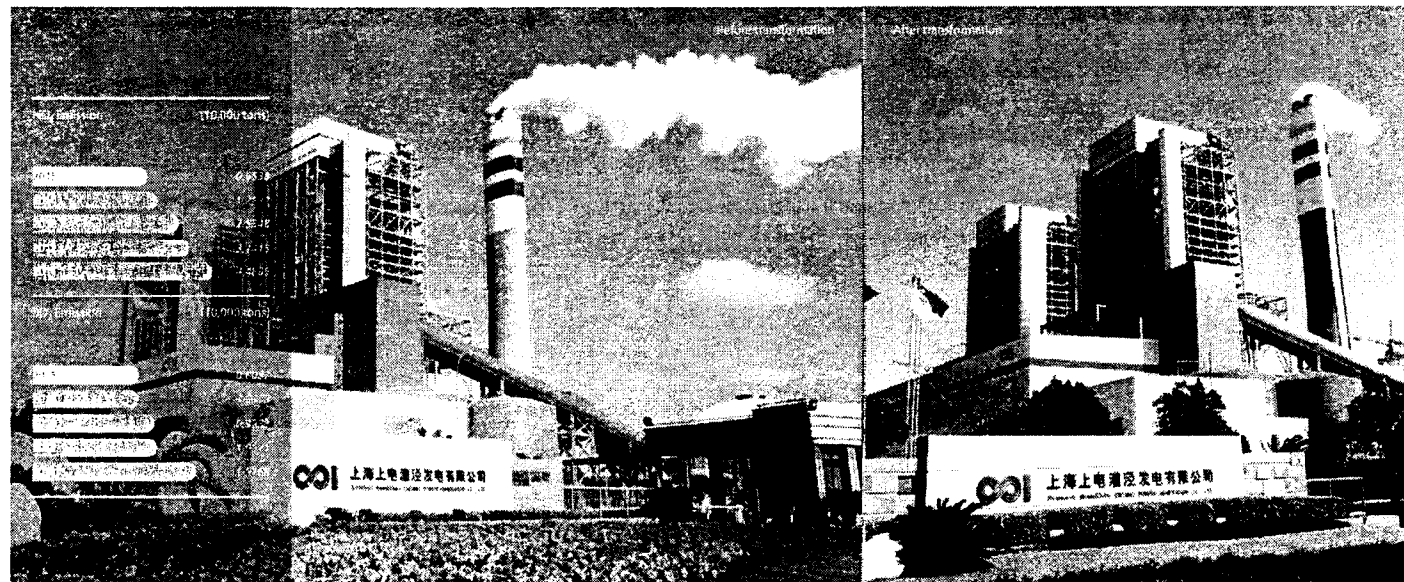
The company has been actively participating in the waste recycling work, and has achieved good results. The company has been actively participating in the waste recycling work, and has achieved good results.



Leading environmental technology upgrading with clean emission

The clean emission project of Caojing Power Plant Unit 1 was put into operation on November 20, 2015. Based on successful implementation of the clean emission project of Caojing Power Plant Unit 1, the project was aimed at reducing emission of major atmospheric pollutants by increasing capability and improving efficiency of desulfurization system, using the denitrification catalyst regeneration technology, and adding wet electrostatic precipitator and waterborne flue gas heat exchanger, so as to reach the emission standard of gas turbine.

After the transformation, the emission concentration of NO_x was below 15mg/m³, the emission of dust was below 4.5mg/m³, and the emission concentration of SO₂ was below 24mg/m³, all of which were superior to the emission standard of gas turbine. The transformation project also eliminated "greyish rain" and white smoke plume.



About SEP

Corporate Profile

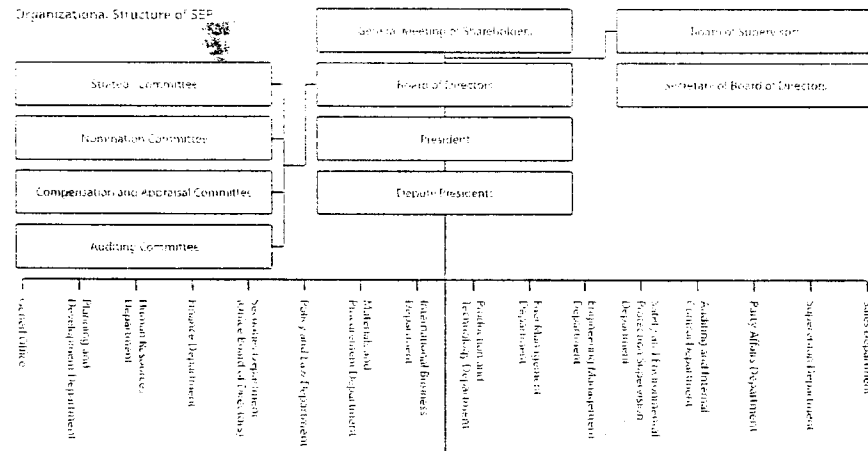
Shanghai Electric Power Co., Ltd. (SEP) is one of the major listed companies of State Power Investment Corporation (SPIC), and one of the most important electric energy enterprises in Shanghai. As the witness of the generation of China's electric power industry, SEP, boasting a hundred years of history, is the participant of the great development of China's power industry, as

well as the advocator of "providing green energy and serving the public".

On the basis of maintaining the sustainable development of its main business of thermal power, SEP has been committed itself to the development in the fields of clean energy, renewable energy, modern electric power service

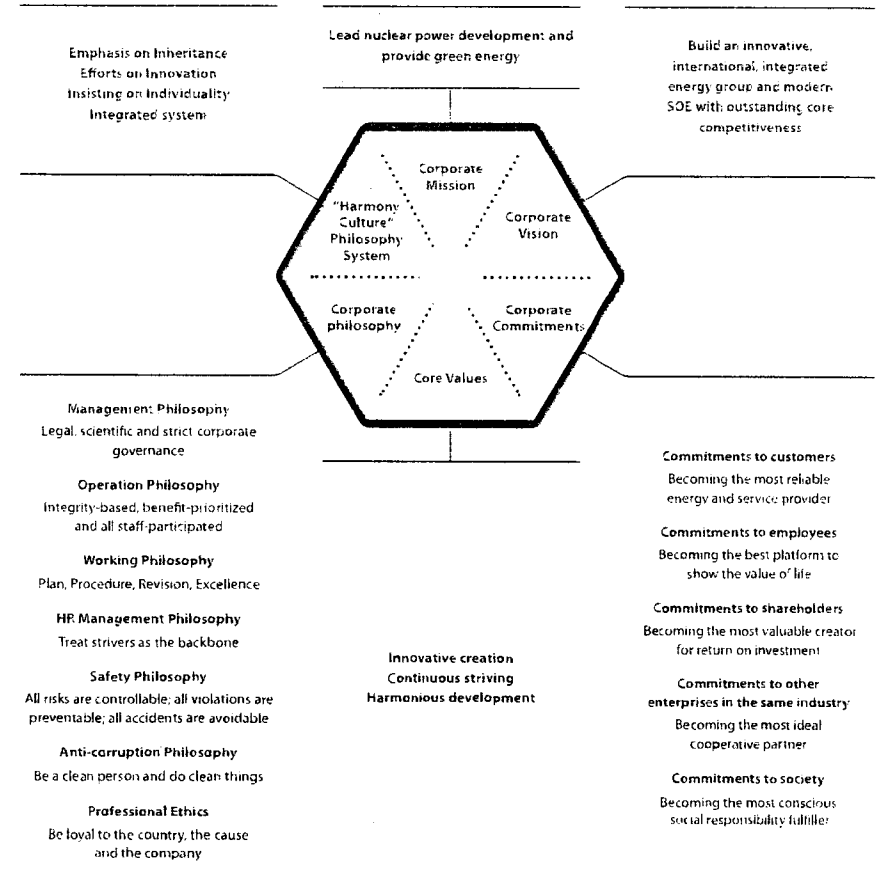
industry and circular economy. SEP has become a modern energy enterprise integrating coal-fired power featuring high parameter and high capacity, gas-fired power, wind power and solar power as well as distributed power supply. The industrial layout covers the East China, expanding to overseas market gradually.

Organizational Structure of SEP



Branch companies		
Yangshan Power Plant	Wuyang Thermal Power Plant	Shanghai Minsheng Electric Power Technology Engineering Co., Ltd.
Wuyang Thermal Power Plant	Minhang Power Plant	Shanghai Minsheng Electric Power Technology Engineering Co., Ltd.
Major subsidiaries		
Shanghai Shuanglian Coking Power Generation Co., Ltd.	Shanghai Hengli Energy Technology Co., Ltd.	Shanghai Minsheng Electric Power Technology Engineering Co., Ltd.
Shanghai Coning Cogeneration Co., Ltd.	Zhejiang Zhongshan Coking Power Generation Co., Ltd.	Shanghai Minsheng Electric Power Technology Engineering Co., Ltd.
Huohu Electric Power Co., Ltd.	Shanghai Electric Power Mahu Holding Ltd.	Shanghai Minsheng Electric Power Technology Engineering Co., Ltd.
Jiangsu Kunshan Power Generation Co., Ltd.	Shanghai Electric Power Energy Development (Huang Kong) Ltd.	Shanghai Minsheng Electric Power Technology Engineering Co., Ltd.
Shanghai Shandian Electric Power Engineering Co., Ltd.	Shanghai Dongli New Energy Investment Co., Ltd.	Shanghai Minsheng Electric Power Technology Engineering Co., Ltd.
Shanghai Shandian Electric Power Operation Co., Ltd.	Shanghai Wujiaochang Power Generation Co., Ltd.	Shanghai Minsheng Electric Power Technology Engineering Co., Ltd.
Shanghai Coking Integrated Energy Co., Ltd.	Jiangsu Kunshan Power Co., Ltd.	Shanghai Minsheng Electric Power Technology Engineering Co., Ltd.
Shanghai Electric Power New Energy Development Co., Ltd.	Zhejiang Shandian Tianjiaohu Wind Power Co., Ltd.	Shanghai Minsheng Electric Power Technology Engineering Co., Ltd.
	Shanghai Electric Power Fuel Co., Ltd.	Shanghai Minsheng Electric Power Technology Engineering Co., Ltd.
	Shanghai Electric Power Investment Co., Ltd.	Shanghai Minsheng Electric Power Technology Engineering Co., Ltd.

Corporate Culture



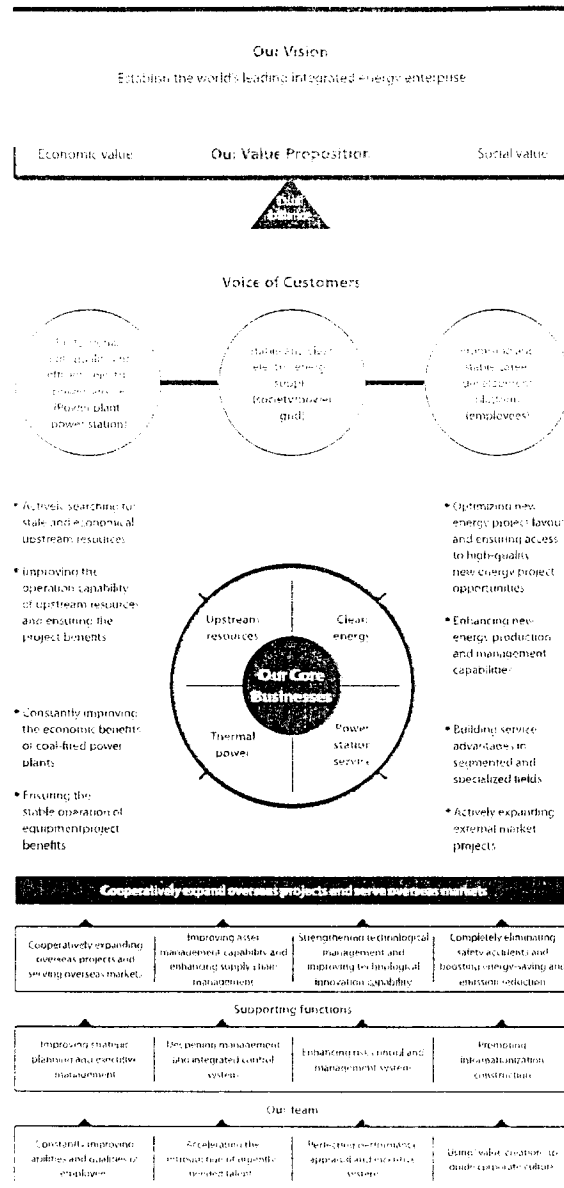
Based on the quintessence of traditional Chinese culture and inheritance of the original outstanding cultural elements of China Power Investment Corporation (CPI) and State Nuclear Power Technology Corporation (SNPTC), the concept system of "Harmony Culture" of SPIC was formed through in-depth investigation and research, extensive collection of opinions

as well as serious combing and extraction of ideas.

SEP inherited the "Harmony Culture" of SPIC and treated "harmony" as the main theme of its corporate culture which reflected the common values of the world. The company emphasized on the promotion of effectively implementing

the concept system of "Harmony Culture", integrated the philosophy of "Harmony Culture" into the management and regulatory regime of the company, utilized cultural management to improve the corporate management, and laid the foundation for the corporate culture of SEP.

Corporate Strategy



Corporate Governance

In accordance with the Company Law, Securities Law, Code of Corporate Governance for Listed Companies in China, and the requirements of relevant documents of China Securities Regulatory Commission and Shanghai Stock Exchange, SEP established a governance structure centering on general meeting of shareholders, board of directors, board of supervisors and senior management, enhanced internal control system building, regulated connected transactions and internal information management, guaranteed the openness, fairness and impartiality of information disclosure, and effectively protected the lawful rights and interests of all shareholders.

In 2015, the board of directors of SEP consisted of 14 directors, among whom six were independent directors; the board of supervisors consisted of six supervisors, among whom two were worker supervisors. The company held two general meetings of shareholders, 12 directorate meetings and four board of supervisors meetings. The company received 65 person-times of investor visit, participated in five investor meetings and forums, answered 318 calls via investor hotline, and replied to 36 online messages from investors.

Cash Dividends of SEP

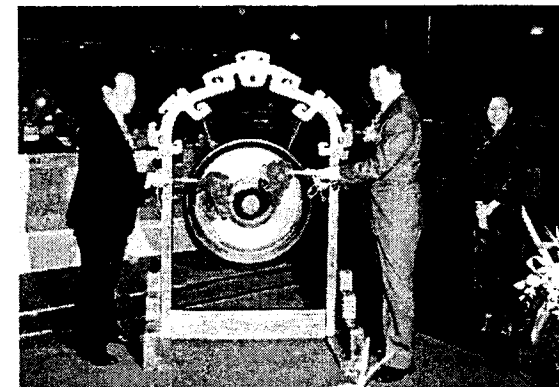
Cash dividends per 10 shares (including tax)

2015	2014	2013	2012
2.0	2.0	2.0	1.5

Ratio to the net profit attributable to the listed company shareholders on the consolidated financial statement

2015	2014	2013	2012
46.15%	49.31%	71.51%	70.91%

On the same day, the company held the 2015 Annual General Meeting of Shareholders and the 2015 Annual Meeting of Supervisors to elect the members of the Board of Directors.



▲ 2015 Annual General Meeting of Shareholders

Key Performance Indicators

Operating Performance

Indicator	Unit	2011	2012	2013	2014	2015
Revenue	billion yuan	31,603	31,567	35,057	47,344	52,046
Operating revenue	billion yuan	17,376	15,044	15,132	16,102	17,018
Profit	billion yuan	0,023	1,355	2,096	2,494	2,852
Net profit attributable to the parent company	billion yuan	0,463	0,882	1,181	1,326	1,332
Employees, average per 10,000 yuan	%	7.97	13.75	15.79	14.96	13.34
Return on equity (diluted) and return on assets (diluted)	%		118.28	113.93	135.61	104.69
OW rate	%		3.22	5.40	5.16	5.2
Installed capacity (including wind)	MW	5748.9	5757.6	8537.1	8757.6	9362.7
Amount of electricity supply	TWh	34,568	36,597	31,119	33,597	35.23
Amount of heat supply	million GJ	13,5712	11,7795	10,9414	11,1593	13,8858
Production capability	MW	5748.9	5757.6	8537.1	8757.6	9362.7
Electricity sales revenue	MW	7009.3	7161.9	8476.3	8932.2	9361.5
Total R&D investment	million yuan	1,401	5,387	13,674	13,050	5,761
Patent applications	piece	6	8	17	37	84

Safety Production

Indicator	Unit	2011	2012	2013	2014	2015
Major safety accidents	times	7	0	0	0	0
Major environmental accidents	times	7	0	0	0	0
Electrical safety accidents	times		0	0	0	0
Environmental pollution accidents	times	7	7	7	0	0
Days of continuous safe production	day	7	927	1302	1667	2032

Environmental Protection

Indicator	Unit	2011	2012	2013	2014	2015
Coal consumption for power supply	g/kWh	312.49	291.48	291.20	287.92	283.58
Comprehensive station service power consumption rate	%	5.2	5.32	5.32	4.78	4.35
Production capability of renewable energy projects	MW	10.9	19.8	300.6	491.1	613.9
Proportion of clean energy	%	11.64	11.77	25.38	26.92	30.79
Average compliance rate of three major pollutants	%	7	7	99.8	98.22	98.47
Emissions of SO ₂	1000 tons	44,805	31,415	25,346	12,537	6,538
Emissions of NO _x	1000 tons	19,768	10,571	9,983	6,079	6,087
Emission performance of SO ₂	g/kWh	1.05	0.85	0.68	0.34	0.18
Emission performance of NO _x	g/kWh	0.46	0.28	0.27	0.18	0.17
Emission performance of SO ₂	g/kWh	0.103	0.098	0.079	0.076	0.046

Social Harmony

Indicator	Unit	2011	2012	2013	2014	2015
Number of employees	person	6913	6673	6492	6445	6445
Proportion of female employees	%	13.7	13.9	14.46	15.93	15.93
Rate of signing labor contracts	%	100	100	100	100	100
Rate of training quality	%	100	100	100	100	100
Number of employee customers	person	7	7	1696	2208	2208
Number of volunteer services	person-time	7	1679	1912	2186	2186

Social Responsibility Management

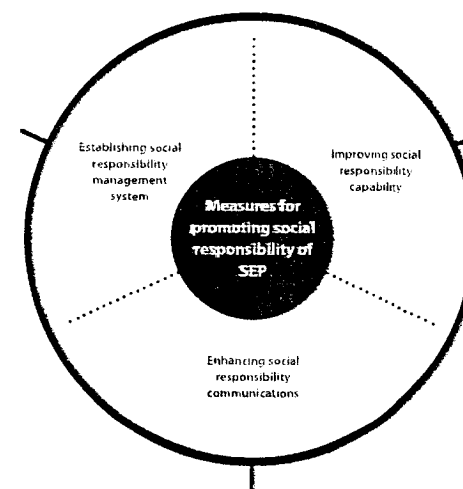
Responsibility Promotion Management

Committed to becoming the global leader of green energy.

SEP has been actively dealing with the relations between the corporate development and human development, social development and environmental protection, and gradually integrated social

responsibility management into corporate strategy and day-to-day operation, striving to realize common development of the company and its stakeholders.

- Established and improved social responsibility management system
- Established organizational structure of sustainable development and social responsibility management



- Carried out social responsibility training and improved awareness and capability of social responsibility performance

- Released social responsibility report and took initiative to disclose information relating to social responsibility

- Held seminars with stakeholders and responded to their pursuits

We and Stakeholders

Stakeholders	Responsibilities	Measures
Government	Abiding by national policies, laws and regulations. Electric power supply. Providing excellent customer service. Promoting economic development. Contributing to social welfare.	Abiding by national laws and regulations. Electric power supply and national policies. To the extent in full compliance. Acting as a role model for administrative, business and local governments. Special topic reporting and visit.
OSAC of the State Council	Value creation and increment of state-owned assets. Improve profitability and competitiveness. Ensuring energy security.	Enhance transparency supervision of regulators agencies. Participate in important meetings. Work reporting and disclosure. Communication.
Shareholders	Reducing corporate operation risk. Improving corporate financial capitalization. Disclosing accurate information. Protecting rights and interests of shareholders.	Regulating the operation of the general meeting of shareholders, board of directors and board of supervisors. Improving the corporate profitability. Enhancing information disclosure. Guaranteeing dividends of shareholders.
Employees	Protecting lawful rights and interest of employees. Ensuring occupational safety and health. Providing social compensation and benefits. Creating promising career development platform. Caring for the retired employees.	Abiding by labor contracts. Conducting democratic management. Smoothing and broadening career development channel for employees. Providing complete career development training. Enhancing the work or retirement management committee.
Community	Supporting local economic development. Promoting social progress. Protecting environment.	Technological innovation. Offering clean energy. Carrying out energy-saving and emission reduction. Participating in public welfare cause.
Customers	Ensuring stable electric energy supply. Providing professional and high-quality electric power service.	Signing contracts and agreements in accordance with laws. Providing professional and high-quality service. Conducting investigation of customer satisfaction.
Cooperative partners	Conducting cooperation and achieving win-win results. Achieving mutual benefits. Achieving common development.	Fulfilling contracts and agreements with integrity words and communications. Conducting. Maintaining regulated operation.
Other enterprises in the same industry	Strictly abiding by policies and industrial regulations. Jointly creating healthy competitive environment. Jointly promoting electric power industry development.	Enhancing communication. Sharing technologies. Achieving common development.

Our Responsibilities and Honors

Level of honors	Name of honors	Sponsoring Organization
National honors	National Youth Civilization for Central 2014-2015-2014	Communist Youth League Central Committee, State General Asset Supervision and Administration Commission (SASAC)
	National Civilization Unit	Central Commission for Guiding Ethnic and Cultural Relations
	National Golden Award for High-Quality Project of 2014-2015	China Association of Construction Enterprises Management
	National Honor for Model Workers	All-China Federation of Trade Unions
	National Family for Skilled Workers	All-China Federation of Trade Unions
	National Outstanding Quality Management Teams of 2015	China Association for Quality, All-China Federation of Trade Unions, All-China Women's Federation, China Association for Science and Technology
Provincial and ministerial honors	First Prize of National Electric Power Employee Technological Achievement of 2015	China Electricity Council
	National "Anning Cup" Outstanding Unit of 2015	All-China Federation of Trade Unions, State Administration of Work Safety
	National Outstanding Enterprise in Quality Control Team Activity of Electric Power Industry of 2015	China Water Resource Electricity Quality Control Association
	National Outstanding Unit in Organizing Knowledge Popularization Competition Activity Concerning the new "Work Safety Law" of 2015	All-China Federation of Trade Unions, State Administration of Work Safety
	Advanced Unit of Shanghai in Promoting Transparency of Enterprise Affairs and Labor Union Management Work of 2014-2014	Shanghai Federation of Trade Unions
	Shanghai Work Safety Outstanding Unit	Shanghai Administration of Work Safety
Honors of SPIC	Shanghai "Safety Model Unit" of 2014	Shanghai Municipal Commission for Comprehensive Management of Public Security
	Shanghai Outstanding Unit for Workers Mutual Assistance Work of 2015	Shanghai Federation of Trade Unions
	National Award for Outstanding Electric Power Project of 2015	China Electric Power Construction Association
	First Prize for National Competition of 400MW Ultra-Supercritical Coal-Fired Wet Cooling Generation Unit	China Electricity Council
	Benchmarking Test Laboratory of National Electric Power Industry of 2015	China Association for Electric Power Market Technologies
	National Golden Award for High-Quality Project of 2014-2015	China Association of Construction Enterprises Management
Honors of media	Shanghai Municipal Award for Promotion of Voluntary Blood Donation	Shanghai Municipal Commission of Health and Family Planning, Red Cross Society of China (Shanghai Branch), and Blood Donation Management Commission of the Troops of the Chinese People's Liberation Army Stationed in Shanghai
	First Prize of National Power Industry Skill Competition	SPIC
	Democratization Base for Workers' Innovation Studio	SPIK
	Best Secretary of the Board for Listed Company	SH603010



We Will Be
a Leader of Innovative
Development.

A total of **35.23** TWh of electricity
generation

I am a migrant worker working in Shanghai. Over the past four years when I worked hard here, the bustling, convenient and brightly lit Shanghai impressed me deeply with the charm of a modern metropolis. The sufficient supply of electricity creates comfortable and convenient conditions for my daily work and life, and enables diversified choices for my off-duty life. I love Shanghai!

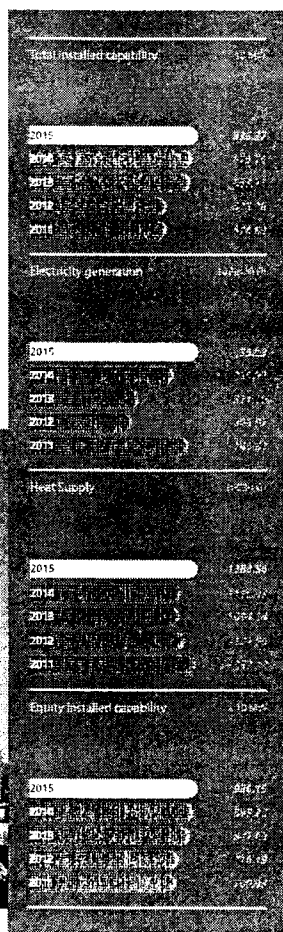
Optimizing Structure for Better Development

Improving Performance with Outstanding Operation

The company keeps adjusting its industrial structure and has achieved significant improvements in its asset structure through taking measures such as constructing large generating units and shutting down small ones, optimizing the operation mode of its thermal power plants and developing renewable energy resources. At the same time, the company also optimizes its development layout throughout China and develops high-quality resources in Xinjiang, Inner Mongolia, Yunnan and other places, significantly improving its operational strengths.

In 2015, the newly-increased generation capacity of the company was 605.1 MW, in which 323.8 MW came from renewable energy resources, the electricity generation reached 35.23 TWh, and the heat supply reached 13,885.6 TJ.

On July 22, 2015, the Big Three credit rating agencies released a credit rating report on SEP. Fitch Ratings assigned the company the long-term issuer credit rating of BBB+ and the senior unsecured bond rating of BBB+; Moody's Investors Service assigned the company the issuer rating of Baa2 for the first time and the senior unsecured bond rating of Baa2; and Standard & Poor's Ratings Services assigned the company and the foreign bond to be issued the credit rating of BBB and the Greater China credit rating of cnA. The outlook for all the above-mentioned ratings is stable.



605.1

605.1 MW of newly-increased capacity of the company

323.8

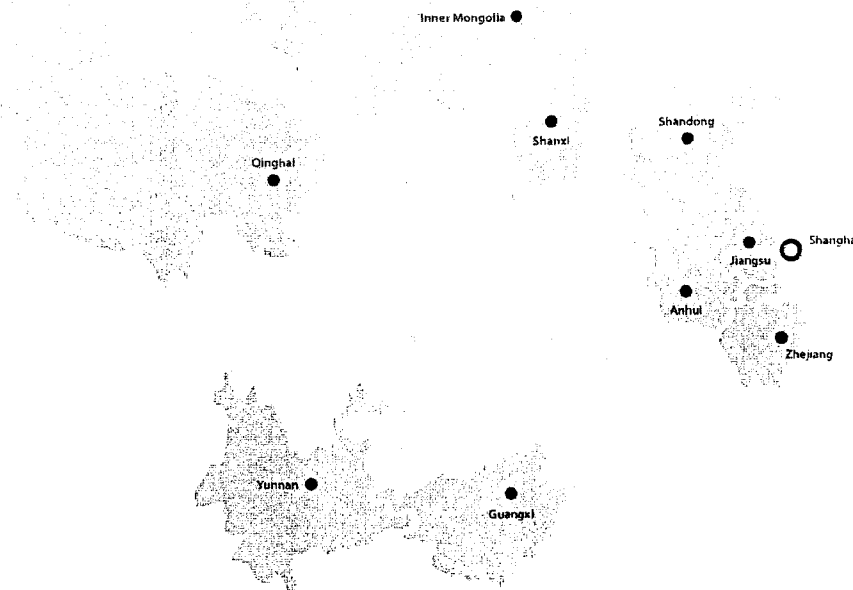
In which, 323.8 MW came from new energy

35.23

35.23 TWh of electricity generation

13,885.6

13,885.6 TJ of heat supplied



Achieving High-Efficient Development with Thermal Power Optimization

The company has continuously optimized the thermal power structure, and the electricity generation keeps increasing. With vigorous implementation of technology transformation, both the coal consumption of electricity supply and the station service power consumption rate keep going down, and the high-efficient low-carbon development of coal-fired power is accelerated.

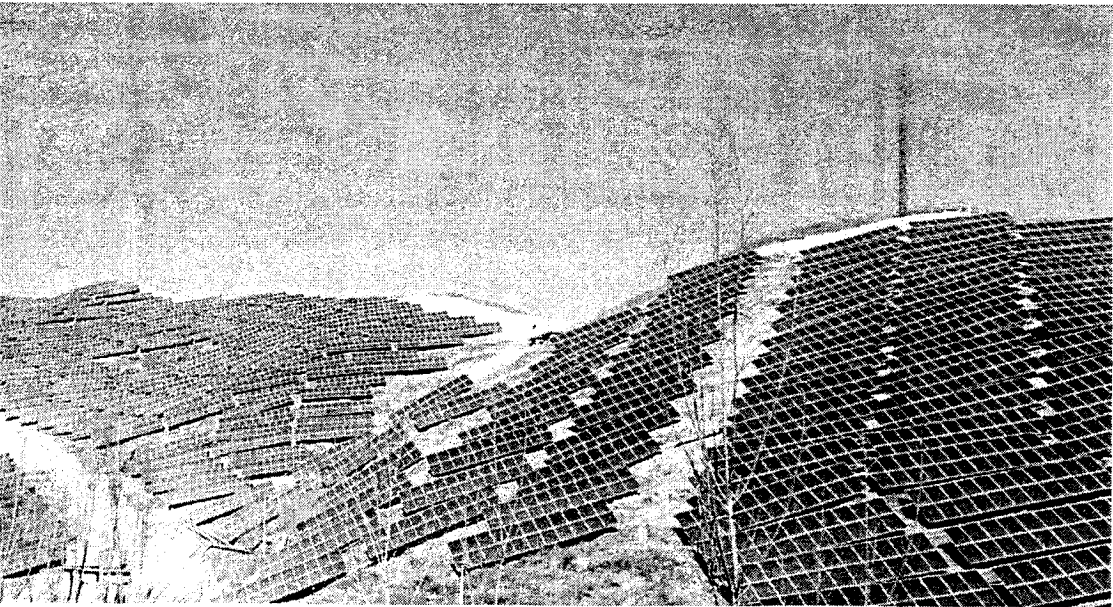
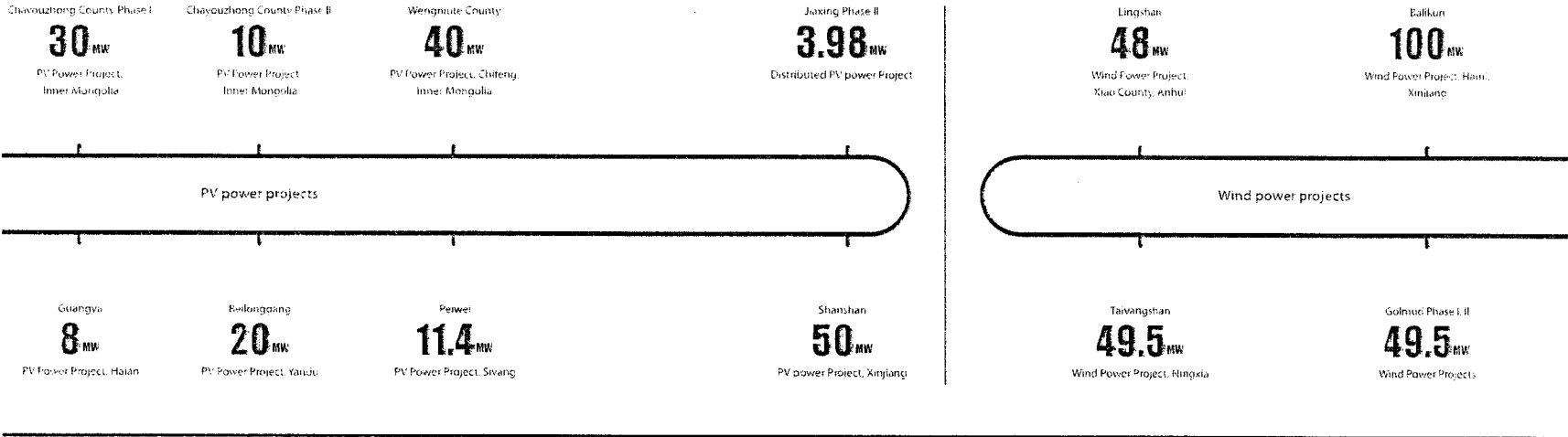
In 2015, the net coal consumption of the company was 283.58g/kWh, and the

comprehensive station service power consumption rate was 4.35 percent; and 100 percent of the desulfurization equipment and denitrification equipment necessary were installed. In the National Energy Efficiency Benchmarking & Contest of Thermal Generating Units, the Unit 3 of Tianji Power Plant was awarded the First Prize of the "National 600MW Ultra-supercritical Water-cooled Thermal Units Contest", and the Unit 1 of Caojing Power Plant and the Unit 2 of Tianji Power Plant were awarded the Third Prize of the

"National 1000MW Ultra-supercritical Water-cooled Thermal Unit Contest" and the "National 600MW Supercritical Water-cooled Thermal Units Contest" respectively. In the energy efficiency contest sponsored by the SASAC, the Unit 3 of Tianji Power Plant was awarded the "Best Coal Consumption Prize for 600MW Ultra-supercritical Water-cooled Units".

Promoting Sustainable Development with Renewable Energy

The company takes the initiative to develop photovoltaic (PV), wind and other renewable energy projects and explores the distributed PV power projects. At the end of 2015, the generation capacity of renewable energy projects of SEP was 813.9 MW, in which 392 MW came from PV power generation, and 421.9 MW came from wind power generation. In 2015, the company procured 13.64 percent of equity of Shanghai Donghai Wind Power Co., Ltd.



▲ Lingshan-Dao Hongwan PV Power Project

Exploring Comprehensive Energy Supply

The company explores comprehensive energy supply and is dedicated to building an integrated energy supply chain characterized by "PV power generation, and distributed and centralized energy supply".

Implementing "Going Out" Strategy to Expand Overseas Markets

Optimizing Overseas Project Layout

Responding to China's "Going Out" policy positively, the company takes the initiative to promote overseas projects, and assists the local governments in developing resources and facilitates the transformation of the local resource advantages to economic advantages. In 2015, the company formulated the International Development Plan of SEP (2015-2020).

By the end of 2015, the company had carried out preliminary work of overseas projects in 19 countries and regions.

Turkey

On July 9, 2015, the local government issued an official license for the Hunutlu 2x660 MW Coal-fired Power Generation Project, which was the largest project invested by a Chinese enterprise in Turkey.

Japan

The 4.8MW PV Power Plant in Sanda City, Hyogo Prefecture was put into operation in early February 2016. The resumption of the 48MW PV Power Project in Nasukarasuyama City has started. The resumption of the 76.5MW PV Power Project at Nishigo Village, Fukushima Prefecture has started. The PV Power Projects totaling 24MW in Shijonawate City, Osaka Prefecture and Tsukuba City, Ibaraki Prefecture respectively have been officially approved by the company.

Tanzania

The Feasibility Study Report for the 300MW gas-fired power generation project in Tanzania has been approved officially by the Government of Tanzania, which meant that the company obtained the right to develop the project.

Egypt

The Ayoun Moussa project in Egypt has been officially approved by the group, and the Joint Development Agreement has been concluded between SEP and its partners, Korea Electric Power and the ANI from UAE. It has been added to the China-Egypt Production Capacity Cooperation List.

Malta

The D11 to Gas Conversion Project of the D3 Power Plant has been smoothly launched. The 48MW wind power project in Montenegro has been approved.

SPIC leaders attended 1st dialogue meeting between Sino-Japanese entrepreneurs and former officials

From November 10-14, 2015, SPIC Chairman and Party Secretary Wang Binghui and SPIC Party Member and Vice President Ma Lu, accompanied by SEP Chairman Wang Yundan, attended the First Dialogue Meeting between Sino-Japanese Entrepreneurs and Former Officials held in Tokyo after inspecting SEP Japan Co., Ltd.



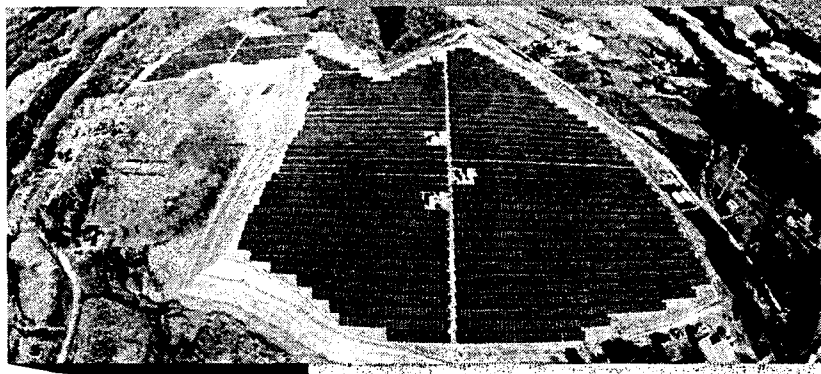
SPIC leaders visited politicians in Malta

From October 19-22, 2015, SPIC Vice-President Yu Gehui, Director of Strategy and Planning Department Li Guanshuan, and Deputy Director of International Business Department, Huang Guofeng and their delegation, accompanied by SEP Chairman Wang Yundan went to Malta and Montenegro to conduct investigation, and paid official visits to the President of Malta, Mr. Marie-Louise Coleiro Preca, the Prime Minister of Malta, Mr. Joseph Muscat, the Minister for Energy and Health of Malta, Dr. Konrad Mizzi, other politicians in Malta and Montenegro as well as Chinese Ambassador to Malta. The trip strengthened and deepened the relations between the company and the Government of Malta and departments in cooperation with the company, and stabilized and promoted the progress of the energy cooperation project with Malta.



Playing Leading Role in Implementing "Going Out" Policy

While promoting its own innovation and development in overseas markets, the company is dedicated to leading a number of companies with strengths to take their first step to "Going Out" and promote the export of technologies, equipment and labor services in relation to large thermal power generation from China, in order to realize win-win development.



Wind power project in Montenegro establishes Chinese brand image

The MOZURA Wind Power Plant, located in the south of Montenegro, is a project derived from projects under the Package Agreement of SEP's investment in the energy sector of Malta.

In order to drive the export of Chinese-manufactured equipment and relevant products standards and services and to establish the brand image of products made in China, the project used the 3 MW low-speed smart wind turbines and the supporting box-type substation independently developed and manufactured by Envision Energy Limited to create a smart wind power plant. The consortium formed by SEP Engineering Co., Ltd. and Envision Energy acted as the EPC contractor of the project. Envision Energy used its technical advantages to provide turbine lifting and commissioning services, while SEP Engineering used its rich experience in engineering management both in China and abroad to guarantee the quality and progress of the project construction.

The official commencement of the project marked the successful entrance of SPIC into the renewable energy market in Europe for the first time, and the project itself was the biggest overseas renewable energy project of SPIC for far. The cooperation established among China, EU and Montenegro in this project was in full compliance with the Belt and Road Initiative put forward by the Chinese Government.

Continuing to expand export of steel plates exported to Japan

While implementing the "Going Out" policy, SEP Laser has continued to establish cooperation with enterprises in Japan and other areas. China is gradually becoming an important international research, development and support platform for overseas projects, which reduces equipment cost, lays foundation for the self-development of the enterprise and achieves win-win cooperation.

One of the company's export products is laser cutting equipment manufactured by MOZURA Technology Company and exported to Japan. MOZURA is a high-tech company specializing in laser cutting equipment. The company has a long history of cooperation with Japanese enterprises and has a good reputation in the Japanese market. The company's laser cutting equipment is widely used in Japan and other countries.

Technological Innovation to Drive Growth

Improving S&T Innovation System

The company has set up systems and mechanisms in favor of scientific and technical innovation, pays close attention to the training of scientific and technical talents, and has established efficient incentive mechanism. With an atmosphere in which science and technology are highly valued and scientific and technical talents are respected, the company provides solid platforms for scientific and technological innovation.

In 2015, the company invested

97.61 million yuan in scientific and technological innovation, with

84 pieces of patents applied for and authorized.

The company improves scientific and technological innovation system continuously, strengthens its cooperation with universities and research institutes as well as the transformation and application of innovative achievements, and leads the industry upgrading through scientific and technological innovation, to contribute to the creation of an innovative society.

Low-temperature denitrification equipment put into operation in Wujing Power Plant

As the denitrification catalyst layer is limited when the flue gas temperature is between 320-420 degrees, most power plants are facing the challenge that the denitrification equipment cannot be used after the unit is running with low load, which makes the concentration of nitric oxides emissions increase greatly.

Shanghai Wujing Power Plant independently created and applied the unique technology of "flue gas" to coal-fired power generation units of 300MW and above in China. As multiple channels are installed in economizers to control the distribution of flue gas among channels on both sides and the channel in the middle, reduce the heat exchange between the flue gas and the water, and raise the temperature of the flue gas at the outlet of the economizer. Wujing Power Plant had completed the wide-load transformation of the Units 11 and 12 by the end of December, 2014 and by the end of June, 2015 respectively.



Leading Future with Smart Lighting

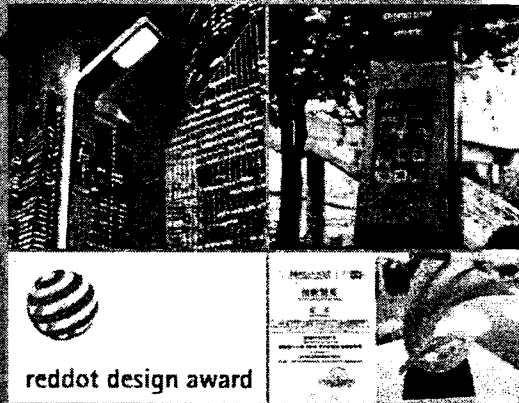
The company gives full play to its business advantages and innovation mechanism to fully promote the development of smart lighting business. The company, leading

the change of life style and development mode, is dedicated to building integrated terminals and important infrastructure for smart cities.

Continuous R&D of smart lighting products PRONIA

The smart lighting product PRONIA, awarded by SPIC with the Silver Joushuo Award and the Design Award at the 16th Session of China International Industry Fair and the Red Dot Design Award in 2015. After a series of processes such as manufacturing, production of materials, transportation, manufacturing and commissioning of projects displayed originally in the city, the company finished a mature product for the first time. The product was showcased at the 16th Session of China International Industry Fair in October 2015. After a series of processes such as manufacturing, production of materials, transportation, manufacturing and commissioning of projects displayed originally in the city, the company finished a mature product for the first time. The product was showcased at the 16th Session of China International Industry Fair in October 2015. After a series of processes such as manufacturing, production of materials, transportation, manufacturing and commissioning of projects displayed originally in the city, the company finished a mature product for the first time. The product was showcased at the 16th Session of China International Industry Fair in October 2015.

In November, 2015, Chidex Intelligent Technology Co., Ltd. brought PRONIA smart lighting products to the 17th Session of China International Industry Fair, which attracted the attention of and gained affirmation from Chinese Vice Premier Ma Kai.



Boosting Efficiency with Informatization Construction

The company gives full play to information technology and promotes the implementation of the Second Phase of its ERP system. As six ERP modules (Planning & Budget, Finance, Equipment, Materials, Projects and Contracts) have been implemented, the business risk control and the ERP system of the company are deeply integrated and effectively linked with the QHSE management results. During the design, construction and implementation of the ERP system, the company carried out special consulting and construction of information security at the same time, on which the building of the PRO platform is based, to make information management more normalized and systemized.

In 2015, through the assessment of the Business Management Manual of the ERP system of the company, 667 risk control points were identified.

PRO platform building

The PRO platform is constructed and improved based on the general idea of information planning and the ERP system of the company and includes the EPM system, the ERP system and the EOM system. It is the main direction of informatization construction and implementation of the company in the coming five years.

The goal of building the platform is to build the PRO information platform composed of the EPM system, the ERP system and the EOM system, to realize full application of information technology based on Internet Plus, to optimize resource allocation, strengthen the control of implementation and achieve the strategic goal of operational optimization.

The EPM system, the ERP system and the EOM system in the platform are linked to the development system, execution system and appraisal system of the management of the company. It directs business, generates data, conducts analysis and completes the PDCA cycle through mutual integration and interaction.

Adopting New Thinking to Improve Management

We actively refine classical management experience and methodology, and make the classical cases on the integration of information technology and industry produce demonstration effects and become the industry benchmark within SPIC. We establish documented information technology and industry integration management system, and our ERP system has obtained the certification of the information technology and industry integration management system.

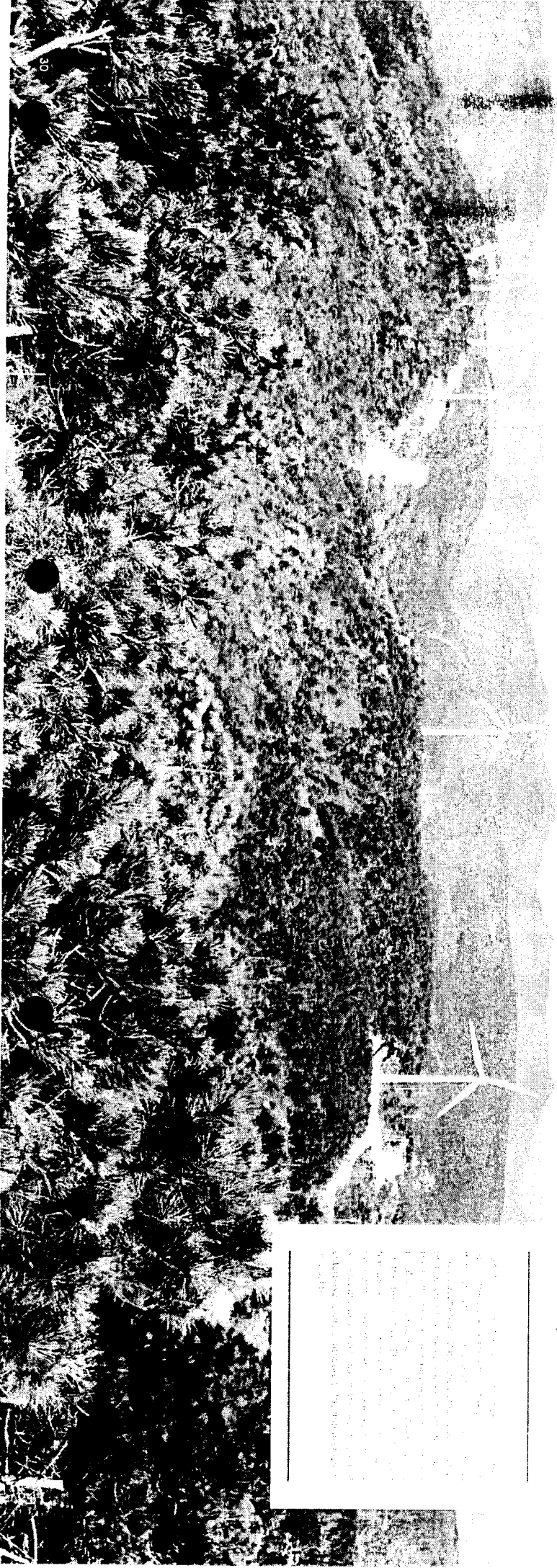
In June, 2015, the company was recommended by SPIC and added to the list of the Implementation Pilot Enterprises of the integration of information technology and industry by MIT.

SEP improves lean management

Since 2015, the company has been providing training programs for lean management backbone talents, which provides and reserves lean management talents for the improvement and improvement of the main work of the company and serves as the theoretical foundation and basis for the improvement of lean management. The company holds regular lean management theory and practice appraisal and summary as well as backbone training workshops, and all participants in the lean management training and technical assessments held in three stages have passed a series of theory and practice examinations with good grades.

The lean management backbone talents give full play to their demonstration effects, and carry out the improvement of the lean management in combination with the work of the company and their own posts. Taking into consideration of the full key tasks of SEP, they carry out training, education and implementation programs concerning the concepts and basic knowledge of lean management in all the subsidiaries, implement problem-oriented lean management, carry out the virtualization and promotion of good experience, and effectively increase the extent of lean management improvement.





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Continuously Improve Cooperation with Environmental Protection Agencies

The company continuously improves its environment management mechanism through building the internal environmental protection expert network, carrying out internal environmental protection inspection, facilitating the improvement of its environmental protection lean management and bringing the internal inspection results into its performance indicators. The company regularly organizes and holds experience exchange meetings and workshops, and prepares and issues CEMS (Continuous Emission Monitoring System) management rules and standards for CEMS small room regulation, to strictly control environmental risks.

In 2015, there was no environmental incident within the company. The Tianji Power Plant was awarded the "Prize for Over-Fulfilling Pollutants Discharge Reduction Goals" by the Anhui Provincial Government, and was entitled the "Environment-Friendly Enterprise" by the Huainan City Government and the "Excellent Environmental Protection Enterprise" and the "Excellent Energy-Saving and Consumption-Reducing Enterprise" (No.1 among thermal power enterprises) by the group company.

- An environmental protection leadership team led by the Director in charge of production has been established and is responsible for leading and managing the environmental protection in the plant.

- An environmental protection technical supervision team led by the Director of its Security & Environmental Protection Department has been established and is responsible for supervising the environmental protection in the plant.

- Through the integration of the "health" and "environment" concepts in the QHSE management system and the environmental protection in the plant, the PDCA cycle is completed.

- Continuous improvements and lean management help create innovative ideas and ways to protect environment.

- Rules for Implementing Technical Supervision of Environmental Protection, Management Standards for Environmental Protection, Regulations on the Effective Operation and Management of the Online Pollution Source Monitoring System, etc. have been newly issued.

- The operation and management of CEMS facilities are regulated to ensure the accuracy and effectiveness of CEMS data.

- Environmental contingency plans have been set up in accordance with the QHSE system.

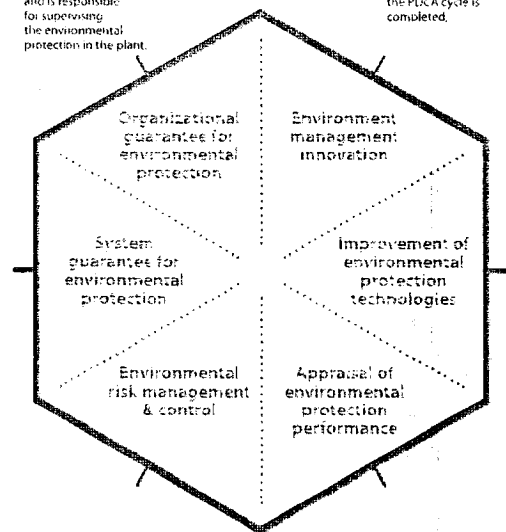
- Standard operating procedures and a daily check and maintenance system have been set up.

- Contingency hardware facilities have been installed, and emergency drills are carried out regularly.

- The operation mode is to be adjusted in accordance with the requirements of local environmental protection authorities to get involved in the environmental protection of the region.

- Every environmental protection indicator is designated to responsible departments and personnel, while details are highlighted and an

- assessment mechanism characterized by "high reward" and heavy penalties is given full play to make profits through management.

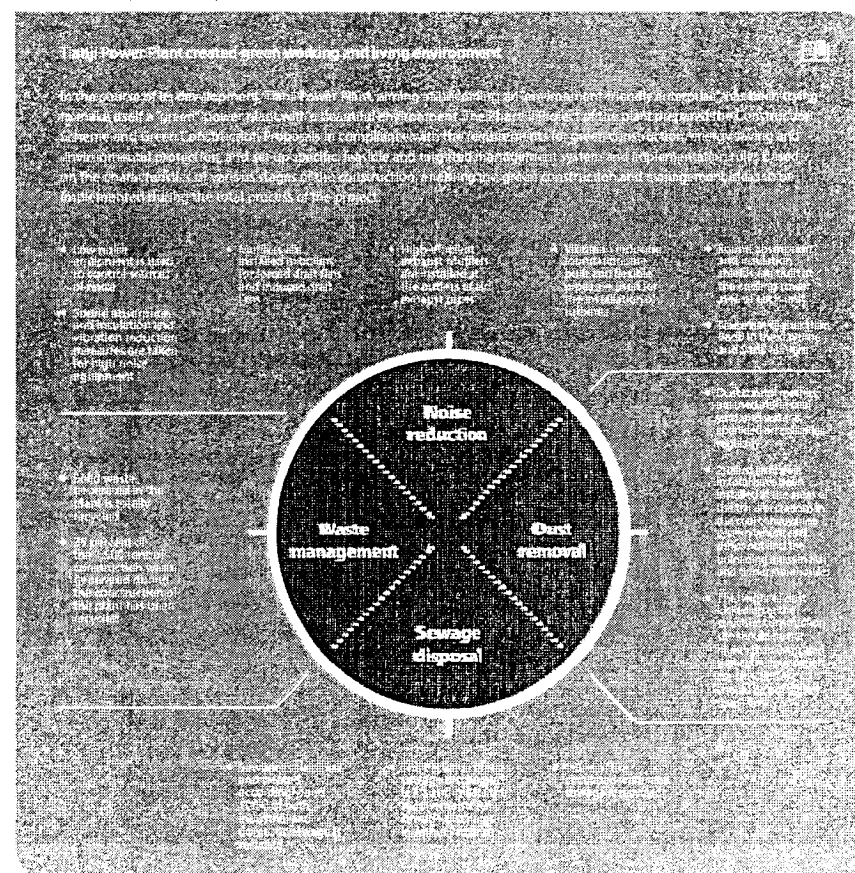


Improving Environment with Ecological Protection

Restoring Ecology in Green Construction

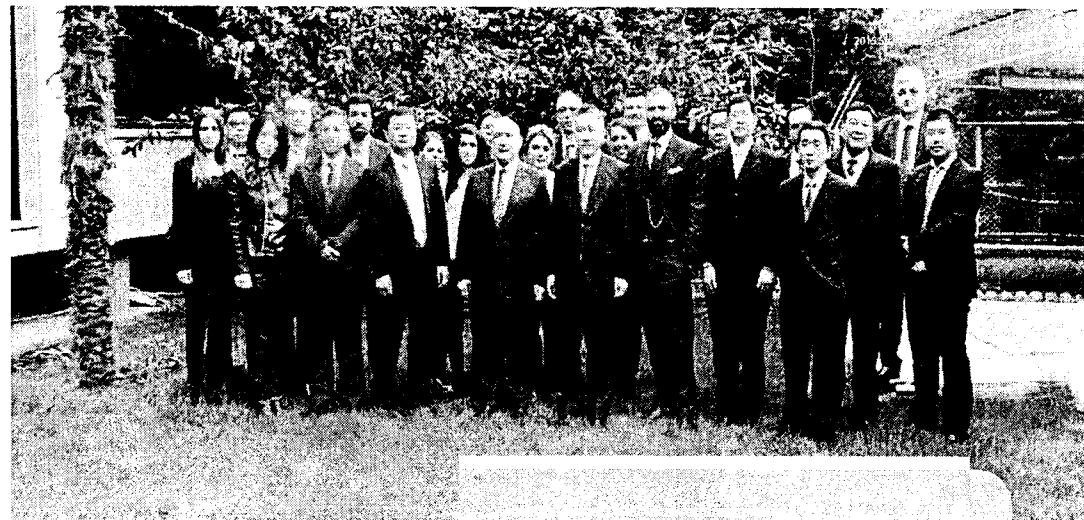
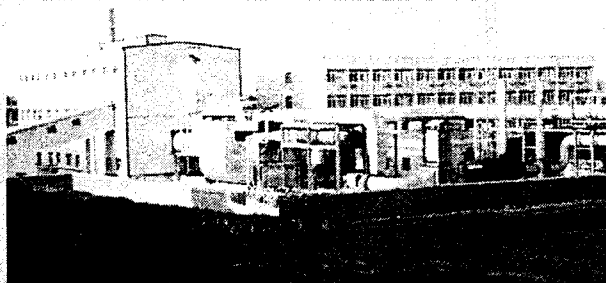
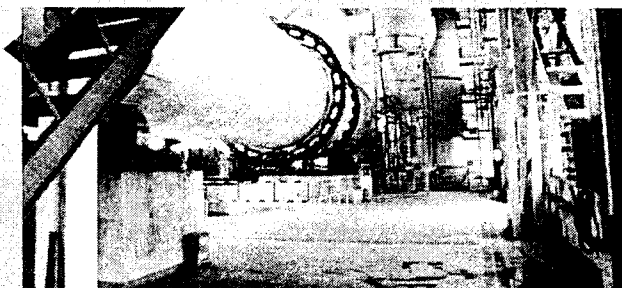
During the total process from development to construction of the Tianji Power Plant Project, the company, persisting in the principle of green construction, used sound absorption and insulation materials, which enabled the plant to meet the requirements of the urban noise control standards, and took measures to save materials and land and reduce the discharge of waste

water, gas and residues to try to protect vegetation and biological diversity, in the hope of reducing the adverse impacts on the environment and realizing green development. In 2015, 42 percent of the Tianji Phase II Project site was covered with plants, and thus the project passed the acceptance of "Green Construction Demonstration Project in the Electric Sector".

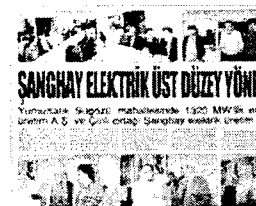


In the past, every time when I walked through the coal yard on my way to work, I was covered with dust when it was a sunny day and covered with mud when it was a rainy day. Now, it is totally different. It is clean everywhere and I can walk through freely.

— Mr. Yang,
an employee of the mine.



▲ The group photo of the employees.



▲ News about the ERDA to construct coal-fired power plant in Turkey of Yunuslar Investment.

Environmental Protection and Social Culture

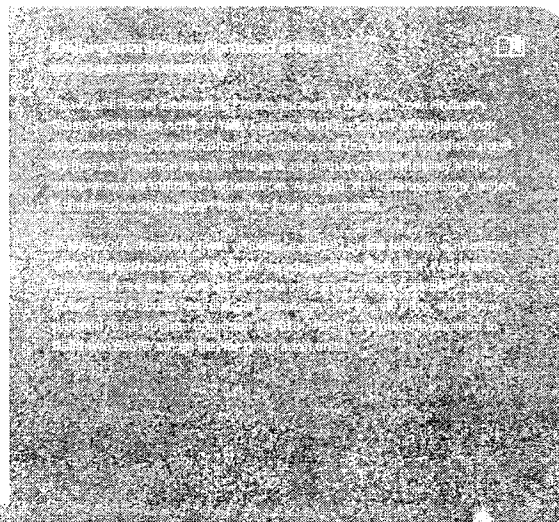
The company emphasizes the communication of the culture of environmental protection, educates and publicizes the staff about environmental protection knowledge, and tries to create the atmosphere of green development. The company also carries out environmental protection charity activities, and promotes more people to take an active part in the environmental protection activities through its own actions.

China is one of the most important countries in the world, and the investment by SPIC offers a good opportunity for Turkey. As the latest technologies are used, it is an environment-friendly plant. Besides, this project will provide employment opportunities.

— Yunuslar Investment
Turkey

Enhancing Efficiency with Circular Economy

The company actively supports the development of circular economy, carries out circular economy, promotes the circulating utilization of resources, and tries the best to achieve win-win results of economic, social and environmental benefits.



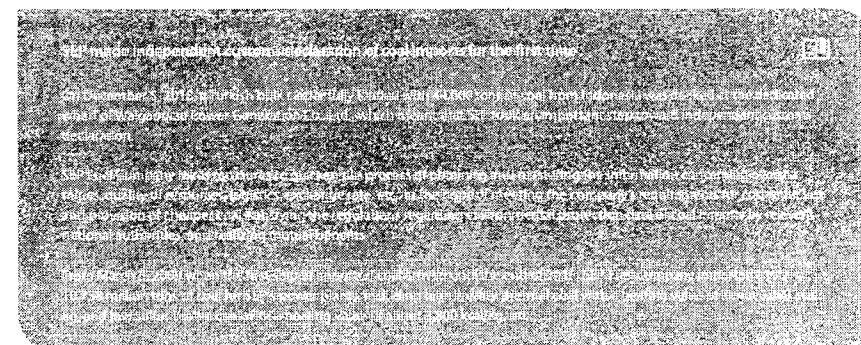
Saving Resources with Green Office Practice

Reducing Green and High-quality Green Procurement

Taking environmental factors into full consideration in its procurement process, the company purchases equipment in accordance with the QHSE standards and strengthens the implementation of regulations in relation to supplier evaluation. In 2015, the company began to require coal suppliers to detect five harmful elements of coal at the port of shipment, to increase the proportion of Shenmu coal procurement and usage which is characterized by higher heating value and lower ash content and total sulfur content, and to make efforts to import more coal from Indonesia which is characterized by low total sulfur content and ash content (less than 30 percent of those in Shenmu

coal), in the hope of reducing the emission of pollutants and improve air quality.

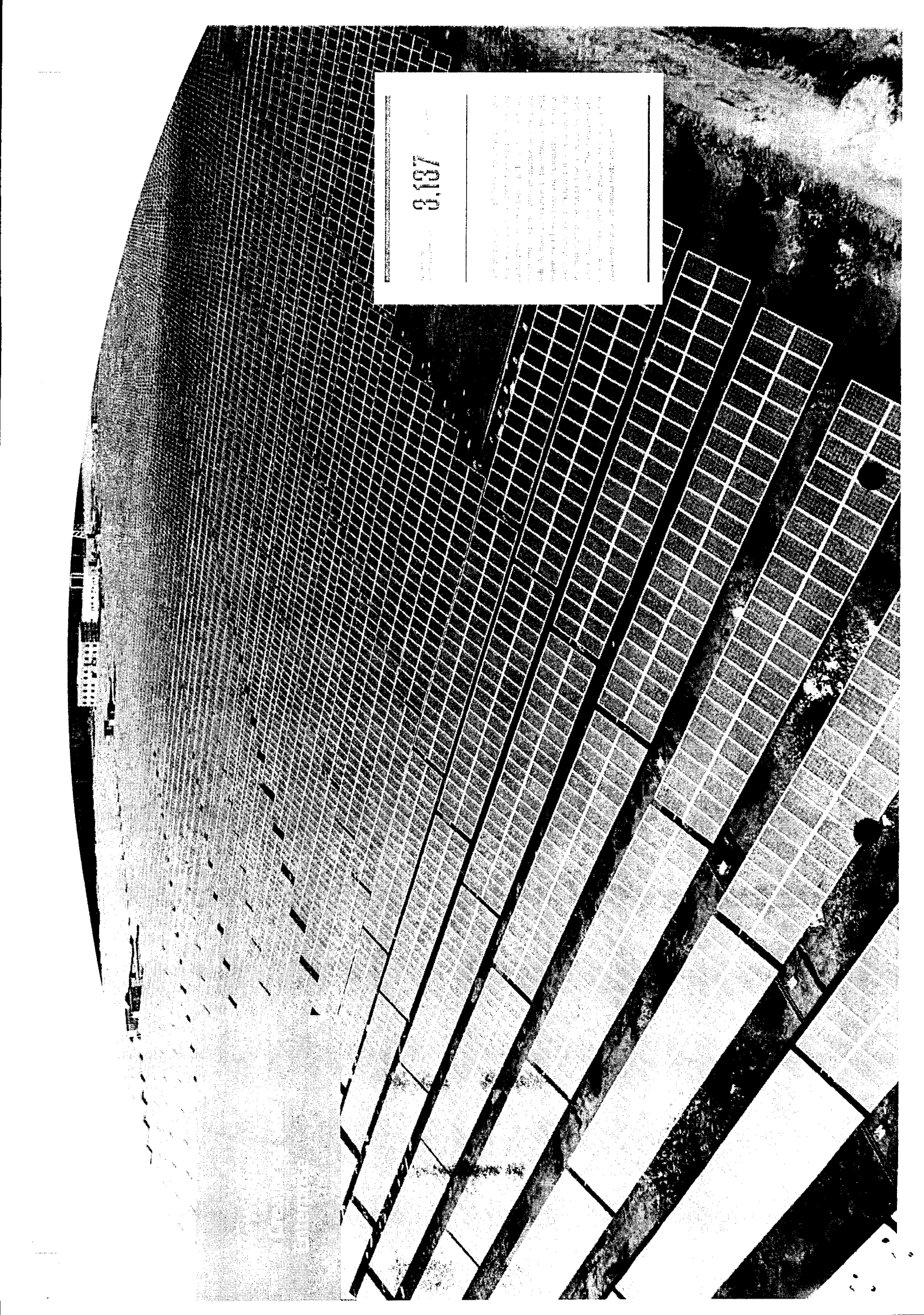
In 2015, the company increased the Shenmu coal purchase by 16 percent from the previous year, with the heating value of the coal procured up 143 Kcal year on year; and the company imported 1.81 million tons of coal from Indonesia, rising 9.7 percent from the previous year and accounting for 22 percent of the total coal procured by its power plants in Shanghai area. All the coal imported by the company was in compliance with the regulations regarding the detection of the designated five harmful elements in coal in China, with zero incident of non-compliance.



Conducting Green Office Practice from Start

The company emphasizes water, electricity and paper conservation of in offices, and manages offices in accordance with the QHSE standards, integrating low-carbon and green ideas into every step of its operations.

- | | | |
|---|---|--|
| <ul style="list-style-type: none"> To renovate office buildings for saving electricity and water; | <ul style="list-style-type: none"> To turn off lamps, TV and computer screens during off-hours; | <ul style="list-style-type: none"> To advocate printing both sides of the paper; |
| <ul style="list-style-type: none"> To keep the temperature of air conditioning not higher than 26 degrees Celsius in winter and not lower than 26 degrees in summer; | <ul style="list-style-type: none"> To promote paperless office through the implementation of the ERP system; | <ul style="list-style-type: none"> To promote teleconferences and video conferences vigorously to reduce business trips and the use of paper; |

An aerial, black-and-white photograph of a large stadium, likely the Los Angeles Memorial Coliseum. The stadium's seating bowl is visible, characterized by a dense grid of rectangular sections. The perspective is from a high angle, looking down at the stadium, which is partially filled with spectators. The surrounding area includes some trees and a road with a few vehicles.

3,187

PHOTOGRAPH BY JIMMY HARRIS FOR THE NEW YORK TIMES

The Los Angeles Memorial Coliseum, which was built in 1953, is the largest stadium in the world. It has a seating capacity of 93,000. The stadium was built for the 1954 World Cup and has since been used for many other events, including the 1984 Summer Olympics. The stadium is located in the city of Los Angeles, California.

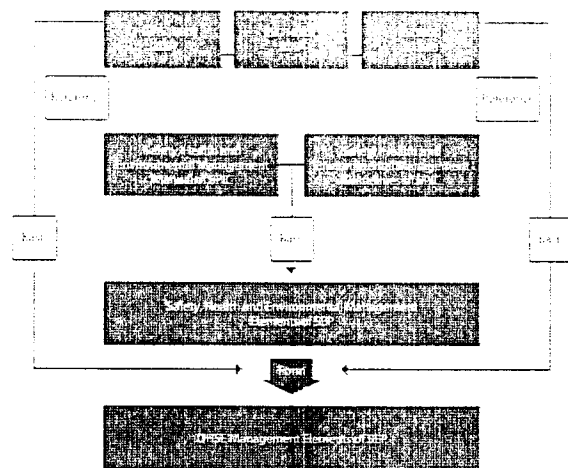
Building Safe Foundation through Safety Management

Comprehensive Development of QHSE System

The company developed the QHSE management plan for 2015, implemented the arrangement of the building of the safety, health and environmental protection system by SPIC and put the system into use for the first time in its Tianji Power Plant.

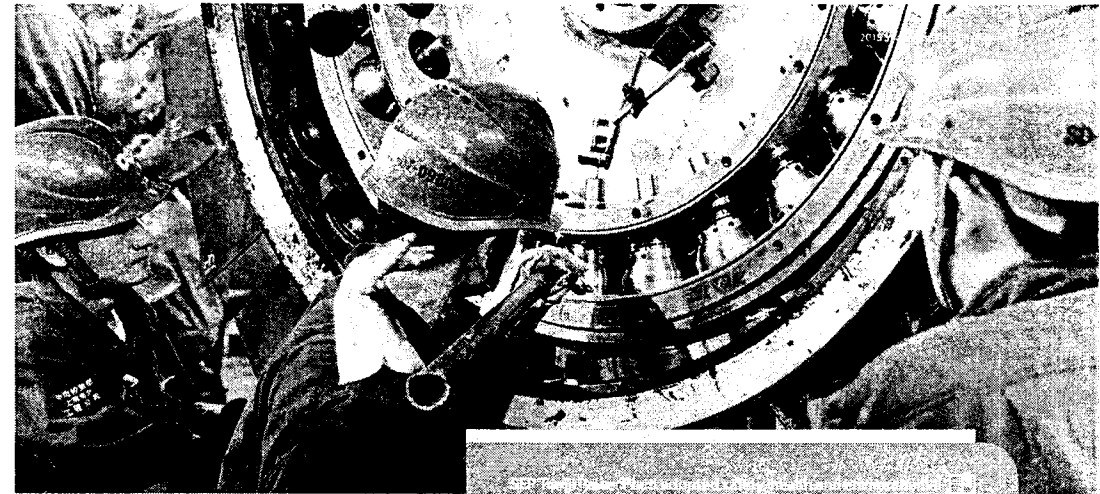
In 2015, the company passed the annual external audit conducted by DNV GL, and its Lunjiao Power Plant built the system and passed the certification in the year when the technical transformation project was put into operation.

Flow chart of the QHSE system project

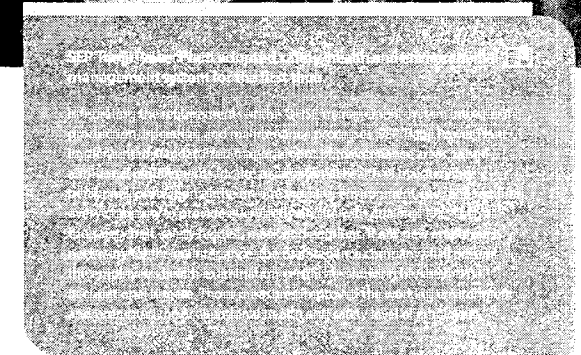


Quality, Safety, Health and Environmental

QHSE Guideline	People-oriented, focus on control, safety management level development, continuous improvement, and quality management
Safety and Health Concept	All risks are avoidable, all violations are preventable, all accidents are avoidable
Environmental Protection Concept	Prevention, control, reduction, and recycling, green production
Quality Management Concept	People-oriented, focus on control, safety management level development, continuous improvement, and quality management



▲ Monitoring site for adjustable vents

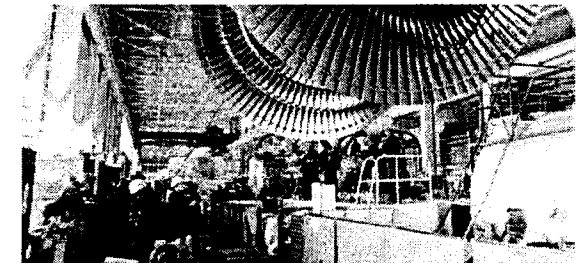


▼ Examination for dimension chemical goods

Ensuring Safety with Fundamental Management

Regarding production safety as the basis and precondition of the work of power plants, we strengthen the customized management of every working area and separation of different areas, and promote the total-process standardized management of the safety of maintenance of various classes, to guarantee safe production. The company conducts pilot program in some of its subsidiaries to implement production safety management to the extent that it covers everywhere in them.

In 2015, there was no accident such as personal injury and equipment damage within the company, and the accumulated days of no personal injury reached 3,137 continuous days, and those of no damage to equipment reached 2,032 continuous days.



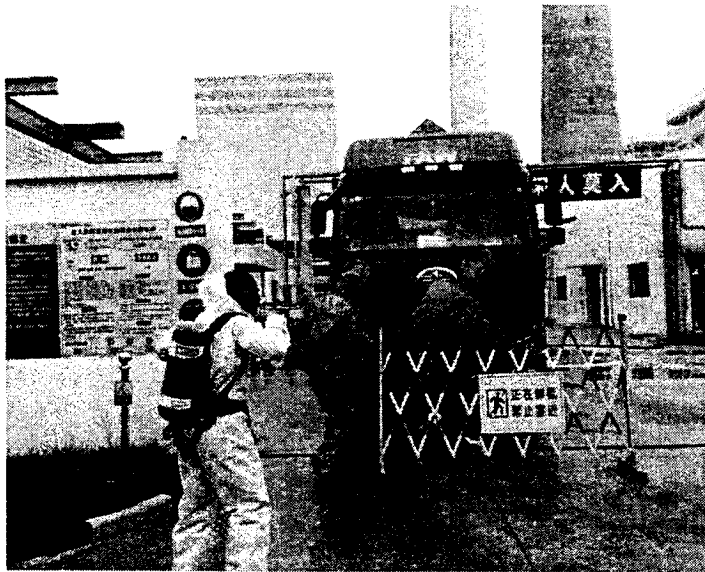
▲ Maintenance of Wapiti Power Plant

Guaranteeing Safety with Safe Quality

Improving Emergency Response

Every subsidiary of the company conducts emergency training and drills positively, to improve their response and treatment ability in case of any emergency.

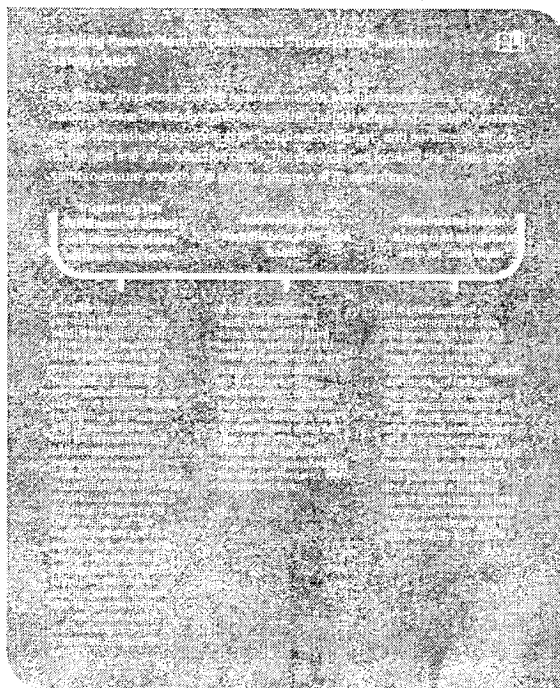
During the "12" Five-Year Plan" period, the company formulated 606 contingency plans and conducted 102 emergency drills altogether.



▲ When in an emergency, only

Preventing Tasks with Hidden Dangers

The company strengthens the identification of hidden dangers in equipment, management and its staff. It supervises the performance of duties strictly and impartially with an "iron face", controls non-compliances strictly and uncompromisingly with "iron hands", and eliminates hidden dangers determinedly with an "iron heart", to make safety stable, controllable and under control.



In 2013

100%

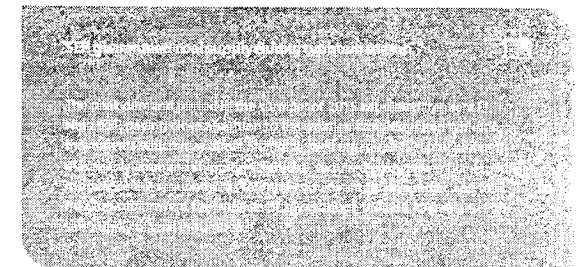
of the defects and issues found in the company were corrected

100%

of the general hidden dangers identified in the company were corrected

Discharge Responsibility with Stable Power Supply

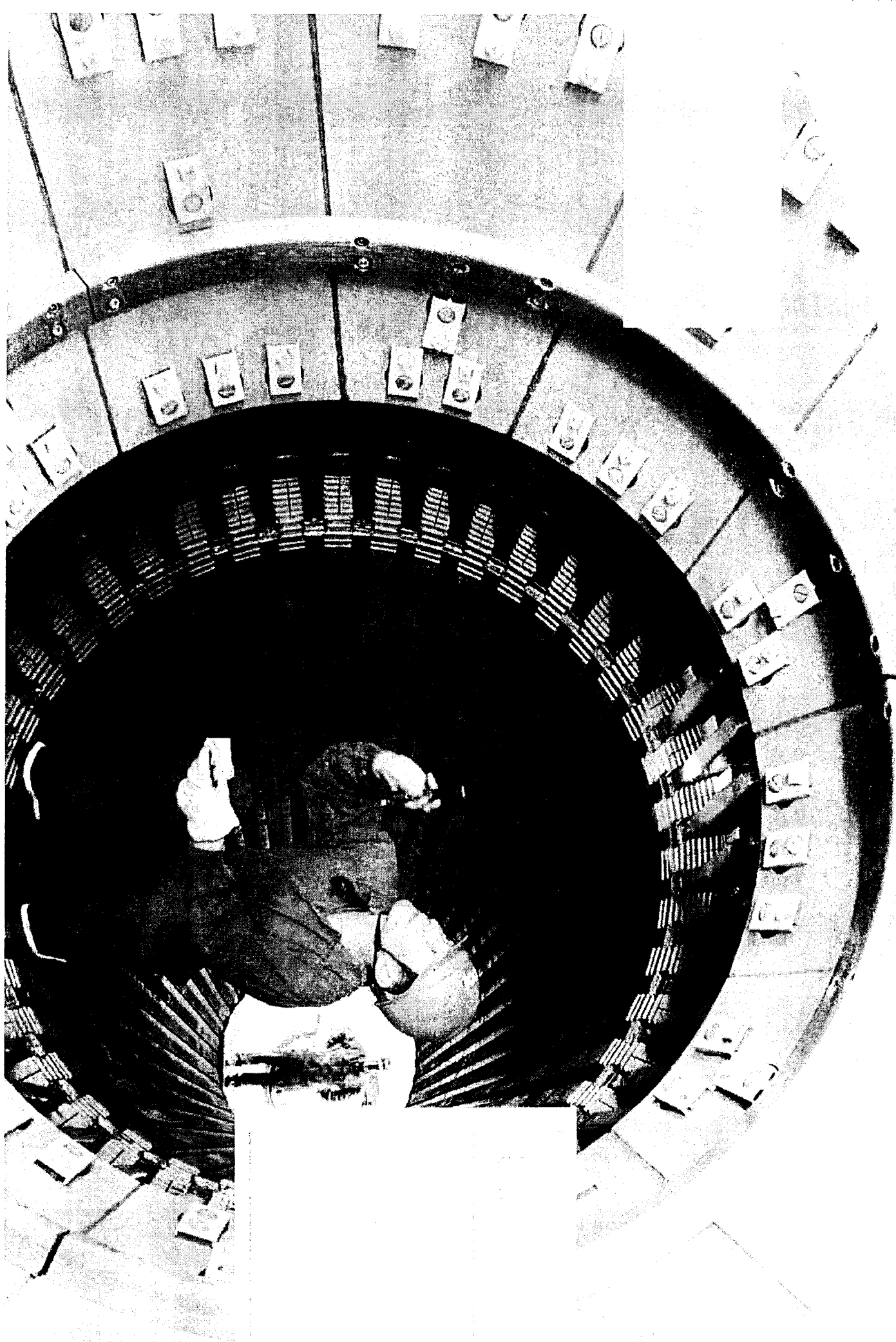
During the peak demand period in summer, the company makes emergency measures to keep the important equipment in the fuel conveying system in good condition and unload the fuel quickly, and follows the requirements for minimum inventory in summer, to make sure the safe and stable operation of its plants.



Creating Atmosphere with Safety Culture

Strengthening the publicity, study and implementation of the Work Safety Law of China and its new contents and requirements added since the 2014 revision, the company improves its staff's awareness of safety and skills of safe operation, and improves the safety level of its operations.





By the end of 2015, the company has 6,114 employees, in which the female staff accounted for 16 percent, 66 were disabled employees and 283 staff abroad. 25 percent of the company's management team were female, 80 percent of the employees of the company's overseas projects were local residents, and 89 jobs were created.

In 2015, the company followed strictly all the relevant laws and regulations, implemented positively the principle of democratic management, emphasized on the occupational health and safety of its staff, and made efforts to guarantee the rights and interests of employees in every respect.

The company follows strictly the Labor Contract Law of China and the relevant laws and regulations, sticks to open, fair and equal recruitment policy, signs labor contracts with employees according to law, pays social security premiums for employees in a timely manner, sticks to the concept of "equal pay for equal work", and fights against labor discrimination and forced labor.

In 2015, the company signed labor contracts with 100 percent of its employees, and 100 percent of its employees were covered by the social security program.

The company sticks to and improves continuously the democratic management system with the workers' congress as its basic form, and makes efforts to explore and implement multiple ways of democratic participation. By establishing the workers' congress system, making the process of calling for advice and suggestions more reasonable, and etc., the company listens to its employees' voices, actively talks and communicates with them, encourages them to get involved in its management and development, and really guarantees its employees' right to know, right to supervise and right to participate. In 2015, the number of the deputies to the workers' congress of the company was 202, and one session of the workers' congress was held. 100 percent of the proposals brought up at the congress were implemented.



We care about employees' occupational health and safety as well as their physical and psychological health, and make efforts to create health and ideal working environment for them. The company organizes regularly employees' physical examination and invites well-known experts to conduct first-aid ability training for them to improve their awareness and skills of self-medication and mutual medication, strengthens the prevention and treatment of occupational diseases, and pays close attention to their psychological health. By the end of 2015, 100 percent of the staff had taken the physical examination.

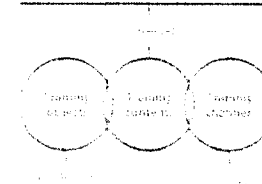
SEP High-skilled Talents Training Base

We provide good channels for career advancements of employees, constantly enrich and improve training system, continuously improve talent reserve and training system, and have established long-term incentive mechanisms including model incentive.

Adhering to the concept of the mutual development of the company and the staff, we invested further in training and educational programs, and improved the training system characterized by "multi-graded, multi-subject and multi-channels". In 2015, SEP Training Center was enlisted as one of the training bases for high-skilled talents of Shanghai.

In 2015, the company invested 27.05 million yuan in training programs and gave 128 training courses, with a total number of participants of 5,852 person-time and the participation of 100 percent of its employees.

Interpretation of strategies, business management, corporate culture, safety, production technologies, labor protection, financials, performance management, international business, foreign languages, etc.



New employees, high-skilled workers, lean management, lean finance, etc.

SEP high-skilled Talents Training Base, SEP Advanced Training Center, external training institute, etc.

SEP High-skilled Talents Training Base runs in compliance with standards and in order, and improves the double channels of career development for professional and technical talents and high-skilled talents in combination with the company's development strategy of "Four Transformation". It gives full play to the roles high-skilled talents can play in power generation, and its three-level education and training management network guarantees the effect of its training of high-skilled talents.

—Comments given by the Expert Panel

The company provides good platforms for the development of its staff. It widens continuously the channels of career advancements for the employees, and encourages them to choose the right post and channel for them to give full play to their talents and to grow and develop. As the pace of the company entering in

international markets is quickened, the company also has set up a job rotation and talent reserve system in favor of both the company's development and the career development of its employees working abroad, to improve their skills, experience, mentality and initiative.

Promising youth makes the country prosperous, and excellent youth makes the country powerful. It is even more so for an enterprise. SEP has been paying close attention to the reserve, training

and incentive of young talents. With the Young Talents Reserve being established and training plans for young talents being developed, the company has set up a regular training mechanism step by step.

• To create personal growth files for young employees under 35 years old, and develop career plans for them.

• To set up the reserve of excellent young employees to provide young talents reserve for the development of the company.

• The program was launched in March, 2013 in SEP Caojing Power Plant, Waipaoqiao Power Plant and Trinji Power Plant.

• To mobilize, plan and pick up targets.
• To require the young employees to conduct self-assessment, and develop customized career development and personal growth plans for them.
• To prepare the employees' contact lists, and track and follow up their growth regularly.
• To conduct training by means of training courses, lectures, contests, guidance by experienced workers, communication, appraisal, selection, etc.

• To formulate the selection standards of young talents to be added to the reserve;
• To strictly implement the selection procedures;
• To train the selected talents by designated tutors;
• To provide training courses for young talents.

• To require its subsidiaries to carry out the pilot program based on their own situation, create innovative training methods, such as one young man being reserved for each key position, double channels, guidance by experienced worker to young employees, A/B roles and rotation, encourage young employees to join the selection of outstanding youth, technical forums, QC activities and symposiums in the industry and work and experience in tough places such as Iraq (Wassil project) and Xinjiang (Wusu Power Plant).

• By the end of 2015, the company has created growth files for 944 employees.

• By far, 57 young employees are in the reserve.

• The company has selected 168 employees for the pilot program.

During the one and half year's work abroad, I was so lucky to handle several accidents successfully. The experience is rare and valuable. You know how to cherish and possess only after you experience a lot, and you understand the fun and results only when you look back.

— Dai Yanbin



SEP sticks to, explores and improves continuously the "Model Worker Incentive" mechanism, and put forward the policy of "caring about the model workers' growth, life and work" to facilitate the model workers' growth. We have set up the mechanism of "training, publicizing, caring about and serving the model workers", which drives the normalization of the Model Worker Incentive mechanism. By the end of 2015, 14 employees in the company had been selected as model workers.

The company, by consolidating value orientation and creating an ambient of encouraging hard working, also transforms the spirit of model workers to the power to drive its sustainable development. We improve the establishment of the "Model Workers' Room for Innovation" continuously, and try to expand the influence of model workers' spirit and to lead the employees to try to be equal to those who are virtuous and talented and catch up with and surpass those who are progressive through the platform. By the end of 2015, 10 model worker innovation studios and eight employee innovation studios were established by the company.

In the future, we will continue to try to improve our professional skills, give full play to our roles as model workers, and make contribution to the development of SEP to construct into the first world-leading enterprise in SPIC in accordance with the "1234" strategy of the company.

—Commitments made by all the model workers

We care about employees' life and work, classify employees into different groups and give them customized care and help based on the problems, difficulties and urgent demands they are facing. In 2015, the satisfaction rate of employees with the company reached 90 percent.

We give employees in difficult financial circumstances and employees suffering from illnesses basic help in life and mental help. The company has set up a fund especially for helping and visiting regularly the employees facing difficulties and/or suffering from illness.

In 2015, the company helped 2,253 person-times of employees facing difficulties, and invested 3.162 million yuan in the condolence payment; helped 74 person-times of employees suffering from serious illnesses, and paid 896,000 yuan to help employees suffering from serious illnesses



In 2015, the company, helped
2,253 person-times
of employees facing difficulties
and invested
3.162 million yuan
of condolence money.

▲ SEP cares employees' life and work

We keep making efforts to give the warmest greetings from home to our employees working abroad on festival occasions when they miss their families more than ever, by means of the executives of the company visiting employees working abroad in person and holding a party for their family members during the period from the Spring Festival to the Lantern Festival every year.



Respecting and caring about the aged

We recognize the contributions made by the retired employees to the development of the company, and emphasize on the communication with retired employees and inheritance of experience accumulated by them. We stick to the concept of "respecting and caring about the aged", and provide retired employees with physical guarantee and spiritual care.



▲ The secretary-in-charge is the leader.

We pay high attention to the improvement of the working conditions for the front-line employees, and try the best to provide them with better working environment.

Improving working conditions

Improving working conditions

Improving working conditions

We pay high attention to the improvement of the working conditions for the front-line employees, and try the best to provide them with better working environment.

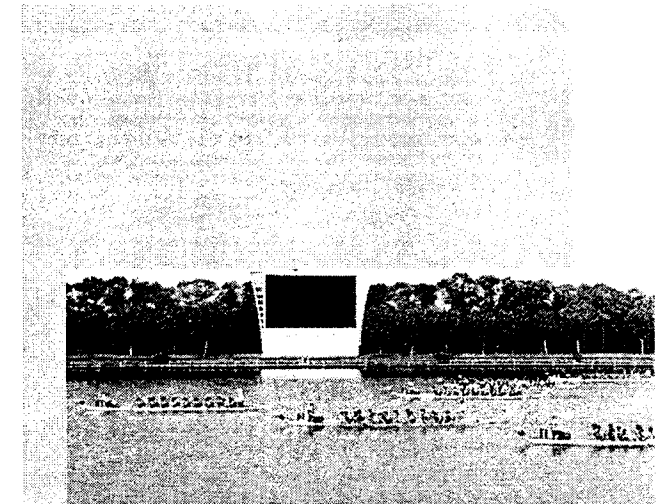
Enriching employees' life

We not only pay close attention to the physical development of employees, but also care about their spiritual and cultural demands. In 2015, by means of setting up free employee bookstores, the company created good ambient for the employees to read and get more knowledge, which promoted the building of spiritual civilization of the company.

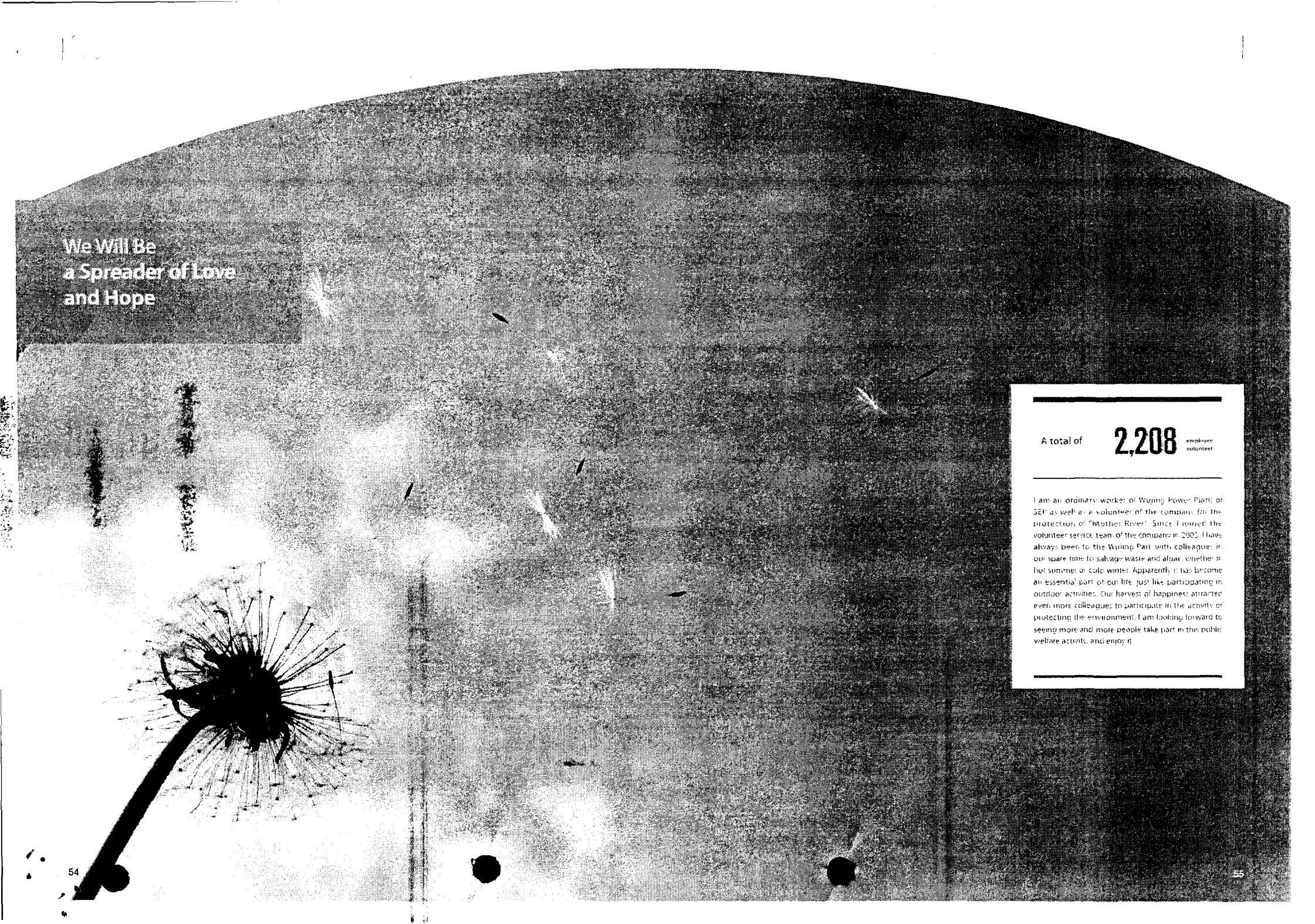


▲ Self-heating and employees' working conditions from temperature control of work

We promote the enrichment of employees' life and expansion of their horizons. By means of holding employee dragon boat races and other cultural and sports activities, the company provides platforms for the employees to show their talents and enrich their off-duty life, strengthens their teamwork awareness, and creates a positive and healthy ambient for life and work.



▲ Employees Basketball Games



We Will Be
a Spreader of Love
and Hope

A total of

2,208 employee
volunteer

I am an ordinary worker of Wujing Power Plant, of SEP as well as a volunteer of the company for the protection of "Mother River". Since I joined the volunteer service team of the company in 2002, I have always been to the Wujing Park with colleagues in our spare time to salvage waste and algae, whether in hot summer or cold winter. Apparently it has become an essential part of our life, just like participating in outdoor activities. Our harvest of happiness attracted ever more colleagues to participate in the activity of protecting the environment. I am looking forward to seeing more and more people take part in this public welfare activity, and enjoy it.

2.208

2.186

In 2012, the number of part-time, or volunteer, service officers was 2,169 per department.

City of Portland, Oregon, 1997

The company has a social importance to the community development program, actually through the construction of a water treatment station located in the community of Santa Cruz, the largest of the 10 stations were as a result of the investment of the company. The company is also involved in the community through the construction of a school as well as the formation of a group of students and teachers in the community of Santa Cruz, M.T. and the construction of a water treatment station in the community of Santa Cruz, M.T. and the construction of a water treatment station in the community of Santa Cruz, M.T.

[illegible]

The 52nd "Learn from Lei Feng Day"



We constantly carry out poverty alleviation activities, increase investment for poverty alleviation, conduct student assistance activities, and support the development of vulnerable groups and backward regions.

During the “12th Five-Year Plan” period, the company’s investment in poverty alleviation reached 1.985 million yuan, helping 205 households of families with difficulties, and benefiting 7,854 people.

Being a Global Citizen to Promote Harmony

With the expansion of overseas business, we have conducted operation in an increasing number of countries. The company has actively participated in the local infrastructure construction and community building, trying the best to be a qualified global corporate citizen. It has also paid attention to the employment of the country in which it operates, and the career development of local workers. In 2015, SEP's overseas projects created 37 employment opportunities, and the localization rate of overseas employees reached 80 percent.

SEP Atlas Project Team Participated in Security Summit of G20 Summit in Turkey

From November 15 to 16, 2015, the main national G20 summit was held in Antalya, Turkey. Ministry of National Defense of the People's Republic of China in the Republic of Turkey, the project manager of the SEP Atlas project, Mr. Wang, accompanied by the project team, participated in the summit. During the summit, Mr. Wang, as the project manager, accompanied by the project team, participated in the summit. During the summit, Mr. Wang, as the project manager, accompanied by the project team, participated in the summit.



The employees of the operation and maintenance department of the SEP Atlas project went out of their way to accomplish the tasks, making great contributions to the security of the summit and the Chinese delegation, as well as the successful completion of the summit.

—Letter of Thanks from the Chinese Embassy in Turkey

Mate Project Integrated into local community

The company, abided by the laws and regulations in Malawi and the process of operation, actively integrating into local community. Since 2013, the Mate company of SEP has actively participated in local projects and activities for the initiative organized by the Chinese Embassy in Malawi, the Economic and Commercial Consulate Office as well as the Cultural Center of the Malawi-Mozambique Friendship Association. The company also invited local community of SEP to participate in relevant activities, promoting and introducing Malawi to SEP's projects.

Since 2013, the number of SEP's local community projects has increased significantly. The company has actively participated in local projects and activities for the initiative organized by the Chinese Embassy in Malawi, the Economic and Commercial Consulate Office as well as the Cultural Center of the Malawi-Mozambique Friendship Association. The company also invited local community of SEP to participate in relevant activities, promoting and introducing Malawi to SEP's projects.

Irqi workers participated in training

During the process of project implementation in Iraq, SEP has trained Irqi workers to work at the power plant. With guidance and teaching, the Irqi workers gradually learned the operation mode, process and the capability of basic skill. By the end of January, 2016, a total of 48 centralized control operators and 11 chemical operators took part in the training program, and three for laboratory water test under the training program, which has finished all tasks.

The Chinese teachers are very good, and very hard-working.

—Irqi workers



Centralized control operation training for Irqi workers

Promoting local community development in Mozambique

The construction and development of Mozambique projects is of great importance in promoting social and economic development of the country, especially the Province of Zete.

Creating employment opportunities

The company has given priority to the local people of Mozambique in terms of employment. The construction of the 2x150MW power plant is estimated to require 1,760 workers during the peak period. After the completion, the number of workers required is estimated 573 people, including workers for power plant management, operation and maintenance, as well as those from third-party service companies.

Building schools

The company will build a primary school and a vocational school, training local people to undertake all the non-technical jobs.

Constructing agricultural farms

The project partner, Nacamp, Energy Limited has provided funds and technologies to support local people to construct agricultural farms.

Promoting community development

According to the changes of workers' demand, the company will build construction materials warehouse and formulate working and living standards (community management plan).



Revealing a Fraction of Transparent Operation

In 2015, the production of water-purifying
for infrastructure and production
projects of the company reached

92%

I am one of many suppliers of SEP, which is not only
our factory, but also our role model. The whole
procurement process of the company is conducted
under the principles of openness, fairness and
impartiality. Furthermore, the company will continue
the pursuit of better procurement in accordance with
environmental standards. Here on behalf of SEP, we
will be glad to be the user of our equipment in the
overseas market. We as suppliers of SEP also stand at
the work stage with our products and services.

Complying with Laws and Regulations to Ensure Development

Abiding by laws and regulations strictly, the company promotes the law popularization and the building of law risk prevention mechanism in a deep-going way, enhances anti-corruption and integrity upholding construction, makes special efforts to carry out efficiency supervision work, so as to guarantee the compliance operation, and the stable and healthy development.

Corporate Governance and Law Popularization

SEP vigorously enhances legal risk prevention system construction. Depending on the review of "three laws", the company has constantly improved legal risk prevention mechanism. In accordance with the requirements of

"Going Out" development strategy and overseas projects, it conducts centralized special-topic legal knowledge training for project team, regular employees of overseas projects, and financial personnel involving foreign accounting.

Strengthening Internal Control and Preventing Risks

The company has enhanced internal control and built integrated risk prevention chain; conducted off-office auditing for each and every off-office managers, and strengthened rotation auditing in combination with in-office auditing; revised and released the new manual for risk management and internal control. It introduced the Committee of Sponsoring Organizations of the Treadway Commission (COSO; 2013, using business process reengineering (BPR) and enterprise resource planning (ERP) results to distinguish domestic and foreign risk control management processes, optimize authorized approval system, and set up third-tier organization management and control requirements.

In 2015, the company completed 10 economic responsibility auditing projects, 2 auditing projects relating to assets, liabilities, profits and losses, and 5 special auditing and auditing investigation projects. The auditing opinions and suggestions were completely rectified.

The research project of the "Risk Management for Overseas Investment of Electric Power Enterprises" won the second prize of management innovation achievements of electric power industry in 2015. The "Risk Review on Kilili Power Station Project in Tanzania" won the prize of excellent auditing and internal control project of SPIC. In SPIC's auditing and internal control benchmarking contest, the company took the second place in terms of rating scores.

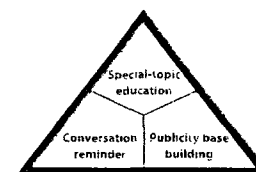
Combating Corruption and Upholding Integrity

Optimizing Management with Efficiency Supervision

The company further integrates internal supervision power and resources. It has improved the capabilities of supervision, discipline inspection and accountability of discipline inspection, actively integrated internal supervision power and resources, attached importance to the implementation of "Eight Regulation" of the CPC Central Committee and the

"Five Prohibitions" of SPIC, conducted supervision for self-examination and self-correction of auditing of part of its subsidiaries, and the rectification of office room of all subsidiaries, and comprehensively carried out rectification work relating to issues found during the inspection tour or auditing.

Using the discipline inspection and supervision channel of the official website of the company as a platform, SEP releases information relating to anti-corruption and integrity upholding, such as warning educational stories, and the study notes of Party members and leaders.



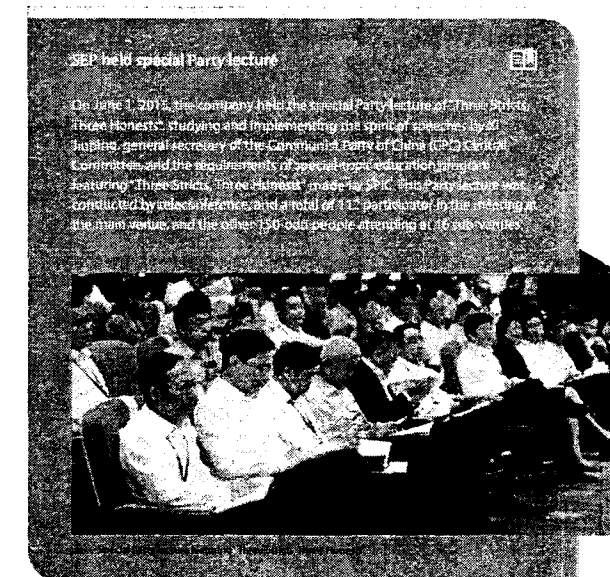
The discipline inspection commission of the company organizes collective conversation with newly appointed managers in batches, and the leaders at various levels give reminders regularly to department directors and key managers.

The company send SMS message relating to integrity upholding to its leaders and managers on important holidays and festivals, publicizing the work style of being a clean person and doing clean things.

Building Solid Defense Line with Integrity Education

Through special-topic education, conversation reminder, publicity base building, and other means, the company actively conducts anti-corruption and integrity upholding publicity education.

In 2015, it organized 200-odd special-topic education including center team studies, Party lectures, and visiting activities, and the participants reached more than 3,600 person-times.



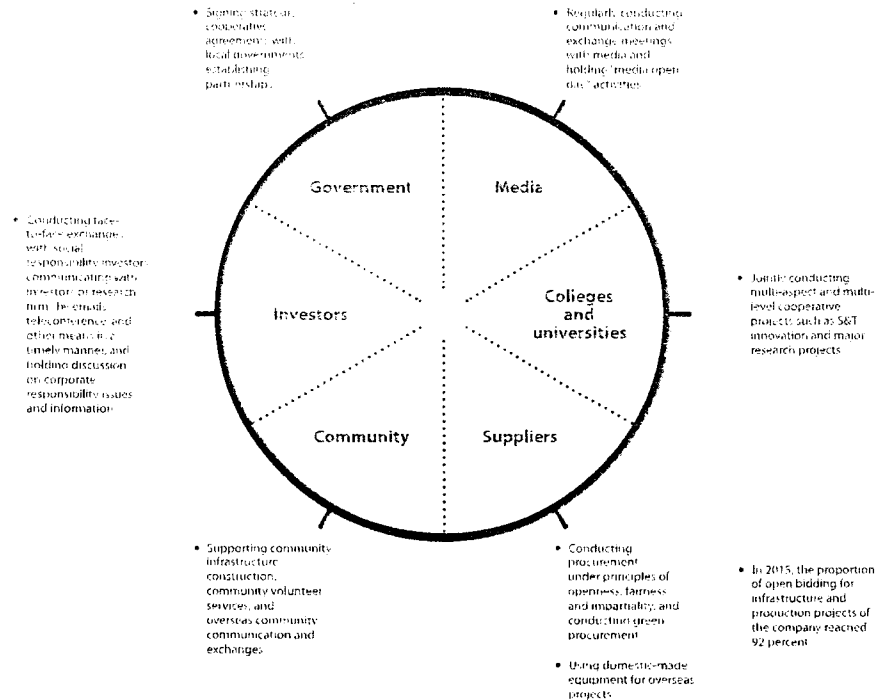
Promoting "Two Responsibilities" and Conducting Research

The company actively promotes the implementation of "two responsibilities" in a deep-going way. On the one hand, it turns responsibility system on Party style and clean management into KPI performance goal, endorsing with signature of leaders at various levels, and on the other hand, prints the "Responsibility Letter of Implementing Main Responsibility of Party Style and Clean Management Building", improving the complete chain of responsibility breakdown, inspection and supervision,

and tracking-down and investigation.

With the in-depth development of the "Going Out" strategy, SEP depending upon the research on the professional integrity and the risk prevention and control of overseas markets, drafts manual on the professional integrity and the risk prevention and control, so as to strengthen the awareness of integrity of employees working abroad, and guarantee the healthy development of the company's overseas strategy.

Achieving Win-Win Results and Common Development



SEPC conducted review on qualified production material suppliers

In 2015, the company took the initiative to carry out review work on qualified production material suppliers, further reducing and controlling small amount procurement with multiple companies from a high level enterprise. Through the review, the company found that the suppliers' production process, quality management system, and environmental management system were not in line with the company's requirements. The company will continue to strengthen the review work, and improve the quality of the suppliers' production process, quality management system, and environmental management system.

Future Prospect of 2016



In 2016, the company will continue to adhere to the corporate strategy of "Innovation, Quality, and Service", and focus on the development of the company's core business. The company will continue to strengthen its research and development capabilities, and improve its product quality and service level. The company will also continue to expand its market share, and increase its production capacity. The company will continue to strengthen its financial management, and improve its financial performance. The company will continue to strengthen its human resources management, and improve its human resources level. The company will continue to strengthen its environmental management, and improve its environmental performance. The company will continue to strengthen its social responsibility management, and improve its social responsibility level.

We will insist on a high level of innovation, promote innovation, and develop a core technology. We will focus on the development of the company's core business, and improve its product quality and service level. We will continue to expand its market share, and increase its production capacity. We will continue to strengthen its financial management, and improve its financial performance. We will continue to strengthen its human resources management, and improve its human resources level. We will continue to strengthen its environmental management, and improve its environmental performance. We will continue to strengthen its social responsibility management, and improve its social responsibility level.

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Appendix

Comparative Table with GRI Guidelines

GENERAL STANDARD DISCLOSURES			
Disclosures	Code	Description	Code
Organizational profile	G4-1	Provide a statement from the most senior decision-maker of the organization.	P2
	G4-2	Provide a description of key impacts, risks, and opportunities.	P4a
	G4-3	Report the name of the organization.	P10
	G4-4	Report the primary brands, products, and services.	P10
	G4-5	Report the location of the organization's headquarters.	P73
	G4-6	Report the number of countries where the organization operates, and names of countries where either the organization has subsidiaries or operations or that are specifically relevant to the sustainability topics covered in the report.	P4
	G4-7	Report the nature of ownership and legal form.	P4
	G4-8	Report the markets served (including design for, break down, sectors served, and typical customers and employees).	P36-25
	G4-9	Report the scale of the organization, including: Total number of employees/Total number of operations/Net sales (for private sector organizations)/Net revenues (for public sector organizations)/Total capitalization broken down as follows: debt and equity (for public sector organizations)/Chain of products or services, provided.	P14-20-24
	G4-10	Report the total number of employees by employment contract and gender.	P14-46
	G4-11	Report the total number of permanent employees by employment type and gender.	P16
	G4-12	Report the total workforce by employees and supervised workers and by gender.	-
	G4-13	Report the total workforce by region and gender.	P16
	G4-14	Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, not by individuals other than employees or supervised workers, including employees and supervised employees of contractors.	-
	G4-15	Report any significant variations in employment numbers.	P4b
Identified material aspects and boundaries	G4-16	Report the percentage of total employees covered by collective bargaining agreements.	P26
	G4-17	Describe the organization's supply chain.	P69
	G4-18	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	P10-13
	G4-19	Report whether and how the precautionary approach or principle is addressed by the organization.	P32-42
	G4-20	Report the internally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes which it endorses.	-
	G4-21	Report membership of associations (such as industry associations) and national or international advocacy.	-
	G4-22	List all entities included in the organization's consolidated financial statements or equivalent documents.	-
	G4-23	Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	-
	G4-24	Explain the process for defining the report content and the Aspect Boundaries.	P73
	G4-25	Explain how the organization has implemented the Reporting Principles for Defining Report Content.	P73
Stakeholder engagement	G4-26	List all the material Aspects identified in the process for defining report content.	P73
	G4-27	For each material Aspect, report the Aspect Boundary within the organization.	P73
	G4-28	For each material Aspect, report the Aspect Boundary outside the organization.	P73
	G4-29	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	-
	G4-30	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	P73
	G4-31	Provide a list of stakeholder groups engaged by the organization.	P16
	G4-32	Report the basis for identification and selection of stakeholders with whom to engage.	P16
	G4-33	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	P16
	G4-34	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	P16
	G4-35	Report the reporting period (such as fiscal or calendar year) for information provided.	P73
Report profile	G4-36	Date of most recent previous report (if any).	P73
	G4-37	Reporting cycle (such as annual, biennial).	P73
	G4-38	Provide the contact point for questions regarding the report or its contents.	P73
	G4-39	Report the in accordance option the organization has chosen.	P73
	G4-40	Report the GRI Content Index for the chosen option.	P60-69

GENERAL STANDARD DISCLOSURES			
Disclosures	Code	Description	Code
Report profile	G4-41	Report the organization's policy and current practice with regard to seeking external assurance for the report.	-
	G4-42	If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided.	-
	G4-43	Report the relationship between the organization and the assurance providers.	-
	G4-44	Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.	-
	G4-45	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	P16-15
	G4-46	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	-
	G4-47	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	-
	G4-48	Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body.	-
	G4-49	Report the composition of the highest governance body and its committees.	P10
	G4-50	Report whether the Chair of the highest governance body is also an executive officer and if so, his or her function within the organization's management and the reasons for this arrangement.	-
	G4-51	Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members.	-
	G4-52	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders.	P13
	G4-53	Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, vision or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	P13
	G4-54	Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	P13
	G4-55	Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment.	-
Report profile	G4-56	Report actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice.	-
	G4-57	Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes.	-
	G4-58	Report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.	-
	G4-59	Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	-
	G4-60	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	-
	G4-61	Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.	-
	G4-62	Report the process for communicating critical concerns to the highest governance body.	P13
	G4-63	Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.	P13
	G4-64	Report the remuneration policies for the highest governance body and senior executives.	-
	G4-65	Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives.	-
Report profile	G4-66	Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization.	-
	G4-67	Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	-
	G4-68	Report the ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual in the same country).	-
	G4-69	Report the ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual in the same country).	-
	G4-70	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	P11-12

GENERAL STANDARD DISCLOSURES			
Materiality	Disclosures	Context	Notes
Economic	G4-SR	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as evaluation through line management, whistleblowing mechanisms, or hotlines.	P73
	G4-E1	Direct economic value generated and distributed.	P7-P50
	G4-E2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	P6-9, 36-37
	G4-E3	Coverage of the organization's defined benefit plan obligations.	-
	G4-E4	Financial assistance received from government.	-
	G4-E5	Ratios of standard employment wage by gender compared to local minimum wage at significant locations of operations.	-
	G4-E6	Percentage of value management fees from the local community at significant locations of operation.	-
	G4-E7	Development and impact of infrastructure investments and services supported.	P50-57
	G4-E8	Significant indirect economic impacts, including the extent of impacts.	P58-59
	G4-E9	Proportion of spending on local suppliers at significant locations of operations.	P26
Environmental	G4-EN1	Materials used by weight or volume.	-
	G4-EN2	Percentage of materials used that are recycled input materials.	P36-37
	G4-EN3	Energy consumption within the organization.	P37
	G4-EN4	Energy consumption outside of the organization.	P20-23
	G4-EN5	Energy intensity.	P20-23
	G4-EN6	Reduction of energy consumptions.	P6-9/30
	G4-EN7	Reductions in energy requirements of products and services.	P6-9
	G4-EN8	Total water withdrawal by source.	-
	G4-EN9	Water services significantly affected by withdrawal of water.	-
	G4-EN10	Percentage and total volume of water recycled and reused.	-
Environmental	G4-EN11	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas.	-
	G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	P33-34
	G4-EN13	Habitats protected or restored.	-
	G4-EN14	Total number of R, R, and V, and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	-
	G4-EN15	Direct greenhouse gas (GHG) emissions (scope 1).	-
	G4-EN16	Energy indirect greenhouse gas (GHG) emissions (scope 2).	-
	G4-EN17	Other indirect greenhouse gas (GHG) emissions (scope 3).	-
	G4-EN18	Greenhouse gas (GHG) emissions intensity.	-
	G4-EN19	Reduction of greenhouse gas (GHG) emissions.	-
	G4-EN20	Emissions of ozone-depleting substances (ODS).	-
Environmental	G4-EN21	NO _x , SO _x , and other significant air emissions.	P6-9/14
	G4-EN22	Total water discharge by quality and destination.	-
	G4-EN23	Total weight of waste by type and disposal method.	-
	G4-EN24	Total number and volume of significant spills.	-
	G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention (2) Annex I, III, and VI, and percentage of transported waste shipped internationally.	-
	G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and effluent.	-
	G4-EN27	Extent of impact mitigation of environmental impacts of products and services.	P6-9/33-36
	G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category.	-
	G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	-
	G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce.	-
Employment	G4-EN31	Total environmental protection expenditures and investments by type.	P6-9/34-37
	G4-EN32	Percentage of new suppliers that were screened using environmental criteria.	P37
	G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken.	-
	G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms.	-
	G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	P46
	G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	-
	G4-LA3	Return to work and retention rates after parental leave, by gender.	-
	G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.	P13
	G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	P40-47

GENERAL STANDARD DISCLOSURES			
Materiality	Disclosures	Context	Notes
Human rights	G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	-
	G4-LA7	Workers with high incidence or high risk of diseases related to their occupation.	-
	G4-LA8	Health and safety topics covered in formal agreements with trade unions.	P47
	G4-LA9	Average hours of training per year per employee by gender and by employee category.	P47
	G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	P47-49
	G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	P48-50
	G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	P13
	G4-LA13	Ratios of basic salary and remuneration of women to men by employee category, by significant locations of operations.	-
	G4-LA14	Percentage of new suppliers that were screened using labor practices criteria.	-
	G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.	-
Human rights	G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms.	-
	G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	-
	G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	P47-47
	G4-HR3	Total number of incidents of discrimination and corrective actions taken.	-
	G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights.	-
	G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	-
	G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures taken to contribute to the elimination of all forms of forced or compulsory labor.	-
	G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.	-
	G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken.	-
	G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments.	-
Society	G4-HR10	Percentage of new suppliers that were screened using human rights criteria.	-
	G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken.	-
	G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms.	-
	G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	-
	G4-SO2	Operations with significant actual and potential negative impacts on local communities.	-
	G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	P63
	G4-SO4	Communication and training on anti-corruption policies and procedures.	P63
	G4-SO5	Confirmed incidents of corruption and actions taken.	-
	G4-SO6	Total value of political contributions by country and recipient/beneficiary.	-
	G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	-
Product responsibility	G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	-
	G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society.	-
	G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken.	-
	G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms.	-
	G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for shipment.	-
	G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.	-
	G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements.	-
	G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	-
	G4-PR5	Results of surveys measuring customer satisfaction.	-
	G4-PR6	Sale of banned or disputed products.	-

Comment from Experts

This is the second time in a row that I have read the social responsibility report of Shanghai Electric Power Company Limited of State Power Investment Corporation (SPIC). Many companies have always been talking about the innovation of the social responsibility report, hoping to compile a report that is different from that of past years or of other companies. But sometimes the firm seems to receive more weight than the content. However, we can see from this report, Shanghai Electric Power Company Limited has given deep thought of their social responsibility, understood how to demonstrate to stakeholders and they have a clear understanding of their position.

Firstly, the framework of report maintained its merits and made some innovations as well. The report has used the framework of 2014 social responsibility report and continued to show their social responsibility and performance with a relatively modest attitude. Meanwhile, Shanghai Electric Power Company Limited has seized the opportunity of the ending of the "12th Five-Year Plan" and has given a summary of the social responsibility performance for the past five years to stakeholders, making them understand more clearly of the overall conditions of the company. Apart from this, they have conveyed their concept of green development and the practice of green operation to stakeholders in the form of specific topics, which is the environmental protection concerned by the public. Green development not only fits the country's new development concept, but is also closely combined with the overall development strategy of SPIC, highlighting the resolution of green development.

Secondly, the report is more readable. By quoting the content of the conversation between the employees and stakeholders at the beginning, the report makes people feel warm. A small change as it is, the social responsibility report gives the information of what the public want to know instead of what the company wants to let them know. Meanwhile, the overall designing style is consistent with that of 2014 and highlighted the authenticity and readability of the report in terms of figures, pictures or diagrams.

Thirdly, the report can make some improvements on the whole. In line with the disclosure requirements of social responsibility standard at home and abroad, the report of Shanghai Electric Power Company Limited still have some room to improve. The released data of the report has been increasing year by year, but many quantitative indicators of public concern especially environmental protection index still need to be further increased. In the meantime, the report also reflected that the social responsibility management is not systematic enough, the management work of social responsibility, organization and coordination are in their initial stage, certain gap still exists between the social responsibility management of outstanding enterprises home and abroad.

All in all, having read this report, the efforts can be seen in social responsibility management and practice especially the reflection on the social responsibility report of Shanghai Electric Power Company Limited. The compilation of the social responsibility report itself gives a clear picture of the social responsibility performance of the company. The merits and demerits of social responsibility performance can all be seen from this report. I sincerely hope that Shanghai Electric Power Company Limited can apply its social responsibility concept into the practice of operation, making more contributions and environmental values to the society along with the creation of company values.

The Ministry of Human Resources and Social Security
Deputy Director of Institute of International Labor and Social Security
Zhang Junfeng

张俊峰

I have carefully read the 2015 Social Responsibility Report of Shanghai Electric Power Company Limited of State Power Investment Corporation (hereinafter referred to as Shanghai Electric Report). This is the 3rd social responsibility report released by Shanghai Electric to the public and the 1st report released by Shanghai Electric after the restructuring of State Power Investment Corporation. As 2015 marks the final year of the nation's 12th Five-Year Plan, this report has demonstrated in a detailed manner the responsibility practices and performances of Shanghai Electric during the "12th Five-Year Plan" period. Under the strategic guidance of State Power Investment Corporation, the social responsibility practices of Shanghai Electric has been increasingly corresponding to the national and international trends of social responsibility development, thus demonstrating the company's resolution and sincerity for fulfilling its social responsibilities.

This Social Responsibility Report of Shanghai Electric is characterized mainly by the following aspects on the whole:

First, the framework is stable. The framework of this report has basically adopted the form and structure of last year, allowing stakeholders to conduct longitudinal comparison for a clear knowledge of the responsibility practices of Shanghai Electric over the past two years, reflecting the increasing maturity of Shanghai Electric in terms of its theories and practices on social responsibilities.

Second, the content is written in a properly detailed manner. Topics of "12th Five-Year Plan" and "Environmental Protection" have been added into this report so as to give stakeholders a clearer picture of the focus of Shanghai Electric in terms of its responsibility fulfillment in 2015.

Third, the form continues to be innovative. Introducing each chapter with words from both staffs of Shanghai Electric and external stakeholders has brought readers closer to the company, reflecting the fact that Shanghai Electric is compiling this social responsibility report from stakeholders' perspective instead of just finishing the compiling work perfunctorily.

As the new media age approaches, the company has gained increasingly more attention from stakeholders. A good social responsibility report can help bridge the gap between companies and stakeholders, giving the public a better understanding of both the company and its social responsibilities while promoting recognition between the two parties.

In spite of all above, this report of Shanghai Electric has left some room for progress in its social responsibility work, especially in the management of its social responsibilities. I hope that Shanghai Electric can build a social responsibility management system and a propelling mode in accordance with the international development by means of combining the overall development strategy of State Power Investment Corporation with the actual features of Shanghai Electric, while building a century-old company by increasing the sustainable competitiveness of the company through social responsibility management.

One has to keep his responsibilities in mind while fulfilling his responsibilities by actual deeds. I sincerely hope that Shanghai Electric can embed the concept and method of its social responsibility into various aspects of the operation of the company, help its staffs internalize such concept and method through actual deeds, and cooperate with stakeholders to build a better life!

Director of the Corporate Social Responsibility Development Centre of the China Federation of Industrial Economics
Secretary General of the Think Tank of Research on Social Responsibilities of Industrial Enterprises in China
Vice Chairman of the Chinese Institute of Business Administration
Expert of the Drafting Group for National Corporate Social Responsibility Standards
Wang Xiaoguang

王兆光

Feedback Form

Shanghai Electric Power Company Limited pays great attention to your suggestions to our social responsibility report. If you have any comments and suggestions, please feel free to contact us, so that we can carry out continuous improvements of the report.

Please fill your comments and suggestions in the following "Feedback Form", and mail it to us:

Address: No. 268 Zhongshan South Road, Shanghai, China
Department: Securities Department of Shanghai Electric Power Company Limited

Tel.: 021-23108718
Fax: 021-23108717
Postal Code: 200010
E-mail: sepc@shanghaipower.com

Multiple choice questions

Please fill appropriate serial number in the "1, 2, 3"; 1 stands for "yes", 2 stands for "no", and 3 stands for "have no idea".

Do you think this report could well reflect the social responsibility performance of Shanghai Electric Power?

Do you think the information disclosed in this report is clear and accurate?

Do you think the content layout of this report is convenient for reading?

Please feel free to give us your suggestions:

1. Do you think which aspect is most satisfying in this report?

2. Do you think which part is most important to your life?

3. What information do you want to learn in the future?

4. What are your suggestions to the future reports?

About the Report

Preparation of the report

The report is prepared and compiled in accordance with the requirements of the "Guiding Opinions on Performance of Social Responsibilities by Central State-Owned Enterprises" of the State-Owned Assets Supervision and Administration Commission (SASAC) of the State Council, the "Notice on Strengthening Social Responsibility Performance of Listed Companies" of the Shanghai Stock Exchange, the "Guidelines for Environmental Information Disclosure of Listed Companies of the Shanghai Stock Exchange", the "Sustainability Reporting Guidelines, Version 4.0" of the Global Reporting Initiative (GRI), and the "Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-CSR 2.0)" of the Research Center for Corporate Social Responsibility (CSR) under the Institute of Economics of the Chinese Academy of Social Sciences.

Explanation of Abbreviations

For the convenience of presentation and reading, the "Shanghai Electric Power Company Limited" in this report is also expressed by the "Shanghai Electric Power", "the company" and "we".

Reporting cycle

This report is an annual report. The company released its first corporate social responsibility report on March 25, 2014, and the second on March 27, 2015. This is the third of its kind of Shanghai Electric Power Co., Ltd.

Reporting period

The reporting period of this report is from January 1, 2015 to December 31, 2015. Some contents may surpass the above scope.

Reporting contents

If without special instructions, the data of this report is from official documents, statistical reports and financial reports of Shanghai Electric Power Company Limited, as well as information relating to social responsibility practices of various functional departments and affiliated enterprises that has been collected, summarized and audited by the social responsibility management system of the company.

Indicator selection

In terms of indicator selection, the main considerations of this report are the relativity, materiality and availability of indicators relating to topics, which can not only reflect the performance of the company's social responsibility practices, but also can be collected by the existing management system.

Availability of the report

The report is available both as printed version and online version. If you need the printed report, please mail to Shanghai Electric Power Company Limited.
Address: No. 268 Zhongshan South Road, Shanghai, China
Tel.: 021-23108718
Fax: 021-23108717
E-mail: sepc@shanghaipower.com

You can log on to the official website of Shanghai Electric Power at <http://www.shanghaipower.com/> to browse or download the online report, learning the dynamic information relating to corporate social responsibility activities of the company.

Company profile of State Power Investment Corporation

国家电力投资集团公司（简称“国家电投”）成立于 2015 年 5 月，由原中国电力投资集团公司与国家核电技术公司重组组建。公司注册资本 450 亿元，资产总额 7738 亿元，员工总数 12.9 万人，2015 年销售收入 1924.04 亿元。拥有 7 家上市公司，包括 2 家香港红筹股公司和 5 家国内 A 股公司。

State Power Investment Corporation (“SPIC”) was established in May 2015 through the reorganization and merger of China Power Investment Corporation and State Nuclear Power Technology Corporation. The Company has registered capital of RMB45bn, and reported sales revenue of RMB192.404bn in 2015 with total assets of RMB773.8bn and 129,000 employees. The Company has seven listed companies, with two listed in Hong Kong and five traded on the China A-share market.

国家电投是中国五大发电集团之一。公司电力总装机容量 10740 万千瓦，其中：火电 6827 万千瓦，水电 2094 万千瓦，核电 336 万千瓦，太阳能发电 485 万千瓦，风电 998 万千瓦，在全部电力装机容量中清洁能源比重占 40.06%，具有鲜明的清洁发展特色。公司拥有煤炭产能 8040 万吨，电解铝产能 248.5 万吨，铁路运营里程 331 公里，与电力协同发展。

SPIC is one of the five largest electricity producers in China. The Company has total installed capacity of 107.4 GW, which is comprised of 68.27GW coal-fired power capacity, 20.94GW hydro power capacity, 3.36GW nuclear power capacity, 4.85GW solar power capacity and 9.98 GW wind power capacity. Clean energy, as the strategic focus of the Company, accounts for 40.06% of the total installed capacity. The Company has coal production capacity of 80.4 million tons per year (t/y), aluminum smelting capacity of 2.485 million t/y and railway transportation line of 331 km, which have paralleled the development of power generation.

国家电投是中国三大核电开发建设运营商之一。拥有山东海阳、辽宁红沿河、山东荣成等多座在运在建核电站，以及一批沿海和内陆厂址资源，是中国实施三代核电自主化的主体、载体和平台，以及大型先进压水堆国家科技重大专项的牵头实施单位，肩负着国家三代核电自主化、产业化、国际化的光荣使命，具备核电研发设计、工程建设、相关设备材料制造和运营管理的完整产业链和强大技术实力。

SPIC is one of the three largest nuclear power developers and operators in China. The nuclear power plants in operation and under construction in Haiyang (Shandong province), Hongyanhe (Liaoning province) and Rongcheng (Shandong province) as well as some inland and coastal plant sites formed the platform of the 3rd generation of self-reliant nuclear power technology in China. It is the leading entity to proceed with the major national project of large-scale cutting edge pressurized water reactor. By leveraging its strong capabilities and complete industrial chain in nuclear power R&D, design, engineering construction, manufacturing, operation and management of related equipment and materials, SPIC is able to assume the great responsibility of the 3rd generation of self-reliant, industrialized and international-oriented nuclear power industry in China.

国家电投致力于全球业务和国际化发展。境外业务分布在日本、澳大利亚、马耳他、印度、土耳其、巴基斯坦、南非、巴西、缅甸等 36 个国家（地区），投资运营项目可控装机容量 109.62 万千瓦，投资在建项目可控装机容量 1002.05 万千瓦，已签署合资协议并开展前期工作的投资项目可控装机容量

量 514 万千瓦，具备在火电、核电、新能源、输变电等领域为工程建设和运营提供全方位、全产业链服务的资质和能力。

SPIC is committed to business globalization and internationalization. The Company has already established presence in 36 countries (regions) including Japan, Australia, Malta, India, Turkey, Pakistan, South Africa, Brazil and Myanmar etc. Its controlled installed capacity is 1.0962GW; the controlled installed capacity under construction is 10.0205GW; and the attributable installed capacity under cooperation agreement with preparatory work in place is 5.14GW. The Company has the qualification and capacity to offer full-range and complete industrial chain service for project construction and operation across coal-fired power, nuclear power, new energy and power transmission and distribution

1. Corporate information

I. Company Information

Chinese name of the Company	上海电力股份有限公司
Chinese name abbreviation of the Company	上海电力
Foreign name of the Company	SHANGHAI ELECTRIC POWER COMPANY LIMITED
Foreign name abbreviation of the Company	SEP
Legal Representative	Wang Yundan
Company's registered address	No. 268 Zhongshan Road South, Shanghai
Postal code of company's registered address	200010
Company's office address	No. 268 Zhongshan Road South, Shanghai
Postal code of company's office address	200010
Company website	www.shanghaipower.com
E-mail	sepco@shanghaipower.com

II. Company Stock

Company Stock			
Type	Stock Listing Exchange	Abbreviation	Stoke code
A Stock	Shanghai Stock Exchange	SEP	600021

2. Business description

I. Main Business

The Company focuses on development in fields including efficient energy utilization, clean energy, new energy, modern electric power services and circular economy. By continuous development, reform and innovation, the Company has become an integrated modern energy corporation which undertakes thermal power generation by efficient utilization of fire coal, gas power generation, wind power generation, solar power generation and distributed power supply. The Company has established businesses all over China and it has been expanding overseas businesses step by step. Main businesses of the Company include electric power generation, heat supply and electric power services. Details are as below:

1. Electric power generation

Electric power generation is the core business of the Company. Based on the rapid development of efficient low-carbon coal power, the Company makes great effort to develop new reproducible energy businesses such as wind power and solar power to greatly increase the proportion of new reproducible energy. Based on the development strategy of "Specializing Shanghai's Businesses, Optimizing Domestic Businesses and Strengthening Overseas Businesses", the Company has expanded electric power generation businesses all over China. By the end of 2015, shareholding

installed capacity of the Company has reached 9,362,700 KW among which 6,480,000 KW is coal power, accounting for 69.21%; 2,068,800 KW is gas power, accounting for 22.10%; 421,900 KW is wind power, accounting for 4.50%; 392,000 KW is photovoltaic power, accounting for 4.19%. Clean energy accounts for 30.79% of the installed capacity and installed capacity of above 600,000 KW accounts for 70.9% of the total installed capacity of coal power.

2. Heat supply business

Heating supply business is an important business of the Company. Heat supply business of the Company concentrates in Shanghai and the Company earns profit mainly from subsidiary power plants including Shanghai Caojing Cogeneration Co., Ltd., Shanghai Wujing Power Generation Co., Ltd. and Shanghai Waigaoqiao Power Generation Co., Ltd. The main service objects are large industrial enterprises and residents around these power plants. The Company fully implements the governmental policy of "Shutdown and Replacement of Small Coal-fired Boilers" and continuously expands concentrated heat supply. In the public heating power market of Shanghai, the Company has achieved a market share of 56.3%. The combined heat-power units of the Company, with a large capacity, are highly efficient. Shanghai Caojing Cogeneration Co., Ltd., a subsidiary of the Company, has the largest combined gas-steam circulating unit in China. The heating capacity and heating parameters of these units are most advanced in the industry and at a world level when compared with devices of the same type both domestic and abroad.

3. Electric power services

In addition to supply of electric power, the Company, based on its main business of electric power generation and depending on inherent advantages in respect of talent, technology and operating management, has expanded its energy service markets such as power station management, technical services, operation and repair & maintenance.

In respect of subsidiaries of the Company, engineering companies have acquired the qualification for project EPC in EU and operating companies have acquired the qualification to provide foreign labor services. These companies are capable of undertaking core O&M businesses for domestic key electric power industries and of providing professional services including power station operation, maintenance and overhauling. Presently, the Company has gone out Shanghai and it provides services for thermal power stations, nuclear power stations and new energy power stations both domestic and abroad. It has become strongly competitive in the industry. In addition to provide services all over China, the Company is also one of the electric power service enterprises which implement the "Going Out" Strategy first. It has been entrusted by several foreign countries to operate their thermal power units, including Equatorial Guinea, Iraq and Turkey.

Shanghai Minghua Electric Power Technology Engineering Co., Ltd., a subsidiary of SEP, is one of the high-tech enterprises in Shanghai and one of the technological "Giant" enterprises to be cultivated by the Shanghai Government. Minghua Electric Power continuously improves the quality and technical content of technical services, promotes industrialization of scientific and technological achievements and accelerates the transfer of traditional technical services to high-end technical services such as technical consultation, product R&D and product promotion.

Key Performance Indicators

Operating Performance

Indicator	Unit	2011	2012	2013	2014	2015
Total assets	billion yuan	31.603	31.567	35.053	47.344	52.046
Operating revenue	billion yuan	17.376	15.044	15.132	16.102	17.018
Total profit	billion yuan	0.823	1.355	2.096	2.498	2.852
Net profit attributable to the parent company	billion yuan	0.463	0.883	1.181	1.326	1.332
Total controlled installed capacity	MW	5748.9	5757.8	8537.1	8757.6	9362.7
Amount of power supply	TWh	34.568	30.597	31.119	33.597	35.23
Amount of heat supply	million GJ	13.5712	11.7795	10.9414	11.1593	13.8856
Production capability	MW	5748.9	5757.8	8537.1	8757.6	9362.7
Equity installed capacity	MW	7009.3	7161.9	8476.3	8932.2	9361.5
Patents registered	piece	6	8	17	37	84

Safety Production

Indicator	Unit	2011	2012	2013	2014	2015
Major casualty accident	times	/	0	0	0	0
Major equipment accident	times	/	0	0	0	0
Electric power safety accident	times		0	0	0	0
Environmental pollution accident	times	/	/	/	0	0
Days of continuous safe production and operation	day	/	937	1302	1667	2032

Environmental Protection

Indicator	Unit	2011	2012	2013	2014	2015
Coal consumption for power supply	g/kWh	312.49	291.48	291.20	287.92	283.58
Production capability of renewable energy projects	MW	10.9	19.8	300.6	491.1	813.9
Emission of NO _x	1000 tons	44.805	31.415	25.346	12.537	6.538
Emission of SO ₂	1000 tons	19.768	10.571	9.983	6.079	6.087
Emission performance of NO _x	g/kWh	1.05	0.85	0.68	0.34	0.18
Emission performance of SO ₂	g/kWh	0.46	0.28	0.27	0.18	0.17
Emission performance of dust	g/kWh	0.103	0.098	0.079	0.076	0.046

Social Harmony

Indicator	Unit	2011	2012	2013	2014	2015
Number of employees	person		6913	6673	6492	6445
Proportion of female employees	%		13.7	13.9	14.46	15.93
Rate of signing labor contracts	%		100	100	100	100
Rate of joining trade union	%		100	100	100	100
Number of employee volunteers	person		/	/	1698	2208
Number of volunteer services	person-time		/	1679	1912	2186

3. Management credentials

Name	Experience
Wang Yundan	Present Chairman and Secretary of the Party Committee of SEP. Once was General Manager of Shanghai Urban Electric Power Supply Limited of Shanghai Electric Power Company, Deputy Director of the Technology Department of State Grid Corporation of China, Director of the Planning and Development Department of China Power Investment Corporation.
Wang Huaiming	Present Director and President of SEP. Once was Director of the Planning Department and Deputy Chief Engineer of State Grid Jiangsu Electric Power Company & General Manager of State Grid Wuxi Power Supply Company, Deputy General Manager and member of the Party Committee of State Grid Hubei Electric Power Company, General Manager and Deputy Secretary of the Party Committee of State Grid Qinghai Electric Power Company, Deputy Director of and Director of the Planning Department of China Power Investment Corporation.
Wang Jiangong	Present full-time supervisor and director of the sponsored corporation of State Power Investment Corporation and Director of SEP. Once was Deputy Chief of the Finance Section of North China Power Engineering Co., Ltd., Deputy Director of the General Office of Auditing Bureau of Ministry of Electric Power Industry of PRC, Chief of the Auditing Department Section II of State Power Corporation, senior executive of and Deputy Manager of the Supervision & Auditing Department of China Power Investment Corporation, Deputy Director of the Auditing Department of China Power Investment Corporation, Deputy Director (responsible for the work) of and Director of the Auditing and Internal Control Department of China Power Investment Corporation.
Zhang Hongde	Present Deputy Director of the Finance and Assets Management Department of State Power Investment Corporation and director of SEP. Once was member of leading party group and Financial Controller of CPI Ningxia Energy Co., Ltd., member of leading party group and Financial Controller of CPI Xinjiang Energy Co., Ltd., member of leading party group and Deputy General Manager & Financial Controller of CPI Northwest Branch Co., Ltd., member of leading party group and Deputy General Manager & Financial Controller of Huanghe Group.
Zhao Fengyun	Present Deputy Director of the Thermal Power Department of State Power Investment Corporation and director of SEP. Once was senior executive of electricity market of the Marketing Department, Deputy Manager of the Commercial Department of, and Deputy Director of the Power Generation & Operation Department of China Power Investment Corporation.
Mao Guoquan	Present Deputy Director of the Hydraulic Power and New Energy Department of State Power Investment Corporation and director of SEP. Once was member of leading party group and Deputy General Manager of CPI Southern Power Co., Ltd., Board Chairman and Temporary Secretary of the Party Committee of Guangxi Changzhou Hydropower Development Co., Ltd., Deputy Director of the Foreign Business Department of China Power Investment Corporation, member of leading party group and Deputy General Manager of PI Yunnan International Power Investment Co., Ltd.(CPI Yunnan Power Co., Ltd.), and Deputy General Manager of Upstream Ayeyawady Confluence basin Hydropower Co., Ltd.
Xu Lihong	Present Vice President, Financial Controller and director of China Power International Development Limited, and director of SEP. Once was Deputy Director General of the Economic Operation Division of State Economic and Trade Commission Electric Power Company, Vice President of and Manager of the Finance and Property Management Department of China Power International Development Limited.
Wang Jintao	Present Manager of the Production and Technology Department of China Yangtze Power Co., Ltd., and director of SEP. Once was Chief Engineer of the overhaul factory of Gezhouba Power Plant Co., Ltd., Deputy Chief of the Production Section of

Name	Experience
	the Power Production and Management Department of China Three Gorges Corporation, Engineering Technology Director and Deputy Manager of the Production and Planning Department of China Yangtze Power Co., Ltd., Director Assistant and Deputy Director of the overhaul factory of China Yangtze Power Co., Ltd.
Sun Ji	Once was Director, Deputy President & CFO of SEP, and Deputy Chief of the Financial Department of Shanghai Electric Power Company.
Zheng Liangcheng	Present Secretary of the Party Committee and Deputy General Manager of Yangtze Three Gorges Equipment & Materials Co., Ltd. Once was Manager of the Auditing Department of China Yangtze Power Co., Ltd., Financial Controller and Deputy General Manager of Yangtze Three Gorges Industrial Co., Ltd., Manager of the Production and Planning Department of China Yangtze Power Co., Ltd., and director of SEP.
Xia Dawei	Present Professor and Doctorial Tutor of Shanghai National Accounting Institute, also Vice President of China Society of Industrial Economics, Chairman of Shanghai Accounting Society, consultant expert of the Accounting Standard Committee of the Ministry of Finance of PRC, Honorary Professor of Chinese University of Hong Kong, and member of the Listing Commission of Shanghai Stock Exchange.
Shao Shiwei	Present Independent Director of SEP. Once was Board Chairman, General Manager and Secretary of the leading party group of East China Grid Company Limited, General Manager and Secretary of the leading party group of State Power Corporation East China Company.
Yu Xinyang	Present Independent Director of SEP. Once was Deputy General Manager of China Huaneng Group, General Manager of Shanghai Electric Power Corporation, Primary Designated Engineer of State Electricity Regulatory Commission of PRC, and consultant of East China Grid Company Limited.
Gao Yufeng	Present Independent Director of SEP. Once was Deputy Director of Shanghai Municipal Commission of Housing and Urban Rural Development, Director of Shanghai Housing Accumulation Fund Management Center, Board Chairman and Secretary of the Party Committee of Shanghai Land (Group) Co., Ltd.
Jin Mingda	Present President of Shanghai Chemical and Industrial Association, and Independent Director of SEP. Once was Vice President of Shanghai Electric (Group) Corporation, General Manager of Shanghai Mechanical & Electrical Industry Co., Ltd., President and Board Chairman of Shanghai Huayi (Group) Company.
Xu Fei	Present Board Chairman of Shanghai Re-guarantee Co., Ltd., and Independent Director of SEP. Once was Deputy General Manager of PICC Shanghai Company, and Vice President of Shanghai State-owned Assets Operation Co., Ltd.
Zhao Yazhou	Present Vice President of China Power International Development Limited, Deputy General Manager of China Power International Holding Limited, and Chairman of the Board of Supervisors of SEP. Once was Chief Accountant and Financial Controller of China Power International Holding Limited.
Feng Junjie	Present Deputy Director of the Auditing and Internal Control Department of State Power Investment Corporation, and Supervisor of SEP. Once was Manager of the Internal Control Department of China Power International Development Limited, Chief of the Internal Control and Risk Management Section of the Auditing Department of China Power Investment Corporation.
Li Zhengguo	Present Deputy Chief of the Supervision Section II of the Supervision Department of State Power Investment Corporation, and Supervisor of SEP. Once was Senior Staff Member of Discipline Inspection Office I of the CPC Central Commission for Discipline Inspection, first-class staff of the Discipline Inspection Section I and the Discipline Inspection Section II of the Discipline Inspection Office of China Power Investment Corporation.

Name	Experience
Li Aijun	Present Deputy Manager of the Financial Department of China Yangtze Power Co., Ltd., and Supervisor of SEP. Once was Director of the Xiba Accounting Center of and Auditor General of the Financial Department of China Yangtze Power Co., Ltd.
Gu Ai	Present Secretary of Discipline Inspection Commission, Chairman of the Labor Union and Employee Supervisor of SEP. Once was Deputy Secretary of the Party Committee of, Secretary of the Discipline Inspection Commission of and Chairman of the Labor Union of Yangchang Power Plant of Shanghai Electric Power Co., Ltd., General Manager and Secretary of General Party Branch of Shanghai Caojing Cogeneration Co., Ltd., Director of the Human Resource Department of Shanghai Electric Power Co., Ltd., Chief of the Leader Management Section of the Human Resource Department of China Power Investment Corporation.
He Zhiliang	Present Party Branch Secretary of the Skill Training Center of SEP, and Employee Supervisor of SEP. Once was Deputy Secretary of the Party Committee of, Secretary of the Discipline Inspection Commission of, vice president of Shanghai Electric Minhang Power Plant, Deputy General Manager of Jiangsu Kanshan Power Co., Ltd., President of Shanghai Electric Minhang Power Plant.
Wang Guoliang	Once was Secretary of Discipline Inspection Commission, Chairman of the Labor Union, Employee Supervisor and Director of the Human Resource Department of SEP, Deputy Secretary of the Party Committee of CPI Power Engineering Co., Ltd.
Sun Weidong	Present Deputy President & Chief Engineer of SEP. Once was Deputy Chief of the Production and Technology Section of Shanghai Electric Power Company.
Guo Baohong	Present Deputy President of SEP. Once was President of Shanghai Nanshi Power Plant, General Manager and Secretary of the Party Committee of Shanghai Electric Power Fuel Co., Ltd., General Manager and Secretary of the General Party Branch of Shanghai Caojing Cogeneration Co., Ltd., and General Manager of Shanghai Caojing Integrated Energy Co., Ltd.
Xing Lianzhong	Present Deputy President of SEP. Once was Deputy Chief Engineer of Shanghai Waigaoqiao Power Plant, Director Assistant and Deputy Director of the Construction Preparation Section of Waigaoqiao Power Plant Phase-II Project, Deputy General Manager of Waigaoqiao No. 2 Power Generation Co., Ltd., Deputy Director of the Construction Preparation Section of Caojing Power Plant Phase-I Project, Deputy General Manager and General Manager of Shanghai Shangdian Caojing Power Generation Co., Ltd.
Xia Meixing	Present Deputy President and Secretary of the Board of Directors of SEP. Once was Chief of the High-Tech Industrial Development Section of and Chief of the Energy Development Section of Shanghai Municipal Development & Reform Commission.

4. Top 5 shareholders as of 30 June 2016

Name of shareholder	Shareholding (%)	Shareholder nature
State Power Investment Corporation	43.02	State-owned legal person
China Power International Development Limited	16.98	Overseas legal person (controlled by State Power Investment Corporation)
China Yangtze Power Co., Ltd.	5.67	State-owned legal person
Central Huijin Investment Company Limited	1.61	State-owned legal person
China Securities Finance Corporation Limited	1.27	State-owned legal person
Others	31.45	—

Exhibit D

SHANGHAI ELECTRIC POWER COMPANY LIMITED

ARTICLES OF ASSOCIATION

29 June 2016

The Articles of Association of Shanghai Electric Power Company Limited

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Articles of Association of Shanghai Electric Power Company Limited

(Amended 29 June 2016)

These Articles of Association have been reviewed and adopted by the 2015 Shareholders' Meeting of the Company

Chapter 1 General Principles

1. To protect the lawful interests of Shanghai Electric Power Company Limited ("**Company**") and its shareholders and creditors and to regulate the organisation and acts of the Company, these Articles of Association are hereby entered into in accordance with the *Company Law of the People's Republic of China* ("**Company Law**"), the *Securities Law of the People's Republic of China* ("**Securities Law**") and other relevant regulations.
2. The Company was established as a joint stock company with limited liability incorporated in accordance with the *Company Law* and other relevant regulations. The Company was incorporated by way of promotion and pursuant to the *Official Reply Approving the Establishment of Shanghai Electric Company Limited* issued by the People's Republic of China State Commission for Restructuring the Economic System (*Ti Gai Sheng* No. [1998] 42). On 4 June 1998, the Company completed its registration procedure with Shanghai Administration for Industry and Commerce and obtained its business license (License No. 3100001005356).
3. The Company made an initial public offering of 5240,000,000 common shares (domestic shares) on 27 September 2003 with approval of the China Securities Regulatory Commission ("**CSRC**"). The Company was listed on the Shanghai Stock Exchange on 29 October 2003.
4. The registered Chinese name of the Company

The name of the Company is "上海电力股份有限公司" in Chinese and Shanghai Electric Power Company Limited in English.
5. The Company's domicile

The Company's domicile is No. 268 Zhongshan South Road, Shanghai 200010.
6. The registered capital of the Company is RMB 2,139,739,257.
7. The Company is a perpetually-existing joint stock limited company.
8. The chairman of the board of directors shall be the legal representative of the Company.
9. The entire capital of the Company is divided into shares of equal par value. Shareholder liabilities to the Company shall be limited to their respective subscription to the Company's shares whereas the Company's liabilities shall be limited to the total amount of its assets.
10. From the effective date of these Articles of Association, these Articles of Association shall be a legally binding document that regulates the organisation and acts of the Company, defines the rights and obligations between the Company and its shareholders and defines the rights and obligations as between the Company's shareholders and also be binding upon the Company, shareholders, directors, supervisors and senior management personnel. In accordance with these Articles of Association, shareholders may institute legal proceedings against other shareholders, directors, supervisors, managers and other senior management personnel of the Company; shareholders may also institute

legal proceedings against the Company; and the Company may institute legal proceedings against its shareholders, directors, supervisors, managers and other senior management personnel.

11. The other senior management personnel referred to herein shall include the deputy general managers, secretary of the board of directors, and chief finance officer.

Chapter 2 Business Scope and Objectives

12. The business objectives of the Company are to engage in power generation and business operation pursuant to the laws, regulations and policies of the state, on the basis of market needs and by making full use of the financial, human and material resources, so as to maximize financial benefits for the Company, to generate social benefits for the public and to create lawful returns for all shareholders and employees of the Company..
13. Following registration in accordance with the law, the business scope of the Company shall be: development, construction, operation and management of electric power; organization of the production of electric power and heating power and sale of own products; skill training for electricity personnel within electricity enterprises; energy management contracting; general contracting of electricity engineering construction projects; general contracting of electromechanical installation construction projects (business operation pending the obtaining of relevant construction industry qualification); bid invitation/bidding agency; development and application of new energy and renewable energy projects; coal distribution; scientific and technical development and consulting services for electric power and related businesses; technical development and technical consulting services for integrated gasification combined cycle power generation projects; management of own properties; import/export of products including but not limited to equipment, apparatus, testing instruments and spare parts and export of own technologies relevant to electric power and energy performance contracting (except for products and technologies which a company is restricted by the state from dealing in or the import/export of which is prohibited by the state); contracting of offshore projects and onshore international bidding projects; offshore dispatching of labour forces required for offshore engineering and offshore power station operation management and maintenance; warehousing.

Chapter 3 Shares

Section 1 Share Issues

14. The stock of the Company is issued in the form of shares.
15. The Company's shares shall be issued in accordance with the principles of openness, fairness, impartiality and each share of the same class shall be entitled to the same rights.

Each share of the same class shall be issued on the same terms and at the same price for the same issue. Any individual or entity shall subscribe to shares at the same price for each share.
16. The shares issued by the Company are denominated in Renminbi.
17. The issued shares of the Company are held by the Shanghai Branch of China Securities Registration and Settlement Co., Ltd. in escrow.
18. The Company is established by way of promotion and its promoters are Shanghai Municipal Electric Power Company and the former East China Power Group Corporation (restructured in May 2000 to become State Power East China Company).
19. The Company shall issue a total number of 2,139,739,257 shares, all of which shall be RMB common shares. The shareholding structure of the Company shall be as follows: 920,600,327 shares

to State Power Investment Corporation, accounting for 43.02% of the total number of shares; 363,292,165 shares to China Power International Development Limited, accounting for 16.98% of the total number of shares; 121,245,236 shares to China Yangtze Power Co., Ltd., accounting for 5.67% of the total number of shares; and 734,601,529 shares to other shareholders, accounting for 34.33% of the total number of shares.

20. The Company or its subsidiaries (including its subordinates) shall not provide any financial assistance to any person subscribing or purchasing or intending to subscribe or purchase shares of the Company in the form of, among others, donation, advance payment, security, compensation or loan.

Section 2 Capital Increase and Reduction and Buy-back of Shares

21. The Company may, in accordance with operational and managerial requirements and the relevant laws and regulations, increase its registered capital in the following ways, subject to a resolution passed at the shareholders' meeting:

- (1) the issue of new shares to the public or to existing shareholders;
- (2) the private placement of new shares;
- (3) the bonus issue of shares to existing shareholders;
- (4) the conversion of capital reserve to share capital; or
- (5) other methods permitted by the laws and administrative regulations and the securities authority of the CSRC.

22. The Company may reduce its registered capital. Any decrease in the registered capital of the Company shall be effected in accordance with the *Company Law*, other relevant regulations and the provisions hereof.

23. In the following circumstances, the Company may buy back its issued shares in accordance with the laws, regulations, rules and these Articles of Association:

- (1) the decrease in the registered capital of the Company;
- (2) the merger with other companies that hold shares in the Company;
- (3) to award shares to the employees of the Company;
- (4) the buy-back of shares of the Company required by the shareholder who has objection to the resolution of the shareholders' meeting on merger or division of the Company.

The Company is prohibited from purchasing or selling its shares unless its activities fall within the scope as described above.

24. The Company may buy back its issued shares in any of the following ways:

- (1) centralized trading of securities at competing prices on the stock exchange;
- (2) making a tender offer in accordance with the rules of the CSRC and other competent authorities;
- (3) any other means approved by the CSRC.

25. If the Company buys back its issued shares in accordance with articles 23 (1) to (3), a resolution shall be adopted at the shareholders' meeting. In the case of the circumstance described in article 23(1), the Company shall de-register such shares within ten (10) days of the date of buy-back; in the case of circumstance described in article 25 (2) or (4), the Company shall transfer or de-register such shares within six (6) months.

If the Company buys back its issued shares in accordance with article 23(3), such shares to be purchased shall not be more than five percent (5%) of all of the issued shares of the Company; payment for purchase shall be sourced from the after-tax profits of the Company; such shares to be purchased shall be transferred to employees within one year.

Section 3 Transfer of Shares

26. The Company's shares can be transferred in accordance with law.
27. The Company shall not accept pledges of its own shares.
28. Shares held by the promoters in the Company shall not be transferred within one year from the date of establishment of the Company. Shares issued prior to the Company's public offering shall not be transferred within one year from the date of listing of the shares of the Company on the stock exchange.

Directors, supervisors, and senior management personnel of the Company shall declare to the Company their shareholdings and any change in such shareholdings. During the term of their respective positions, the number of shares transferred by any of them shall not exceed twenty five percent (25%) of the total number of their respective shares of the Company. Any shares held by any of them shall not be transferred within one year from the date when shares in the Company first trade on the stock exchange. The aforesaid persons shall not transfer their shares in the Company within six months of vacating their position.

29. If any director, supervisor or senior management personnel of the Company, or any shareholder holding five percent (5%) or more of shares in the Company, sells any of its shares in the Company within six months from their purchase, or purchases any such shares in the Company within six months from their sale, any proceeds arising from such sale or purchase shall be vested in the Company and the board of directors of the Company will take back such proceeds, provided that any securities company will not be prohibited from selling shares within six months if such company holds five percent (5%) or more of shares due to purchase of the remaining shares arising from the underwriting.

If the board of directors of the Company fails to give effect to the previous paragraph, shareholders shall be entitled to request the board of directors to do so within thirty (30) days. If the board of directors fails to do so within such period, shareholders shall be entitled to bring an action directly to the People's court in the name of shareholders for the benefit of the Company.

Any director responsible shall assume the joint and severable liability for such failure of the board of directors to perform its duties in accordance with the first paragraph.

Chapter 4 Shareholders and Shareholders' Meeting

Section 1 Shareholders

30. A shareholder of the Company is a holder of the Company's shares in accordance with the law.

A shareholder shall have rights and obligations according to the class of shares held by the shareholder and shareholders of the same class of shares shall have the same rights and shall bear the same obligations.

31. The shareholders of the Company shall establish a shareholder register in accordance with certificates provided by the securities registration institution. The shareholder register shall be conclusive evidence as to the shareholder's shareholding in the Company.
32. The Company shall enter into a share escrow agreement with the Shanghai Branch of China Securities Registration and Settlement Co., Ltd. and shall, based on certificates provided by it, establish a shareholder register, enquire on a regular basis about information regarding key shareholders and changes in their shareholding status (including any pledge on shares), and keep informed about the shareholding structure of the Company.
33. When the Company holds shareholders' meetings, distributes dividends, goes into liquidation or conducts such other matters which require it to confirm the identity of shareholders, the board of directors or convenor of the shareholders' meeting shall set the record date of share registration and all the registered shareholders after the closing of the share registration on the record date shall be shareholders of the Company for such purpose.

Section 2 Shareholders' Rights

34. The shareholders of the Company shall enjoy the following rights:
 - (1) to receive dividends and other forms of profit distribution in accordance with the number of shares they hold;
 - (2) to request, convene, hold the shareholders' meetings or attend shareholders' meetings in person or by proxy, and exercise the appropriate voting rights;
 - (3) to supervise the business operation and activities of the Company and to make proposals or enquiries in relation thereto;
 - (4) to transfer, gift or pledge shares held by them in accordance with the law, administrative regulations and these Articles of Association;
 - (5) to inspect these Articles of Association, the shareholder register, receipt of bonds issued by the Company, minutes of the shareholders' meetings, resolutions of meetings of the board of directors, resolutions of meetings of the board of supervisors, financial and accounting reports;
 - (6) to participate in the distribution of the remaining assets in accordance with the shareholding upon the dissolution or liquidation of the Company;
 - (7) in case of any shareholder having objection to any resolution in connection with merger or division of the Company adopted at the shareholders' meeting, to request the Company to purchase shares held by such shareholder;
 - (8) any other rights conferred by laws, administrative regulations, departmental rules and these Articles of Association.
35. The shareholders who submit a request to access or inspect any information mentioned in the above article shall provide the relevant documents to confirm the class of their shares in the Company and the number of shares that they hold. The Company shall provide the information requested by the shareholders after verifying the shareholders' identity.

36. If the resolutions of shareholders' meeting or the meeting of the board of directors violate the requirements of law and administrative regulations, the shareholders are entitled to apply to the people's court to request such resolutions be declared void.

If the convention procedure or the voting procedure in connection with the shareholders' meeting or the meeting of the board of directors is in breach of laws and administrative regulations or these Articles of Association, or the resolution breaches these Articles of Association, the shareholder is entitled to request the people's court to revoke such resolution within sixty (60) days from the date of the passing of the resolution.

37. If directors or senior management personnel breach any laws, administrative regulations or these Articles of Association in performing their duties and incur any loss to the Company, shareholders alone or jointly holding one percent (1%) or more shares in the Company for at least the immediately preceding one hundred and eighty (180) consecutive days are entitled to request the board of supervisors in writing to bring an action in the People's court; if the board of supervisors breaches any laws, administrative regulations or these Articles of Association in performing its duties and incurs any loss to the Company, the shareholders may request the board of directors in writing to bring an action in the People's court.

If the board of supervisors or the board of directors refuses to bring an action upon receipt of the written request from shareholders under the previous paragraph, or fails to bring an action within thirty (30) days from receipt of such request, or if no immediate action may cause the Company irreparable harm in an emergency, the shareholders set forth in the previous paragraph shall be entitled to directly bring an action in the People's court in their own names for the benefit of the Company.

If other persons infringe legitimate interests of the Company and incur any loss to the Company, shareholders set forth in the first paragraph of this article may bring an action in the People's court in accordance with the previous two paragraphs.

38. If directors and senior management personnel breach laws, administrative regulations or these Articles of Association and impair the interests of shareholders, shareholders may bring an action to the People's court.

Section 3 Shareholders' Obligations

39. The shareholders of the Company shall undertake the following obligations:

- (1) to observe laws, administrative regulations and these Articles of Association;
- (2) to pay the subscription price according to the number of shares subscribed for and the form of the contribution;
- (3) not to sell back the shares to the Company other than in accordance with the relevant laws and regulations;
- (4) not to abuse the rights of shareholders to impair the interests of the Company or other shareholders; not to abuse the independent status of the Company as a legal person or the limited liabilities of shareholders; or not to impair the interests of creditors of the Company;

If any shareholder of the Company abuses rights of shareholders, such shareholders shall be liable for any loss incurred by the Company or other shareholders according to law.

If any shareholder of the Company abuses the independent status of the Company as legal person or the limited liabilities of shareholders to evade debts to the material detriment or

interests of creditors of the Company, such shareholder shall be jointly and severally liable for the debts of the Company; and

- (5) to comply with any other obligations required pursuant to laws, administrative regulations and these Articles of Association.
- 40. If a shareholder holding five percent (5%) or more than the voting shares in the Company creates a pledge over any shares it holds, it shall report the matter to the Company in writing on the date of its occurrence.
- 41. The controlling shareholders and the actual controllers of the Company shall not impair the interests of the Company by use of their connected relationship. If any of them breaches such provision and causes any loss to the Company, it shall be liable for such loss.

The controlling shareholders and the actual controllers of the Company shall have a fiduciary duty to the Company and the shareholders holding public shares in the Company. The controlling shareholders shall exercise their rights as investors in strict compliance with the law. The controlling shareholders shall not conduct any connected transaction, profit distribution, asset reorganisation, external investment, fund possession, capital borrowing, security or other activity to the detriment of the lawful rights and interest of the Company and other shareholders, shall not use their controlling positions to the detriment of the lawful rights and interest of the Company and shareholders holding public shares in the Company, and shall not use their controlling positions to the detriment of the right of the Company and shareholders holding public shares in the Company.

Section 4 Shareholders' Meeting

- 42. The shareholders' meeting is the governing body of the Company and shall exercise the following powers:
 - (1) to determine the business policies and investment plans of the Company;
 - (2) to elect and replace directors and supervisors who are not employee representatives and decide matters relating to the remuneration of directors and supervisors;
 - (3) to examine and approve the reports of the board of directors;
 - (4) to examine and approve the reports of the board of supervisors;
 - (5) to examine and approve the Company's annual financial budgets and final accounts;
 - (6) to examine and approve the Company's plans for profit distribution and making up of losses;
 - (7) to resolve on any increase or reduction of the Company's registered capital;
 - (8) to resolve on any issue of bonds by the Company;
 - (9) to resolve on the merger, division, dissolution or liquidation of the Company or the change of its corporate form;
 - (10) to amend these Articles of Association;
 - (11) to resolve on the appointment or dismissal of the Company's accountants;
 - (12) to examine and approve any guarantee as provided for in article 43;

- (13) to examine and approve matters in connection with asset acquisition or sale incurred within one year representing more than thirty percent (30%) of the Company's latest audited total assets;
- (14) to examine and approve any change in the purpose of funded capital;
- (15) to examine any stock incentive plan;
- (16) to examine and approve other matters required to be decided at the shareholders' meeting in accordance with laws, administrative regulations, departmental rules or these Articles of Association.

The afore-mentioned powers of the shareholders' meeting shall not be delegated to and vicariously exercised by the board of directors or any other institution or individual

- 43. Any of the following external guarantees provided by the Company shall be approved at the shareholders' meeting:
 - (1) any guarantee which is provided after the total secured amount in connection with external guarantee provided by the Company and any subsidiary controlled by the Company equals or exceeds fifty percent (50%) of the Company's latest audited net assets;
 - (2) any guarantee which is provided after the total secured amount in connection with external guarantee provided by the Company equals or exceeds thirty percent (30%) of the Company's latest audited total assets;
 - (3) any guarantee in favour of any entity whose ratio of debts to assets is higher than seventy percent (70%);
 - (4) any single guarantee where the total secured amount is in excess of ten percent (10%) of the Company's latest audited net assets;
 - (5) any guarantee in favour of any shareholder, actual controller or a connected party of either of them.
- 44. Shareholders' meetings include annual general meetings and extraordinary general meetings. The annual general meeting shall be held once a year and shall be held within six months of the end of the preceding fiscal year.
- 45. Upon the occurrence of any of the following events, the Board of Directors shall convene an extraordinary shareholders' meeting within two months of the occurrence thereof:
 - (1) the number of directors falls below two-thirds of the number required by the *Company Law* or the number provided by these Articles of Associations;
 - (2) the Company's aggregate losses amount to one-third of its paid-up share capital;
 - (3) a single shareholder or shareholders jointly holding an aggregate of ten percent (10%) or more of the total shares in the Company request in writing that an extraordinary shareholders' meeting be convened;
 - (4) the board of directors considers an extraordinary shareholders' meeting to be necessary;
 - (5) the board of supervisors considers an extraordinary shareholders' meeting to be necessary;
 - (6) More than half of all independent directors propose the convening of such meeting;

- (7) any other circumstances requiring an extraordinary shareholders' meeting to be held in accordance with laws, administrative regulations, departmental rules or these Articles of Association.

The number of shares held by shareholders for the purposes of paragraph (3) shall be determined as at the date of such written request.

46. An extraordinary general meeting shall resolve on matters specified in the notice or the relevant announcement.
47. The Company shall hold shareholders' meetings in Shanghai, with the exact location to be determined at the sole discretion of the convenor of the shareholders' meeting based on actual circumstances. The venue of the meeting shall be notified to the shareholders via an announcement.

A meeting site shall be prepared for the shareholders' meeting and the shareholders' meeting shall be held on the scene. The Company may provide network connections or other means as it deems appropriate to facilitate the shareholders' attendance at a shareholders' meeting. Any shareholder participating at a shareholders' meeting through the afore-mentioned methods shall be deemed to be present.

48. When convening a shareholders' meeting, the Company will engage a lawyer to issue and make public a legal opinion on the following matters:
- (1) whether the convention and holding of the shareholders' meeting is in compliance with laws, administrative regulations and these Articles of Association;
 - (2) the qualification of participants and the convenor is lawful and valid;
 - (3) the voting procedures and results at the meeting are lawful and valid; and
 - (4) other relevant matters at the request of the Company.

Section 5 Convention of Shareholders' Meetings

49. An independent director is entitled to propose to the board of directors in writing to convene an extraordinary general meeting. The board of directors shall respond to such proposal in writing in accordance with laws, administrative regulations and these Articles of Association within ten (10) days of receipt of such proposal.

If the board of directors agrees to convene the extraordinary general meeting, a notice convening the shareholders' meeting shall be sent within five (5) days after the resolution of the board of directors is passed. If the board of directors refuses to convene the meeting, the board of directors shall give and publicise its reasons.

50. The board of supervisors is entitled to propose to the board of directors in writing to convene an extraordinary general meeting. The board of directors shall respond to such proposal in writing in accordance with laws, administrative regulations and these Articles of Association within ten (10) days of receipt of such proposal.

If the board of directors agrees to convene the extraordinary general meeting, a notice convening the shareholders' meeting shall be sent within five (5) days after the resolution of the board of directors is passed. Any amendment to the original proposal in the notice shall be subject to the consent of the board of supervisors.

If the board of directors refuses to convene the meeting or fails to respond within ten (10) days of receipt of such proposal, the board of directors shall be deemed to be unable to or fail to perform its duties to convene shareholders' meetings, and the board of supervisors may convene and preside over the meeting on its own initiative.

51. Any shareholders alone or jointly holding ten percent (10%) or more of shares in the Company ("**proposing shareholders**") are entitled to request the board of directors in writing to convene an extraordinary general meeting. The board of directors shall respond to such proposal in accordance with laws, administrative regulations and these Articles of Association within ten (10) days of receipt of such request.

If the board of directors agrees to convene the extraordinary shareholders' meeting, a notice convening the shareholders' meeting shall be sent within five (5) days after the resolution of the board of directors is passed. Any amendment to the original proposal in the notice shall be subject to the consent of the relevant shareholders.

If the board of directors does not agree to convene the meeting or fails to respond within ten (10) days of receipt of such proposal, any shareholders alone or jointly holding ten percent (10%) or more of shares in the Company are entitled to propose to the board of supervisors in writing to convene the extraordinary general meeting.

If the board of supervisors agrees to convene the extraordinary general meeting, the board of supervisors shall send a notice convening the meeting within five (5) days of receipt of such proposal. Any change in the original proposal shall be subject to consent of relevant shareholders.

If the board of supervisors fails to send the notice within the required period, the board of supervisors shall be deemed to have failed to convene and preside over the shareholders' meeting. A single shareholder or shareholders jointly holding ten percent (10%) or more of shares in the Company for the immediately preceding ninety (90) consecutive days may convene and preside over such meeting on its own initiative.

52. If the board of supervisors or shareholders convene the shareholders' meeting on their own initiative, they shall notify the board of directors in writing and at the same time file the notice of meeting with CSRC Shanghai Regulatory Bureau and the Shanghai Stock Exchange for the record.

The shareholders entitled to convening the shareholders' meeting must hold at least ten percent (10%) of shares in the Company immediately before the resolution of such meeting is publicised.

The shareholders convening the shareholders' meeting shall submit relevant supporting documents to the local entity of CSRC of the place where the Company is located and the Shanghai Stock Exchange when such shareholders send a notice of the shareholders' meeting and announce the resolution of the shareholders' meeting.

53. With regard to the shareholders' meeting to be convened by the board of supervisors or shareholders on their own initiative, the board of directors and the secretary of the board of directors shall provide assistance. The board of directors shall provide the shareholder register of the record date of share registration. If the board of directors fails to provide the shareholder register, the convenor may, by presenting the relevant notice announcing the convention of the shareholders' meeting, request the register from the securities registration and settlement entity. The shareholder register obtained by the convenor shall not be used for purposes other than convening a shareholders' meeting.
54. The Company shall bear costs and expenses necessary for the shareholders' meeting to be convened by the board of supervisors or shareholders on their own initiative.

55. A shareholders meeting shall be convened by the board of directors and presided over by the chairman of the board in accordance with the law. If the chairman of the board of directors is unable or fails to perform his duties for whatever reason, the meeting shall be presided over by a director jointly nominated by more than half of the directors.

The shareholders' meeting convened by the board of supervisors on its own initiative shall be presided over by the chairman of the board of supervisors. If the chairman of the board of supervisors is unable or fails to perform his duties, the meeting shall be presided over by the vice-chairman of the board of supervisors. If the vice-chairman of the board of supervisors is unable or fails to perform his duties, the meeting shall be presided over by a supervisor jointly nominated by more than half of the supervisors.

The shareholders' meeting convened by shareholders on their own initiative shall be presided over by the representative nominated by the convenor.

If the person presiding over the meeting breaches the procedural rules at the shareholders' meeting causing the shareholders' meeting to discontinue, subject to consents of more than half of shareholders with voting rights attending the shareholders' meeting, the shareholders' meeting may nominate a person to act as the person presiding over the meeting and such meeting may continue.

Section 6 Proposals and Notices for Shareholders' Meeting

56. A proposal for a shareholders' meeting shall satisfy the following requirements:

- (1) It complies with the relevant requirements of laws, administrative regulations and these Articles of Association and falls within the business scope of the Company and scope of responsibility of the shareholders' meeting;
- (2) It contains express topics and specific matters to be resolved;
- (3) It is submitted to or served upon the convenor in writing.

57. Shareholder(s) alone or jointly holding three percent (3%) or more of shares in the Company may make an interim proposal and submit it to the convenor in writing 10 days prior to the convention of a shareholders' meeting. The convenor shall give a supplementary notice for the shareholders' meeting within two days following receipt of the proposal to make public the contents of the interim proposal.

Save as provided in the preceding paragraph, the convenor, following the giving of the shareholders' meeting notice, shall not revise any proposal already specified in the shareholders' meeting notice or include any new proposal.

The shareholders' meeting shall not vote on any proposal which is not specified in the shareholders' meeting notice or does not comply with Clause 56 of these Articles of Association.

58. The convenor shall act in the best interest of the Company and the shareholders to review proposals for the shareholders' meeting pursuant to the requirements of Clause 56 of these Articles of Association.
59. If the board of directors decides not to include a proposal for the shareholders' meeting in the meeting agenda, it shall give an explanation at the shareholders' meeting and shall publicize the proposal and the explanation given by the board of directors along with the shareholders' meeting resolution after the conclusion of the shareholders' meeting.

60. If the shareholder making a proposal objects to the decision of the board of directors not to include the proposal in the agenda of the shareholders' meeting, it may propose to the board of supervisors to convene an extraordinary general meeting pursuant to the procedure provided in Clause 51 of these Articles of Association.
61. The convenor shall notify the shareholders by way of an announcement of the an annual general meeting 20 days prior to its convention and of an extraordinary general meeting 15 days prior to its convention.
62. A shareholders' meeting notice shall include the following:
- (1) The time, venue and duration of the meeting;
 - (2) Matters and proposals submitted to the meeting for consideration;
 - (3) Clear written clarification that all shareholders are entitled to attend the shareholders' meeting and that they may have proxies (who do not have to be shareholders of the Company) to attend and vote at the meeting;
 - (4) The record date of share registration for the shareholders entitled to attend the shareholders' meeting;
 - (5) The time and place of delivery of any power of attorney for voting;
 - (6) The name and telephone number of a permanent contact person for the meeting.

The shareholders' meeting notice and any supplementary notice thereof shall adequately and fully disclose all proposals and all information or explanations necessary for the shareholders to make reasonable judgements on matters to be discussed. Where any matter to be discussed requires the opinion of any independent director, the opinion and justification of such independent director shall be disclosed when the shareholders' meeting notice or supplementary notice is given.

If a shareholders meeting is held through the internet or by any other means, the shareholders' meeting notice shall specify the time and procedure of voting through the internet or by any other means. The commencement time of voting for a shareholders meeting through the internet or by any other means shall not be earlier than 3:00pm of the day immediately prior to the opening of the shareholders' meeting on the scene and shall not be later than 9:30am of the day of the opening of the shareholders' meeting. The ending time shall not be earlier than 3:00pm of the day of conclusion of the shareholders meeting on the scene.

The share registration record date for the shareholders meeting shall be within seven (7) working days prior to the date of the meeting. The share registration record date shall not be changed after the date is confirmed.

63. If the election of directors and supervisors is proposed to be discussed at the shareholders' meeting, the notice of the shareholders' meeting shall disclose full details of the director candidates and supervisor candidates, including at least:
- (1) Educational background, working experience, part-time employment;
 - (2) Any connected relationship with the Company, the controlling shareholder or the actual controller of the Company;
 - (3) The number of shares held in the Company;

- (4) Any penalty imposed by the CSRC or other relevant authority or censure imposed by the stock exchanges.

Unless a director or supervisor is to be elected using the accumulative voting system, each of the director or supervisor candidates shall be proposed on a standalone basis.

64. After the notice of the shareholders' meeting is given, without a proper reason the shareholders' meeting shall not be postponed or cancelled and any proposal listed in such notice shall not be withdrawn. In the event of any such postponement/cancellation or withdrawal, the convenor shall announce such postponement/cancellation or withdrawal and give reasons therefor at least two (2) working days prior to the original date for the convention of the meeting.

Section 7 Holding of Shareholders' Meetings

65. The board of directors and other convenors shall take all necessary measures to ensure that solemnity and orderliness of the shareholders' meeting. Apart from shareholders (or their proxies), directors, supervisors, board secretary, senior management personnel, legal counsel engaged and board invitees, the Company shall be entitled to deny access by any other personnel in accordance with the law. The Company will take steps to prevent any activity interfering in the shareholders' meeting, creating disturbances or infringing upon the legal interests of other shareholders and shall report such activity to the relevant authority for further action.

66. All shareholders registered on the record date of share registration or their proxies shall be entitled to attend shareholders' meetings and to exercise voting rights in accordance with relevant laws and regulations and these Articles of Association.

The Company and the convenor shall not object on any ground.

67. Shareholders may attend shareholders' meetings in person or delegate a proxy to attend and vote on their behalves.

A shareholder shall appoint a proxy through a written power of proxy which shall be signed by the principal or by a representative appointed by it in writing. Where the principal is a legal person, the chop of the legal person or the signature of the representative formally appointed by it shall be affixed.

68. If any individual shareholder attends a meeting in person, the shareholder shall present his/her identification certificate or any other valid certification to prove his/her identity, the share account card and the shareholding certificate. In the event of attendance by proxy, a valid identification certificate, the power of proxy and the shareholding certificate of the proxy shall be provided.

A shareholder with the status of a legal person shall have its legal representative or a proxy appointed by the legal representative attend the meeting. If the legal representative attends the meeting, he/she shall present his/her identification certificate and any valid certificate to prove his/her qualification as the legal representative and the shareholding certificate. If a proxy attends the meeting, he/she shall present his/her identification certificate, the written power of proxy issued according to law by the legal representative of the shareholder and the shareholding certificate.

69. The power of proxy issued by a shareholder authorising a proxy to attend a shareholders' meeting shall include:

- (1) the name of the proxy;
- (2) whether the proxy has any voting right;

- (3) instructions on agreeing, disagreeing, or abstaining in respect of every matter to be discussed in the agenda of the shareholders' meeting;
- (4) whether any voting right is granted in connection with any extraordinary proposal that may be incorporated into the agenda of the shareholders' meeting and (where voting right is granted) specific instructions on what voting right is to be exercised;
- (5) the date of issue of the power of proxy and its valid term;
- (6) the signature (or chop) of the principal. If the principal is a shareholder with the status of a legal person, the corporate chop of the legal person shall be affixed.

The power of proxy shall specify whether the proxy for the shareholder is able to vote at his/her discretion if the shareholder does not give any specific instruction.

- 70. The power of proxy for voting shall be kept at the domicile of the Company or such other place as is designated in the meeting notice at least twenty-four hours prior to the opening of the meeting. If the power of proxy for voting is signed by someone authorised by the principal, the power of authorisation or any other authorisation document in connection with such signature shall be notarised. The notarised power of authorisation or any other authorisation document and the power of proxy for voting shall all be kept at the domicile of the Company or such other place as is designated in the meeting notice. If the principal is a legal person, its legal representative or any other person authorised by the board of directors or another decision making body may attend the shareholders' meeting of the Company.
- 71. The Company shall prepare the attendee register which shall include, among others, the name of attendee (or the name of the entity), identification certificate number, domicile, the number of shares with voting rights that he/she holds or represents, and name of the person (or entity) who attends the meeting by proxy.
- 72. The convenor and lawyers engaged by the Company shall jointly verify the legitimate qualification of shareholders in accordance with the shareholder register provided by the securities registration and settlement company and shall register the names of shareholders and the number of voting shares each of them holds. The meeting registration shall end before the person presiding over the meeting announces the number of shareholders and proxies attending the meeting on the scene and the total number of voting shares held.
- 73. All the directors, supervisors and the secretary of the board of directors of the Company shall attend the shareholders' meeting; the general manager and other senior management personnel shall attend the shareholders' meeting as non-voting attendees.
- 74. Once a notice is given to convene a shareholders' meeting, the board of directors shall not alter the time of convening the meeting unless for reasons attributable to force majeure or other unexpected events. Where it is necessary to alter the time of a shareholders' meeting due to the occurrence of a force majeure event, the record date of share registration shall not be altered accordingly.
- 75. If the number of the directors falls below the mandatory minimum number required by the *Company Law* or the number provided by the Articles of Association or if the aggregate losses amount to one-third of its total share capital, and the board of directors fails to convene a shareholders' meeting within the required timeframe, the board of supervisors or the shareholders may convene an extraordinary shareholders' meeting on their own initiative pursuant to the provisions of these Articles of Association.
- 76. The Company shall formulate procedural rules for the shareholders' meeting and provide details for the convention and voting procedures for a shareholders' meeting, including notices, registration,

consideration of proposals, voting, vote counting, announcement of voting results, making of meeting resolutions, meeting minutes and their signing and public announcement, among others, and the principles for the delegation of power by the shareholders' meeting to the board of directors (any such delegation shall be clear and specific). The procedural rules for the shareholders' meeting shall be an attachment to the Articles of Association and shall be formulated by the board of directors and approved by the shareholders' meeting.

77. At the annual general meeting the board of directors and the board of supervisors shall report to the shareholders meeting on the performance of the business over the previous year. Each independent director shall also report his/her work.
78. At the shareholders' meeting, directors, supervisors and senior management personnel shall give explanations in connection with queries and suggestions submitted by shareholders.
79. Before votes are taken, the person presiding over the meeting shall announce the number of shareholders present in person or represented by proxy at the meeting and the total number of voting shares they hold. The number of shareholders present in person or represented by proxy at the meeting and the total number of voting shares they hold shall be confirmed by the meeting registration procedure.
80. The secretary of the board of directors shall be responsible for preparing minutes of the shareholders' meeting which shall record the following information:
 - (1) the time, place and agenda of such meeting, and the name of the convenor;
 - (2) names of the person presiding over the meeting, directors, supervisors, the general manager and other senior management personnel attending the meeting;
 - (3) the number of shareholders present in person or represented by proxy, the total number of voting shares they hold or represent, and the percentage of the total number of the Company's shares that they represent;
 - (4) the course of discussion about each proposal, the main points in connection with each speech, and the results of votes cast;
 - (5) any queries, opinions and recommendations of shareholders and corresponding answers or explanations;
 - (6) names of lawyers, persons counting votes, and persons supervising votes; and
 - (7) any other details necessary to be included in the minutes in accordance with these Articles of Association.
81. The convenor shall ensure that the meeting minutes shall be true, accurate and complete. The meeting minutes shall be signed by directors, supervisors, the secretary of the board of directors and the convenor or their proxies attending the meeting, and the person presiding over the meeting. The meeting minutes shall be kept together with the signature book regarding shareholders present at the meeting, the power of proxy and other valid documents in connection with internet voting and other voting manners for no less than ten (10) years.
82. The convenor shall ensure that the shareholders' meeting continues until final resolutions are formed. If the shareholders' meeting ceases or is unable to form resolutions due to special reasons such as force majeure, the convenor shall take necessary measures to resume the shareholders' meeting or directly terminate such meeting and make a timely announcement. At the same time, the convenor

shall report to the local entity of CSRC of the place where the Company is located and the stock exchange.

Section 8 Voting and Resolutions of Shareholders' Meetings

83. Shareholders (including their proxies) shall exercise their voting right through the voting shares they hold, and each share shall have one vote. The shares held by the Company in the Company itself shall not carry any voting right and such shares shall not be included in calculating the total number of voting shares held by shareholders present at the meeting.

The board of directors, independent directors, or shareholders satisfying relevant requirements may solicit shareholder voting rights.

84. Shareholders' meeting resolutions may be ordinary resolutions or special resolutions.

An ordinary shareholders' resolution shall be passed by one half or more of the votes cast by the shareholders present in person or represented by proxy at the shareholders' meeting.

A special shareholders' resolution shall be passed by two-thirds or more of the votes cast by the shareholders present in person or represented by proxy at the shareholders' meeting.

85. The following matters must be approved by an ordinary resolution at a shareholders' meeting:

- (1) the work reports of the board of directors and board of supervisors;
- (2) any proposal for profit distribution and for making up of losses prepared by the board of directors;
- (3) the appointment and removal of the members of the board of directors and the members of the board of supervisors and their remuneration and the method of payment in relation to their appointment;
- (4) the annual budget and final statement of accounts;
- (5) the Company's annual report;
- (6) any other matters that do not require a special resolution at a shareholder's meeting under the laws, administrative regulations or these Articles of Association.

86. The following matters must be approved or effected by special resolution at the shareholders' meeting:

- (1) any increase or decrease in the Company's share capital;
- (2) any issuance of bonds of the Company;
- (3) any merger, division, dissolution or liquidation of the Company;
- (4) any amendments to these Articles of Association;
- (5) any purchase or sale of substantial assets or grant of security (including guarantees) by the Company within one year representing, in aggregate, more than thirty percent (30%) of the latest audited total assets of the Company;
- (6) the adoption of any stock option scheme;

(7) any other matters requiring a special resolution, as prescribed by laws, administrative regulations or these Articles of Association, or resolved by ordinary resolution at a shareholders' meeting as having sufficient material effect on the Company.

87. While ensuring the legality and validity of a shareholders' meeting, the Company shall resort to various means to make it easy for shareholders to attend the meeting, including making use of any internet voting platform or other modern IT technology.
88. Unless the Company faces any crisis or other special circumstances and without the approval of a special resolution, the Company shall not enter into any contract with a director, the general manager or other senior management personnel whereby these people are entrusted with the responsibility for managing all or any substantial business of the company.
89. List of candidates for directors and supervisors shall be submitted in the form of a proposal to the shareholders' meeting for voting.

When the shareholders' meeting vote on the election of directors or supervisors, a cumulative voting system may be adopted subject to the provisions of these Articles of Association or the resolution of the shareholders' meeting.

The cumulative voting system as mentioned above shall refer to the system in which each share shall carry the same number of votes as the number of directors or supervisors to be elected and the voting rights of a shareholder may be used aggregately.

The board of directors shall publicize the resumes and basic information of director candidates and supervisor candidates.

90. Other than in the case of the cumulative voting system, the shareholders' meeting will vote on all proposals one by one. Where there are different proposals for the same matter, voting will be conducted in order of the time they are submitted. The shareholders' meeting will not put a proposal on hold or abstain from voting on it unless a force majeure event or any other special reason causes the shareholders' meeting to be terminated or prevents it from resolving on the proposal.
91. The shareholders' meeting will consider a proposal without revising it. Any revision thereof will be deemed a new proposal and will not be capable of being voted on at the current shareholders' meeting.
92. The same voting right shall only be used in one of the three ways, namely on the scene, through the internet or otherwise. If the same voting right is duplicated the first vote will be counted.
93. The shareholders' meeting shall adopt the open ballot system for voting purposes.
94. Before voting on a proposal, the shareholders' meeting shall elect two shareholder representatives for vote counting and scrutiny. If a shareholder is interested in a matter under consideration, the shareholder in question or its proxy shall refrain from vote counting or scrutiny.

When the shareholders' meeting votes on a matter, lawyers, shareholder representatives and supervisor representatives shall be jointly responsible for vote counting and scrutiny and shall announce the voting result on the spot. The voting result of the resolutions shall be included in the meeting minutes.

The Company's shareholders or their proxies voting through the internet or by other means shall be entitled to verify their voting result via the relevant voting system.

95. The on-site shareholders' meeting shall not be concluded earlier than the internet meeting or the meeting by any other means. The person presiding over the meeting shall announce the voting status and voting result for each proposal and, based on the voting result, announce whether the proposal is approved.

Before announcing the voting result, the Company, tellers, scrutineers, major shareholders and internet service providers and all other relevant parties who are involved in the on-site, internet and other means of voting for the shareholders' meeting shall be obligated to maintain the voting confidential.

96. Shareholders present at the shareholders' meeting shall vote for or against any proposal submitted for voting or abstain from voting on it.

In respect of any vote not filed, misfiled, illegible or not submitted, the voter shall be deemed to abstain. The voting result in respect of shares held by such voter shall be deemed to be "abstention".

97. If the person presiding over the meeting has any doubts as to the result of voting on any resolution he/she may have the votes recounted. If the person presiding over the meeting does not recount such votes, any shareholder present in person or by proxy at the meeting who disputes the result announced by the person presiding over the meeting shall be entitled to request a recount of the votes immediately after the declaration of the result and the person presiding over the meeting shall proceed with such recounting forthwith.

98. If a shareholder is connected with a matter to be considered by the shareholders' meeting, it shall abstain from voting on it, and the voting shares held by it shall not be included in calculating the total number of voting shares present at the shareholders' meeting.

The shares held by the Company in itself shall not carry any voting right and such shares shall not be included in calculating the total number of voting shares held by shareholders present at the meeting.

99. The board of directors and the board of supervisors shall respond to and give explanations in connection with queries and suggestions submitted by shareholders, unless they involve the Company's business secret that cannot be disclosed at the shareholders' meeting.

100. The resolution of the shareholders' meeting shall be announced in a timely manner. The announcement shall specify the number of shareholders present in person or by proxy at the meeting, the total number of voting shares held or represented by them, the percentage of such voting shares in relation to all the voting shares of the Company, the voting methods, the voting result of each proposal, and details of each resolution.

If any proposal is not adopted, or the current shareholders' meeting amends the resolution of the last shareholders' meeting, special indication thereof shall be given in the announcement of the resolution of the shareholders' meeting.

101. If any proposal is adopted by the shareholders' meeting on the election of directors and supervisors, the newly elected directors or supervisors shall immediately take office thereafter.
102. The number of attendees at the shareholders' meeting, the number of shares held by participating shareholders, the powers of proxy, the voting result for each matter, meeting minutes, the legality of the meeting procedure and such other matters may be notarised..
103. If the shareholders' meeting adopts any proposal for a cash dividend, share allocation, or conversion from capital reserves to share capital, the Company will implement detailed plans within two months after the end of the shareholders' meeting.

Chapter 5 Board of Directors

Section 1 Directors

104. Any director of the Company shall be a natural person. A person may not serve as the director of the Company if he/she is:

- (1) a person with no or limited capacity for civil acts;
- (2) a person who has been sentenced to criminal punishment for the crime of corruption, bribery, encroachment of property, misappropriation of property or disruption of the order of the socialist market economy and in any such case not more than five years have elapsed since the expiration of the enforcement period; or a person who was deprived of his/her political rights for committing a crime and not more than five years have elapsed since the expiration of the enforcement period;
- (3) a director of a bankrupt company or enterprise, or a president or general manager of a bankrupt plant and was personally liable for the bankruptcy of the company or enterprise and not more than three years have elapsed since the date of completion of the bankruptcy liquidation;
- (4) the legal representative of a company or enterprise that has had its business licence revoked and has been closed down by order for violation of law for which such representative incurs individual liability and not more than three years have elapsed since the date on which the business license of the company or enterprise was revoked;
- (5) a person with a comparatively large amount of personal debts due and unsettled;
- (6) a person who has been banned by CSRC from participation in the market and such ban has not been lifted; and
- (7) falls under other prohibited categories set forth in laws, administrative regulations or departmental rules.

If the Company elects or appoint a director in violation of the preceding paragraph, such election or appointment shall be invalid. If a director falls under the circumstances specified in this article during his/her term of office, the Company shall dismiss the director from his/her office through an appropriate procedure.

105. Directors of the Company shall be elected or replaced at the shareholders' meeting. The term of office of a director shall be three (3) years. Upon the expiration of the term, a director shall be eligible for re-election and re-appointment. The shareholders' meeting shall not dismiss a director before the expiration of the term without giving any reasons.

The term of office of a director shall be effective from the date of appointment until the expiry of the term of the current board of directors. If the term of office of a director expires and re-election fails to take place timely, the original director shall perform his/her duties under laws, administrative regulations, rules and these Articles of Association until a new director is elected to replace him/her.

The general manager or other senior management personnel may take up the concurrent position of a director. The total number of directors assumed by the employee representatives and of directors who also act as the general manager or senior management personnel shall not, in aggregate, be more than half of all the directors of the Company.

106. Directors shall comply with laws, administrative regulations and these Articles of Association and undertake the following duties of loyalty to the Company:

- (1) not to take bribes or other illegal income and not to seize the Company's assets;
- (2) not to misappropriate the funds of the Company;
- (3) not to deposit the assets or funds of the Company in an account opened in his/her personal name or in the name of another individual;
- (4) not to, in violation of these Articles of Association of the Company, lend the funds of the Company to other persons or use the property of the Company to provide security for other persons without the prior consent of the shareholders' meeting or the board of directors;
- (5) not to enter into a contract or transaction with the Company in violation of these Articles of Association or without prior consent of the shareholders' meeting;
- (6) not to take advantage of his/her position to seek for himself/herself or other persons commercial opportunities that belong to the Company or to self-operate or operate on behalf of another person, the same type of business as that of the Company without the prior consent of the shareholders' meeting;
- (7) not to accept any commission in relation to a transaction with the Company;
- (8) not to disclose any confidential information of the Company without prior authorization;
- (9) not to impair the interests of the Company by use of his/her connected relationship;
- (10) to comply with any other duties of loyalty set forth in laws, administrative regulations, rules and these Articles of Association.

Any proceeds derived by a director from violating this article shall belong to the Company and such director shall be liable for any loss sustained by the Company there from.

107. Directors shall comply with laws, administrative regulations and these Articles of Association and undertake the following duties of diligence to the Company:

- (1) to exercise the rights vested in them with due diligence so as to ensure that the commercial behaviour of the Company shall comply with the requirements of the relevant laws and regulations and of each economic policy of the State and do not go beyond the business scope set forth in the business licence;
- (2) to treat all shareholders on an equal basis;
- (3) to understand in a timely manner the operation and management of the Company's business;
- (4) to confirm in writing regular reports of the Company and ensure that all the information disclosed by the Company is true, accurate and complete;
- (5) to provide true, relevant information to the board of supervisors and not to interfere with the board of supervisors and the performance by supervisors of their duties;
- (6) to comply with any other duties of diligence set forth in laws, administrative regulations, rules and these Articles of Association.

108. A director shall not act on behalf of the Company or the board of directors in his/her own name unless otherwise provided for in these Articles of Association or authorized to do so by the board of directors. Where a director is acting in his/her own name, the director shall make this known to the third party if the third party would otherwise have good reason to believe that the director is acting on behalf the Company or the board of directors.

109. To the extent that any director or any other entity in which a director holds a position has a direct or indirect interest in any current or intended contract, transaction or arrangement with the Company (other than an employment contract), such director shall promptly disclose to the board of directors the nature and level of his/her interest, regardless of whether the relevant matter generally requires approval or consent by the board of directors.

Unless the interested director has made such disclosure to the board of directors as required in the previous paragraph, and the board of directors has approved the relevant matter at a meeting in which the interested director is not counted for quorum and voting purposes, the Company shall be entitled to revoke the relevant contract, transaction or arrangement (other than a contract, transaction or arrangement with a bona fide third party).

110. If, before the Company ever considers the relevant contract, transaction or arrangement, a director has given written notice to the board of directors to the effect that he/she makes known an interest in the future entry into such contract, transaction or arrangement by the Company on the ground identified in such notice, to the extent that it is made clear in the written notice, such director shall be deemed to have made the disclosure as required by the preceding clause.

111. If any director fails to attend in person or by proxy two consecutive meetings of the board of directors, such director shall be deemed to have failed to perform his or her duties and the board of directors shall propose the replacement of such director to the shareholders' meeting.

112. Any director may submit his resignation prior to the expiry of his or her term of office. Such director shall submit a written letter of resignation to the board of directors. The board of directors shall disclose relevant information within two (2) days.

113. If at any time the board of directors of the Company consists of less than the minimum number as statutorily required, due to the resignation of any director, such director shall continue to perform his/her duties as director of the Company pursuant to applicable laws, administrative regulations, rules and these Articles of Association until a new director is elected to replace him/her.

Except as otherwise provided for in the preceding paragraph, the letter of resignation of such director shall come into effect as of its delivery to the board of directors.

The remaining directors shall convene an extraordinary shareholders' meeting immediately to elect another director to fill the vacancy arising from a resignation. Before the shareholders' meeting has passed a resolution in respect of the election of directors, the duties of the resigning director and the remaining directors shall be limited accordingly.

114. Where the director resigns or his/her term of office expires, such director shall not be released from his/her duties to the Company and its shareholders until his/her letter of resignation becomes effective or for a reasonable period after his/her resignation comes into effect, or for a reasonable period after the term of office expires. Moreover, unless and until a trade secret of the Company becomes publicly available, such director shall continue to be bound by his/her duty of confidentiality in respect of any such trade secret after his/her term of office expires. The duration of other duties of such director shall be determined under the principle of fairness, depending on the remoteness in time of the relevant event from his/her departure, and the specific circumstances and conditions under which such director has terminated his/her relationship with the Company.

115. If any director violates laws, administrative regulations, rules or these Articles of Association in the performance of duties, such director shall be liable for any losses sustained by the Company.
116. The Company shall not be responsible for any taxes due and payable by the directors.
117. Provisions relevant to the directors' obligations in this section shall apply to supervisors, the general manager and other senior management personnel of the Company.

Section 2 Independent Directors

118. An independent director means a director who holds no other position at the Company and has no relationship with the Company or any of its major shareholders which may interfere with his/her independent and objective judgment.

Independent directors have duties of good faith and diligence to the Company and all its shareholders. Independent directors shall comply with applicable laws and regulations and these Articles of Association, diligently perform their duties, safeguard the general interests of the Company and in particular, procure that no harm be made to the legitimate interests of medium or minority shareholders. Independent directors shall perform their duties independently from the major shareholders or the actual controller of the Company, or any other entity or individual with an interest in the Company.

119. The Company shall comply with the relevant requirements of the CSRC in the engagement of its independent directors, one (1) of whom must be an accounting expert.

120. Nomination, election and replacement of independent directors

- (1) An independent director may be nominated by the board of directors, the board of supervisors, or the shareholder(s) who hold, either alone or jointly, one percent (1%) or more of shares in the Company and shall be elected by the shareholders' meeting.
- (2) The nominator shall obtain the consent of the nominee before nominating him/her as an independent director. The nominator must be fully aware of the nominee's profession, education, professional title and previous work experiences (including part-time work experiences), and must present an opinion on the qualifications and independence of such nominee as a candidate for independent director. The nominee shall make public statements that he/she has no relations with the Company that may affect his/her independent and objective judgment. The board of directors shall disclose the above information as required before the convention of the shareholders' meeting which will elect the independent director.
- (3) The Company shall deliver all relevant documentation on the nominee to the CSRC, the local delegate of the CSRC at the place of the Company and the stock exchange on which the Company is listed before the convention of the shareholders' meeting which will elect the independent director. If the board of directors of the Company has any objection to the nominee, a written opinion of the board of directors shall be attached to the above submissions.
- (4) The term of office of the independent director shall be consistent with the term of office of other directors under the current board of directors. The independent directors may be re-elected at the expiry of his/her term, provided that the period of the renewed term of office shall not be more than six (6) years.
- (5) If an independent director fails to personally attend three consecutive board meetings, the board of directors should propose to the shareholders' meeting to replace such independent director.

No independent director shall be removed without cause before his/her term of office expires, except under the above circumstances or in any of the non-eligibility situations prescribed in the Company Law. If an independent director is removed before the expiry of his/her term of office, the Company shall disclose his/her removal as a special item of disclosure. If he/she is of the opinion that the removal lacks sufficient ground, he/she may make a public statement to that effect.

- (6) An independent director may resign before his/her term of office expires. Such director shall submit a written letter of resignation to the board of directors and disclose any information that may be relevant to his/her resignation or in his/her opinion noteworthy to the shareholders and creditors of the Company. If the proportion of independent directors on the board of directors of the Company falls below the minimum requirement set forth by the CSRC as a result of such resignation, such resignation shall not become effective until a replacement independent director fills the vacancy.

121. Additional powers granted to independent directors

In addition to the general powers and duties of directors under the Company Law, other applicable laws and regulations, and these Articles of Association, the independent director shall have the following special powers and duties:

- (1) to approve any proposed transaction with an interested party (except for the provision of security by the Company) if the transaction value amounts to RMB three million (3,000,000) or more, and accounts for point five percent (0.5%) or more of the most recent audited net asset value of the Company in absolute amount. Such approval must then be submitted to the board of directors for discussion. The independent director may engage an outside institution to issue an independent financial report to assist them in making a decision;
- (2) to propose appointment or dismissal of accounting firms to the board of directors;
- (3) to propose to the board of directors that an extraordinary shareholders' meeting be convened;
- (4) to propose that a meeting of the board of directors be convened;
- (5) to independently engage external audit and consulting firms; and
- (6) to solicit the voting rights of shareholders prior to the shareholders' meeting. Independent directors shall obtain the consent of half or more of the independent directors when exercising the above-listed powers and duties. If the proposals relating to the above duties are not adopted or are unable to be exercised, the Company shall disclose relevant information.

122. Independent directors shall give independent opinions on the following material matters in relation to the Company:

- (1) In addition to the duties above, independent directors shall give independent opinions on the following matters to the board of directors or at shareholders' meetings:
 - (i) nomination, appointment or dismissal of directors;
 - (ii) employment or dismissal of senior management personnel;
 - (iii) remuneration of directors and of the Company's senior management personnel;

- (iv) any existing loan or other capital arrangement between the shareholders, actual controller or any affiliate of the Company and the Company that is in excess of RMB 3 million or five percent (5%) of the latest audited net assets of the Company, and whether effective measures have been taken to collect overdue payments;
 - (v) any matter which the independent directors believe would prejudice the interests of medium or minority shareholders;
 - (2) Independent directors shall give one of the following opinions in respect of the above matters: consent; reservation with an explanation of reasons; objection with an explanation of reasons; or inability to give an opinion with an explanation of reasons.
 - (3) Where relevant matters are required to be disclosed, the Company shall disclose the collective opinion of the independent directors and if the independent directors fail to agree on a particular matter, the board of directors shall disclose the opinion of each independent director.
123. The majority of any remuneration and evaluation, audit or nomination committee under the board of directors of the Company should consist of independent directors and any meeting of such committee shall be called by an independent director.
124. The Company shall provide the following necessary conditions so as to assist the independent directors in the effective exercise of their duties:
- (1) The Company shall ensure that independent directors have the same rights to information as other directors. Independent directors shall be informed in writing of any matter to be decided by the board of directors within the statutory period and simultaneously provided with relevant information. If the independent directors believe such information is insufficient, they may require that the Company provide additional information. The Company and the independent directors shall keep all documentation provided by the Company to the independent directors for not less than five (5) years.
 - (2) The Company shall provide working conditions necessary for independent directors to perform their duties. The secretary of the board of directors shall provide any assistance necessary for the independent directors to perform their duties, including describing circumstances and providing documentation. If any independent opinion, proposal or written explanation made by the independent directors is to be announced, the secretary of the board of directors shall handle such announcement with the Shanghai Stock Exchange in a timely manner.
 - (3) When independent directors exercise their duties, the Company's staff shall provide assistance in an active manner and shall not refuse, prevent or deceive or disturb the independent implementation of their duties.
 - (4) The expenses incurred by independent directors for the engagement of intermediary agencies and the exercise of their duties otherwise shall be paid by the Company.
 - (5) The Company shall offer proper allowances to independent directors. The board of directors shall formulate proposals in respect of the amounts of such allowances, which shall be deliberated and determined at the shareholders' meeting and disclosed in the annual reports of the Company. Except for such allowances, the independent directors shall receive no additional and undisclosed benefits from the Company, any of its major shareholders or an interested entity or individual.

Section 3 Board of Directors

125. The Company shall have a board of directors which shall be accountable to the shareholders' meeting.
126. The board of directors shall consist of fourteen (14) directors, and have one (1) chairman.
127. The board of directors shall exercise the following duties and powers pursuant to the law:
- (1) to convene a shareholders' general meetings and to submit a report to the meeting detailing the work carried out;
 - (2) to implement the resolutions passed at the shareholders' general meeting;
 - (3) to decide the business plan and investment proposals of the Company;
 - (4) to formulate the Company's annual financial budget and accounts settlement;
 - (5) to formulate the plans for distribution of the Company's profit or for making up its losses;
 - (6) to formulate proposals for the increase or decrease of the Company's registered capital and for the issuance of bonds or other securities or the listing of the Company on a stock exchange;
 - (7) to prepare proposals for any material acquisition by the Company, any repurchase of the Company's shares, or any merger, division, or dissolution;
 - (8) to decide, amongst other matters, venture investment, asset mortgage, and guarantee within the scope of authorisation by shareholders' meetings;

Venture investments of the Company are limited to treasury bonds and other low-risk investments. The total amount of venture investments shall not exceed ten percent (10%) of the net asset value of the Company as set out in its latest audited financial statements.
 - (9) to establish the Company's internal management structure;
 - (10) to appoint or dismiss the general manager of the Company and the secretary of the board of directors; to appoint or dismiss senior management personnel such as deputy general managers and the chief finance officer of the Company in accordance with the nominations of the general managers and determine their remuneration, rewards and disciplinary matters;
 - (11) to appoint or replace the members of the board of directors or the board of supervisors of a wholly-owned subsidiary of the Company, and to appoint, replace or recommend any shareholder representative, (candidate for) director or (candidate for) supervisor of a subsidiary in which the Company is a controlling or non-controlling shareholder;
 - (12) to determine the setup of any branch office of the Company;
 - (13) to establish the Company's management policies;
 - (14) to propose amendments to these Articles of Association and any annexes hereto;
 - (15) to manage the information disclosure to be made by the Company;
 - (16) to propose the appointment or replacement of the Company's auditors at a shareholders' general meetings;

- (17) to listen to the general manager's reports and to examine the general manager's work;
- (18) to review material connected transactions of the Company and submit transactions over a certain amount to the shareholders' meeting for deliberation;
- (19) to perform other duties and powers as prescribed by relevant laws, administrative regulations, rules and these Articles of Association, and authorised by the shareholders' meeting;
- (20) to decide material matters and administrative matters and execute material agreements other than those matters and agreements as reserved for the shareholders' meeting under laws, regulations, rules of competent authorities and these Articles of Association.

When the board of directors adopts a resolution in respect of a connected transaction, an interested director cannot be present and his/her voting power cannot be counted in the total number of valid votes. In addition, such resolution may not become effective unless it is approved by at least half of all independent directors.

- 128. The board of directors shall explain any modified audit opinion of the registered accountant in connection with the Company's financial statements at a shareholders' meeting.
- 129. The board of directors shall prepare the procedural rules to be followed at meetings of the board of directors pursuant to the requirements of applicable laws, regulations and these Articles of Association so as to ensure that it makes efficient and reasonable decisions. Such procedural rules (and amendments thereto) shall constitute an annex to the Articles of Association of the Company and require approval at the shareholders' meeting.
- 130. The board of directors shall exercise the powers and perform the duties ascribed to it by these Articles of Association in connection the investments, asset sales and guarantees to be undertaken by the Company and establish a stringent review and decision-making procedure.

The shareholders' meeting grant the following powers to the board of directors: to decide on any loan (whether it is within or beyond the scope of the annual budget of the Company), investment, asset sale, acquisition, lease, mortgage, pledge, other asset disposal or guarantee to be undertaken by the Company, provided that the value of a single transaction does not exceed ten percent (10%) of the latest audited total net assets of the Company.

Any transaction beyond the above scope of authorities granted by the shareholders' meeting to the board of directors should be appraised by the relevant experts and professionals, and be subject to approval of the shareholders' meeting. If resolutions at the shareholders' meeting are required by law or by any competent government authority for transactions within the above scope of authorities granted by the shareholders' meeting to the board of directors, the board of directors shall submit proposals in respect of such transactions to the shareholders' meeting for approval as required.

- 131. The board of directors shall have one (1) chairman. The chairman of the board shall be elected by a simple majority of all directors.
- 132. The chairman of the board shall have the following powers and authorities:
 - (1) to preside over a shareholders' meeting, and to convene and preside over a meeting of the board of directors;
 - (2) to urge and monitor the implementation of the resolutions of the board;
 - (3) to sign stock certificates, bonds and other securities of the Company;

- (4) to sign important documents of the board or other documents to be signed by the legal representative of the Company;
 - (5) to exercise the powers as legal representative of the Company;
 - (6) to exercise special rights in relation to corporate affairs in the event of an emergency such as a severe natural disaster or other force majeure consistently with legal requirements and corporate interests, and report to the board of directors and the shareholders' meeting when such emergency subsides; and
 - (7) to exercise other powers granted by the board of directors.
133. When the chairman of the board of directors is unable or fails to perform his/her duties, a director nominated by more than half of the directors shall perform such duties.
134. Meetings of the board of directors shall be held at least twice each calendar year and shall be convened by the chairman of the board of directors. Notice of meetings shall be sent to all the directors in writing at least ten (10) days prior to the meeting.
135. Upon the occurrence of any of the following circumstances, the chairman of the board of directors shall convene and preside over the extraordinary meeting of the board of directors within five (5) working days:
- (1) the chairman of the board of directors considers it necessary to convene such a meeting;
 - (2) such a meeting is proposed by shareholders with at least 1/10 of the voting rights or by at least 1/3 of the directors;
 - (3) half or more of independent directors jointly propose such a meeting;
 - (4) the board of supervisors proposes such a meeting;
 - (5) the general manager proposes such a meeting.
- The chairman of the board of directors shall convene a board meeting within ten (10) days upon receipt of such proposal and preside over such meeting.
136. The board of directors shall send a written notice of the extraordinary meeting to all directors at least three (3) days prior to such meeting.
- If the chairman of the board of directors is unable to perform his/her duties as prescribed herein, he/she shall appoint another director to convene the extraordinary board meeting on his/her behalf. In the event that the chairman of the board of directors fails to perform his/her duties and to appoint the person to act on his/her behalf, a director nominated by more than half of the directors shall may convene such meeting.
137. Any notice of meetings of the board of directors shall include:
- (1) the date and venue of such meeting;
 - (2) the expected duration of such meeting;
 - (3) the agenda and details of matters to be discussed; and

- (4) the date of the notice.
138. Meetings of the board of directors shall only be validly held if more than half of the directors are present at (or participate in) the meeting. Any resolution made by the board of directors shall be passed by more than half of the directors.
- Each director shall have one vote for purpose of the board resolutions.
139. If any director is interested in any entity in the transaction to be resolved by the board of directors, such director shall not vote on such resolution independently or on behalf of another director. The quorum of a meeting of the board of directors requires more than half of the disinterested directors to be present and adoption of any resolution at such meeting requires the affirmative votes of a simple majority of disinterested directors. If less than three (3) disinterested directors attend such board meeting, the relevant transaction should be submitted to the shareholders' meeting for deliberation.
140. Extraordinary meetings of the board of directors may be conducted by facsimil and resolutions may be signed by directors attending such meetings, provided that the directors are allowed to express their opinions fully.
141. The meeting of the board of directors shall be attended by directors in person. If any director is unable to attend a meeting, for whatsoever reason, the director may appoint another director by proxy to attend such meeting on his or her behalf. The proxy shall set out the name of the authorized representative, authorized matters, authority and the effective period and shall be signed or sealed by the appointing director. A director appointed to attend a meeting on behalf of the appointing director shall exercise the rights of that director within the scope of his or her authorisation. If a director fails to attend a meeting of the board of directors and does not appoint another director to attend such meeting on his or her behalf, the director shall be deemed to have waived his or her rights to vote at such meeting.
142. Voting at meetings of the board of directors shall be open. Each director shall have one vote.
143. Minutes shall be taken in respect of the decisions on matters discussed at a meeting of the board of directors and shall be signed by those directors present at the meeting, the secretary of the board of directors and the person recording such minutes. Any director present at the meeting shall have the right to require that explanatory statements be written in the minutes regarding his/her comments and opinions at the meeting. The resolutions and minutes of the meeting of the board of directors shall be kept for ten (10) years in the Company's files by the secretary of the board of directors as an important basis to clarify the directors' duties.
144. The minutes of the board of directors shall include:
- (1) the date and venue of the meeting and the name of the person(s) that proposed the meeting;
 - (2) the names of the directors present at (or participating in) the meeting and of the directors attending the meeting by proxy on behalf of other directors;
 - (3) the meeting agenda;
 - (4) main points made by each of the directors; and
 - (5) the manner of voting adopted for each matter and results of the vote so as to include details of the number of votes in favour of and against each matter and any abstentions.
145. Directors who attend the board meetings shall sign resolutions and shall be held responsible for such resolutions. If the Company suffers any loss arising from the resolution of the board of directors by

reason of violation of laws, administrative regulations or these Articles of Association, directors consenting to such resolutions shall be held liable for such loss. If it is proved that a director has objected to the resolution and such objection has been recorded in the minutes, such director may be exempt from such liabilities.

146. The board of directors shall establish in due course four professional management committees, consisting of a remuneration and evaluation committee, a nomination committee, an audit committee and a strategy committee, and formulate the commensurate rules for implementation.

Section 4 Secretary of the Board of Directors

147. The board of directors shall have a secretary of the board of directors. The secretary of the board of directors shall be a member of the senior management and shall be accountable to the board of directors. The secretary of the board of directors shall be appointed by the board of the directors and shall be responsible for the preparations and record-keeping in respect of shareholders' meetings and board meetings, management of information on shareholders of the Company, and matters in relation to information disclosure.

The secretary of the board of directors shall comply with the relevant requirements under laws, administrative regulations, rules and these Articles of Association.

148. The secretary of the board of directors shall have the necessary expertise and experience and shall be appointed by the board of directors.

The circumstances under which a person may not serve as a director of the Company as prescribed hereunder shall apply to the secretary of the board of directors.

149. The secretary of the board of directors shall have the following duties:
- (1) to prepare and submit reports and documentation of the board of directors and the shareholders' meeting as required by the competent authorities;
 - (2) to prepare for board meetings and shareholders' meetings, and to keep the meeting minutes, documentation and records;
 - (3) to be responsible for information disclosures in respect of the Company, and to ensure that the Company should disclose the necessary information in a prompt, accurate, lawful, truthful and complete manner;
 - (4) to ensure that any person entitled to records and documentation on the Company should have access to such records and documentation in a timely manner;
 - (5) to exercise any other powers prescribed by the Articles of Association and listing rules of the stock exchange on which the stock of the Company is listed.
150. Directors or other senior management personnel of the Company may take the position of the secretary of the board of directors concurrently with their existing position. Neither registered accountant nor a lawyer engaged by the Company shall undertake the post of secretary of the board of directors.
151. The secretary of the board of directors shall be nominated by the chairman of the board of directors and appointed or dismissed by the board of directors. Where any director concurrently undertakes the post of secretary of the board of directors, such person shall not make decisions in both capacities where a matter calls for a decision by the directors and by the secretary of the board of directors.

Chapter 6 General Managers

152. The Company shall have one general manager to be employed or dismissed by the board of directors.

The Company shall have several deputy general managers to be employed or dismissed by the board of directors.

Senior management personnel of the Company shall consist of the general manager, the deputy general managers, the chief financial officer, the secretary of the board of directors and other management personnel of the Company as determined by the board of directors.

If so appointed, a director may concurrently serve as the general manager or a deputy general manager, or in another senior management position, but no more than half of the directors of the Company should serve such concurrent senior management positions.

153. The provisions of article 104 shall also apply to the senior management personnel.

The duties of loyalty of directors set forth in article 106 and duty of diligence set forth in article 107(4) to 107(6) shall also apply to the senior management personnel.

154. Any person who takes up a position (other than as a directors) in the controlling shareholder of or the actual controller of the Company shall not take the position of the senior management personnel of the Company.

155. The term of office of the general manager shall be three years, and may be renewed upon reappointment.

156. The general manager shall report to the board of directors and exercise the following functions:

- (1) to organise production, operation and management of the Company, procure the implementation of board resolutions, and report on the working performance to the board of directors;
- (2) to implement resolutions of the board of directors, the annual business plans and investment plans of the Company;
- (3) to prepare the plan of the internal management structure;
- (4) to prepare the basic management systems of the Company;
- (5) to formulate detailed rules of the Company;
- (6) to propose the employment or dismissal of the deputy general managers and the chief financial officer of the Company to the board of directors;
- (7) to decide on the employment or dismissal of management personnel other than those to be employed or dismissed by the board of directors;
- (8) to consider adoption of remuneration, benefits, rewards and punishments in respect of the employees of the Company, and decide on employment and dismissal of the employees of the Company;
- (9) to propose the convening of an extraordinary meeting of the board of directors; and
- (10) to perform any other duties granted by these Articles of Association or the board of directors.

157. The general manager shall be present at meetings of the board of directors. The general manager who does not take the concurrent position of the director shall not have any voting rights at meetings of the board of directors.
158. The general manager shall, at the request of the board of directors or the board of supervisors, report to the board of directors or the board of supervisors on the conclusion and performance of material contracts, capital expenditure and profit and loss of the Company. The general manager shall ensure the authenticity of such reports.
159. Before the general manager considers the adoption of salaries, benefits, work safety, labour protection, labour insurance, termination (or dismissal) and other decisions involving the crucial interests of the employees of the Company, he/she shall consult the labour union and the employee council.
160. The general manager shall formulate the detailed working rules of the general manager, which shall become effective and be implemented upon approval by the board of directors.
161. The detailed working rules of the general manager shall include:
- (1) conditions for convening meetings of the general manager, procedures and attendees;
 - (2) detailed duties and the duty allocation of the general manager, the deputy general managers and other senior management personnel;
 - (3) the authorisation in respect of application of the Company's capital and assets and conclusion of material contracts, and the system of reporting to the board of directors and the board of supervisors; and
 - (4) such other matters as the board of directors deems necessary;
162. The general manager of the Company shall comply with laws, regulations and these Articles of Association and perform the duty of good faith and duty of diligence.
163. The general manager may resign prior to expiry of his or her term of office. The detailed procedures in connection with resignation of the general manager shall be subject to the employment contract between the general manager and the Company.
164. The deputy general managers of the Company shall assist and report to the general manager. The procedures for the appointment and dismissal of deputy general managers shall be discussed and determined by the board of directors.
165. If any senior management personnel breaches laws, regulations and these Articles of Association in performing his or her duties, such senior management personnel shall be liable for any loss sustained by the Company.

Chapter 7 Board of Supervisors

Section 1 Supervisors

166. Supervisors shall consist of representatives of shareholders, and representatives of the Company's employees. The supervisors assumed by the representatives of employees shall make up one third or more of all the supervisors.
167. The provisions set forth in article 104 hereof shall also apply to supervisors.

Directors, general manager, deputy general managers and other senior management personnel shall not take the concurrent position of supervisors.

168. The supervisors shall comply with laws, administrative regulations and these Articles of Association, and assume the duty of loyalty and duty of diligence, and shall not be permitted to abuse their power to accept bribes or other illicit gains and shall not be permitted to seize the Company's property.
169. The term of office of a supervisor shall be three (3) years and may be renewed at expiry by election.
170. If no election is made after the term of the supervisor expires, or the supervisor submits his resignation during his or her term and causes members of the board of supervisors to be less than the quorum, the original supervisor shall continue to perform his duties as supervisor in accordance with laws, administrative regulations and these Articles of Association before a new supervisor is elected.
171. Supervisors have the right to be informed of the business conditions of the Company and are obligated to keep the relevant information confidential. Supervisors shall ensure that any information disclosed by the Company shall be true, accurate and complete.
172. Supervisors may be present at meetings of the board of directors and put forth any query or opinion in connection with matters to be discussed and resolved at meetings of the board of directors.
173. Supervisors shall not impair the interests of the Company by the use of their connected relationship and shall be liable for any loss incurred to the Company.
174. If any supervisor breaches laws, administrative regulations and these Articles of Association in performing his duties, such senior management personnel shall be liable for any loss sustained by the Company.
175. If a supervisor is unable to attend meetings of the board of supervisors on two (2) consecutive occasions, such supervisor shall be deemed to be unable to perform his duties and shall be replaced at a general meeting or a meeting of staff representatives.
176. Each supervisor may submit his resignation prior to expiry of his or her term. The provisions relevant to the resignation of directors at Chapter 5 of these Articles of Association shall apply to supervisors.
177. The supervisors shall comply with laws, administrative regulations and these Articles of Association, and assume the duties of loyalty and diligence.

Section 2 Board of Supervisors

178. The Company shall have a board of supervisors which shall consist of six (6) supervisors. The board of supervisors shall have one chairman, and may also have one vice-chairman. The chairman and vice-chairman of the board of supervisors shall be elected by more than half of all supervisors. The chairman of the board of supervisors shall convene and preside over the meetings of the board of supervisors. If the chairman of the board of supervisors is unable or fails to perform his/her duties, the vice-chairman shall convene and preside over the meetings of the board of supervisors. If the vice-chairman of the board of supervisors is unable or fails to perform his/her duties, half or more of the supervisors shall appoint a supervisor to perform such duties.

Shareholder representatives and an appropriate proportion of employee representatives shall be on the board of supervisors and the proportion of employee representatives shall not be lower than one third (1/3). The employee representatives on the board of supervisors shall be elected by the employees of the Company at the workers' congress or workers' general meeting or through another democratic means.

179. The board of supervisors shall exercise the following duties:

- (1) to review the periodic reports on the Company prepared by the board of directors and present written opinions;
- (2) to review the finance of the Company;
- (3) to supervise directors and the senior management personnel in the performance of their duties; to propose the dismissal of any director or senior management personnel in breach of laws, administrative regulations, these Articles of Association, or resolutions of the general meeting;
- (4) to require that directors and the senior management personnel to correct any act detrimental to the interests of the Company;
- (5) to propose the convention of the interim general meeting, and to convene and preside over the general meeting when the board of directors fails to perform duties for convening and presiding over general meeting;
- (6) to make proposals to the general meeting;
- (7) to bring an action against directors or senior management personnel in accordance with article 152 of the Company Law;
- (8) to make investigations if there is any abnormal circumstance in connection with operation of the Company; to engage, if necessary, the professional firms such as the accounting firms and law firms for any assistance at the expense of the Company.

180. The board of supervisors shall hold at least one meeting every six months. One or more supervisors may propose to hold an extraordinary meeting of the board of supervisors.

Resolutions of the board of supervisors require a simple majority of the supervisors to pass.

181. The board of supervisors shall formulate the rules for deliberation by the board of supervisors in order to set out the manner of deliberation and voting process and to ensure efficiency and reasonableness of its decisions.

182. Minutes shall be taken in respect of the decisions on matters discussed at a meeting of the board of supervisors and shall be signed by those supervisors present at the meeting. Any supervisor present at the meeting shall have the right to require that explanatory statements be written in the minutes regarding his/her comments at the meeting. The minutes of the meetings of the board of supervisors shall be kept in the file of the Company for at least ten (10) years.

183. The notice of a meeting of the board of supervisors shall include: the date, venue and duration of such meeting, the meeting agenda, and the date that the notice is circulated.

Section 3 Resolutions of the Board of Supervisors

184. The manner of discussion is set out as follows. The person calling meetings of the board of supervisors shall convene and preside over meetings of the board of supervisors. If the person calling a meeting of the board of directors is unable to attend the meeting, he/she may designate another supervisor to preside over the meeting on his/her behalf. In the event that the person calling the meeting fails to make such designation, the supervisors present at such meeting shall elect one person to preside.

Meetings of the board of supervisors shall only be held if half or more of the supervisors are present at the meeting. Any resolution may only be passed if it is approved by half or more of all supervisors and signed by the supervisors present at the meeting.

Where the person calling a meeting considers it necessary or more than two thirds of the supervisors propose to do so, an extraordinary meeting of the board of supervisors may be held. If an extraordinary meeting of the board of supervisors has been proposed by one or more supervisors, the reasons for and the purpose of such extraordinary meeting shall be given.

A supervisor shall personally attend a meeting of the board of supervisors. If he/she is unable to attend for any reason, he/she may authorise in writing another supervisor to attend the meeting on his/her behalf.

Such written authorisation shall indicate the name of the authorised supervisor, the matters in relation to which such supervisor is authorised to act, the powers granted and the effective period of such authorisation, and shall be affixed with the signature or chop of the authorising supervisor.

185. The supervisors may vote on resolutions by a show of hands or by casting votes. Each supervisor shall have one vote. All supervisors have the right to speak at a meeting of the board of supervisors. The board of supervisors should consider the proposals made by any supervisor.

Chapter 8 Financial and Accounting System, Profit Distribution and Audit

Section 1 Financial and Accounting System

186. The Company shall establish its financial and accounting system in accordance with the relevant laws, regulations and other government provisions.
187. The Company shall formulate and implement external guarantee policies and establish an appropriate internal risk control system to stringently control risks from external guarantee, in accordance with laws, regulations and requirements of CSRC and other competent authorities.
188. The Company shall submit the annual financial and accounting reports to the CSRC and the stock exchange within four months from the end of every fiscal year, the semi-year financial and accounting reports to the agency of the CSRC and the stock exchange within two months from the end of the first six months of each fiscal year, the quarterly financial and accounting reports to the agency of CSRC and the stock exchange within one month of the end of the first three months or the first nine months of each fiscal year.

The above financial and accounting reports shall be prepared in accordance with the relevant laws and regulations.

189. The Company's annual financial report or interim financial report involving interim distribution of profits shall include:
- (1) a balance sheet;
 - (2) an income statement;
 - (3) a profit distribution statement;
 - (4) a cash flow statement;
 - (5) notes to financial statements.

If the Company does not conduct the interim distribution of profits, the interim financial report shall include accounting statements and notes except for the statement described under paragraph (3).

190. No books of account other than those required by law shall be established by the Company. The assets of the Company shall not be deposited in an account opened under the name of any individual.
191. The profits of the Company for the current year after income taxes are paid shall be distributed in accordance with the following priorities:
 - (1) to make up losses;
 - (2) to allocate ten percent (10%) of profits to the statutory surplus reserve of the Company;
 - (3) to allocate to the discretionary surplus reserve;
 - (4) to pay dividends to shareholders.

The Company needs not allocate further amounts if the cumulative amount of the statutory surplus reserve reaches fifty percent (50%) or more of the registered capital.

If the statutory surplus reserve of the Company is not enough to make up for losses of the previous years, the profit of the current year shall firstly be applied to make up for losses before allocation is made to the statutory surplus reserve in accordance with the previous paragraph.

After the Company allocates certain of the after-tax profits to the statutory surplus reserve, the allocation to the discretionary surplus reserve shall be subject to approval at the general meeting.

The remaining after-tax profit after making up losses and allocation to the reserve shall be distributed in proportion to the shareholding of shareholders, unless otherwise provided by these Articles of Association.

The Company shall not distribute profits to shareholders until the Company makes up losses of the Company and allocates to the statutory surplus reserve.

If the general meeting distributes profits to shareholders in breach of the previous paragraphs before the Company makes up losses and allocate to the statutory surplus reserve, the shareholders shall refund such distributed profits to the Company.

No profits shall be distributed to the Company in connection with shares the Company holds.

192. The reserve of the Company shall be applied to make up for losses of the Company, expand the operation of the Company or be converted to the share capital of the Company, provided that the capital reserve of the Company shall not be applied to make up for losses of the Company.

When the statutory surplus reserve is converted into share capital, the amount remaining in such statutory surplus reserve shall not be less than twenty five (25%) of the registered capital before capital increase.

193. Once the plan for profit distribution has been determined at the general meeting, the board of directors shall distribute dividends (or bonus shares) within two months of the general meeting.
194. The policies in connection with profit distribution shall include:
 - (1) the decision-making procedures and system in connection with profit distribution

If the Company distributes profits, the board of directors of the Company shall first prepare a proposal for profit distribution and the proposal for profit distribution shall not be submitted to the general meeting for approval unless independent directors express independent opinions on the proposal for profit distribution. The board of directors shall take into consideration and verify the appropriateness, conditions, minimum ratio and other matters in connection with the cash distribution, in the course of discussing and approving detailed plans for the cash distribution and independent directors shall express definitive opinions.

The proposal for profit distribution adopted by the board of directors of the Company shall be submitted to the general meeting of the Company for approval. When the detailed plan for the cash distribution is discussed for approval at the general meeting, communications shall be actively made by various means with shareholders, in particular medium and minority shareholders, and opinions and demands of medium and minority shareholders shall be fully sought and questions raised by medium and minority shareholders shall be answered promptly.

If the board of directors fails to prepare a proposal for the cash distribution in connection with profits generated by the Company for the current year, the board of directors shall prepare a special report explaining specific reasons for failure to make the cash distribution, the purpose for which the Company retains profits, the plan of application and other matters, and such report shall be submitted to the general meeting for approval after independent directors express opinions.

(2) the principle of profit distribution

The profit distribution policies of the Company shall remain coherent and steady, taking into consideration long-term interests of the Company, the overall interests of all the shareholders and the sustainable development of the Company. The Company shall use its endeavours to distribute dividends in cash based on the level of profits for the current year and the requirements for the continuous operation if the Company generates profits and the cashflow satisfies the continuous operation and long-term development. When it comes to the method of profit distribution, the cash distribution shall take priority over the stock distribution.

The Company shall rigorously implement such cash distribution policies as set out in these Articles of Association and such detailed plans for the cash distribution as approved at the general meeting.

(3) methods and intervals of profit distribution

The Company may distribute profits by way of cash, stock or a combination of cash and stock. The Company generally makes annual profit distribution and may conduct interim profit distribution under some conditions.

(4) conditions for and ratios of the cash distribution

Specific conditions for the cash distribution:

- (i) The Company generates profits for the current year and the aggregated distributable profits shall be more than zero;
- (ii) An audit firm has issued an unqualified standard audit report on the financial report of the Company for the current year;
- (iii) Upon satisfaction of conditions for the cash distribution, the Company shall make profit distribution in cash; if the Company fails to satisfy conditions for the cash

distribution under any special circumstance, the Company is able not to conduct the cash distribution. If the Company fails to make the cash distribution under any special circumstance, the board of directors shall prepare a report describing specific reasons for no cash distribution, the specific purpose for which the Company retains profits, the estimated investment return and other matters. Such report shall be submitted to the general meeting for approval after independent directors express opinions; subsequently such report shall be disclosed on such media as designated by the Company.

Intervals of the cash distribution: Except as under any special circumstance, the Company conducts the cash distribution once in connection with each of annual profit distributions. If permitted, the Company may conduct the interim profit distribution.

Ratio of the cash distribution:

Except as under any special circumstance, if the Company generates profits for the current year and the aggregated undistributed profits is more than zero, and if the Company conducts the cash distribution, profits distributed by the Company in cash shall be no less than 30% of distributable profits for the current year.

Subject to satisfaction of the above-mentioned conditions for the cash distribution, the board of directors of the Company shall implement different cash distribution policies taking into consideration the industrial features, the development stage, the operation mode, the level of profits and expenditures in a substantial amount:

- (i) If the Company is positioned at the mature stage and there is no arrangement for expenditures in a substantial amount, profits distributed in cash shall be no less than 80% of all the profits distributed by the Company in the course of profit distribution;
- (ii) If the Company is positioned at the mature stage and there is an arrangement for expenditures in a substantial amount, profits distributed in cash shall be no less than 40% of all the profits distributed by the Company in the course of profit distribution;
- (iii) If the Company is positioned at the growth stage and there is an arrangement for expenditures in a substantial amount, profits distributed in cash shall be no less than 20% of all the profits distributed by the Company in the course of profit distribution;

If it is difficult to decide the development stage of the Company and there is an arrangement for expenditures in a substantial amount, the above-mentioned conditions and ratio of the cash distribution as firstly set out in this subclause may be applied.

(5) Adjustment or amendment to profit distribution policies

If the Company amends profit distribution policies, opinions of independent directors and medium and minority shareholders shall be fully sought through various channels. The board of directors shall make detailed demonstration and describe reasons for amendments. The amended profit distribution policies shall be submitted to the general meeting for approval by an extraordinary resolution after independent directors express opinions.

The Company shall not amend the given profit distribution policies, in particular the cash distribution policies unless the following conditions are satisfied: 1. It is necessary to amend profit distribution policies due to requirements from the production and operation, investment planning and long-term development, or due to changes in the external operation landscape; 2. The amended profit distribution policies will not breach relevant requirements of CSRC and Shanghai Stock Exchange.

- (6) If any shareholder embezzles funds of the Company in breach of law, the Company shall deduct the cash distribution available to such shareholder to recover funds embezzled by such shareholder.
- (7) The board of supervisors of the Company is entitled to supervise the implementation by the board of directors of cash distribution policies and compliance with relevant decision-making procedures and information disclosure requirements. If it is found that the board of directors fails to stringently implement cash distribution policies, follow relevant decision-making procedures for the cash distribution or make true, accurate and full disclosure of cash distribution policies and their implementation, the board of supervisors is entitled to put forth its opinions and urge the board of directors to promptly rectify such failure.

Section 2 Internal Audit

195. The Company shall implement an internal audit system and have internal audit staff for carrying out internal audits and the supervision of financial matters and the economic activities of the Company.
196. The internal audit system and the duties of the internal audit staff shall be implemented upon the approval of the board of directors. The person in charge of the internal audit department shall report to the board of directors.

Section 3 Appointment of Accounting Firm

197. The Company shall engage accounting firms qualified for securities-related business to audit accounting statements, verify net assets and provide other relevant consulting services. The term of engagement shall be one year and may be renewed.
198. Appointment of an accounting firm shall be approved at the general meeting. The board of directors shall not appoint any accounting firm until it is approved by the general meeting.
199. The Company shall ensure to provide true and complete accounting evidence, books, financial and accounting reports and other accounting documents to the appointed accounting firm. No refusal or concealment shall be made and no false information shall be provided.
200. The accounting firm appointed by the Company shall have the following rights:
 - (1) to inspect the Company's books and accounts, records or other evidence and to require the Company's directors, general manager or other senior management to provide the relevant information and explanations;
 - (2) to require the Company to provide any information or explanation in connection with its subsidiaries that is necessary for the auditor to carry out its duties; and
 - (3) to attend general meetings and receive notices and other information related to such meeting that the shareholder is entitled to receive as well as being entitled to speak at any general meeting about matters relating to its duties as the appointed accounting firm.
201. If there is a vacancy for the accounting firm, the board of directors may appoint an accounting firm to fill up the vacancy prior to holding of the general meeting.
202. The audit fee of the accounting firm shall be decided at the general meeting.
203. The dismissal of or renewal for engagement of accounting firms shall be approved at the general meeting and shall be disclosed in relevant newspapers with, if necessary, reasons for replacement and shall also be filed with CSRC and the Chinese Institute of Certified Public Accounts.

204. When the Company dismisses or does not re-appoint an accounting firm, it shall give notice to the accounting firm thirty (30) days in advance. When the general meeting takes a vote on dismissal of the accounting firm, the accounting firm shall be allowed to state its opinions.

If the accounting firm submits its resignation, the accounting firm shall notify the general meeting as to whether there has been any improper conduct of the Company.

Chapter 9 Notices and Public Announcement

Section 1 Notices

205. The Company shall serve notices in the following manner:

- (1) by personal delivery;
- (2) by post;
- (3) by public announcement;
- (4) by other means as set out in these Articles of Association.

206. When a notice is served by way of public announcement, all of the relevant persons shall be deemed to have received such notice upon the publication of the announcement.

207. Notices for convening the general meetings shall be served by way of public announcement.

208. Notices for convening meetings of the board of directors of the Company shall be sent in writing by personal delivery, post or facsimile.

209. Notices for convening meetings of the board of supervisors of the Company shall be sent in writing by personal delivery, post or facsimile.

210. When the notice is served by way of personal delivery, the recipients shall sign and chop on the receipt slip to acknowledge its receipt and the day of acknowledgement shall be the date of receipt. When the notice is served by post, the date of receipt shall be the fifth working day after delivering the notice to the post office. When the notice is served by way of public announcement, the first day of publication shall be regarded as the date of receipt.

211. Accidental omission to serve a notice or non-receipt of a notice by a person entitled to receive such notice shall not invalidate the relevant meeting or the resolutions adopted at that meeting.

Section 2 Public Announcement

212. The Company shall publish any public announcements and any other information to be disclosed in the China Securities Journal, Shanghai Securities News and/or Securities Times.

Chapter 10 Merger, Division, Capital Increase, Capital Decrease, Dissolution and Liquidation

Section 1 Merger, Division, Capital Increase and Capital Decrease

213. A merger may take the form of merger by absorption or a merger by establishment of a new company.

Merger by absorption means that a company absorbs other companies and the absorbed companies go into dissolution. Merger by establishment of a new company means that two or more companies merge to establish a new company and the original companies go into dissolution.

214. The merger or division of the Company shall be undertaken by the steps detailed below:
- (1) the board of directors shall draft a proposal for the merger or division of the Company;
 - (2) the shareholders shall pass a resolution approving the proposal at the general meeting in accordance with these Articles of Association;
 - (3) the agreements effecting the merger or division of the Company shall be entered into by all parties involved;
 - (4) the relevant approval procedures should be undergone according to law;
 - (5) creditors' rights and debts of the parties shall be managed; and
 - (6) alterations to or cancellation of the Company's registration shall be effected.
215. In the event of a merger of the Company, the parties involved in the merger shall enter into a merger agreement and prepare a balance sheet and a list of assets. The Company shall notify its creditors within ten (10) days from the date of a resolution approving the merger and shall make an announcement within thirty (30) days thereof on the China Securities Journal, Shanghai Securities News and/or Securities Times. Any creditor may request the Company to pay off indebtedness or provide appropriate guarantee within thirty (30) days of receipt of notice; in the case of no receipt of notice, within forty-five (45) days from the date of public announcement.
216. In the case of a merger or division of the Company, the board of directors of the Company shall take necessary measures to protect legitimate interests of shareholders opposing the merger or division of the Company.
217. After the completion of the merger, the creditor's rights and the debts of the parties involved in the merger shall be assumed by the company survived the merger or the new company established after the merger.
218. If the Company is divided, its assets shall be divided accordingly.
- In the event of a division of the Company, a balance sheet and a list of assets shall be prepared. The Company shall notify its creditors within ten (10) days of the resolution approving the division being passed and shall make an announcement within thirty (30) days thereof in the China Securities Journal, Shanghai Securities News and/or Securities Times.
219. Companies existing after the Company is divided shall undertake joint and several liability for debts of the Company that were incurred before the Company was divided unless otherwise provided by such written agreements as the Company enters into with its creditors in respect of payment of debts before the Company divides.
220. The Company shall prepare a balance sheet and a list of assets when it needs to decrease the registered capital.
- The Company shall notify its creditors within ten (10) days of the resolution approving such decrease being passed and shall make an announcement within thirty (30) days thereof in the China Securities Journal, Shanghai Securities News and/or Securities Times. Any creditor may request the Company to pay off indebtedness or provide appropriate guarantee within thirty (30) days of receipt of notice; in the case of no receipt of notice, within forty-five (45) days from the date of public announcement.
- The registered capital of the Company after decrease shall not be less than the statutory minimum limit.

221. In the event of a merger or division of the Company, alterations to the registration shall be made at the company registration authorities. In the event of a dissolution of the Company, the registration shall be cancelled. In the event that a new company is set up, the registration of incorporation thereof shall be made.

If the Company increases or decreases the registered capital, alternations to the registration shall be made at the company registration authorities.

Section 2 Dissolution and Liquidation

222. The Company shall dissolve upon occurrence of any one of the following events:

- (1) such a term of operation as set out in these Articles of Association expires or there occurs any other dissolution event as set out in these Articles of Association;
- (2) a resolution is passed to dissolve the Company at the general meeting;
- (3) a dissolution of the Company is required due to merger or division of the Company;
- (4) the business licence of the Company is revoked according to law; the closure of the Company is made according to law; the Company is revoked according to law; or
- (5) where the operation of the Company is in serious difficulties, if the continuous operation may cause material losses to the shareholders and such difficulties may not be settled in other manners, shareholders holding ten (10%) or more of all the voting rights of the Company may resort to the People's court to demand the dissolution of the Company.

223. If any circumstance as set out in article 222 (1) of these Articles of Association occurs to the Company, these Articles of Association may be amended to cause the Company to continue to exist.

Any amendments made to these Articles of Association under the preceding sentence shall be adopted by shareholders holding two thirds or more of voting rights present at the general meeting.

224. If the Company is dissolved in accordance with article 222 (1), (2), (4) or (5), the liquidation committee shall be established within fifteen (15) days from the occurrence of the dissolution event.

The liquidation committee shall consist of directors or persons designated by the general meeting.

If the liquidation committee fails to be established within the above period, the creditors may request the People's court to designate relevant persons to form the liquidation committee.

225. Upon establishment of a liquidation committee, the board of directors and the general manager shall cease the exercise of their duties immediately. During the period of liquidation, the Company shall not carry out any new operation activities.

226. During the liquidation period, the liquidation committee shall exercise the following duties and powers:

- (1) to investigate the Company's assets, prepare a balance sheet and a list of the Company's assets;
- (2) to give notice or make announcements to creditors;
- (3) to deal with the uncompleted business of the Company in connection with liquidation;
- (4) to effect payment of all overdue taxes and other taxes arising from the liquidation;

- (5) to settle the Company's debts;
 - (6) to deal with the remaining assets after settlement of the Company's debts; and
 - (7) to represent the Company in any civil proceedings.
227. The liquidation committee shall notify the creditors within ten (10) days of its establishment and announce the same within sixty (60) days in the China Securities Journal, Shanghai Securities News and/or Securities Times.

The creditors who receive the liquidation committee's notice shall, within thirty (30) days from the date of receipt of such notice, make a claim against the Company. The creditors who do not receive the notice shall, within forty-five (45) days as from the date of the first announcement, make a claim against the Company.

When creditors make such claims, they shall describe the relevant matters in respect of their claims and provide evidence thereof. The liquidation committee shall register all of the creditors' claims.

During the period of claims being made, the liquidation committee shall not pay off debts to the creditors.

228. After the assets of the Company have been disposed of and the balance sheet and list of assets have been completed, the liquidation committee shall prepare a liquidation plan and submit the same for approval at the general meeting or to the People's court for confirmation.
229. The Company's assets shall be distributed to pay in accordance with the following priorities:
- (1) liquidation expenses;
 - (2) wages due to staff, labour insurance expenses and statutory compensation;
 - (3) taxes due;
 - (4) the Company's indebtedness;
 - (5) to the shareholders in proportion to shares they hold.

During the liquidation, the Company exists and shall not conduct any operation activity not relevant to liquidation. The assets of the Company shall not be distributed to the shareholders until they are applied to pay off in accordance with paragraphs (1) to (4).

230. If the liquidation committee, after the disposal of the assets of the Company and preparation of the balance sheet and list of assets, discovers that the assets of the Company are insufficient to settle its debts, it shall forthwith make an application to the People's court for a declaration of insolvency. After the declaration of insolvency by the People's court, the liquidation committee shall hand over the liquidation matters to the People's court.
231. After the liquidation has been completed, the liquidation committee shall prepare a liquidation report, and a receipt and disbursement statement and financial books covering the liquidation period and submit the same for approval at the general meeting or to the People's court for confirmation.

Within thirty (30) days from the date when the general meeting or the People's court confirms the liquidation report, the liquidation committee shall lawfully apply to the company registration authority for cancellation of the Company's registration and shall also announce the termination of the Company.

232. Members of a liquidation committee shall be devoted to their duties and perform liquidation duties according to law. Members of a liquidation committee shall not be permitted to use their power to accept bribes or other illicit gains and shall not be permitted to seize the company's property.

Members of the liquidation committee shall bear liability to compensate for losses incurred during the liquidation of the company or to creditors as a result of deliberate acts or gross negligence.

233. If the Company is declared bankrupt in law, the liquidation shall be implemented in accordance with the laws relevant to bankruptcy of enterprises.

Chapter 11 Amendment to Articles of Association

234. If any of the following circumstances occurs, these Articles of Association shall be amended:

- (1) The Company Law or relevant laws and administrative regulations are amended and the provisions of these Article of Association are in contradiction with such the amended laws and regulations;
- (2) the Company's situation changes and is inconsistent with what has been formulated by these Articles of Association; or
- (3) the general meeting approves such amendments to these Articles of Association.

235. Amendments to these Articles of Association approved by resolutions passed at a general meeting shall be submitted for the approval of the original competent authorities. If so required. If the amendments involve the registered items of the Company, the Company shall apply for registration of the changes according to law.

236. The board of directors shall amend these Articles or Association in accordance with the resolution passed at a general meeting and the opinion of relevant competent authorities upon examination and approval.

237. Any amendment to these Articles of Association that constitutes information to be disclosed in accordance with relevant laws and regulations shall be disclosed accordingly.

Chapter 12 Supplementary Provisions

238. Definitions

- (1) "Controlling Shareholder" means any shareholder holding fifty (50%) or more of the total share capital of the Company or any shareholder holding less than fifty (50%) of the total share capital but having voting rights sufficient to impose material effect on resolutions of the general meeting.
- (2) "Actual Controller" means any person who is not a shareholder of the Company, but is able to control the activities of the Company by way of investment, agreement or other arrangements.
- (3) "Connected Relationship" means the relationship between the controlling shareholder, the actual controller, any director, supervisor, or senior management of the Company and any enterprise the aforementioned person directly or indirectly controls, as well as other relationships which may cause the transfer of interests of the Company. However, mere common state control to a connected relationship among state-controlled enterprises is not sufficient to form a connected relationship.

239. The board of directors may formulate detailed rules of these Articles of Association in accordance with these Articles of Association. These detailed rules shall not be contradictory to the requirement of these Articles of Association.
240. These Articles of Association are written in Chinese. Whenever differences in meaning arises between different language versions of these Articles of Association, the Chinese version which is most recently approved and registered at the Administration for Industry and Commerce, shall prevail.
241. Any description of a unit or amount using the propositions “no less than”, “within” or “no more than” shall include the unit/amount itself; any description of a unit or amount with the prepositions “less than”, “beyond” shall not include the unit/amount itself.
242. The board of directors of the Company shall be responsible for the interpretation of these Articles of Association.
243. The appendices of these Articles of Association shall include the procedural rules of the general meeting, the procedural rules of meetings of the board of directors and the procedural rules of meetings of the board of supervisors of the Company.

Shanghai Electric Power Company Limited

29 June 2016

Computerised Information Retrieval

Registered matters	Details
Company name	Shanghai Electric Power Company Limited
Registration number	310000400195188
Uniform social credit code	913100006311887755
Address	No.268 South Zhong Shan Road, Huangpu District, Shanghai
Legal representative	WANG Yundan
Registered capital	RMB 2,139,739,257
Company type	Joint stock limited company (a joint venture between domestic investors and other investors from Taiwan, Hong Kong and Macau, and a listed company)
Scope of business	Development, construction, operation and management of electric power; organization of the production of electric power and heating power and sale of own products; skill training for electricity personnel within electricity enterprises; energy management contracting; general contracting of electricity engineering construction projects; general contracting of electromechanical installation construction projects (business operation pending the obtaining of relevant construction industry qualification); bid invitation/bidding agency; development and application of new energy and renewable energy projects; coal distribution; scientific and technical development and consulting services for electric power and related businesses; technical development and technical consulting services for integrated gasification combined cycle power generation projects; management of own properties; import/export of products including but not limited to equipment, apparatus, testing instruments and spare parts and export of own technologies relevant to electric power and energy performance contracting (except for products and technologies which a company is restricted by the state from dealing in or the import/export of which is prohibited by the state); contracting of offshore projects and onshore international bidding projects; offshore dispatching of labour forces required for offshore engineering and offshore power station operation management and maintenance; warehousing. [If any project is subject to any government approval, business activities may not be carried out until such government approval is obtained.]
Term of operation	Starting from 4 June 1998, and indefinite
Competent authority	Shanghai Administration of Industry and Commerce
Date of establishment	4 June 1998
Status of company	Existing
Results of annual review	The results of the annual review for 2012 are normal.
Registration authority	Shanghai Administration of Industry and Commerce

Information on promoters

Names of promoters
East China Power Group Corporation
Shanghai Municipal Electric Power Company

This is to certify it is a true copy.
9 September 2016
Archive of Shanghai Administration for Industry and Commerce

[Print]

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Registered matters	Details
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