



1 Strategic Development Committee of the board of directors (the “”) of Shanghai Dazhong Public Utilities (Group) Co., Ltd.* (the “”) is formulated under the provisions of Company Law of the People’s Republic of China, the Code of Corporate Governance for Listed Companies, the Articles of Association of Shanghai Dazhong Public Utilities (Group) Co., Ltd. (hereinafter referred to as the “Articles of Association”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Listing Rules”), as well as the provisions of other relevant laws, administrative regulations, departmental rules and regulatory documents to cater for the Company’s strategic development needs, enhance the Company’s core competitiveness, determine the Company’s development plan, improve the investment decision-making process, strengthen scientific decision-making and improve the effectiveness and quality of major investment decision-making, and the Company also developed this Rules of Procedures of the Strategic Development Committee.

2 The Strategic Development Committee is a specialized working body established by the Board, and is mainly responsible for studying and making recommendations on the Company’s long-term development strategy and plan.

3 The Strategic Development Committee shall consist of three directors.

4 The members of the Strategic Development Committee shall be nominated by the chairman of the Board, a majority of the independent non-executive directors or one-third of all directors, and shall be elected by the Board.

5 The Strategic Development Committee shall have a chairman, who shall be the chairman of the Board and be responsible for convening the meeting and presiding over the work of the Strategic Development Committee.

* For identification purpose only

✓ 6 The term of office of the member under the Strategic Development Committee shall be the same as that of the Board, and a member shall be eligible for re-election upon expiration of his term of office. In the event that a member of the Committee ceases to act as a director of the Company, his membership under the Strategic Development Committee shall lapse automatically, and the vacancy shall be filled in accordance with the provisions of Articles 3 to 5 above.

✓ 7 Where the number of members is less than the required number of members of the Strategic Development Committee due to the resignation or removal of members or other reasons, the Board shall fill the vacancies in a timely manner. Before such, the Strategic Development Committee shall temporarily stop exercising the duties specified in the rules of procedures, and the Board shall exercise such functions and power thereafter.

✓ ~~The Strategic Development Committee shall be filled by the Board of the Company, and the Board shall fill the vacancies in a timely manner.~~

(II) The investment and development department of the Company shall review the investment projects, issue a written opinion and submit a formal proposal to the Committee.

✓ 12 The relevant proposals mentioned in Article 9 shall be submitted to the Strategic Development Committee for consideration before being submitted to the Board of Directors for consideration. The meeting shall be held by the Strategic Development Committee on the basis of proposals from the Company's functional departments for discussion. Results of the review shall be submitted to the Board and shall be fed back to the Company's management.

✓ 13 Strategic Development Committee shall convene and hold such meetings at least once a year and notify all members seven days prior to the meeting, The meeting shall be convened and presided over by the chairman, and if the Chairman is unable to attend the meeting, he or she shall authorise another member to convene and preside over the meeting. An extraordinary meeting of the Strategic Development Committee can be convened if proposed by the chairman of the Strategic Development Committee or the majority of the members of the Committee of the Company.

✓ 14 Meetings of the Strategic Development Committee shall only be held when more than two-thirds of the members are present; each member shall have one vote; voting at the meeting shall be by ballot. Decisions made in the meetings shall be subject to the approval by the majority of all members.

✓ 15 Members of the Strategic Development Committee shall attend the meeting in person. If a member is unable to attend the meeting for some reason, he or she may entrust another member to attend the meeting in writing. The power of attorney shall specify the scope of authorization.

✓ 16 Members of the Strategic Development Committee who failed to attend meetings in person or entrust other members to attend meetings for two consecutive times shall be deemed to have failed to properly perform their powers, and the Board may dismiss their duties as members.

✓ 17 Strategic Development Committee meetings may be held in the form of on-site meeting or off-site meeting by way of communication. In the case of communication voting, members shall sign the resolution of the meeting and indicate their agreement, disagreement or abstention; those who only sign but do not indicate their agreement, disagreement or abstention are deemed to attend the meeting and agree to the resolution of the meeting.

✓ 1.8 The responsible person of the investment and development department of the Company may attend Strategic Development Committee meetings and invite other relevant departments and persons of the Company to attend such meetings if necessary. But persons who are not members of the Strategic Development Committee shall not have voting rights on the proposals.

✓ 1. The Strategic Development Committee may engage an intermediary institution to provide professional advice for its decision if necessary. Relevant fees shall be paid by the Company.

✓ 20 The procedures for convening of a Strategic Development Committee meeting, its voting methods and the proposals to be passed at such meeting shall comply with the provisions of relevant laws, regulations, the Articles of Association and the Rules of Procedures.

✓ 21 Minutes shall be kept for the meetings of Strategic Development Committee, and the members who attend such meeting shall sign on relevant minutes; the office of the secretary of the Board of the Company shall be responsible for keeping the minutes.

✓ 22 Any resolution passed at a Strategic Development Committee meeting and the voting results shall be reported to the Board of the Company in written.

✓ 23 Members attending such meeting are obliged to keep all matters discussed at such meeting confidential, and shall not disclose any relevant information without authorization.



✓ 24 Any matters not covered by these Rules shall be implemented in accordance with relevant laws and regulations of the State, the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and other regulatory documents and the Articles of Association. In case of any conflict between these rules and the above regulations, the above regulations shall prevail, and the Rules of Procedures shall be amended immediately and reported to the Board for consideration.

✓ 25 These Rules shall be amended and interpreted by the Board .

✓ 26 These Rules shall come into force on the date of consideration and approval by the Board.